

KAMADGIRI SYNTHETICS LTD.

The Mill of the 21st Century

16th Annual Report - 2003



BOARD OF DIRECTORS	Pradip Kumar Goenka Lalit Kumar Goenka Brijesh Kumar Tibrewal Pramod Kumar Jalan Murarilal Goenka	Chairman & Managing Director Whole-time Director Non Executive Director Non Executive Director Non Executive Director
AUDITORS	R.S. Agrawal & Associates Chartered Accountants, Mumbai	
BANKERS	The Bombay Mercantile Co-operative Bank Ltd. Bank of Baroda Union Bank of India State Bank of India	
REGISTERED OFFICE	10, Singhania Wadi, 187, Dadiseth Agiary Lane, Mumbai - 400 002.	
FACTORY	31/3, Ganga Devi Road, Umbergaon - 396 171. Dist. - Valsad (Gujarat)	
REGISTRAR & SHARE TRANSFER AGENT	Sharex India Pvt. Ltd., 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai - 400 001. Tel : 022-22702485 / 22641376 Fax : 022-22641349 E-mail : sharexindia@vsnl.com	
CORPORATE OFFICE	27/28, Y. A. Chunawala Industrial Estate, Kondivita Lane, Andheri (East) Mumbai - 400 059	

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CHAIRMAN'S NOTE

Dear Shareholders,

I have great pleasure in extending to you all a very warm welcome to the Sixteenth Annual General Meeting of your Company and present before you the performance of your Company.

I am happy to state that during the year under review, the Company's performance improved reasonably. This was possible due to reduction in manufacturing and finance expenses.

BUSINESS AND INDUSTRIAL ENVIRONMENT

The overall business climate was not conducive during the year review. The performance and corporate growth was not to the expectation as projected by the industry. The liberalization and globalization measures taken by the Government have put pressure on all industries. The textile industry also facing threat from across the borders and international market were also flooded with cheap textile products from Southeast Asian countries. Many foreign firms owning international brands started out sourcing their requirement from the countries having low currency.

The solution to the ever-increasing competition is to update technologically and adopt such system, which could reduce the cost of production and give a better-input output ratio. Your Company has initiated all possible measures to improve production and productivity through continuous expansion and modernization.

The VAT implementation also put pressure on the textile industry. The policy of the Government making the dividend tax free in the hands of the shareholders has been widely praised by the industry.

PERFORMANCE APPRAISAL

Operation

The performance of the Company improved reasonably during the year under review. The total sale registered during the year was Rs.4189.16 Lacs as against Rs.3874.76 Lacs in the previous year. There has been some improvement in segment wise production and productivity. Your Company basically operates in three segment namely segment I Synthetic fabrics, Segment II blended yarn and Segment III rent and services.

Exports

During the year under review your Company's export division-registered sales of Rs.128.57 Lacs only. Your Company initiated several export promotion measures to improve exports.

Financial Performance:

The after tax profit was Rs.42.94 Lacs as against Rs.2.53 Lacs recorded in the previous year.

The Debt: Equity ratio stood at 2.33: 1 in the financial year 2002-03 as against 2.88: 1 in the previous year.

Dividend

Your Board has recommended a dividend at the rate of 12% p.a. as against 10% declared and paid in the previous financial year 2001-02.

Shareholders value

The earning per share increased from Rs.0.08 to Rs.1.43 and the Book Value per share raised to Rs.30.02 from Rs.29.94. The market value of the Company's share was increased to Rs.25 from Rs.12 during the financial year under review.

THE FUTURE

The year in retrospect has reasonably well for the Company. The turnover and profitability improved. I am optimistic to attain sustainable growth in the current financial year.

Your management is trying hard to adopt best technology available in the textile and cut down the cost of production drastically. This will help in achieving the projected turnover and profit.

CORPORATE GOVERNANCE

Your Company has initiated most of the measures prescribed for better corporate governance. The corporate governance will facilitate transparency, accountability and equity in all facets of its operations and its interaction with its stakeholders, including shareholders, employees and the government. Your Company is committed to achieving the highest standards of corporate governance. Your Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

CONCLUSION

On behalf of the Board I take this opportunity to convey their sincere appreciation to all the Company's employees, shareholders, investors, Bank and Financial Institution for their continued co-operation and support.

