

KAMADGIRI SYNTHETICS LTD.

The Mill of the 21st Century

17th Annual Report - 2004



BOARD OF DIRECTORS

Shri. Pradip Kumar Goenka
 Shri. Lalit Kumar Goenka
 Shri. Brijesh Kumar Tibrewal
 Shri. Pramod Kumar Jalan
 Shri. 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-op Bank Ltd.
 State Bank of Hyderabad
 Bank of Baroda
 Union Bank of India
 State Bank of India

REGISTERED OFFICE

10, Singhania Wadi, 187, Dadi Seth Agiary Lane,
 Mumbai-400 002.

FACTORY

31/3, Ganga Devi Road, Umbergaon – 396 171.
 Dist. – Valsad (Guj.)

**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
 Email: sharexindia@vsnl.com

CORPORATE OFFICE

27/28, Y A Chunawala Industrial Estate,
 Kondivita Lane, Andheri (East),
 Mumbai-400 059

Contents

<i>Chairman's Note</i>	2
<i>Notice of AGM</i>	3
<i>Director's Report</i>	4-5
<i>Annexure to Directors Report</i>	6-8
<i>Corporate Governance Report</i>	9-14
<i>Auditors' Report</i>	15-17
<i>Balance Sheet</i>	18
<i>Profit & Loss Account</i>	19
<i>Cash Flow</i>	20
<i>Schedules to Balance Sheet and Profit & Loss Account</i>	21-32



KAMADGIRI SYNTHETICS LTD.

The Mill of the 21st Century

CHAIRMAN'S NOTE

Dear Shareholders,

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

I am glad to inform that during the year under review, performance of your company improved substantially. The Board succeeded in cutting down overall cost of production that added to the profitability of the company.

BUSINESS AND INDUSTRIAL ENVIRONMENT

The business and industrial review report showed marked improvement in growth and development of the industry. The economy is sailing in the right direction. The balance of payment position is comfortable. The rupee has gained in terms of dollar. The removal of quantitative restrictions in the GATT members' countries in early 2005 will increase the exports. The inclusion of 6 East European nations to the European Economic Commission (EEC) will have negative impact on Indian textile export to EEC. The performance and corporate growth was to the expectation as projected by the industry. The hung parliament, new government at the centre, any change in the business policy likely to have adverse effect on the business and industry. The capital market had after effect of change in government and slump is due to uncertainty of business policy.

The textile industry will continue to face competition from the South East Asian countries especially low currency ones. The yarn and fabrics manufacturers both are affected by imports from across the border.

MODERNIZATION & RATIONALIZATION

The technology is changing very fast. Any company, which keeps pace with the technology, will survive in the business. The new technology always provides time and energy devices. This will lead to saving in labour, time and cost of energy consumption. Your company is updating its machineries every now and then, which enable it to have cutting edge over its competitors. The cost of production also comes down drastically.

PERFORMANCE APPRAISAL

Operation

The performance of the Company improved substantially during the year under review. The total sale registered during the year was Rs.4476.06 Lacs as against Rs.3928.47 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.647.79 Lacs. Your Company initiated several export promotion measures to improve exports.

Financial Performance:

The Profit before tax was Rs.76.00 Lacs. The after tax profit was Rs. 60.24Lacs which was increased by 40% over the previous year.

The Debt : Equity ratio stood at 2.95: 1 in the financial year 2003-04 as against 2.33: 1 in the previous year.

Dividend

Your Board has recommended a dividend at the rate of 12% p.a. as against 12% declared and paid in the previous financial year 2002-03.

Shareholders value

The earning per share increased from Rs.1.43 to Rs. 2.01 and the Book Value per share raised to Rs.30.39 from Rs.30.02. The market value of the Company's share was gone down to Rs.13 from Rs.24 due to market fluctuation.

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.

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 achieve 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 KAMADGIRI SYNTHETICS LTD.

Place: Mumbai
Dated: 27th July, 2004

Pradip Kumar Goenka
Chairman & Managing Director



KAMADGIRI SYNTHETICS LTD.

The Mill of the 21st Century

Notice

NOTICE is hereby given that the Seventeenth Annual General Meeting of the Members of the KAMADGIRI SYNTHETICS LIMITED will be held on 27th September, 2004 at 10.30 a.m. at the Singhania Wadi, 187, Dadi Seth Agiary Lane, Mumbai-400 002 to transact the following business.

