

# **REPORT ON CORPORATE GOVERNANCE**

(Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges)

## **1. Corporate Governance Philosophy:**

The Company is committed to good corporate governance and endeavors to implement the Code of Corporate Governance in its true spirit.

The philosophy of the Company in relation to corporate governance is to ensure transparency in all its operations and make disclosures and enhance shareholder value without compromising in any way on compliance with the laws and regulations.

The Company believes that good governance brings about sustained corporate growth and long – term benefits for stakeholders.

In India, corporate governance standards for listed companies are regulated by the Securities and Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement of the Stock Exchanges. The Company has always strived to ensure that it has been fully compliant with the stipulations mandated by Clause 49. As a Company which believes in implementing corporate governance practices that go beyond meeting the letter of law, the Company has adopted practices mandated in the revised Clause 49 and has established procedures and systems to remain fully compliant with it as on 31<sup>st</sup> March, 2013. The company is in full compliance with all the corporate governance requirements as stipulated under Clause 49 of the listing agreement with the stock exchanges.

## **2. Board of Directors:**

- **Composition**

The Board of Directors of the Company is composed of six directors of which four are Non – Executive Directors and two Executive Directors. The Chairman of the Board is the Managing Director and of the six directors, three are Independent Directors as per the criteria of independence stated in the Listing Agreement. The optimum combination of Executive, Non – Executive and Independent Directors ensure independence of the Board and separation of Board function of governance and management.

- **Board Meetings**

During period from 01<sup>st</sup> April, 2012 to 31<sup>st</sup> March, 2013, eight Board Meetings were held on May 29, 2012, July 28, 2012, August 23, 2012, September 15, 2012, November 14, 2012, January 19, 2013, February 14, 2013 and March 30, 2013.

Details of attendance of each Director at the Meetings of the Board Meetings and last Annual General Meeting and the number of companies and committees where he is a Director/ Member during the Financial Year ending 31<sup>st</sup> March, 2013 are as follows:

Name of the Director	Category	Attendance		No. of Directorships in Public Limited companies excluding this company	Committee Memberships (including this Company)	
		Board	AGM		Chairman	Member
Shaji Baby John	CMD	8	YES	4	NIL	3
Baby John Shaji*	NED & I	2	YES	1	NIL	NIL
Sreenakesh V	NED & I	4	YES	4	NIL	1
T. Venkatramani**	ED	4	YES	4	NIL	NIL
N. Rajendran	NED & I	8	YES	NIL	1	1
Rathina Asohan	NED & I	3	NO	NIL	1	NIL
C. K.Gopalan Nair***	ED	4	NO	1	1	1
Mathews Daniel****	NED & I	NIL	NO	NIL	NIL	NIL

CMD – Chairman and Managing Director; ED – Executive Director; NED – Non – Executive Director; I – Independent Director.

\*resigned with effect from 15.09.2012

\*\*resigned with effect from 15.09.2012

\*\*\*appointed with effect from 15.09.2012

\*\*\*\*appointed with effect from 14.02.2013

- **Codes of Conduct**

The Board of Directors has laid down two separate Codes of Conduct – one for Directors and another for Senior Management and Employees. All Board Members and Senior Management Personnel have affirmed compliance with the respective Code of Conduct for the year under review. A Declaration signed by the Chairman cum Managing Director to this effect is annexed to this report.

- **CEO/CFO Certification**

As required under Section V of the Clause 49 of the Listing Agreement with Stock Exchanges the Managing Director and the Director [Finance] of the Company have certified to the Board regarding their review on the Financial Statements, Cash Flow Statement and other matters related to internal controls in the prescribed format for the year ended 31<sup>st</sup>March, 2013.

- **Prevention of Insider Trading**

The Company has, in compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, adopted a Code of Conduct for prevention of Insider Trading. This code is applicable to all Board Members/Officers/ designated employees. The objective of this code is to prevent purchase and /or sale of shares of the Company by an insider on the basis of unpublished price sensitive information.

### 3. Committees of the Board:

- **Audit Committee**

- ❖ **Composition**

The Audit Committee comprised of Mr. N. Rajendran, Mr. Sreenakesh V, Non – Executive Independent Directors and Mr. Shaji Baby John, Chairman and Managing Director of the Company, with Mr. N. Rajendran as its Chairman.

