

Annexure-3 Corporate Governance

THE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Jaysynth Dyestuff (India) Limited strongly believes that good governance practice is a pre-requisite to attainment of excellent performance in terms of all its stakeholders' value creation. Corporate governance is considered as an important tool for shareholders protection and maximization of their long - term values. The Company's Corporate Governance policy aims towards attainment of high level of transparency, integrity, accountability and fairness in all facets of its operations. Good Corporate Governance contributes to a sustainable economic development of corporations by enhancing their performance and increasing shareholders' value. Your Company has complied with the requirements of Corporate Governance as laid down under Clause 49 of the Listing Agreement with the Stock Exchange.

A. BOARD OF DIRECTORS

As on March 31, 2015, your Company's Board of Directors consist of 8 (Eight) Directors having varied experience in different areas and are leading professionals in respective fields.

The Composition of Board of the Company is in compliance with Clause 49 of the Listing Agreement. The Composition of Board comprises of 50% i.e half of the Board as Independent Directors along with one woman director since the Chairman of the Company is an Executive Chairman.

The Board comprises of 2 (two) Executive Promoter Directors, 1 (one) Non - Executive Promoter Director, 4 (four) Non – Executive Independent Directors and 1(one) Additional Woman Director under Non Executive category.

Sr. No.	Name of the Director	Category (Executive/ Non Executive)	DIN	Number of Board Meetings attended	Whether attended last AGM held on September 19,2014	Other Directorships held (including in private companies at the year - end)	Number of Committee Membership/ Chairmanship in other domestic Companies as at the year end
1	Shri Sharadchandra S. Kothari	Promoter Executive Director	00184421	4	YES	3*	0
2	Shri Parag S. Kothari	Promoter Executive Director	00184852	4	YES	10**	0
3	Shri Nikhil S. Kothari	Promoter Non-Executive Director	00184152	4	YES	12***	0
4	Shri Bhavesh V. Panjwani	Non-Executive Independent Director	03188032	4	YES	2	0
5	Shri Prakash M. Kale	Non-Executive Independent Director	00151379	4	YES	0	0
6	Shri Rajendra M. Desai	Non-Executive Independent Director	00403784	4	YES	6	0
7	Shri Kulinkant N. Manek	Non-Executive Independent Director	06374052	4	YES	0	0
8	Smt. Jyoti N. Kothari (w.e.f. March 30, 2015)	Non-Executive Director	07143429	#	#	0	0

* In 2 Private Companies and 1 Public company

**In 9 Private Companies and 1 Public Company

***In 11 Private Companies and 1 Public Company.

Smt. Jyoti N. Kothari was appointed on March 30, 2015, therefore her attendance in Annual General Meeting is not applicable.

Shri. Sharadchandra S. Kothari, Shri. Parag S. Kothari and Shri. Nikhil S. Kothari are relatives of each other. None of the other directors are related to each other.

During the Financial Year 2014-15, there were 4 (four) meeting of the Board of Directors and the gap between the two meetings did not exceed 120 days as per the requirements of the Companies Act, 2013. The meetings were held on May 28, 2014, August 13, 2014, November 13, 2014 and February 13, 2015 respectively.



None of the Directors except Shri. Sharadchandra S. Kothari, Shri. Parag S. Kothari and Shri. Nikhil S. Kothari are related to each other.

Audit Committee

Pursuant to the provisions of Section 177 of the Companies Act, 2013 read with the provisions of Clause 49 of the Listing Agreement, the Board had constituted an Audit Committee. Shri Rajendra M. Desai (Non Executive Independent Director) is the Chairman of the Committee. Shri Prakash M. Kale (Non Executive Independent Director) and Shri Kulinkant N. Manek (Non Executive Independent Director) are the other members. The Company Secretary acts as a Secretary to the Committee.

During the financial year 2014 -15, 4 (four) meetings of the Audit Committee were held on May 28, 2014, August 13, 2014, November 13, 2014 and February 13, 2015 respectively.

