

CORPORATE GOVERNANCE

***** Corporate Governance is not applicable to the company as its paid up-equity capital and net worth does not exceed Rs. 10 crores and Rs. 25 crores respectively. However, the company voluntarily complies with Corporate Governance as a good governance measure to keep the stakeholders informed about the company.***

In accordance with Regulation 34 (3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report containing the details of Corporate Governance systems and processes at Spisys Limited as follows:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company's philosophy on Corporate Governance is backed by Principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

2. BOARD DIVERSITY:

The Company recognizes and embraces the importance of a diverse board in its success. We believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us, retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website, [//spisyslimited.com](http://spisyslimited.com).

3. BOARD EVALUATION:

SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates that the Board shall monitor and review the Board evaluation framework. The framework includes the evaluation of directors on various parameters such as:

- Board dynamics and relationships
- Information flows

- Decision-making
- Relationship with stakeholders
- Company performance and strategy
- Tracking Board and committees' effectiveness
- Peer evaluation

The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. The evaluation process has been explained in the corporate governance report. The Board approved the evaluation results as collated by the nomination and remuneration committee.

4. FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS:

All new independent directors inducted into the Board attend an orientation program. The details of training and familiarization program are provided in the corporate governance report. Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities.

5. LISTING AGREEMENT:

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with an aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital markets to ensure better enforceability. The said regulations were effective from December 1, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. The Company entered into fresh Listing Agreement with BSE Limited and MSEI Limited.

6. CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING:

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on website //spisyslimited.com

7. BOARD OF DIRECTORS

A. COMPOSITION OF THE BOARD:

The Company is managed and controlled through a professional body of Board of Directors which is headed by Mr. J. Sobhanadri, Managing Director. As on 31st March 2016, the Board of the Company has 6 members (including 1 Managing Director, 1 Whole-Time Director, 1 Non-Independent Non-Executive Director and 3 Independent Directors). None of the Directors on the Board is a Member of more than 10 committees or Chairman of more than 5 companies across all the Companies in which he is a Director.

The Board has been enriched with the advices and knowledge of the Independent Directors. None of the Independent Directors has any pecuniary or business relationship except receiving sitting fees. The composition of the Board of Directors as on 31.03.2016 and details of number of Directorships/committee chairmanships/memberships attendance particulars is as under:

B. ATTENDANCE OF EACH DIRECTOR AT BOARD MEETING HELD DURING THE YEAR AND LAST ANNUAL GENERAL MEETING AND NUMBER OF OTHER BOARD OF DIRECTORS IN WHICH A DIRECTOR IS A MEMBER OR CHAIRPERSON.

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Name of Director	Category of Directorship	Number of Directorships in other Companies	Number of Board Committee memberships held in other Companies		Attendance Particulars		
			Member	Chairman	Last AGM 31.12.2015	Board meetings '15-16'	
						held	Attended
Mr. J. Sobhanadri	Managing Director	2	–	–	Yes	6	6
Mrs. J. Sailaja	Whole-Time Director	4	–	–	Yes	6	6
Mr. J. Vamsi Raghavendra Prasad	Non-Executive Director and Non-Independent Director	–	–	–	Yes	6	0
Mr. Adiraju Rajendra Prasad	Non Executive & and Independent Director	6	–	–	Yes	2	2
Mr. Rajeswara Adusumalli Rao	Non Executive & and Independent Director	–	–	–	Yes	6	6
Mr. Anil Kumar Ramavatar	Non Executive & and Independent Director	–	–	–	Yes	2	2

C. MEETINGS DURING THE YEAR:

The Board of Directors duly met 6 (Six) times on 18.05.2015, 27.05.2015, 14.08.2015, 10.11.2015, 30.11.2015 and 30.01.2016 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

D. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE

Mr. J. Sobhanadri, Managing Director and Mrs.J. Sailaja, Whole-Time

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Director & CFO of the Company are inter-se related as Husband and Wife respectively. Mr. J. Vamsi Raghavendra Prasad is the son of Mr. J. Sobhanadri and Mrs.J. Sailaja.

E. NUMBER OF SHARES AND CONVERTIBLE INSTRUMENTS HELD BY NON-EXECUTIVE DIRECTORS:

None of the Non-Executive Directors of the company holds any shares and Convertible Instruments in their name.