For KAMADIGIRI SYNTHETICS LTD.

Place: Mumbai
Dated: 12th August, 2003

Pradip Kumar Goenka
Chairman & Managing Director



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DIRECTORS' REPORT**TO THE MEMBERS**

Your Directors have pleasure in presenting the Sixteenth Annual Report with audited accounts for the year ended 31st March 2003.

FINANCIAL PERFORMANCE

Particulars	2002 - 2003 (Rupees)	2001 - 2002 (Rupees)
Turnover	418911267	387475696
Profit before tax	3377974	614090
Less: Provision for current tax	-526000	-50000
Less: Net deferred tax Liability	-1857079	-345203
Add: prior period adjustment	3299233	33819
Profit after tax	4294128	252706
Profit & Loss account		
Balance brought forward	12956740	15704034
Profit available for appropriation	17250867	15956740
Appropriation:		
General Reserve	108000	0.00
Proposed dividend	3600000	3000000
Tax on proposed dividend	461250	0.00
Balance carried to Balance Sheet	13081617	12956740

OPERATIONS

Your company has performed reasonably well during the year. During the year under review the production of Grey fabrics, finished fabrics and yarn were 24.50 Lacs Mtrs, 19.22 Lacs Mtrs, and 2179.486 Tones respectively as against 26.00 Lacs Mtrs, 20.34 Lacs Mtrs and 2065.114 Tones in the corresponding period in the previous year.

During the year under review the turnover increased from Rs.3874.76 Lacs in the previous financial year to Rs.4189.16 Lacs. This represents a growth of 8.11%.

Profit for the year was Rs.33.78 Lacs as against Rs.6.14 Lacs in the previous financial year. The Profit increased due to increase in volume and reduction in manufacturing and finance expenses.

DIVIDEND

Your Directors are pleased to recommend a dividend of 12% on a subscribed capital i.e. Rs. 3,00,00,000 absorbing Rs.36.00 Lacs subject to payment of dividend tax at the applicable rate or rates, which if declared at the forthcoming Annual General Meeting will be paid to the members whose names appear on Register of Members as on 27th September, 2003

EXPORTS

During the year 2002-2003 your Company's export division registered sales of Rs. 128.57 Lacs, up from Rs.32.71 Lacs last year. Your Company has initiated several export promotion measures to increase exports. The products of your Company have been well accepted in the international market and the Company expects better export turnover in the near future.

DEMATERIALIZATION

The equity shares of the Company have been dematerialized by joining the depositories viz. National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL). The ISIN No. allotted to the Company is INE103E01016.

CORPORATE GOVERNANCE

Certificate of auditor's of your company regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement with stock exchange, is enclosed.

Your Company has been practicing the principles of good corporate governance over the years.

The Board of Directors supports the broad principles of corporate governance. In addition to the basic governance issues, the Board lays strong emphasis on transparency, accountability and integrity.

LISTING OF SHARES

The Company's shares are listed on the Bombay Stock Exchange. It has paid the listing fees to the stock exchange for the period upto 31st March 2004. The shares of the Company have not been delisted on said exchange for non-payment of listing fees.

PARTICULARS OF EMPLOYEES

The company does not have any employee whose particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended upto date.



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DISCLOSURE OF PARTICULARS

Information as per Section 217(1)(e) of the Companies Act, 1956 read with The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are given in Annexure forming part of this report.

INSURANCE

The assets of the company have been adequately insured against the risk of fire & other risks.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Shri Lalit Kumar Goenka retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Shri Basantlal Jain resigned as Executive Director (Technical) of the company effective from 3rd March' 2003. The Board placed on record to gratitude for the services rendered by Shri Basantlal Jain during the tenure of his Directorship. Shri Pramod Kumar Jalan & Shri Murari Lal Goenka were appointed as additional Directors of the company with effect from 3rd March 2003 to comply with requirements of corporate governance code made applicable from financial year 2002-03. Shri Pramod Kumar Jalan and Shri Murari Lal Goenka were to hold office up to the date of the forthcoming Annual General Meeting and being eligible for appointment as Directors have complied with the provision of Section 257 of the Companies Act, 1956 as regards to their appointment.