Sr. No.	Dates on which the Audit Committee Meetings were held	Attendance of Directors		
		Shri Rajendra M. Desai	Shri Prakash M. Kale	Shri Kulinkant N. Manek
1.	May 28, 2014	Attended	Attended	Attended
2.	August 13, 2014	Attended	Attended	Attended
3.	November 13,2014	Attended	Attended	Attended
4.	February 13, 2015	Attended	Attended	Attended

The terms of reference of the Audit Committee is as set out in Clause 49 of the Listing Agreement with BSE Limited read with Section 177 of the Companies Act, 2013 and applicable rules thereof.

Nomination and Remuneration Committee

In compliance with the provisions of Section 178 of the Companies Act, 2013 read with the provisions of Clause 49 of the Listing Agreement, the Board has constituted the Nomination and Remuneration Committee. Shri Rajendra M. Desai (Non Executive Independent Director) is the Chairman of the Committee. Shri Prakash M. Kale (Non Executive Independent Director) and Shri Kulinkant N. Manek (Non Executive Independent Director) are the other members of the Committee. The Company Secretary acts as a Secretary to the Committee.

During the Financial Year 2014-15, 1 (one) meeting of the Nomination and Remuneration Committee was held on February 13, 2015

Sr. No.	Dates on which the Nomination and Remuneration Committee Meeting were held	Attendance of Directors		
		Shri Rajendra M. Desai	Shri Prakash M. Kale	Shri Kulinkant N. Manek
1	February 13, 2015	Attended	Attended	Attended

The Chairman of the Nomination and Remuneration Committee was present at the 29th Annual General Meeting held on September 19, 2014. The terms of reference of the Nomination and Remuneration Committee is as set out in Clause 49 of the Listing Agreement with BSE Limited read with Section 178 of the Companies Act, 2013 and applicable rules and schedules thereof.

The committee shall report regularly to the Board regarding its actions and make recommendations to the Board as appropriate. The committee is governed by the same rules regarding meetings as are applicable to the Board

Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination and Remuneration Committee adopted the following policies:

- 1 Nomination and Remuneration Policy for Directors, Key Managerial Personnel and other employees.
- 2 Policy For Determining Qualifications, Positive Attributes, Independence of an Independent Director and Criteria For Evaluation is annexed to Directors’ Report (**Annexure - 4 & 4.1**)

Details of remuneration of all the directors are as follows:

Sr. No.	Director & Designation	Category	Salary and Perquisites	Commission	Sitting Fees
1	Shri Sharadchandra S. Kothari	Promoter Executive Director	33,49,827	-	-
2	Shri Parag S. Kothari	Promoter Executive Director	20,69,027	7,75,000	-
3	Shri Nikhil S. Kothari	Promoter Non-Executive Director	-	-	16,000
4	Shri Bhavesh V. Panjuani	Non-Executive Independent Director	-	-	16,000
5	Shri Rajendra M. Desai	Non-Executive Independent Director	-	-	36,000
6	Shri Prakash M. Kale	Non-Executive Independent Director	-	-	36,000
7	Shri Kulinkant N. Manek	Non-Executive Independent Director	-	-	36,000
8	Smt. Jyoti N. Kothari	Non-Executive Director	-	-	-

Apart from the above remuneration, there were no material pecuniary relationship or transactions by the Company with Non Executive Independent Directors during the Financial Year 2014-15.

Stakeholders Relationship Committee

In compliance with the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement the Company had changed the nomenclature of Share Transfer/Investors Grievances Committee to Stakeholders Relationship Committee at its Board meeting held on May 28, 2014. Shri. Rajendra M. Desai is the Chairman of the Committee, Shri. Nikhil S. Kothari and Shri. Parag S. Kothari are the members of the Committee.

