



CORPORATE GOVERNANCE

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Kiran Syntex Limited aims at ensuring high ethical standards in all areas of its business operations to enhance its stake holder's value

In accordance with Clause 49 of the Listing agreement with the Stock Exchanges, the details of governance including compliances by Kiran Syntex Limited with the provisions of Clause 49 are as under:

1. BOARD OF DIRECTORS:

As on 31.03.2014, The Company's Board consisted of two Promoter, Non Independent Directors and two non-executive, independent directors, who have rich experience in their fields.

The Board of the Company met 5 times during the last financial year on the following dates: — 30.04.2013, 28.05.2013, 31.07.2013, 31.10.2013 and 31.03.2014

Code of conduct:

The Company has already implemented a Code of Conduct for all Board Members and Senior Managements of the company in compliance with Clause 49 (1) of the Listing Agreement. But, since the operations of the Company were not much, the application of the code of conduct was limited to that extent

The constitution of the Board as on 31.03.2014 and the attendance of the Directors are given below:

Name of the Director	Category of the Director	No. of other Directorship (*)	No. of Board meetings Attended	Attendance at Last AGM
Mahesh M Godiwala Chairman and Managing Director	Promoter Executive	Nil	5	Yes
Jigar M Godiwala Whole Time Director	Promoter Executive	Nil	5	Yes
Dhirajbhai G Patel Director	Independent Non Executive	Nil	5	Yes
Manoj D Patel Director	Independent Non Executive	Nil	5	Yes

- Excludes Directorship in Indian Private Limited Companies, Foreign Companies, Companies u/s 25 of the Companies act, 1956
- The Director(s) are neither Chairman nor members of any other committee(s) other than Audit committee, grievance committee, remuneration committee of Kiran Syntex Limited as mentioned in this report.
- No Leave of absence was required to be given to directors since all directors have attended all meetings.

Notice of Board meeting is circulated / sent to the members of the Board in advance. The Board discusses / deliberates and decides on all the topics / matters including those suggested in the Listing Agreement, as and when the requirement arises.

Risk Mitigation Plan: The Company has already adopted a risk mitigation plan, suitable to the Company. During the year there were no activities that required the assessment of risk.

2. AUDIT COMMITTEE:

The total strength of the Audit Committee is three. The said committee was constituted to exercise powers and discharge functions as stipulated in Clause 49 of the Listing Agreement, and other relevant statutory and regulatory provisions. The Chairman of the audit committee is an independent/non executive director, and of the other two members one is executive director and the other is non-executive / independent director.

During the relevant financial year, five Audit Committee Meetings were held on 30.04.2013, 28.05.2013, 31.07.2013, 31.10.2013, 31.03.2014.



The constitution of the Audit Committee as on 31.03.2014 and the attendance of each member of the Committee is given below

Name of the Member	Category	No. of Meetings	Attendance (No)
Dhirajbhai G Patel, Chairman	Independent Non Executive	5	5
Manoj D Patel, Member	Independent Non Executive	5	5
Jigar M Godiwala, Member	Promoter Executive	5	5

3. SHARE HOLDERS GRIEVANCE/ SHARE TRANSFER COMMITTEE:

Share Holder's Grievance Committee

Share Holders Grievance Committee consists of two independent Directors who have met on 30.04.2013, 28.05.2013, 31.07.2013, 31.10.2013, 31.01.2014 and 31.03.2014 . As on 31.03.2014, Company was redressed all the complaints/ grievances within one month of the receipt of such grievances. But action is taken to make sure all the grievances are redressed.

The data for the year is as follows:

No of Complaints received from share holders/ Exchange during the year : Nil

unresolved complaints (including pertaining to the previous year(s)) : Nil

The constitution of the Committee as on today is as under:

Name of the Member	Category	No. of Meetings	Attendance
Dhirajbhai G Patel, Chairman	Independent Non Executive	5	5
Manoj D Patel, Member	Independent Non Executive	5	5

At present, Maheshbhai Godiwala, Chairman and Managing Director is the Compliance officer of the Company.

Share Transfer Committee

The same members of Share Holders Grievance Committee are the members of this committee also. The Committee has met five times on 30.04.2013, 28.05.2013, 31.07.2013, 31.10.2013, 31.03.2014

4. REMUNERATION COMMITTEE

The remuneration of executive directors is fixed by the committee within the overall limit recommended for approval by Board of directors and the share holders at their meetings. The non executive directors are not paid any remuneration or sitting fees.

