

KRYPTON INDUSTRIES LIMITED

ANNEXURE - IV

REPORT ON CORPORATE GOVERNANCE

[Pursuant to SEBI (Listing Obligations & Disclosure Requirements) Regulations, ("SEBI Listing Regulations"), 2015]

1. Company's Philosophy on Corporate Governance

The basic philosophy of corporate governance in the Company is to maximize long-term shareholder's value, keeping in view the needs and interests of all its stakeholders and to achieve business excellence. The Company is committed to transparency in all its dealings and places high emphasis on business ethics.

The Corporate Governance framework of the Company ensures that timely and accurate disclosure is being made on all material matters regarding the Company, including the financial situation, performance, ownership and governance of the Company. The Board supports principles of good governance and lays appropriate emphasis on regulatory compliance, integrity and accountability.

2. Board of Directors:

Composition, Meetings, Attendance and Directorship(s)/Chairmanship(s)/ Membership(s)

The Board of Directors of the Company as on 31st March, 2019 comprised of total 5 Directors, consisting of One Executive Director and 4 Non Executive Directors which includes of 1 Woman Director & 2 Non Executive Independent Director. Mr. Jay Singh Bardia, Managing Director is the only Executive Director. During the year under review the Board met 8 times on 30.05.2018, 09.06.2018, 14.08.2018, 28.09.2018, 08.10.2018, 14.11.2018 04.02.2019 & 20.03.2019. The previous Annual General Meeting was held on 20th September, 2018.

The constitution of the Board and their attendance at the Board Meetings, last Annual General Meeting and the Directorship/ Chairmanship/ Membership of Committee of each Director in other companies during the year ended 31st March 2019 are as under:

Sl. No.	Name of Director	Attendance		Category of Directors	No. of Directorship In other Public Limited Companies		No. of Committee* Membership/Chairmanship in other Public Limited Companies		Directorship in other Listed Equity (category of Directorship)
		Board	Last AGM		Listed	Others	Chairman	Members	
1.	Mr. Jay S. Bardia	08	Yes	Promoter, Executive, Managing Director	NIL	NIL	NIL	NIL	-
2.	Mr. Tilok Chand Bachhawat	02	No	Non-Executive	NIL	NIL	NIL	NIL	-
3.	Mr. Pradeep Kumar Singh	08	No	Independent, Non-executive Chairman	NIL	NIL	NIL	NIL	-
4.	Mr. Ravi Prakash Pincha	02	Yes	Independent, Non-executive	1	1	0	1	RDB Realty & Infrastructure Limited (Independent Non-Executive)
5.	Mrs. Vimala Devi Bardia	08	Yes	Non-executive, Woman Director	NIL	NIL	NIL	NIL	-

*Committees include only Audit Committee and Stakeholders Relationship Committee.

None of the directors held directorship in more than 8 Listed Companies and/or 10 Public Limited Companies and/or were member in more than 10 committees or acts as a Chairman of more than 5 Committees across all Public Limited Companies in which he is a director.

None of the Independent Directors served as Independent Directors in more than 7 Listed Companies.

None of the Executive Directors served as Independent Director of any other Listed Company.

Mr. Jay Singh Bardia, Mr. Tilok Chand Bachhawat and Mrs. Vimala Devi Bardia holds 15,42,208; 2,24,657 and 2,82,000 shares respectively in the Equity capital of the Company.

No other director is related to any other director except Mr. Jay Singh Bardia and Mrs. Vimala Devi Bardia in terms of the definition of 'Relative' as given in the Companies act, 2013.

Necessary information as mentioned in SEBI Listing Regulations, 2015 has been placed before the Board for consideration.

Code of Conduct

All the Directors and the members of the Senior Executives have adhered to the code of Conduct for Board of directors and Senior Executives of the Company during the year and have affirmed their compliance with the same. The Annual Report also contains a declaration to this effect duly signed by the Managing Director. The Code of conduct for Board of Directors and senior Executives is also posted on the website of the company, www.kryptongroup.com.

3. Audit Committee:

Brief description of the terms of reference: -

The Audit Committee reviews the Audit Reports submitted by the Internal Auditors, Statutory Auditors, financial results, effectiveness of internal audit process, and the Company's risk management strategy and to establish the vigil mechanism. It reviews the Company's established systems and the committee is governed by provisions of Companies Act, 2013 and Listing Agreement with the Stock Exchange and SEBI Listing Regulations, 2015.