During the Financial Year 2014-15, 2 (two) meetings of the Committee were held on July 04, 2014 and February 13, 2015 which were attended by the members as under:-

Sr. No.	Dates on which the Stakeholder Relationship Committee Meetings were held	Attendance of Directors		
		Shri Rajendra M. Desai	Shri Parag S. Kothari	Shri Nikhil S. Kothari
1	July 4, 2014	Attended	Attended	Attended
2	February 13, 2015	Attended	Attended	Attended

During the year under review, (2) two complaints were received from shareholders, and those (2) two complaints were resolved.

All valid share transfers received during the year under review have been acted upon and no such transfer is pending.

Corporate Social Responsibility Committee:

In compliance with the Section 135 of the Companies Act, 2013 the Board has constituted Corporate Social Responsibility Committee. Shri Prakash M. Kale is the Chairman of the Committee. Shri Rajendra M. Desai and Shri Sharadchandra S. Kothari are the other members of the Committee.

Terms of Reference of this Committee are as follows:

1. To ensure an increased commitment at all levels in the organisation, to operate its business in an economically, socially & environmentally sustainable manner, while recognising the interests of all its stakeholders.
2. To directly or indirectly take up programmes that benefit the communities in & around its work centres and results, over a period of time, in enhancing the quality of life & economic well-being of the local populace.
3. To generate, through its CSR initiatives, a community goodwill for the Company and help reinforce a positive & socially responsible image of the Company as a Corporate entity.

B. GENERAL BODY MEETINGS

Time, Venue where the last three Annual General Meeting (AGM) were held is as follows:

AGM	YEAR	VENUE	DATE	TIME	NO. OF SPECIAL RESOLUTION PASSED
27 th	2011-12	301, Sumer Kendra, P. B. Marg, Worli, Mumbai – 400 018.	September 7, 2012	10.00 am	NIL
28 th	2012-13	301, Sumer Kendra, P. B. Marg, Worli, Mumbai – 400 018.	September 25, 2013	10.00 am	NIL
29 th	2013-14	301, Sumer Kendra, P. B. Marg, Worli, Mumbai – 400 018.	September 19, 2014	10.00 am	<ul style="list-style-type: none"> • Appointment of Shri. Sharadchandra S. Kothari as the Managing Director of the Company. • Adoption of new set of Articles of Association.

During the Financial Year 2014-15, the Company had not passed any special resolution through Postal Ballot.

C. CODE OF CONDUCT

The Board of Directors has revised and adopted the revised Code of Conduct for Directors and Senior Management Personnel. The said Code has been communicated to the Directors and the Members of the Senior Management. The Code has also been posted on the Company’s website [http://www.jaysynthdyestuff.com/pdf/Revised Code of Conduct.pdf](http://www.jaysynthdyestuff.com/pdf/Revised_Code_of_Conduct.pdf).



D. MATERIAL RELATED PARTY TRANSACTIONS

During the Financial Year 2014–15, the Company had entered into certain related party transactions which were material in nature as per Listing Agreement whose approval is being placed at the ensuing Annual General Meeting. None of the materially significant related party transactions have potential conflict with the interests of the Company at large.

The Company has formulated a policy to deal with material related party transactions which is made available on its website and a web link to the same is: http://www.jaysynthdyestuff.com/pdf/Related_party_transaction_policy.pdf.

E. NON-COMPLIANCES BY COMPANIES, PENALTIES, STRICTURES IMPOSED BY STOCK EXCHANGES/SEBI OR ANY STATUTORY AUTHORITY ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS

There were no penalties and strictures imposed by Stock Exchanges/SEBI or any Statutory Authority on matter related to capital markets during the last three years except the Company inadvertently failed to file MGT -10 with ROC in the matter of change in the shareholding position under the Promoter Group i.e M/s. Shoorji Trikamdas Investments Company Private Limited within 15 days from the date of the acquisition of the shares i.e July 25, 2014.

F. DISCLOSURE OF ACCOUNTING TREATMENT

The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable in preparation of the financial statements.