During the year Shri maheshbhai M.Godiwala and Jigar M Godiwala have been paid remuneration of Rs.2,40,000.00 and Rs.1,80,000.00 each as Managing Director and Whole Time Director respectively.

5. OTHER DETAILS/INFORMATIONS

The details of Annual General Meeting held in last 3 years are as under:

Year Ended	Venue	Date	Time
31.03.2013	Kashyatriya Mochi Panch Ni Wadi , Nanpura Surat 395001	28/09/2013	1.00 P.M.
31.03.2012	Kashyatriya Mochi Panch Ni Wadi , Nanpura Surat 395001	30/09/2012	11.00 A.M
31.03.2011	Registered office of Company	30/09/2011	11.00 A.M

The Company has neither used Postal Ballot nor passed any special resolutions during these years, and there was no Extra Ordinary General Meetings of the members of the Company during the relevant period.

- **Means of communication:**

The Company has been filings quarterly / half yearly / annual results of the company with the Stock Exchanges.

- **Compliance of Insider Trading Norms:**

Company has adopted the code of internal procedures and thus complies with the insider trading norms.



• **General Shareholder's information**

- a) AGM, date, time, and venue

Venue	Date	Time
Registered Office of Company	27.09.2014	1.00 p.m.

- b) Financial year ending 31.03.2014.
 c) Book closure date 16.09.2014 to 25.09.2014 (both the days inclusive)
 d) Listing on stock exchanges.

The shares are listed in Mumbai, Ahmedabad, Vadodra and Bangalore Stock Exchanges

All the dues regarding the Listing Fee have been paid to Bombay Stock Exchange

- e) Distribution schedule as on 31.03.2014

Category	Number of Shareholders	% (percentage)	Number of Shares Held	% (Percentage)
Upto – 500	1069	72.721	334930	7.88
501 – 1000	194	13.197	163400	3.85
1001 – 2000	84	5.714	130675	3.08
2001 - 3000	21	1.429	54771	1.29
3001 – 4000	19	1.293	70428	1.66
4001 – 5000	22	1.497	107400	2.53
5001 - 10000	11	0.748	79225	1.86
10001 and above	50	3.401	3309071	77.86
Total	1470	100	4249900	100

f) **Share price movements:**

Month	Share Price		No. of Shares
	High	Low	
April 2013	9.70	8.00	6802
May 2013	8.00	7.62	150
June 2013	9.63	7.60	2322
July 2013	9.15	7.50	6828
August 2013	7.15	6.48	95
September 2013	7.32	6.70	295
October 2013	9.72	7.32	12200
November 2013	8.00	6.87	530
December 2013	6.53	5.92	6015
January 2014	6.19	6.19	25
February 2014	6.99	6.49	5800
March 2014	6.66	6.28	735

g) **Share Holding Pattern As On 31.03.2014**

Category	No. of shares	% of equity
Promoter Group	1606943	37.81
Resident Body Corporate	169946	3.99
Banks/FI/FII/MF/Trust	47900	0.96
NRI/OCB	129700	3.05

**Share holdings of Independent Directors (name)****No. of Shares**

Dhirajbhai G Patel

Nil

Manoj D Patel

Nil

h) Additional information: The Company has been aggressively following up with stock exchange for resumption of trading in shares of company.

a) Director retiring by rotation / reappointment: Dhirajbhai G Patel (The particulars have been given in notice of Annual General Meeting)

b) The ISIN for the dematerialized share of the Company is INE29D01017

c) Share transfer system: The share transfers are looked in by share transfer committee which meets every month. The share certificates received for transfer are returned within 15 days

d) The Company has not proposed / declared any dividend during the year.

e) Financial Year : 01.04.2013 to 31.03.2014

For the current financial year, following is the calendar (tentative and subject to change)

Financial reporting for 2013-2014:

- 1st Quarter On or before 31.07.2013
- 2nd Quarter On or before 31.10.2013
- 3rd Quarter On or before 31.01.2014
- Financial year closing: 31.03.2014 on or before 31.05.2013
- 4th Quarter On or before 31.04.2014

f) Plant Location : Not Applicable

g) Address for correspondence

- Regd Office: 1/324, Popat Street, Nanpura, Surat 395001
- E-mail id of the Company: Kiransyntex@yahoo.com
- E-mail id of the Compliance officer: kiransyntex@yahoo.com

