

## Format of Quarterly Compliance Report on Corporate Governance

Name of the Company: **FCS Software Solutions Limited.**

Quarter ending on: **31<sup>st</sup> March 2007.**

Particulars	Clause of Listing agreement	Compliance Status Yes/No	Remarks
<b>I. Board of Directors</b>	49(I)		
(A) Composition of Board	49 (IA)	Yes	The Company's Board consists Six Directors on the Board, out of which, three Directors are Non-Executive Independent Director.
(B) Non-executive Directors' compensation & disclosures	49 (IB)	Yes	Only sitting fee is being paid to the Independent Directors. The required disclosures shall be made in the Annual Report.
(C) Other provisions as to Board and Committees	49 (IC)	Yes	
(D) Code of Conduct	49 (ID)	Yes	Details will be furnished in the Annual Report.
<b>II. Audit Committee</b>	49 (II)		
(A) Qualified & Independent Audit Committee	49 (IIA)	Yes	The Company has re-constituted the Audit Committee vide their Board Meeting held on 28/07/06. The Committee consists all Independent Non-Executive (INE) Directors. The Chairman of the Committee is also an Independent Non-Executive Director.
(B) Meeting of Audit Committee	49 (IIB)	Yes	
(C) Powers of Audit Committee	49 (IIC)	Yes	
(D) Role of Audit Committee	49 II(D)	Yes	
(E) Review of Information by Audit Committee	49 (IIE)	Yes	

**confidential** - Proprietary information. Do not copy or distribute without permission.

A-86, Sector 57, Noida-201301, India | US Toll Free : (866) 388-3432 | Fax : 928-222-1377



www.fcsltd.com

<b>III. Subsidiary Companies</b>	49 (III)	N A	
<b>IV. Disclosures</b>	49 (IV)		
(A) Basis of related party transactions	49 (IV A)	YES	Details will be furnished in the Annual Report.
(B) Disclosure of Accounting Treatment	49 (IV B)	YES	Details will be furnished in the Annual Report.
(C) Board Disclosures	49 (IV C)	Yes	
(D) Proceeds from public issues, rights issues, preferential issues etc.	49 (IV D)	Yes	
(E) Remuneration of Directors	49 (IV E)	Yes	The Company has reconstituted the Remuneration Committee vide their Board Meeting held on July 28,2007 , The Committee consists all Independent Non-Executive (INE) Directors. The Chairman of the Committee is also an Independent Non-Executive Director. The Company is following the policy to approve all monetary benefit available to a Director by the Remuneration Committee. All required disclosures shall be made in the Annual Report in this regard.
(F) Management	49 (IV F)	Yes	Details will be furnished in the Annual Report.
(G) Shareholders	49 (IV G)	Yes	
<b>V. CEO/CFO Certification</b>	49 (V)	Yes	Will be complied in the Annual report.
<b>VI. Report on Corporate Governance</b>	49 (VI)	Yes	Will be complied in the Annual Report.
<b>VII. Compliance</b>	49 (VII)	Yes	Will be complied in the Annual Report.