8. AUDIT COMMITTEE:

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

- Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Discussion with external auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing on:
 - a. Any changes in accounting policies and practices;
 - b. Qualification in draft audit report;
 - c. Significant adjustments arising out of audit;
 - d. The going concern concept;
 - e. Compliance with accounting standards;
 - f. Compliance with stock exchange and legal requirements concerning financial statements and
 - g. Any related party transactions
- Reviewing the company's financial and risk management's policies.
- Disclosure of contingent liabilities.
- Reviewing with management, external and internal auditors, the adequacy of internal control systems.

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- Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- Reviewing compliances as regards the Company's Whistle Blower Policy.

B. COMPOSITION, MEETINGS & ATTENDANCE:

There were four (4) Audit Committee Meetings held during the year on 30.05.2015, 14.08.2015, 10.11.2015 and 30.01.2016.

Name	Designation	Category	No. of meetings held	No. of meeting attended
Mr. Anil Kumar Ramavatar	Chairman	NED (I)	1	1
Mr. A. Rajendra Prasad	Member	NED (I)	1	1
Mr. Rajeswara Adusumalli Rao	Member	NED (I)	1	1

NED (I) : Non Executive Independent Director

9. NOMINATION AND REMUNERATION COMMITTEE:

The Committee comprises of three non-executive independent Directors

A. BRIEF DESCRIPTION OF TERMS OF REFERENCE:

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
 - a. to take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.

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- b. to bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.

B. COMPOSITION OF THE COMMITTEE, MEETINGS AND ATTENDANCE DURING THE YEAR:

Name	Designation	Category	No. of meetings held	No. of meeting attended
Mr. Anil Kumar Ramavatar	Chairman	NED(I)	1	1
Mr. A. Rajendra Prasad	Member	NED(I)	1	1
Mr. Rajeswara Adusumalli Rao	Member	NED(I)	1	1

NED (I) : Non Executive Independent Director

C. PERFORMANCE EVALUATION CRITERIA FOR INDEPENDENT DIRECTORS:

The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE:

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in

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case of their appointment as independent Directors of the Company.

2. **Terms and References:**

- 2.1 “**Director**” means a director appointed to the Board of a Company.
- 2.2 “**Nomination and Remuneration Committee**” means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013, clause 49 of the Equity Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 2.3 “**Independent Director**” means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013, Clause 49(II)(B) of the Equity Listing Agreement and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

3. **Policy:**

Qualifications and criteria

- 3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.
- 3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:
- General understanding of the company's business dynamics, global business and social perspective;
 - Educational and professional background
 - Standing in the profession;
 - Personal and professional ethics, integrity and values;
 - Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- 3.1.3 The proposed appointee shall also fulfill the following requirements:
- shall possess a Director Identification Number;
 - shall possess a Director Identification Number;
 - shall not be disqualified under the companies Act, 2013;
 - shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
 - shall abide by the code of Conduct established by the company for

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Directors and senior Management personnel;

- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as any be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.2 Criteria of independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with the guidelines as laid down in Companies Act, 2013, Clause 49 of the Equity Listing Agreement and Regulation 16 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

An independent director in relation to a company, means a director other than a managing director or a whole-time director or a nominee director-

- a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
- b. (i) who is or was not a promoters of the company or its holding, subsidiary or associate company;
(ii) who is not related to promoters or directors of the company its holding, subsidiary or associate company
- c. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or director, during the two immediately preceding financial year or during

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- the current financial year;
- d. none of whose relative has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial year or during the current finance year;
- e. who, neither himself nor any of his relative-
- (i) Holds or has held the position of a key managerial personnel or is or has been employee of the or associate company in any of the three finance years immediately preceding the finance year in which he is proposed to be appointed;
 - (ii) Is or has been an employee or proprietor or a partner, in any of the three finance year immediately preceding the financial year in which he is proposed to be appointed of-
- (A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
- (B) any legal or a consulting firm that has or had any transaction with the company, its holding subsidiary or associate company amounting to ten per cent or more of the gross turnover of more of the gross turnover of such firm;
- (i) holds together with his relatives two per cent or more of the total voting power of the company; or
 - (ii) is a chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipt from the company any of its promoters , directors or its holding subsidiary or associate company or that holds two per cent or more of the total voting power of the company; or
 - (iii) is a material supplier, service provider or customer or a lesser or lessee of the company.
- f. Shall possess appropriate skills experience and knowledge in one or more field of finance, law management, sales, marketing administration, research, corporate governance, technical operations, corporate social responsibility or this disciplines related to

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the company's business.

g. Shall possess such other qualifications as may be prescribed from time to time, under the Companies Act, 2013.

h. who is not less than 21 years of age

3.2.3 The independent Director shall abide by the “code for independent Directors “as specified in Schedule IV to the companies Act, 2013.