Composition & Attendance:-

The Audit Committee consists of Mr. Jay Singh Bardia, Managing Director and other two Independent non-executive directors viz., Mr. Pradeep Kumar Singh, M.A. and Mr. Ravi Prakash Pincha. Mr. Pradeep Kumar Singh, an Independent Director, has been designated as the Chairman of the Committee, who is having good knowledge in finance and accountings. The Committee is mandated to meet at least four times in a year. The Company Secretary of the Company acted as the 'Secretary' to the Committee.

SL. No.	Name of Member	Category	No. of meetings attended
1.	Mr. Pradeep Kumar Singh	Member & Chairman	4
2.	Mr. Jay Singh Bardia	Member	4
3.	Mr. Ravi Prakash Pincha	Member	4

Four Committee meetings were held during the year viz., on 30.05.18, 14.08.18, 14.11.18 and 04.02.19.

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4. Nomination & Remuneration Committee:

Brief description of terms of Reference:-

This Committee identifies the persons, who are qualified to become Directors of the Company and who may be appointed in in senior management in accordance with the criteria laid down, and recommended to the Board their appointment and removal and also carries out evaluation of each director's performance. The Committee also formulates the criteria for determining qualifications, positive attributes and independence of a director and recommends to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees. The role and terms of reference of the Committee covers the matters as specified for Nomination & Remuneration Committee in the Companies Act, 2013 and SEBI Listing Regulations, 2015.

Composition & Attendance:-

The Committee consists of three non-executive Directors viz. Mr. Ravi Prakash Pincha, Mr. Pradeep Kumar Singh and Mr.T.C.Bachhawat. Mr. Ravi Prakash Pincha, Non-Executive Independent Director has been designated as the Chairman of the Committee. The meeting of the Committee held on 28th September, 2018 and the attendance during the meeting is as follows:

SL. No.	Name of Member	Category	No. of meetings attended
1	Mr. Pradeep Kumar Singh	Member	1
2	Mr. T.C Bachhawat	Member	1
3	Mr. Ravi Prakash Pincha	Member & Chairman	1

Remuneration Policy: The Company has adopted a Remuneration Policy duly approved by its Board of Directors. A framed Remuneration Policy is also available on company's website, www.kryptongroup.com. For the performance evaluation criteria for Independent Directors, please refer Board's Report.

Remuneration/Commission to Directors during the financial year 2018-2019:

Name of the Director	Sitting Fees (Rs.)	Salary, Perquisites & Commission (Rs.)	Total (Rs.)
Mr. Jay Singh Bardia	-	30,00,000	30,00,000
Mr. Pradeep Kumar Singh	4,000	-	4,000
Mr. T. C. Bachhawat	1,000	-	1,000
Mr. Ravi Prakash Pincha	1,000	-	1,000
Mrs. Vimala Devi Bardia	4,000	-	4,000

Other than sitting fees, there was no pecuniary relationship or transactions between Company and non executive directors.

No severance fee is payable and no stock option has been given.

5. Shareholders /Investors Grievance Committee:

The Stakeholders Relationship Committee reviews & redresses the investor / queries / grievances/ complaints on the matter relating to the transfer of shares, non receipt of Annual Reports, Non receipt

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of dividend declared etc. The committee also looks into the matters relating to approval, transfers, transmission, consolidation and splitting of such certificates. The company adopts a policy of disposing of investor's complaint within a span of 15 days.

The Shareholders/ Investors/ Grievance Committee met on 24 different occasions during the year under consideration. The meetings are held on 10th and 25th of every calendar month and if there is a public holiday on that day then meeting holds on the immediately next working date.

Composition of and meetings attended by the members are as under :

Sl. No.	Name of the Directors	Category	No. of Meeting attended
1.	Mrs. Vimala Devi Bradia	Member & Chairman	24
2.	Mr. Pradeep Kumar Singh	Member	24

Investors Grievance Redressal :

No. of shareholders Complaints received so far	Nil
No. of complaints not solved to the satisfaction of shareholders	Nil
No. of complaints pending at the end of the financial year 2018-19	Nil

Name, designation and address of Compliance Officer : CS Arti Baid (Bothra)
Company Secretary
Krypton Industries Ltd.
410, Vardaan Building
25A, Camac Street
Kolkata-700 016
Tel : 033-2287-1366/1367
Fax : 033 2287 1084
E-mail : krypton@kryptongroup.com

6. Independent Directors Meeting:

As per the Companies Act, 2013 and SEBI Listing Regulations, 2015 the Independent Directors are required to hold at least one meeting in a calendar year. Accordingly, a meeting had been held on 28th September, 2018 during the year under review. All the Independent directors were present in the Meeting.