G. MATERIAL SUBSIDIARY COMPANY

The Company does not have any material subsidiary as defined under Clause 49 of the Listing Agreement. However, the Company has formulated the Material Subsidiary Policy and uploaded on the website of the Company and a web link to the same is: http://www.jaysynthdyestuff.com/pdf/Material_Subsiary_policy.pdf.

H. WHISTLE BLOWER POLICY/VIGIL MECHANISM

The detail regarding Whistle Blower Policy/Vigil Mechanism is provided in the Directors' Report.

I. MANDATORY COMPLIANCES UNDER CLAUSE 49 OF THE LISTING AGREEMENT

The Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement in respect of Corporate Governance.

J. ADOPTION OF THE NON MANDATORY REQUIREMENTS UNDER CLAUSE 49 OF THE LISTING AGREEMENT

1. The Company has Executive Chairman hence the norms regarding payment of expenses incurred by a Non executive Chairman in execution of his duties is **Not applicable**.
2. Company does not provide a half yearly declaration of financial performance including summary of the significant events in last six months each household of shareholders.
3. Company is moving towards a regime of unqualified financial statements
4. The Company has not appointed separate persons for the post of Chairman and Managing Director/CEO
5. Internal Auditor may report directly to the Audit Committee

K. MEANS OF COMMUNICATION

The financial results of the Company during the year are reported as mentioned below:

Quarterly results normally published/proposed to be published in Newspapers	In English – Free Press Journal In Marathi - Navshakti
Details of Company Website where results are displayed	www.jaysynthdyestuff.com
Whether it displays official news release and the presentations, if any made to institutional investors or to the analysts	Yes

L. GENERAL SHAREHOLDERS INFORMATION:

1 30th Annual General Meeting:

- Date and Time : Monday, September 14, 2015 at 10.00 a.m.
 Venue : 301, Sumer Kendra,
 P. B. Marg, Worli,
 Mumbai : 400 018.

2 Financial Calendar :

- First Quarterly results on or before August 14, 2015
 Second Quarterly results on or before November 15, 2015



Third Quarterly Results on or before February 15, 2016

Audited Yearly Results on or before May 30, 2016

3 **Date of Book Closure:** September 08, 2015 to September 14, 2015 (both days inclusive)

4 **Dividend Payment Date:** On and after September 14, 2015

5 **Listing :** BSE Ltd.

6 **Stock Code :** 506910

7 **ISIN Code :** INE703C01025

8 **CIN :** L24114MH1985PLC035564

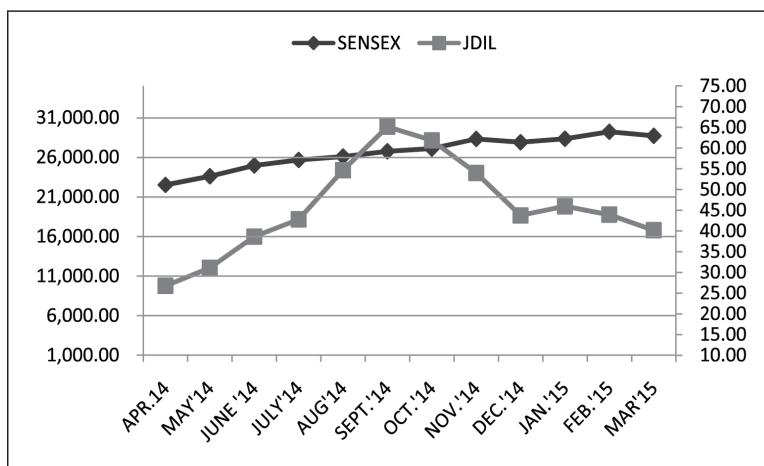
M. DEMATERIALISATION OF SHARES

As on March 31, 2015, 84,69,980 Equity Shares of the Company are dematerialized form constituting 97.47% of total paid up share capital of the Company.