- ❖ **Meetings and the Attendance during the Year**

Four Meetings of the Audit Committee were held during the year on 26.05.2012, 25.07.2012, 14.11.2012 and 14.02.2013

<b>Name of Director</b>	<b>No. of Meetings Attended</b>
Shaji Baby John	4
Sreenakesh V	2
N. Rajendran	4

- ❖ **Brief Description of Terms of Reference**

The Terms of Reference of Audit Committee cover the matters specified for Audit Committee under Clause 49 of the Listing Agreements as well as in Section 292 A of the Companies Act, 1956. The role of Audit Committee is as prescribed under Clause 49 (II) (D) of the Listing Agreement.

- **Investor/ Shareholder’s Grievance Committee**

- ❖ **Composition**

The Investor Grievance Committee is functioning to look into redressal of Investor/ Shareholders complaints expeditiously. The Committee comprised of Mr. Rathina Asohan, Non – Executive Independent Director, Mr. C. K. Gopalan Nair, Executive Director and Mr. Shaji Baby John, Chairman and Managing Director of the Company, with Mr. Rathina Asohan its Chairman.

During the year, the Company received no complaint and there was no complaint pending as on March 31, 2013.

- **Remuneration Committee and Remuneration Policy**

The Company re-constituted Remuneration Committee with Mr. C. K. Gopalan Nair, Executive Director, as Chairman and Mr. Shaji Baby John and Mr. N. Rajendran as members.

The Non – Executive Directors do not receive any remuneration from the Company and no sitting fee is paid to the Directors for attending the meeting of the Board of Directors/ Board Committee.

The remuneration paid to the Executive Directors were as followed

Name of Director	Total Remuneration Paid during the Year
Mr. Shaji Baby John	Rs. 1200000/-
Mr. T. Venkatramani	Rs. 250000/-
Mr. C. K. Gopalan Nair	NIL

#### 4. Notes on Directors seeking Appointment/ Re – appointment

Brief resumes of directors seeking appointment/ re – appointment are given below:

Name of the Director	Rathina Asohan	Mathews Daniel	Sreenakesh V
Date of Birth	25.12.1949	10.07.1967	12.09.1958
Qualifications	B.Sc., B.L	B.E (Computer Science), Degree in Gemological Science	B.Sc., L.L.B & CAIIB
List of other companies in which Directorship is held as on 31 <sup>st</sup> March, 2013	NIL	1. S.A.M.B Infratech Private Limited 2. Mehran Associates Private Limited	1. Kings Securities Ltd. 2. Hi-Line Developers & Projects Pvt. Ltd. 3. Cochin Technopark Ltd. 4. Kings International Ltd. 5. Kings Infomatica Solutions Pvt. Ltd. 6. Karma Holistic Medicare Pvt. Ltd. 7. Kings Travelworld (India) Pvt. Ltd. 8. Kings Hotels and Resorts Ltd. 9. Novina Properties (Kerala) Pvt. Ltd. 10. Sri Srinivas Wheat Industries Pvt. Ltd. 11. Vista Learning Technologies India Private Limited 12. E Education Solutions Private Limited 13. Eco Granites Private Limited
Chairman/ Member of the Committees of the Board in which he is a Director as on 31 <sup>st</sup> March, 2013 (excluding this company)	NIL	NIL	NIL
Shareholding as on 31 <sup>st</sup> March, 2013	NIL	NIL	29,550

## 5. Disclosures.

- a) No transaction of material nature has been entered into by the company with the promoters/related parties that may have potential conflict with the interests of the company.
- b) There was no instance of non-compliance and no penalty or strictures imposed on the company by stock exchanges, SEBI or any statutory authority on any matter relating to capital markets during the year.
- c) The company had no share certificate which has remained unclaimed by any shareholder.
- d) The company has fulfilled the following non-mandatory requirements:
  - i) The company continues in a regime of unqualified statutory financial statements.
  - ii) The company ensures that the independent directors of the company have the requisite qualification and experience, which would be of benefit to the company.

## 6. Means of Communication

The quarterly unaudited financial results and the annual audited financial results are normally published in Financial Express and Kerala Kaumudi. The annual reports and accounts are posted to every shareholder of the company.

## 7. Management Discussion and Analysis Report

Management Discussion and Analysis Report has been attached to the Directors' Report and forms part of this Annual Report.

## 8. General Body Meetings

- a) Details of the location, date and time of the last three Annual General Meetings (AGM) are as given below:

Year	Location	Date	Time	Special Resolution Passed
2011-12	Registered office	15.09.2012	11.00 A M	YES
2010 -11	- do -	26.09.2011	11.00 A M	NIL
2009 - 10	- do -	18.09.2010	11.00 A.M	YES

- b) Special Resolutions passed in the last 3 Annual General Meetings.