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March 2004 and the Profit and Loss Account of the company for the year ended as on that date, together with Directors' and Auditors' Reports thereon.
2. To declare a dividend
3. To appoint a Director in place of Shri. Brijesh Kumar Tibrewal who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Shri. Murarilal Goenka who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors' and fix their remuneration.

**By Order of the Board of Directors
For Kamadgiri Synthetics Limited**

**Place: Mumbai
Dated: 27th July, 2004**

**Pradip Kumar Goenka
Chairman & Managing Director**

NOTES

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY OR PROXIES SO APPOINTED NEED NOT BE A MEMBER OR MEMBERS, AS THE CASE MAY BE, OF THE COMPANY.
- (b) Proxies, if any, in order to be effective, must be received at the Registered Office of the Company at 10, Singhania Wadi, 187, Dadiseth Agiary Lane, Mumbai-400 002, not less than 48 hours before the commencement of the meeting. Proxies shall not have any right to speak at the meeting.
- (c) The Register of Members and Share Transfer Books will remain closed from Thursday 23rd September, 2004 to Monday 27th September, 2004 (both days inclusive)
- (d) Members are requested to kindly notify to the Registrar and Share Transfer Agent of the company M/S Sharex (India) Pvt. Ltd. 17/B, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai-400 001 Tel: 022-22702485/22641376 Fax: 022-22641349 immediately of any change in their addresses.
- (e) Unpaid/Unclaimed Dividend: Pursuant to Section 205 C of the Companies Act, 1956, unclaimed dividend for the Financial Years 1996-97 (Final), 1997-98 (interim), 1997-98 (Final), 1998-99 (interim), 1998-99 (final), 1999-2000 (interim), 1999-2000 (final), 2000-01 (Final), 2001-02 (final), 2002-03 (final) will be transferred to the Central Government "Investors Education and Protection Fund" 7 years after the date of declaration. Members are requested to claim the same before it is transferred to Investors Education and Protection Fund.
- (f) Members are requested to quote their Folio Numbers in all their correspondence.
- (g) Members desirous of having any information regarding accounts are requested to write to the Company at least 7 days in advance of the date of Annual General Meeting so as to enable the Management to keep the information ready.
- (h) Members are requested to bring their copies of the Annual Report to the Meeting.
- (i) Members are requested to bring with them the attendance slip and hand it over at the entrance duly signed by them.

**By Order of the Board of Directors
For Kamadgiri Synthetics Limited**

**Place: Mumbai
Dated: 27th July, 2004**

**Pradip Kumar Goenka
Chairman & Managing Director**



KAMADGIRI SYNTHETICS LTD.
The Mill of the 21st Century

DIRECTORS' REPORT**TO THE MEMBERS**

Your Directors have pleasure in presenting the Seventeenth Annual Report with audited accounts for the year ended 31st March 2004.

FINANCIAL PERFORMANCE

Particulars	31 March 2004 (Rupees)	31 March 2003 (Rupees)
Turnover	447606002	392847186
Profit before tax	7599847	3377974
Less: Provision for current tax	-3452000	-526000
Add/Less: Net deferred tax liability	1876389	-1857079
Add: Prior period adjustment	—	3299233
Profit after tax	6024236	4294128
Add/Less: Add: tax adjustment of earlier year	848194	—
Profit & Loss account balance brought forward	13081617	12956740
	<hr/>	<hr/>
Profit available for appropriation	18257659	17250867
Appropriation:		
General Reserve	163000	108000
Proposed dividend	3600000	3600000
Tax on proposed dividend	461250	461250
Balance carried to Balance Sheet	14033409	13081617

OPERATIONS

Your company has performed reasonably well during the year. The production of Grey fabrics, finished fabrics and yarn were 28.65Lacs Metres, 8.26Lacs Metres and 2217.432Tones respectively as against 24.50 Lacs Metres 19.22 Lacs Metres and 2179.486 Tones in the corresponding period in the previous year.

DIVIDEND

Your Directors are pleased to recommend a dividend @ 12% on the subscribed Capital i.e. Rs.3,00,00,000/- absorbing Rs.36.00 Lacs subject to payment of corporate 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 the Register of Members as on 27th September, 2004.