Share Transfer Agents: Sharepro Services India Private Limited

13AB, Samita House Complex, Sakinaka telephone exchange, Andheri Saki Naka Road Andheri East Mumbai -400072

h) Stock Code – 530443 (Bombay Stock Exchange)

i) Dematerialization of shares & liquidity: Bulk of the shares are in physical mode, as given below:

Sr. No	Particulars	No. of share holders	No. of shares	Percentage
1	Physical Shares	1285	945900	22.26
2	Electronic Shares	185	3304000	77.74
	Total	1470	4249900	100.00

j) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion date and likely impact on equity Not Applicable

k) Conversion date and likely impact on Equity Shares: Not Applicable

l) Penalties or structures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the period under review: Not Applicable

**AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To
The Members
Kiran Syntex Limited, Surat

We have examined the compliance of the conditions of Corporate Governance by Kiran Syntex Limited for the year ended 31.03.2014 as stipulated in clause 49 of the Listing Agreement with the Stock Exchanges.

The Compliance of the conditions of Corporate Governance is the responsibility of the company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of Corporate Governance. It is neither an audit nor an expression on the financial statements of the Company.

In our opinion and to the best of our information, and according to the explanations given to us, we certify, that the Company has partly complied with the conditions of The Corporate Governance as stipulated in the above mentioned listing agreement.

We state that majority of the investor grievances were attended within one month as per maintained by the company. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For M M S & Associates
Chartered Accountants

Murli Somani
Partner

Place : Surat
Date : 28.05.2014

Membership No. 36727

CEO & CFO CERTIFICATION

The Board of Directors
Kiran Syntex Limited
Surat

Re-financial Statements for the year ended 31.03.2014 Certification

I/We, Mahesh M Godiwala Chairman & Managing Director and CFO, on the basis of the review of the financial statements and the cash flow statements for the

Financial year ending 31.03.2014 and to the best of our knowledge and belief, thereby certify that:-

1. These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are to the best of our knowledge and belief, no transaction entered into by the company during the year ended 31.03.2014 which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting, we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.
5. We further certify that:
 - (a) There have been no significant changes in the internal control over financial reporting during this year.
 - (b) There have been no significant changes in accounting policies during this year and that the same have been disclosed in the notes to the financial statements.
 - (c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

Place : Surat
Date : 28.05.2014

Chairman and Managing Director



DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with clause 49 of the Listing Agreement with the Stock Exchanges, I Shri Mahesh M. Godiwala, Chairman & Managing Director of the Company, hereby declare that the Board Members and Senior Management Personnel have affirmed compliance with the said Code of Conduct, as mentioned in this report, for the year ended 31.03.2014.

Place : Surat

Date : 28.05.2014

Chairman and Managing Director

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****1. Overall Review**

During the year the Company has dispensed with trading activities which were not profitable. Due to this the overall turnover of the Company has fallen as compared to the last year. The Company is planning to start new unit of yarn dyeing in near future.

2. Financial Review

During the year the company has carried out trading activities and generating gross receipts of Rs. 1117.88 lacs in the current year.

3. Internal Control System and their adequacy

The internal control system is looked after by Directors themselves, who also looked after the day to day affairs to ensure compliance of guide lines and policies, adhere to the management instructions and policies to ensure improvements in the system. The Internal Audit reports are regularly reviewed by the management.

4. Environmental Issues

As the company is presently not in the field of manufacture, the matter relating to produce any harmful gases and the liquid effluents are not applicable.

5. Financial Performance with Respect to Operation Performance

The Company has all the plans for tight budgetary control on key operational performance indication with judicious deployment of funds without resorting to any kind borrowing where ever possible.

6. Cautionary Statement

Statement in this report on Management Discussion and Analysis may be forward looking statements within the meaning of applicable security laws or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however, differ materially, from those expressed or implied. Important factors that could make a difference to the company's operations include global and domestic demand supply conditions, finished goods prices, raw material cost and availability and changes in government regulation and tax structure, economic development within India and the countries with which the company has business contacts and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward – looking statements, which may be amended or modified in future on the basis of subsequent developments, information or events.

**By order of Board of Directors of
Kiran Syntex Limited**

Place : Surat
Date : 28.05.2014

Mahesh M. Godiwala
Chairman & Managing Director