Year	Special Resolutions Passed
2011-12	1 Special Resolution – De-listing of shares of the company from Cochin Stock Exchange.
2010-11	NIL
2009-10	3 Special Resolutions – (1) Appointment of Chairman and Managing Director and Executive Director (2) Alteration of Article 27 of the Articles of Association (3) Shifting of registered office from Neendakara, Kollam to Thevara, Cochin.

c) Postal ballot

No resolution was put through postal ballot during the year. None of the business proposed in the ensuing AGM require passing a resolution through postal ballot.

d) Details of the location, date and time of the last three Extraordinary General Meetings (EGM) are as given below

Year	Location	Date	Time	Particulars of Special Resolution Passed
2012-13	Registered office	30.04.2012	11.00 AM	1. Change of Registered Office from Kerala to Karnataka (subject to approval of the CLB) 2. Change of Situation Clause of the Memorandum of Association of the Company.
2011-12	NIL	-	-	-
2010-11	NIL	-	-	-

9. General Shareholder Information

- Annual General Meeting

Day & Date : Saturday, September 28, 2013.  
Time : 11.00 A.M  
Venue : A – 1, First Floor,  
Atria Apartments, Opposite  
Gurudwara Temple  
Perumanoor Road, Thevara  
Cochin – 682015.

- Financial Year : 01<sup>st</sup> April 2012 to 31<sup>st</sup> March 2013
- Book Closure Dates : 20<sup>th</sup> September, 2013 to 28<sup>th</sup> September, 2013
- Listing on Stock Exchanges : Bombay Stock Exchange Limited (BSE)
- Stock Code : 530215 (BSE)
- Market Price Data :

Scrip Code	Scrip Name	LTP	52 Weeks High (Price/Date)	52 Weeks Low (Price/Date)	All Time High (Price/Date)	All Time Low (Price/Date)
530215	<u>KINGSINFRA</u>	----	28.05 (19 <sup>th</sup> December, 2012)	5.30 (17 <sup>th</sup> September, 2013)	30.00 (23 <sup>rd</sup> May, 1995)	5.30 (17 <sup>th</sup> September, 2013)

Note :- 52 Weeks High Low Prices are adjusted prices.  
All Time High Low Prices are unadjusted prices.

- Registrar & Share Transfer Agents : SKDC Consultants Limited  
Kanapathy Towers  
3<sup>rd</sup> Floor, 1391/1 – A, Sathy Road  
Ganapathy, Coimbatore – 641 012.  
E – mail: [info@skdc-consultants.com](mailto:info@skdc-consultants.com)
- Compliance Officer : Mr. Mohanan Krishnankutty  
D – 1, First Floor, Atria Apartment  
Opp. Gurudwara Temple, Perumanoor Road  
Thevara, Cochin – 682 015.
- Share Holding Pattern :

Category	No. of Equity Shares Held	% of Shareholding
Promoters	23,19,016	74.99
Banks & other Institutions	NIL	NIL
FII's/NRI's/ OBC	NIL	NIL
Domestic Companies	1,10,584	3.58
Resident Individuals	6,62,650	21.43
<b>Total</b>	<b>3,092,250</b>	<b>100.000</b>

- Distribution of Shareholding :

No. of Equity Shares	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
1-100	10	2.69	1000	0.03
• 101-200	125	33.69	25000	0.82
• 201-300	47	12.67	14100	0.46
• 301-400	28	7.55	10909	0.35
• 401-500	32	8.63	16000	0.52
• 501-1000	68	18.33	51700	1.67
• 1001-2000	12	3.23	19301	0.62
• 2001-3000	2	0.54	5600	0.18
• 3001-4000	2	0.54	6400	0.21
• 4001-5000	0	0	0	0
• 5001-10000	16	4.31	113603	3.67
10001 & above	29	7.82	2828637	91.47
<b>Total</b>	<b>371</b>	<b>100.000</b>	<b>3092250</b>	<b>100</b>

- Dematerialization

The company has entered into agreements with National Securities Depositories Ltd and Central Depository Services (India) Ltd. to offer depository services for the company. Trading in the shares of the company is permitted only in dematerialized form, though liquidity is poor.

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### **Declaration on Codes of Conduct**

As required by Clause 49 of the Listing Agreement the Declaration of Codes of Conduct is given below:

To  
The Members of  
Kings Infra Ventures Limited

I, Shaji Baby John, Chairman and Managing Director of the Company declare that all Board Members and Senior Management and Employees of the Company have affirmed compliance with the Codes of Conduct.

For **Kings Infra Ventures Limited**

Place: Cochin  
Date: 03-09-2013

Sd/-  
**(Shaji Baby John)**  
**Chairman and Managing Director**