EXPORTS

During the year 2003-04 your company's export division registered sales of Rs. 647.79 Lacs as against Rs.128.57 Lacs, up by Rs.519.22 Lacs from last year. Your Company has initiated export promotional measures to raise the export turnover in the coming years.

DEMATERIALIZATION OF SHARES

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

CORPORATE GOVERNANCE

Certificate of auditors' of your company regarding compliance of 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 supports broad principles of corporate governance and lay emphasis on transparency, accountability and integrity.

PARTICULARS OF EMPLOYEES

The company does not have any employee whose particulars are required to be given under section 217(2A) of the Companies



KAMADGIRI SYNTHETICS LTD.

The Mill of the 21st Century

Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended upto date.

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. Brijesh Kumar Tibrewal and Shri. Murarilal Goenka retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment

AUDIT COMMITTEE

In pursuance to the clause 49 of the Listing Agreement the company has constituted an audit committee consisting of following Directors:

- 1) Shri. Pramod Kumar Jalan
- 2) Shri. Murarilal Goenka
- 3) Shri. Brijesh Kumar Tibrewal

The audit committee was headed by Shri. Pramod Kumar Jalan, a Chartered Accountant having wide experience in audit, finance and taxation matters.

AUDITORS

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

COST AUDIT

Your company is following the order issued under the 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 provision of the Companies Act, 1956 as amended. Ms Ketki D Visariya, Cost Accountant, has been appointed as a cost auditor of the company for the financial year 2004-05.

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, 2004, 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 2004 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.

For and on behalf of the Board of Directors
For Kamadgiri Synthetics Limited

Place: Mumbai
Dated: 27th July, 2004

Pradip Kumar Goenka
Chairman & Managing Director



KAMADGIRI SYNTHETICS LTD.

The Mill of the 21st Century

ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2004**MANAGEMENT DISCUSSION AND ANALYSIS****INDUSTRY STRUCTURE AND DEVELOPMENTS**

The market for the synthetics textiles products has been growing over the years. Your company uses polyester and viscose fibres bought locally from the Indian suppliers. The market for the synthetics fabrics has been steady. The industry has been facing fierce competition from manufacturers of South East Asian countries. Your company has initiated various measures to control cost of production, improve productivity and efficiency of management to be competitive in this market.

OPPORTUNITIES AND THREATS:

With 2005, quota regime for textile exports to developed countries like USA, Canada, European Union will end. The removal of quantitative barriers will bring good days to the textiles manufacturers and exporters especially exporters of garments. The additions of six more Eastern European countries to the European Union will definitely be cause of worry to the Indian exporters. The opportunities that are to be opened up due to WTO regime in 2005 will benefit the company in some ways.

The increase in the cost of production due to upward increase in cost of raw materials may affect the bottom line of the company.

Your company through efficient production management system, automation and modernization and better product mix is confident of minimizing the risks that might be arising by overall increase in cost of production.

PRODUCTWISE PERFORMANCE:

Your company operates in three segments. The segment I is manufacturing of synthetics fabrics, segment II dealt with manufacturing of blended yarn and 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 profitability of entire plant. The segment wise turnover was Rs. 2166.89 Lacs of synthetics fabrics, Rs.2294.26 Lacs of blended yarn and Rs14.91 Lacs for rent and services respectively.

OUTLOOK:

The outlook as forecasted by your Directors will be positive. Your company has successfully implemented many modernization and rationalization projects. Your Directors regularly review the production system and adopt best technology available in weaving and spinning. The production and profitability improves after adoption of every new technology.

RISKS AND CONCERNS::

The increase in cost of production and constrained margin are the major area of concern. Your company is taking all effective steps to see that cost of production brought to minimum. 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. The attempt is made to reduce cost centers. All policies and 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 the synthetic fabrics and blended yarn were 36.91Lacs Metres and 2217.43 Tones respectively as against 43.72 Lacs Metres and 2179.486 Tones in the previous financial year thereby registering fall in synthetic fabrics by 6.81 Lacs Metres and marginal increase by 37.95 Tones in yarn production respectively. The Profit before tax recorded during the year was Rs.76 Lacs as against Rs.33.78 Lacs in the previous financial year. During the year under review the profit margin improved due to overall cost reduction measures taken by the management.