AUDIT COMMITTEE

In pursuance of Clause 49 of the Listing agreement, the Company has constituted an audit committee consisting of the following independent Directors on 3rd March 2003:

1. Shri Pramod Kumar Jalan
2. Shri Murari Lal Goenka
3. Shri Brijesh Kumar Tibrewal

Shri Pramod Kumar Jalan, a chartered accountant having wide experience in audit, taxation, accounts and finance matters, heads the audit committee. The role, terms of reference, authority & power of the committee are in conformity with the requirements of the Companies Act, 1956. The committee met once during the year under review prior to finalization of accounts for the year ended 31 March 2003.

AUDITORS

The Auditors of the Company M/s. R.S. Agrawal & Associates, Chartered Accountants, Mumbai hold office till the conclusion of forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

COST AUDIT

Your Company is following the order issued under Section 209(1)(d) of the Companies Act, 1956, as amended in respect of manufacture of textiles. The Company has been maintaining cost accounting records as required in the above-referred provisions of the Companies Act, 1956, as amended. Ketki D Visariya, Cost Accountant, has been appointed as the Cost Auditor of the Company for the financial year 2003-2004.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956 as amended with respect of Directors responsibility statement, it is hereby confirmed: -

1. That the preparation of accounts for the Financial Year ended 31st March, 2003, the applicable accounting standards have been followed along-with proper explanation relating to material departures;
2. That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the Financial Year and the Profit or Loss of the Company for the year under review;
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 as amended for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
4. That the Directors have prepared the accounts for the financial year ended 31st March 2003 on a going concern basis.

ACKNOWLEDGEMENTS

Your Directors are thankful to you, our bankers, customers, employees and to all those who have extended their committed support to the progress of your Company.

**By Order of the Board of Directors
For KAMADGIRI SYNTHETICS LIMITED**

Place : Mumbai
Date : 12th August, 2003.

Pradip Kumar Goenka
Chairman & Managing Director



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ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH, 2003**MANAGEMENT DISCUSSION AND ANALYSIS****INDUSTRY STRUCTURE AND DEVELOPMENTS**

The global fibre market slowly moving towards synthetic fibre especially polyester blended viscose etc. Currently market share of cotton is 36% while the polyester is 38% and is growing rapidly @ 8%. Growth in cotton is dwindled due to falling acreage under cultivation, lower yield and high cost of cultivation. However synthetic is cheaper, durable becoming alternative to the costly and less durable mode of clothing.

Your company is in a better position to make use of the rising demand for polyester. However in the recent years large capacities are being commissioned in China and other Southeast Asian countries with low currency becoming more competitive to the products manufactured in our country.

Your company has taken initiative and corrective measure to reduce cost through efficient management of operation to be competitive in this market.

OPPORTUNITIES AND THREATS :-

With 2005, quota regime for textile exports to developed countries like UK, USA and CANADA will end. This is expected to provide impetus to textile exports to these countries from India. Your company has planned to meet increase demand of Indian products in the years to come.

Most of polyester/viscose fabric manufacturing is affected due to fluctuating raw material price. Your company through efficient production management system is confident of minimizing the risks of raw material fluctuation, and sluggishness in the market.

PRODUCTWISE PERFORMANCE :-

Your company operates in three segments. The segment I manufacturing of synthetic fabrics and segment II dealt with manufacturing of blended yarn, segment III dealt with rent and services.

The segment wise performance of the company was satisfactory with each segment contributing to the total production and productivity of the entire plant. The segment wise turnover was Rs. 2073.37 Lacs, of synthetic fabrics, Rs. 2101.13 Lacs, of blended yarn Rs.14.67 Lacs for rent and services respectively.

OUTLOOKS :-

Your Company has come out of the sluggish phase and Directors of your company expect sustainable growth in terms of production, turnover & profitability.

Your company has successfully completed expansion & diversification. The company has increased capacity in the spinning division. Your Director regularly review the production system and adopt best technology available in the weaving & spinning. The production and profitability improves after every adoption of technology driven machines.