7. General Body Meeting

Details of Location and Time of last three Annual General Meeting were given below:

YEAR	DATE	VENUE	TIME
2015-2016	22.09.2016	FALTA SPECIAL ECONOMIC ZONE Sector-1, Plot No. 31 & 32 Falta, 24-Parganas (S) Pin - 743 504, West Bengal	11.30 AM
2016-2017	22.09.2017		11.30 AM
2017-2018	20.09.2018		11.30 AM

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All the resolution, including special resolutions set out in the respective Notices was passed by the Shareholders. No Special Resolutions was passed using Postal ballot at the meetings held during the years under review.

No special Resolution is proposed to be passed through Postal Ballot at the forth coming Annual General Meeting.

8. Means of Communication:

- i) The company regularly intimates un-audited quarterly financial results to the stock exchanges immediately after these on record by the Board. These Financial results are normally published in The Economics Times / Business Standard and Kalantar and are also posted in the website of the company ie. www.kryptongroup.com. The results are not sent individually to the shareholders.
- ii) Management Discussion and Analysis Report forms part of the Report of Directors.

9. General Shareholder Information

1.	Annual General Meeting Date, Time & Venue	26th September, 2019 11.30 A.M. FSEZ, Sector-1, Plot no. 31 & 32, 24 Prgns (S) West Bengal-743504
2.	Date of Posting of Annual Report	On or before 31.08.2019
3.	Last date of Receipt of Proxy Forms	24th September, 2019 within 11.30 A.M.
4.	Record Date Book Closure	19.09.2019 20.09.2019 to 26.09.2019
5.	Financial Year i.e. April 2018-March 2019	First Quarter Results -14th August, 2018 Half Yearly Results- 14th November, 2018 Third Quarter Results - 4th February, 2019 Final Audited Results - 30th May 2019
6.	Listing of equity shares on Stock Exchanges	a) Bombay Stock Exchange Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 b) Calcutta Stock Exchange 7, Lyons Range, Murgighata, Dalhousie, Kolkata - 700 001
7.	Stock Code ISIN	Bombay Stock Exchange - 523550 Calcutta Stock Exchange -Physical K-025 INE 951B01014
8.	Register to issue and Share Transfer Agent	Maheshwari Datamatics Private Limited 23, R. N. Mukherjee Road, 5th Floor, Kolkata - 700 001
9.	Share Transfer Systems	The authority to approve Share transfer has been delegated by the Board of Directors to the Stakeholders Relationship Committee. The Shares sent for transfer in physical form are registered and returned by Registrar and Share Transfer Agent within fifteen days of receipt of documents provided the documents are found to be in order.