N. OUTSTANDING GDR/ADR – Not Applicable

O. MONTHLY HIGH AND LOW DURING EACH MONTH OF THE FINANCIAL YEAR 2014-15 AND SENSEX COMPARISON BSE LIMITED

MONTH	BSE (₹)	
	HIGH	LOW
April 2014	28.50	25.25
May 2014	38.35	26.00
June 2014	45.00	32.00
July 2014	49.00	37.95
August 2014	71.50	39.10
September 2014	71.95	55.60
October 2014	67.10	52.15
November 2014	64.20	42.70
December 2014	48.40	38.10
January 2015	54.90	42.00
February 2015	49.50	38.10
March 2015	46.95	32.20



P. SHARE TRANSFER SYSTEM

All the share related work is undertaken by our Registrar and Share Transfer Agent, M/s. Sharepro Services (India) Private Limited, Mumbai. Stakeholder Relationship Committee approves the share transfer, transmission, split and consolidation, amongst others of the Shares. The Shareholders'/Investors' Grievances are also addressed by the Company's Registrars and Transfer Agent.

Q. RECONCILIATION OF SHARE CAPITAL:

As stipulated by SEBI, a qualified Practicing Company Secretary carries out reconciliation of share capital to reconcile the total admitted, issued and listed capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and Stock Exchange.



R. SHAREHOLDING PATTERN AS ON MARCH 31, 2015:

Sr. No.	Particulars	No. of Shares Held	% of Shares Held
1.	Promoters	60,90,888	70.09
2.	Mutual Funds & UTI	4,800	0.06
3.	Banks/ Financial Institutions	949	0.01
4.	Private Corporate Bodies	5,22,740	6.02
5.	Indian Public	20,09,789	23.13
6.	NRIs/OCBs	37,938	0.43
7.	Any Other-(Non-promoter Director & Relatives of Directors)	22,596	0.26
	Total	86,89,700	100.00

S. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2015:

No. of Shares	No. of Shareholders	% of Total Shareholders	Total No. of Shares	% of Total Shares
Upto - 500	1,230	74.27	2,36,239	2.72
501 - 1,000	160	9.66	1,36,794	1.57
1,001 - 2,000	105	6.34	1,62,099	1.87
2 001 - 3,000	45	2.72	1,07,510	1.24
3,001 - 4,000	27	1.63	99,532	1.15
4,001 – 5000	23	1.39	1,06,241	1.22
5,001 - 10,000	25	1.51	1,79,218	2.06
10,001- above	41	2.48	76,62,067	88.17
TOTAL	1656	100.00	86,89,700	100.00

T. FOLLOWING NON-EXECUTIVE DIRECTORS HELD SHARES OF THE COMPANY AS UNDER:

Sr. No.	Name of the Directors	No. of Shares
1	Shri. Nikhil S. Kothari	1,35,436
2	Shri Rajendra M. Desai	NIL
3	Shri Prakash M. Kale	NIL
4	Shri Bhavesh V. Panjuani	400
5	Shri Kulinkant N. Manek	200
6	Smt. Jyoti N. Kothari	NIL

U. PLANTS / FACTORIES

Sr. No.	Plant/Factories	Address
1	Patalganga Unit	Plot No. A-29, MIDC Industrial Area, Patalganga, Taluka – Khalapur, District – Raigad, Pin Code – 410 220, Maharashtra
2	Taloja Unit	Plot No. G – 5, MIDC Industrial Area , Taloja , Taluka – Panvel, District – Raigad, Pin Code – 410 208, Maharashtra