RISKS AND CONCERNS

Business is full of risks. The increase in cost of production and constrained margin are the major areas of concern. Your Company is making all out efforts to become one of the lowest cost producer of the textiles and thereby become locally and internationally most competitive. The competition from across the border especially South East Asian countries is special concern to the textile and yarn market.

INTERNAL CONTROL SYSTEM AND ITS ADEQUACY

Your Company is following a proper and adequate system of internal control in respect of all its activities including safeguarding and protecting its assets against loss or unauthorized use or disposition. Further all transactions entered into by the Company are duly authorized, recorded correctly. The Board closely watches and monitors all expenses incurred on various heads. All policies, procedures and guidelines have been documented. Your Company is using advanced customized software system which is upgraded time to time to suit the system need of the Company.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review the total production of synthetic fabrics and blended yarn were 43.72 Lacs Mtrs, 2179.486 tones respectively as against 46.34 Lacs Mtrs and 2065.114 tones in the previous financial year, thereby registering fall in production of synthetics fabrics by 5.65% and a growth of 5.54 % in yarn production respectively. The profit during the year was Rs.33.78 Lacs as against Rs.6.14 Lacs in the previous financial year. During the year under review, the profit margin improved due to reduction in manufacturing and finance expenses.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS FRONTS

Human resource is only growing and productive factor of production. It is essential to put require attention on the development of workers and staff. Maintaining cordial and friendly relation and solving of workers problems through negotiation amicably is always in the interest of the Company. Your Company envisaging plans to improve productivity of the workers and staff. Some of the measures being taken are to make the work more interesting, training, job rotation, job satisfaction etc. The Company gives incentives for better performance and recognizes individual achievement of the workers and staff. The industrial relations climate in your Company was harmonious and constructive.

The relationship with the workers/employees remained cordial during the year. The Company at the close of the financial year employed 37 Persons excluding contract labourers.

CAUTIONARY STATEMENT

Statement in the report of Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning applicable of securities laws or regulations. These statements are based on certain assumptions and expectations for future events. Actual results could differ materially from those of future events. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting global and domestic demand supply, finished goods prices in the domestic and overseas market in which the Company operates, raw materials cost and availability, changes in Government regulations, tax regimes, economic developments within India and other factors such as litigation and industrial relations. The Company assumes no responsibility to publicly amend, modify or revise and forward looking statements, on the basis of any subsequent development, information or events.



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ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH, 2003

Additional information as required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988.

FORM A**Disclosure of particulars with respect to conservation of energy****1. Conservation of Energy :**

- (a) Energy Conservation Measures taken Measures taken for conservation of energy include improved maintenance of operating system control on consumption and loss of electricity.
- (b) Additional investment, if any, being implemented for reduction of Consumption of energy. Additional investment for reduction of consumption of energy will be made as and when required.
- (c) Impact of measures at (a) and (b) above for reduction of energy consumption and consequent impact on cost of production. The impact of measures for reduction of energy consumption on cost of production is not precisely ascertainable.
- (d) Total energy consumption and energy consumption per unit of production as per Form 'A' of the annexure of Rule is as under :

A. Power and Fuel Consumption :

	<u>Current Year</u>	<u>Previous Year</u>
	<u>2002-2003</u>	<u>2001-2002</u>
1. Electricity :		
(a) Purchased :		
Unit (KWH)	1739814	3870274
Total Amount (Rupees)	8540993	18407823
Rate per Unit (Average rate in Rs.)	4.91	4.76
(b) Own Generation Through		
D.Generator :		
Quantity (Litres)	1758000	1394500
Total Cost (Rupees)	19654581	17929320
Average rate (in Rs. Per litre)	11.18	12.86
B. Consumption per unit of production :		
1) Electricity (KWH) :		
Fabrics 100 Mtrs	35.58	36.40
Yarn 100 Kgs.	37.21	139.62
2) D.Generator Set (Ltrs.) :		
Fabrics	--	--
Yarn	80.66	67.53

2. Technology absorption :

Effort have been made for technology absorption as per Form B of the annexure to the Rules.