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10.	Dematerialization of Shares	The shares of the company are in compulsory demat segment and are available for trading in the depository system of both the National Securities Depository Limited & Central Depository Services (India) Limited. As on 31st March, 2019, equity shares of the company forming 92.72% of the share capital of the Company stands Dematerialized.						
11.	Outstanding GDRs /ADRs/warrant or any Convertible Instruments, conversion date and likely impact on equity:	No such warrants has been issued till date						
12.	Plant Locations	<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> DIVISION - I (Tyre Division) Falta Special Economic Zone Sector-1, Plot No. 31 & 32 Falta, 24-Parganas (S) Pin - 743 504, West Bengal </td> <td style="width: 50%; vertical-align: top;"> DIVISION -II (Footwear Division) Banganagar, Diamond Harbour Road Falta, 24-Parganas (S) Pin- 743 513, West Bengal </td> </tr> <tr> <td style="vertical-align: top;"> DIVISION - III (Wheel Division) Falta Special Economic Zone Sector-2, Plot No. 48 24-Parganas (S) Pin - 743 504, West Bengal </td> <td style="vertical-align: top;"> DIVISION - IV (Engineering Div) Falta Special Economic Zone Sector-2, Plot no. 32 24-Parganas (S) Pin- 743 504, West Bengal </td> </tr> <tr> <td style="vertical-align: top;"> DIVISION - V (Plastic Division) Falta Special Economic Zone Sector-2, Plot No. 49 (part) 24-Parganas (S) Pin - 743 504, West Bengal </td> <td style="vertical-align: top;"> DIVISION- VI (Sadhurhat Div.) Sarisa Falta Road, Sadhurhat, PS- Ramnagar, 24 Parganas (S), West Bengal -743504 </td> </tr> </table>	DIVISION - I (Tyre Division) Falta Special Economic Zone Sector-1, Plot No. 31 & 32 Falta, 24-Parganas (S) Pin - 743 504, West Bengal	DIVISION -II (Footwear Division) Banganagar, Diamond Harbour Road Falta, 24-Parganas (S) Pin- 743 513, West Bengal	DIVISION - III (Wheel Division) Falta Special Economic Zone Sector-2, Plot No. 48 24-Parganas (S) Pin - 743 504, West Bengal	DIVISION - IV (Engineering Div) Falta Special Economic Zone Sector-2, Plot no. 32 24-Parganas (S) Pin- 743 504, West Bengal	DIVISION - V (Plastic Division) Falta Special Economic Zone Sector-2, Plot No. 49 (part) 24-Parganas (S) Pin - 743 504, West Bengal	DIVISION- VI (Sadhurhat Div.) Sarisa Falta Road, Sadhurhat, PS- Ramnagar, 24 Parganas (S), West Bengal -743504
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13.	Address for correspondence	M/s Krypton Industries Ltd 410, Vardaan Building, 25A, Camac Street, 4th Floor, Kolkata-700016 E-Mail: krypton@kryptongroup.com Ph: 033 22871366/ 1367, Fax -033 22871084						
14.	Website	www.kryptongroup.com						

(b). Stock Market Data: -

Monthly high and low quotations of shares traded at Bombay Stock Exchange (BSE) and performance in relation to BSE Sensex from April 2018 to March 2019 are as under:

Months	Krypton at BSE		BSE SENSEX	
	High (Rs)	Low (Rs)	High	Low
April, 2018	12.68	10.01	35213.30	32972.56
May, 2018	11.83	9.29	35993.53	34302.89
June, 2018	11.93	9.00	35877.41	34784.68
July, 2018	10.49	8.13	37644.59	35106.57

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August, 2018	12.50	9.50	38989.65	37128.99
September, 2018	16.80	10.50	38934.35	35985.63
October, 2018	15.00	11.20	36616.64	33291.58
November, 2018	15.00	12.50	36389.22	34303.38
December, 2018	13.95	10.65	36554.99	34426.29
January, 2019	13.95	10.22	36701.03	35375.51
February, 2019	13.88	10.05	37172.18	35287.16
March, 2019	16.50	11.67	38748.54	35926.94

c. Distribution of Shareholding:

i) Category wise shareholding pattern as on 31.03.2019 was as under:

CATEGORY	NO.OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
PROMOTER'S HOLDING		
Foreign Promoters	50796	0.35
Indian Promoters	3878611	26.39
NON-PROMOTERS HOLDING		
Banks, Financial Institutions, NBFCS Registered With RBI	25870	0.18
Insurance Companies	-	-
Central/State Govt.Institutions/ Non-Govt. Institutions	-	-
Mutual Funds/UtI/Trust	4465	0.03
Clearing Members	11319	0.08
Private Corporate Bodies	1265949	8.61
Indian Public	8219855	55.93
NRIs/OCBs	1240265	8.43
TOTAL	14697130	100.00

ii) **Distribution of Share Holding As on 31.03.2019**

Nominal Value of Shares (Rs)	Share Holders		No. of Shares	
	(Numbers)	%of Total	(Numbers)	% of Total
(1)	(2)	(3)	(4)	(5)
Upto 5,000	6635	86.4608	827934	5.6333
5001 to 10000	359	4.6781	301528	2.0516
10001 to 20000	207	2.6974	318396	2.1664

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20001 to 30000	97	1.2640	253427	1.7243
30001 to 40000	48	0.6255	173435	1.1801
40001 to 50000	64	0.8340	305214	2.0767
50001 to 100000	93	1.2119	697272	4.7443
100001 & Above	171	2.2283	11819924	80.4233
Grand Total :	7674	100.0000	14697130	100.0000

10. Disclosures

Related Party Transactions:

All transactions entered into with the related parties during the financial year ended 31st March, 2019 were in the ordinary course of business and on an arm's length basis and without any conflict of interest in accordance with the provisions of the Companies Act, 2013 and SEBI Regulations, 2015. Moreover, there were no materially significant related party transactions during the financial year which were in conflict with the interest of the Company. Suitable disclosures as prescribed under the applicable Accounting Standard have been made in the Note 43 to the Financial Statements.