V. ADDRESS FOR INVESTOR CORRESPONDENCE

Sr. No.	Particulars	Address
1	REGISTRAR AND SHARE TRANSFER AGENTS	Ms. Indira Karkera - Vice President M/s. Sharepro Services (India) Private Limited Unit: Jaysynth Dyestuff (India) Limited 13 AB, Samhita Warehousing Complex, Second Floor, Saki Naka Telephone Exchange Off. Andheri - Kurla Road, Saki naka, Andheri (East), Mumbai – 400 072 Telephone - +91 22 6772 0300 +91 22 6772 0334 Fax: +91 22 2837 5646 E-mail Id : Sharepro@shareproservices.com Website : www.shareproservices.com
2	INVESTOR RELATIONS CENTER AND ADDRESS FOR CORRESPONDENCE	M/s. Sharepro Services (India) Private Limited 912 , Raheja Centre, Free Press Journal Road, Nariman point, Mumbai – 400 021
3	INVESTOR RELATIONS CENTER AND ADDRESS FOR CORRESPONDENCE	The Company Secretary Jaysynth Dyestuff (India) Limited 301, Sumer Kendra, P. B Marg, Worli, Mumbai – 400 018 Telephone +91 22 3042 3048/49 Fax +91 22 3042 3434/33 E-mail id : info@jaysynth.com Investor's Complaint : jsec@jaysynth.com

X. PROHIBITION OF INSIDER TRADING

The Company has adopted and put in place the Policy on the prohibition of Insider Trading based on SEBI regulation of Insider Trading Regulations 1992 (“the Regulations”). The Company has also approved the code of conduct for regulating and reporting trading by insider and for fair disclosure, 2015 based on SEBI (Prohibition of Insider Trading) Regulations, 2015. Further the Company takes annually as well as event based disclosures as required under the Regulations.

Y. ANNUAL LISTING FEES

The Annual listing fee for the financial year 2015 -16 has been paid to BSE Limited

Z. CEO/CFO CERTIFICATION

Shri. Parag S. Kothari, Chairman and Joint Managing Director and Shri. Mangesh N. Patil, Chief Financial Officer of the Company have provided annual certification on financial reporting and internal controls to the Board in term of Clause 49 of the Listing Agreement. Further Shri. Parag S. Kothari, Chairman and Joint Managing Director and Shri. Mangesh N. Patil, Chief Financial Officer of the Company also provides quarterly certification on financial results to the Board in terms of Clause 41 of the Listing Agreement.



Auditors' Certificate On Corporate Governance

TO THE MEMBERS OF JAYSYNTH DYESTUFF (INDIA) LIMITED

The Board of Directors
Jaysynth Dyestuff (India) Limited

We have examined the compliance of the conditions of Corporate Governance by Jaysynth Dyestuff (India) Limited for the year ended on March 31, 2015 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The compliance of the condition of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion 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, and the representation made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We 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 C.J. SHAH & ASSOCIATES
Chartered Accountants**

sd/-

**(Chandrakant J. Shah)
Proprietor**

**Place : Mumbai
Date : June 25, 2015**

**Membership No. 33802
Firm Registration No. 109522W**

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To,
The Members,
Jaysynth Dyestuff (India) Limited,

I hereby confirm that as required under Clause 49 of the Listing Agreement with the BSE Limited (BSE), all the Directors and Senior Management Personnel have affirmed their compliance with Company's Code of Conduct for Directors and Senior Management Personnel for the year ended March 31, 2015.

For Jaysynth Dyestuff (India) Limited,

Sd/-

**Parag S. Kothari
Chairman and Joint Managing Director
DIN: 00184852**

**Place : Mumbai
Date : June 25, 2015**

**CEO AND CFO CERTIFICATION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

To the Board of Directors
Jaysynth Dyestuff (India) Limited
Mumbai - 400018

We, Parag S. Kothari, Chairman and Joint Managing Director and Mangesh N. Patil, Chief Financial Officer of Jaysynth Dyestuff (India) Limited, to the best of our knowledge and belief certify that:

1. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) 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.
2. We also state that to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
3. We are responsible for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit Committee on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - a) significant changes, if any, in internal control over financial reporting during the year;
 - b) significant changes, if any, in the accounting policies made during the year and that the same have been disclosed in the notes to the financial statements; and
 - c) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having significant role in the Company's internal control system over financial reporting.

Parag S. Kothari
Chairman and Joint Managing Director
DIN: 00184852

Mangesh N. Patil
Chief Financial Officer

Place: Mumbai
Date: June 25, 2015