INFLUENCE OF CORPORATE GOVERNANCE PRACTICES ON WORKING CAPITAL EFFICIENCY OF MANUFACTURING FIRMS IN NAIROBI COUNTY

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A Research Project submitted to the Department of Business and Entrepreneurship in the School of Business and Economics in partial fulfillment of the requirements for the award of the degree of Master of Business Administration of South Eastern Kenya University

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DECLARATION AND RECOMMENDATION

Declaration

This research project is my original work and has not been presented for a degree in any other university.

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Declaration

This research project has been submitted with our approval as University Supervisors.

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DEDICATION

This research project is dedicated to my family and friends. Thank you for your support.

ACKNOWLEDGEMENT

I thank the Almighty God for his grace and blessings. Sincere thanks to my supervisors for their guidance and advice. My gratitude also goes to my beloved family for the support and prayers. I appreciate their unwavering love, prayers and believe in my abilities. GOD bless you.

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ACRONYMS

CEO Chief Executive Officer

KCMA Kenya Capital Markets Authority

OECD Organization for Economic Cooperation and Development

KAM Kenya Association of Manufacturers

WCM Working Capital Management

DEFINITION OF TERMS

Accounts receivable period	Length of time credit sales are converted to sales
Accounts payable period	Length of time firms take to pay their creditors
Cash conversion cycle	Length of time when cash is converted to raw materials, then to finished goods then to cash
Corporate governance practice	Process and procedures by which firms are controlled and directed
Inventory Conversion period	Length of time finished goods are converted to cash
Working capital	Funds needed to carry the day to day operations of a firm
Working capital Efficiency-	Balance between short term funds and its short term liabilities

ABSTRACT

The main motivation of the study was to determine the influence of corporate governance practices on working capital efficiency of manufacturing firms in Nairobi County. The study used descriptive survey research design. The population of the study comprised of all five hundred and fifty four manufacturing firms registered in trade and Industries Ministry of the Nairobi County. The sample size was one hundred and eleven firms. The study used questionnaires, interview guide and documentary analysis as the data collection instruments. The statistical package for social science (SPSS) was used to analyses the data. Correlation analysis was used to test the relationship between the variables. The Corporate Governance practices were measured by Board Structures, internal Audit and shareholders' Interest. The results of the study indicated that 87.2% of the variations in the working capital efficiency are related to Board structures, internal audit and the Shareholders interest. The coefficient of variations was found to be .756. This shows that there is a positive correlation between the Board structures, Internal Audit, Shareholders interest and the working capital efficiency. This indicates that the changes in the predictor variables would be very closely associated with the changes in the level of working capital efficiency. The study found that board structure has the highest influence on working capital efficiency than internal audit and shareholders' interest The study concluded that there is a significant impact of corporate governance on working capital efficiency of manufacturing firms in Nairobi County. The study recommends that there is need for harmonization of corporate governance across all manufacturing firms since some of them had different nature of corporate governance practices and therefore leading to the difference in the management of working capital.

CHAPTER ONE

INTRODUCTION

1.0 Background of the Study

1.1 Working Capital

Every business needs investment to procure fixed assets, which remain in use for a longer period. Money invested in these assets is called 'Long term Funds' or 'Fixed Capital'. Business also needs funds for short-term purposes to finance current operations. Investment in short term assets like cash, inventories, debtors etc., is called 'Short-term Funds' or 'Working Capital'. The 'Working Capital' can be categorized, as funds needed for carrying out day-to-day operations of the business smoothly (Gryglewicz, 2011). The management of the working capital is equally important as the management of long-term financial investment.

Working capital efficiency involves the balance between firm's short term assets and its short term Liabilities. The interaction between current assets and current liabilities is, therefore, the main theme of the Theory of working capital management (Leary & Roberts, 2014). Working capital efficiency is concerned with the problem that arises in attempting to manage the current assets, the current liabilities and the inter relationship that exists between them. The goal of working capital efficiency is to a firm's current assets and current liabilities in such a way that a satisfactory level of working capital is maintained.