3.3 other directorships/ committee memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as director of the company. The NR Committee shall take into account the nature of, and the time involved in a director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.3.4 A Director shall not be a member in more than 10 committee or act as chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the companies Act, 2013 shall be excluded.

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10. STAKEHOLDER'S RELATIONSHIP COMMITTEE:

A) COMPOSITION:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. Rajeswara Adusumalli Rao	Chairperson	NED(I)
Mr. A. Rajendra Prasad	Member	NED(I)
Mr. Anil Kumar Ramavatar	Member	NED(I)

NED (I) : Non Executive Independent Director

B. NAME AND DESIGNATION OF COMPLIANCE OFFICER

Mr. J. Sobhanadri, Managing Director of the company is the compliance officer of the Company.

C. DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2015-16

INVESTOR COMPLAINTS	
Particulars	Year ended 31.03.2016
Pending at the beginning of the year	NIL
Received during the year	NIL
Disposed of during the year	NIL
Remaining unresolved at the end of the year	NIL

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11. REMUNERATION OF DIRECTORS:

- A. PECUNIARY RELATIONSHIP OR TRANSACTIONS OF THE NON-EXECUTIVE DIRECTORS VIS-À-VIS THE LISTED COMPANY:** The Non- Executive Directors have no pecuniary relationship or transactions.
- B. CRITERIA FOR MAKING PAYMENTS TO NON-EXECUTIVE DIRECTORS:** As per the remuneration policy of the company.
- C. REMUNERATION TO DIRECTORS PAID DURING THE FINANCIAL YEAR 2015-16 AND OTHER DISCLOSURES:**

Name of the Director	Salary(Rs)	Sitting fees(Rs)	Number of shares held	Service Contracts	Stock Option Details	Fixed Component	Performance Based Incentive
Mr. J. Sobhanadri	-	-	2879300	-	-	-	-
Mrs. J. Sailaja	-	-	-	-	-	-	-
Mr. J. Vamsi Raghavendra Prasad	-	-	-	-	-	-	-
Mr. Adiraju Rajendra Prasad	-	-	180000	-	-	-	-
Mr. Rajeswara Adusumalli Rao	-	-	-	-	-	-	-
Mr. Anil Kumar Ramavatar	-	-	-	-	-	-	-

D. INDEPENDENT DIRECTORS' MEETING:

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 14.03.2016 and discussed the following:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company regularly familiarizes Independent Directors with the Company, their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company etc.

12. FORMAL ANNUAL EVALUATION:

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made thereunder, the independent directors of the company had a meeting on 14/03/2016 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company.
- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting also reviewed and evaluated the performance of Non-Independent Directors. The Company has 3 Non-Independent Directors. The meeting recognized the significant contribution made by the managing director and whole-time director in directing the Company towards the success path.

The meeting also reviewed and evaluated the performance of the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

13. REMUNERATION POLICY:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities should and individual performance.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

- 1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

- 2.1 **“Director”** means a director appointed to the Board of the company.
- 2.2 **“key managerial personnel”** means
- (i) The Chief Executive Officer or the managing director or the manager;
 - (ii) The Company Secretary;
 - (iii) The Whole-time Director;
 - (iv) The Chief Finance Officer; and
 - (v) Such other office as may be prescribed under the companies Act, 2013
- 2.3 **“Nomination and Remuneration committee”** means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act, 2013, clause 49 of the Equity Listing Agreement and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3. Policy:**
- 3.1 Remuneration to Executive Director and key managerial personnel
- 3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the

remuneration payable to the Executive Director of the company within the overall approved by the shareholders.