MATERIAL DEVELOPMENT IN HUMAN RESOURCE/INDUSTRIAL RELATIONS FRONTS:

Human resource development is prime important to every organization. The company pays require attention on the development of workers and staff. Maintaining cordial and friendly relation and solving workers problems through negotiation is in the interest of the company. Your company envisaging plan to improve productivity of the workers and staff. Some of the measures being taken are to make the work more interesting, training, job rotation and job satisfaction. The company gives incentives for better performance and recognizes individual achievement of the workers and staff. The industrial relation climate in your company was harmonious and constructive. The company at the close of the financial year employed 45 persons excluding contract workers.

CAUTIONARY STATEMENT:

Statement in the report of management discussion and analysis describing the company's objective, projections, estimates, expectation or predictions may be "forward looking statement" within the meaning applicable of Securities Laws or Regulations. These statements are based on certain assumptions and expectations for the 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 difference to the company's operation's include economic condition 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 the forward looking statements, on the basis of any subsequent development, information or events.

**KAMADGIRI SYNTHETICS LTD.***The Mill of the 21st Century*

ANNEXURE TO THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH 2004

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 of reduction of energy consumption on cost of production is not precisely ascertainable.

A. Power and Fuel Consumption:

		Current Year	Previous Year
		2003-04	2002-03
1. Electricity			
(a) Purchased			
Unit (KWH)		2994146	1739202
Total Amount (Rupees)		13865350	8362709
Rate per unit (Average rate in Rs.)		4.63	4.81
(b) Own Generation Through			
D. Generator			
Quantity (Litres)		1623950	1758000
Total Cost (Rupees)		18591203	19654581
Rate per unit (Average rate in Rs.)		11.45	11.18

B. Consumption per unit of production:

1) Electricity (KWH)			
Fabrics	100 mtrs	53.44	35.58
Yarn	100 Kgs.	94.11	37.21
2) D. Generator Set (ltrs)			
Fabrics		-	-
Yarn		72.85	80.66

2. Technology Absorption:

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



KAMADGIRI SYNTHETICS LTD.

The Mill of the 21st Century

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 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 percentage to total turnover -

B. Technology absorption, adaptation 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 efforts e.g. Product development, import substitution. As a result of above effort, the quality of the product 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 except modern technology based machines.

3. Foreign Exchange Earning and Outgo:

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

The company is already engaged in the business of exporting suiting, shirting and dress material.

Total Foreign Exchange used and earned:

	<u>Current Year</u>	<u>Previous Year</u>
	<u>2003-04</u>	<u>2002-03</u>
Used (in Rs. Lacs)	32.35	10.17
Earned (in Rs. Lacs)	589.38*	116.95
(*excluding unrealized bills till date)		

**KAMADGIRI SYNTHETICS LTD.***The Mill of the 21st Century*

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.

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

During the financial year 2003–2004, seven board meetings were held on 30th April, 2003, 30th July, 2003, 12th August, 2003, 28th October, 2003, 30th January 2004, 9th March, 2004 and 31st March, 2004.

The composition of the Board as on 31st March 2004 and other relevant details relating to Directors are given below:

Name of Director	Category	No. of other Directorships	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 Brijesh Kumar Tibrewal	Non-executive	-	-	-	7	N.A.
Shri Murarilal Goenka	Non-executive	-	-	-	7	Present
Shri Pramod Kumar Jalan	Non-executive	-	-	-	7	Present
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. **Brijesh Kumar Tibrewal** is 21 years of age and is non-executive Director of Kamadgiri Synthetics Ltd. He is under graduate. He manages family business of dyes and chemicals. He also has experience in textiles industry. He advises the company in manufacturing and production. He is a member of Audit Committee and Shareholders Committee. He is not member of the Committee of Board of any other Company.
- B. **Shri. Murarilal Goenka** is 45 years of age 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 a member of the Audit Committee and Shareholders Committee of the 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:

- a) To review financial statements and pre-publication, announcements before submission to the Board.
- b) To discuss and review of report of the external auditors and ensure the compliance of the internal control system.
- c) To apprise the Board on the impact of accounting policies, accounting standards and applicable laws and regulations.



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