The concept of working capital addresses companies managing of their short term capital and the goal of management of working capital is to promote a satisfying liquidity, profitability and shareholders' value. A well-managed working capital

promotes a company's wellbeing on the market in terms of liquidity and it also acts in favor for the growth of shareholders value (Jeng-Ren, Li-&Han-wen, 2006). Working capital efficiency is an important component of corporate financial management because it directly affects the profitability of the firms. Researchers have approached the working capital in numerous ways. While some studied the impact of proper or optimal inventory management, others studied the management of accounts receivable trying to postulate an optimal policy that leads to profit maximization.

According to Deloof (2003), the way that working capital is managed has a significant impact on the profitability of the firm. Such results indicate that there is a certain level of working capital requirement which potentially maximizes returns. The working capital meets the short term financial requirements of a business enterprise. It is the investment required for running the day to day business. Efficient working capital includes planning and controlling of current liabilities in a way it avoids excessive investments in current assets and prevents from working with few current assets insufficient to fulfill the responsibilities (Ganesan 2007).

Working capital is the results of the time lag between the expenditure for the purchase of raw materials and the collection for the sale of finished products. The components of working capital are inventories, accounts payable to suppliers, accounts receivable from customers after sale and the cash conversion cycle. Working capital efficiency is measured by the period between the purchases of materials on account from suppliers until the sale of finished product to the customers, the collection of receivables and the payment to suppliers. Thus it reflects the company's ability to finance its core operations with the vendor credit.

Cash Conversion Cycle is considered as key measure to determine the efficiency in working capital efficiency. Further, cash conversion cycle for a firm is the period during which it is transited from money to goods and again to money (Deloof, 2003; Raheman and Nasr, 2007). Deloof 2003, found that the longer the time lag, the larger the investment in working capital. Along cash conversion cycle might lead to profitability because it leads to higher sales. However corporate profitability might decrease with cash conversion cycle, if the costs of higher investment in working capital rise faster than the benefits on holding more inventories and/ or granting more trade credits to customers.

According to Harris (2005) working capital efficiency is simple and straight forward mechanism of ensuring the ability of the firm to fund the difference between short term assets and short term liabilities. In short term objectives of the companies, the Working Capital efficiency are viewed as one of the key mechanism. It is considered to be a vital issue in financial management decision as it has effect on liquidity as well as on profitability of the firm. Liquidity and profitability are both two different sides of the same coin. Optimum level of liquidity guarantees a firm to meet their short term debt and the proper management of flow can be promised by a profitable business. Liquidity shows the ability of company in responding to short term obligation.

1.1.2 Corporate Governance

Governance is the manner in which power is exercised in the management of economic and social resources for sustainable human development and it has assumed the critical importance in these days of political pluralism. It is vital ingredient in the maintenance of dynamic balance between the need for order and equality in society,

the efficient production and delivery of goods and services, accountability in the use of power, the protection of human rights and freedoms, and the maintenance of an organized corporate framework within which each citizen can contribute fully towards finding innovative solutions to common problems.

Governance is concerned with the process, systems, practices and procedures (formal and informal rules) that govern institutions, the manner in which these rules and regulations are applied and followed, the relationships that these rules and regulations determine or create and the nature of those relationships. Essentially, governance addresses the leadership role in the institutional framework. Shleifer and Vishny, (1994) defined Corporate governance as the manners in which the power of a corporation is exercised in the stewardship of the corporation's total portfolio of the assets and resources with the objectives of maintaining and increasing shareholders value and satisfaction of other stakeholders in the context of its corporate mission.

It is concerned with creating a balance between economic and social goals and between individual and communal goals while encouraging efficient use of resources, accountability in the use of power and stewardship and as far as possible to align the interest individuals, corporations and society. The Cadbury committee (1992) defines corporate governance as the system by which companies are directed and controlled. Corporate governance is about supervising and holding to account those direct and control management. Traditionally, corporate governance has been associated with large companies and the existence of Agency problem.

Agency problem arises as the results of the relationship between shareholders and managers. It comes about when members of an organization have conflict of interest within the firm. This because of the separation of control of the firm. Well defined and enforced corporate governance provides a structure that at least in theory provides works for the benefits of everyone concerned by ensuring the firm adheres to the accepted ethical standards. Various theories have been advanced on corporate governance which includes agency theory, stewardship theory and stakeholders' theory of which agency theory has had the greatest influence. It holds that managers will not act to maximize the returns to shareholders unless appropriate governance structures are implemented in the large corporation to safeguard the interests of shareholders (Jensen and Meckling, 1976).