- 3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.
- 3.1.3 The remuneration structure to the Executive Director and key managerial personnel shall include the following components:
 - (i) Basic pay
 - (ii) Perquisites and Allowances
 - (iii) Stock Options
 - (iv) Commission (Applicable in case of Executive Directors)
 - (v) Retrial benefits
 - (vi) Annual performance Bonus
- 3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.
- 3.2 Remuneration to Non – Executive Directors
 - 3.2.1 The Board, on the recommendation of the NR Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per the provisions of the Companies Act.
 - 3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non-Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.
- 3.3. Remuneration to other employees
 - 3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

14. RISK MANAGEMENT COMMITTEE:

A.) COMPOSITION:

The Details of composition of the Committee are given below:

Name	Designation	Category
Mr. Anil Kumar Ramavatar	Chairperson	NED(1)
Mr. A. Rajendra Prasad	Member	NED(1)
Mr. Rajeswara Adusumalli Rao	Member	NED(1)

NED (I) : Non Executive Independent Director

B) ROLE AND RESPONSIBILITIES OF THE COMMITTEE INCLUDES THE FOLLOWING:

- Framing of Risk Management Plan and Policy
- Overseeing implementation of Risk Management Plan and Policy
- Monitoring of Risk Management Plan and Policy
- Validating the process of risk management
- Validating the procedure for Risk minimisation.
- Periodically reviewing and evaluating the Risk Management Policy and practices with respect to risk assessment and risk management processes.
- Continually obtaining reasonable assurance from management that all known and emerging risks have been identified and mitigated or managed.

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15. DETAILS ON GENERAL BODY MEETINGS:

A. LOCATION, DATE AND TIME OF LAST THREE AGMS AND SPECIAL RESOLUTIONS THERE AT AS UNDER:

Financial Year	Date	Time	Location	Special / Ordinary Resolution
2014-15	31.12.2015	10:00 am	Plot No.164 & 165, APIIC, IDA, Pasha mylaram, Medak, Telangana-502307,	<ol style="list-style-type: none">1. Appointment of Mrs. J. Sailaja as a Director of the company2. Appointment of Mrs. J. Sailaja as a Whole-Time Director of the company3. Re-Appointment of Mr. J. Sobhanadri (DIN 01997213) as Managing Director of the company4. Appointment of Mr. A. Rajendra Prasad as a Director of the company5. Appointment of Mr. Anil Kumar Ramavatar as a Director of the company6. Alteration of Articles of Association
2013-14	31.12.2014	11: 00 am	Plot No.164 & 165, APIIC, IDA, Pasha mylaram, Medak, Telangana-502307,	<ol style="list-style-type: none">1. Appointment of Mr. Rajeswara Adumusalli Rao as a Director of the company2. Appointment of Mr. D. Sarasuram as a Director of the company3. Appointment of Mr. J. Vamsi Raghavendra Prasad as a Director of the company4. Alteration of Articles of Association
2012-13	30.09.2013	11:30 am	Plot No.164 & 165, APIIC, IDA, Pasha mylaram, Medak, Telangana-502307,	Nil

B. PASSING OF RESOLUTIONS BY POSTAL BALLOT:

There were no resolutions passed by the Company through Postal Ballot during the financial year 2015-16.

16. MEANS OF COMMUNICATION:

The quarterly, half-yearly and yearly financial results will be sent to the Stock Exchanges immediately after the Board approves the same and these results will also be published in prominent daily newspapers. These financial statements, press releases are also posted on the Company's website, at //spisyslimited.com. As the financial performance of the Company is well published, individual communication of half yearly results are not sent to the shareholders.

17. GENERAL SHAREHOLDER INFORMATION:

A. ANNUAL GENERAL MEETING:

Day, Date and Time: Friday, 30th September, 2016 at 11.00 a.m

Venue: Plot No.164 & 165, APIIC, IDA, Pashamylaram, Medak, Telangana – 502307.

B) FINANCIAL YEAR AND FINANCIAL YEAR CALENDAR 2016-17 (TENTATIVE SCHEDULE)

Financial year to which the Annual General Meeting relates: 2015-16

Financial calendar: 2016-17 (tentative)

Adoption of Quarterly results for the Quarter ending

- 30th June, 2016 : 13.08.2016 (declared)
- 30th September, 2016 : on or before 14.11.2016
- 31st December, 2016 : on or before 14.02.2017
- 31st March, 2017 : on or before 30.05.2017

Annual General Meeting (Next year): August / September, 2017

C) DIVIDEND PAYMENT DATE: No Dividend was declared during the Financial Year 2015-16.