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FORM B

Disclosure of particulars with respect to Technology Absorption

A. Research & Development (R & D) :

- (a) Specific areas in which R & D has been carried out by the Company The Company has carried out R & D in the area of product development.
- (b) Benefit derived as a result of R & D Not ascertainable.
- (c) Future Plan of action Company plans to strengthen its R & D activity.
- (d) Expenditure on R & D The company is incurring expenditure on Research and Development for improvement in shades of yarn and fabric designs as routine activity. However no specific amount set forth for R & D expenses.
- i) Capital --
- ii) Recurring --
- iii) Total --
- iv) Total R & D expenditure as a percentage to Total turnover. --

B. Technology absorption, adaption and innovation :

- (a) Efforts, in brief, made towards technology absorption, adaptation and innovation. Efforts have been made for upgradation of technology wherever feasible.
- (b) Benefit derived as a result of the efforts e.g. product development, import substitution. As a result of above effort, the quality of the products may improve.
- (c) In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial Year. The Company has not imported any technology at any time during the last five year except modern technology based Machines.

3. Foreign Exchange Earnings and Outgo :

Activities relating to exports ; initiative has been taken to increase export; development of new export market for product and services & export plans.

The Company is already engaged in the business of exporting Suiting, Shirting Dress Material.

Total Foreign Exchange used and earned :

	<u>Current Year</u> <u>2002-2003</u>	<u>Previous Year</u> <u>2001-2002</u>
Used (in Rs. Lacs)	10.17	1.21
Earned (in Rs. Lacs)	116.95	32.08



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CORPORATE GOVERNANCE REPORT

The Board of Directors of the Company lays great emphasis on the broad principles of Corporate Governance. Given below is the report on Corporate Governance.

1. Company's Philosophy on Code of Governance

Kamadgiri Synthetics Limited believes that good Corporate Governance is essential to achieve long-term corporate goals and to enhance stakeholders' value. In this pursuit, your Company's philosophy on Corporate Governance is guided by a strong emphasis on transparency, accountability and integrity and has been practicing the principles of Corporate Governance over the years.

2. Board of Directors

The Board of Directors has a mix of executive and non-executive Directors. The Board comprises of two executive Directors – one of them Chairman & Managing Director and three non-executive Directors. All the three non-executive Directors are independent Directors.

Except Shri. Pradip Kumar Goenka, all the Directors are liable to retire by rotation as per the provisions of the Companies Act, 1956.

During the financial year 2002–2003, seven Board meetings were held on 27th April, 2002, 9th July, 2002, 30th October, 2002, 2nd January 2003, 18th January, 2003, 3rd March, 2003 and 31st March, 2003.

The composition of the board as on 31st March 2003 and other relevant details relating to directors are given below:

Name of Director	Category	No. Of other Directors hips	No. Of outside memberships of other Board Committee	No. Of outside Board committee of which the Director is a Chairperson	No. Of Board Meetings attended	Attendance at last AGM
Shri Pradip Kumar Goenka	Executive - CMD	1	-	-	7	Present
Shri Lalit Kumar Goenka	Executive –WTD	-	-	-	7	Present
Shri Basantlal Jain (*)	Executive	-	-	-	4	Present
Shri Brijesh Tibrewal (#)	Non-executive	-	-	-	3	N.A.
Shri Murarilal Goenka (\$)	Non-executive	-	-	-	1	N.A.
Shri Pramod Kumar Jalan (\$)	Non-executive	-	-	-	1	N.A.
(*) Ceased to be a director with effect from 03.03.2003.						
(#) Joined the Board with effect from 9/07/2002						
(\$) Joined the Board with effect from 03.03.2003.						
CMD stands for Chairman & Managing Director.						
WTD stands for Whole Time Director.						