A framed Policy on Related Party Transactions is uploaded on the Company's website, www.kryptongroup.com.

Compliances by the Company:

During the last 3 years no penalties or strictures have being imposed on the company by the Stock Exchanges, SEBI or any other statutory authority on any matter related to Capital Markets.

Whistle Blower Policy:

The Company has adopted Whistle Blower/ Vigil Mechanism Polcy for Directors and employees which has been uploaded on the company's website, www.kryptongroup.com. The Audit Committee is entrusted with the responsibility to oversee the Vigil Mechanism.

Details of compliances with Mandatory Requirements and adoption of the non-mandatory requirements of this clause:

All the Mandatory requirements have been appropriately complied with and the non- mandatory requirements are mentioned at the end of the Report.

Policy on Determination of Materiality for Disclosures & Archival Policy:

The Company has adopted a policy on determination of materiality for disclosures to disclose events or information which, in the opinion of the board of directors of the Company, are material and the same has been uploaded on the company's website, www.kryptongroup.com.

Share Capital Reconciliation Audit:

CA. Hari Ram Agarwal, partner of M/s H. R. Agarwal & Associates, a Practicing Chartered Accountant, carried out a Share Capital Reconciliation Audit in accordance with SEBI circular D & CC /FITTC/ CIR -16/2002 Dated 31.12.2002 during the year on quarterly basis to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Limited (CSDL) and the total issued and listed capital. Any difference in aggregate is reported in quarterly reports. Moreover, number of requests confirmed after 21 days and / or number of requests pending beyond 21 days during /at the end of each quarter by / with RTA is reflected in the report along with reasons for delay, if any.

Disclosure of Accounting Treatment

The Company has followed all relevant Accounting Standards as prescribed by The Institute of Chartered Accountants of India while preparing the financial statements.

Proceeds from Public Issues, Right Issues and Preferential Issues, etc

During the financial year 2018-2019, the company did not issue or allot any securities to its shareholders.

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Disclosure of Risk Management

The Company has the risk assessment and mitigation procedures in place and the same have been laid before the Board members from time to time.

List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilisation of funds, whether in India or abroad.

Facilities/Instruments	Credit rating by CRISIL
Long-Term Banking Rating (Fund based and Non Fund based facility)	CRISIL BB-IStable (Upgraded from CRISIL B+/Stable)
Short-Term Banking Rating (Fund based and Non-Fund based facility)	CRISIL A4+(Upgraded from CRISIL A4)

Certificate from Company Secretary in Practice

The Company has received a certificate from a Company Secretary in Practice that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the board/Ministry of Corporate Affairs or any such statutory authority.

During the year Board has accepted all mandatory recommendation made by the committee.

Disclosure of fees to Statutory Auditor

Total fees for all the services paid by the company on a consolidated basis a sum of Rs. 2.50 lacs for the financial year 2018-19 to M/s. P. K. Luharuka & Co.,m Statutory Auditor of the company.

Disclosure of Sexual Harassment of Women at Workplace

During the year, no complaints were filed in relation to the Sexual Harassment of Women at workplace.

Compliance

The Disclosures on Corporate Governance as required under Regulation 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 have been adhered and complied with.

Compliance with the Non Mandatory Requirements

i) The Board

The company has not adopted and allowed any reimbursement of expenses incurred by the Non-Executive chairman who is entitled to maintain a Chairman's office at the Company's expenses, in performance of his duties.

ii) Shareholders Rights

The Company's results are available on website www.corpfiling.co.in. A half yearly declaration of financial performance including summary of the significant events is presently not being sent to each household of the shareholders. However the Company's half yearly results are published in English Newspaper (having a wide circulation) and in Bengali newspaper.

iii) Audit qualifications

During the period under review, there is no audit qualification on company's financial statements.

iv) Separate posts of Chairman and CFO

The Company has appointed separate persons to the post of chairman and Managing Director/ CFO.

v) Reporting of Internal Auditor

Presently, the Internal Auditor is not directly reporting to the Audit Committee