D) NAME AND ADDRESS OF EACH STOCK EXCHANGE WHERE THE COMPANIES SECURITIES ARE LISTED:

EXCHANGE: BSE LIMITED, P.J. Towers, Dalal Street, Mumbai- 400001.

MSEI Limited, Vibgyor Towers, 4th floor, Plot No C 62, G - Block, Opp. Trident Hotel, Bandra Kurla Complex, Bandra (E), Mumbai – 400 098

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E) STOCK CODE:

EXCHANGE: BSE LIMITED

CODE: 539168

MSEI LIMITED

CODE :SPISYS

F) STOCK MARKET PRICE DATA:

Month	High	Low
April'15	–	–
May'15	--	--
June'15	36.82	27.49
July'15	79.05	39.00
Aug'15	95.20	56.55
Sept'15	57.05	41.80
Oct'15	43.55	34.80
Nov'15	45.20	27.65
Dec'15	58.75	41.60
Jan'16	55.45	43.40
Feb'16	46.80	37.95
Mar'16	38.70	37.95

G) IN CASE SECURITIES ARE SUSPENDED FROM TRADING :

The securities are not suspended from trading on any of the stock exchanges.

H) REGISTRAR AND SHARE TRANSFER AGENTS:

Venture Capital & Corporate Investments Private Limited

12-10-167, Bharat Nagar, Hyderabad - 500 018

Ph.Nos: 040-23818475/23818476/23868023, Fax : 040-23868024

SPISYS LIMITED

I) **SHARE TRANSFER SYSTEM:**

The Transfer of Shares is affected by the Registrars after necessary approval of the Board/Share Transfer Committee. Transfer generally takes 1-2 weeks.

J) **DEMATERIALISATION & LIQUIDITY OF SHARES:**

Trading in Company's shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company's scrip is INE805E01016. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form.

Particulars	No. of Shares	% Share Capital
NSDL	2396653	26.48
CDSL	5283647	58.39
PHYSICAL	1369700	15.13
Total	9050000	100.00

K) **COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES: Nil**

L) **ADDRESS FOR CORRESPONDENCE:** Mr. J. Sobhanadri, Managing Director & Compliance Officer, Plot No. 164 & 165, APIIC, IDA Pashhamylaram, Medak, Telangana

M) **BOOK CLOSURE DATE:** 24th September, 2016 to 30th September, 2016 (both days inclusive)

N) **LISTING FEES:**

The equity shares of the Company are listed on BSE Ltd and MSEI Limited. The Company has paid the listing fees for the year 2015-16 to BSE Limited and MSEI Limited.

O) **ELECTRONIC CONNECTIVITY:** The Company has demat connectivity with both NSDL and CDSL. The ISIN is INE805E01016.

SPISYS LIMITED

P) SHAREHOLDING PATTERN AS ON 31ST MARCH, 2016:

S. No	Category	No. of shares held	Percentage of shareholding
A	Shareholding of Promoter and Promoter group	-	-
1.	Indian	-	-
	Individual	2879300	31.82
2.	Foreign		-
	Individual		-
	Sub-Total A	2879300	31.82
B	Public Shareholding		-
1.	Institutions	-	-
2.	Non Institutions	6170700	68.18
	Sub Total B	6170700	68.18
	Grand Total (A+B)	9050000	100.00

18. OTHER DISCLOSURES

A. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTIONS:

During the year under review, the Company had not entered in to any materially significant transaction with any related party. During the year, the Company had not entered into any other contract /arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm's length basis.

B. COMPLIANCES:

There are no penalties imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to capital markets, during the last three years.

C. WHISTLE BLOWER POLICY:

The Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee.

D. COMPLIANCE WITH THE MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

All mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been appropriately complied with and the status of non-mandatory requirements is given below:

- i. As there is no chairman in the Company the provisions for Non-Executive Chairman are not applicable. All other requirements of the Board during the year have been complied with.
- ii. The financial Statements are free from any Audit Qualifications.

E. WEB-LINK WHERE POLICY FOR DETERMINING 'MATERIAL' SUBSIDIARIES IS DISCLOSED.

The Company has no subsidiary.

F. DISCLOSURE OF ACCOUNTING TREATMENT:

The Company has complied with the appropriate accounting policies and has ensured that they have been applied consistently. There have been no deviations from the treatment prescribed in the Accounting Standards notified under Section 129 of the Companies Act, 2013.