Brief resume of the Directors being re- appointed at the ensuing Annual General Meeting, nature of their expertise in specific functional area and names of the company in which they hold Directorship and the membership of the committees of the Board are furnished hereunder:

- A. **Shri Lalit Kumar Goenka** is of 40 years and is Whole-time Director of Kamadgiri Synthetics Ltd. He is under graduate. He started his career as trader in the textile products. He is a promoter Director of the company. He has wide experience of Textile Industry. He is in textile line for last 20 years. He looks after administrative affairs of the company. He is not member of the committee of the board of any other company.
- B. **Shri Pramod Kumar Jalan** is of 49 years and is the non-executive Director of Kamadgiri Synthetics Ltd. He is a practicing chartered accountant and has wide experience as an auditor, internal auditor, of finance and taxation and as also stockbroking line and has vast experience of capital market. He advises the company in accounts, finance, taxation, auditing matters. He is also a member of the Audit Committee (also chairman) and Shareholders Committee of the Board. He is not member of the committee of the Board of any other company. He is Director also Director of Basant Securities Ltd and Networth Portfolio & Finance (P) Ltd.
- C. **Shri Murarilal Goenka** is of 44 years and is the non-executive Director of Kamadgiri Synthetics Ltd. He is a commerce graduate from University of Madurai. He has wide experience of working of Textile Industry. He advises the company in administrative and legislative matters. He is also a member of the Audit Committee and Shareholders Committee of the



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Board. He is not member of the committee of the Board of any other company. He is also Director of Goenka Textiles Pvt. Ltd.

3. Audit Committee

The Audit Committee consists of three non-executive independent Directors. The members of the committee are well versed in finance matters, accounts, company law and general business practices.

The terms of reference of the Audit Committee include:

- To review financial statements and pre-publication announcements before submission to the Board.
- To discuss and review of report of the external auditors and ensure the compliance of the internal control system.
- To apprise the Board on the impact of accounting policies, accounting standards and applicable laws and regulations.
- To hold discussions with statutory auditors on the scope and content of the audit.
- To review the company's financial and risk management policies.

During the financial year 2002-03, one Audit Committee Meeting was held on 31.03.2003.

The composition of the Audit Committee as on 31-03-2003 and their attendance to the meeting of the committee is as under:

Sr No.	Name of the directors	Category	Designation of the committee	No. Of committee Meetings attended
1	Shri Pramod Kumar Jalan	Non-Executive	Chairman	1
2	Shri Murarilal Goenka	Non-Executive	Member	1
3	Shri Brijesh Tibrewal	Non-Executive	Member	1

4. Remuneration of Directors

The company has no pecuniary relationship or transaction with its non-executive Directors other than payment of sitting fees to them, if any, for attending Board and committee of the Board meetings.

The company does not have an incentive plan, which is linked to performance and achievement of the company's objectives. The company has no stock option and pension scheme. The company has not constituted a remuneration committee.

The company has not paid any sitting fees to non -executive Directors. The details of remuneration paid to the executive Directors of the company during the year ended March 31, 2003 are given as under:

Particulars	Unit	Pradip Kumar Goenka	Lalit Kumar Goenka	Basanfilal Jain
a) Salary	Rupees	108000.00	87000.00	240000.00
b) Fixed Component – Contribution to Provident Fund.	Rupees	Nil	Nil	Nil
c) Bonus, Benefits & Other Allowances.	Rupees	Nil	Nil	Nil
c) Service contract	Year	5	5	Since resigned
d) Notice Period	Months	3	3	N.A.
e) Severance Fees	Rupees	Nil	Nil	N.A.

5. Shareholders'/Investors' Grievance Committee

The Board constituted a Shareholder'/Investors' Grievance Committee. The committee consists of three Directors. Shri Brijesh Tibrewal, non-executive independent Director heads this committee. The Committee meets at frequent intervals to consider, inter alia, shareholders' complaints like not/delay receipt of transfer of share, non receipt of balance sheet, non receipt of declared dividend etc. to the satisfaction of the complainants except for dispute cases and sub-judice matters, which would be solved on final disposal by the Courts.

The composition of the Shareholders'/Investors' Grievance Committee as on 31-03-2003 and their attendance to the meeting of the committee is as under:

Sr No.	Name of the directors	Category	Designation of the committee	No. Of committee Meetings attended
1	Shri Brijesh Tibrewal	Non-Executive	Chairman	1
2	Shri Murarilal Goenka	Non-Executive	Member	1
3	Shri Pramod Kumar Jalan	Non-Executive	Member	1



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