Corporate Governance activities help to enhance the efficiency and effectiveness of the organization with the help of proper supervision and control, thereby plating a very important role in aligning the interest of shareholders and management to reduce the agency conflict. "Firms with poor agency practices face more agency problems as managers of those firms can easily obtain private benefits due to poor corporate governance structure" (McGee, 2009). It also stimulates management to take actions for the best interest of shareholders and increase shareholders wealth.

Good corporate governance is necessary in order to attract investors, create competitive and efficient companies and business enterprises, enhance the accountability and performance of those entrusted to manage corporations and promote efficient use of limited resources.

Without efficient companies or business enterprises, the country will not create wealth or employment. Without investment, companies will stagnate and collapse. Gomez (2005) stated that "if business enterprises do not prosper, they will stagnate and collapse. If business enterprises do not prosper, there will be no economic growth; no employment, no taxes paid and invariably the country will not develop". The country needs well-governed and managed business enterprises that can attract investments, create jobs and wealth and remain viable, sustainable and competitive in the global market place. Good corporate governance therefore becomes a prerequisite for national economic development.

1.1.3 Global Trends in Corporate Governance

From the global perspective, the history of corporate governance system is now well documented. Monks (1996) argues that the numerous cases of corporate failures are an inclement of the effective of the existing corporate governance structures. Initially this financial scandal appeared primarily to be American phenomenon, arising from overheated U.S stock markets; excess greed and a winner – take – all mindset of the American society. According to Gomez (2005), the past two decided have however, witnessed significant transformations in corporate governance structures, leading to increased scholarly interest in the role of board of directors in driving corporate performance. Arising from many high profiles corporate failures, coupled with generally low corporate profits across the globe, the credibility of the existing corporate governance structures has been put to question.

The traditional approach to corporate governance has typically ignored the unique influence that firm owners exert on the board and by extension, the top management

to behave or make decision in a particular way. Owner preferences and investment choices are influenced by among other factors, the extent to which they can take risk. To the extent that owners have economic relations with the firm, their priority would be to protest their interest even though they may lead to low investment returns and generally low profitability. Corporate governance rules have been promoted in part as a way of protecting and encouraging foreign investments in Eastern Europe, Asia and other emerging markets. The greater integration of world capital markets in particular in the European Union following the introduction of Euro and the growth in equity capital throughout the 1990's have also had been a significant factor in rekindling interest in corporate governance (Lins 2003).

1.1.4 Corporate Governance in Kenya

In Kenya the code of best practices issued by the Private Sector Initiative for Corporate Governance defines Corporate Governance as the manner in which the power of corporation is exercised in the stewardship of corporation's total portfolio of assets and resources with the objective of maintain and increasing shareholders value and satisfaction of other stakeholders in the context of its corporate mission. It states that good Corporate Governance seeks to promote recognition and protection of stakeholder's rights, legitimate corporations that are managed with integrity, probity and transparency and an inclusive approach based on democratic ideas legitimate representation and participation among others (Kihara, 2006).

Kenya Capital Market Authority also has issued guidelines on corporate governance practices by the public companies in Kenya. The guidelines were developed in recognition on the role of good governance in corporate performance, capital formation and maximization of shareholders values and protection of investors' right

(Wamalwa, 2003). The main objectives of these rules is to strengthen corporate governance practices in Public listed companies in Kenya and to promote the standards of self-regulations so as to bring the level of governance in line with International standards. Corporate governance has become one of the most discussed topics in business administration due to balance sheet manipulation or even collapse of some public corporations. Corporate Governance enlarged up prevailing debate on Shareholder value management (Clarke 2007).

For many manufacturing firm, the current assets account for over half of their total assets. The management of working capital may have both negative and positive effects on the firms profitability, which in turn, has a negative and a positive impact on the shareholders wealth. The manufacturing firms are characterized by high intensive working capital requirement and high competition because of high technology changes. This makes the working capital management crucial to bring attractive earnings to shareholders.

1.2 Problem Statement

One of the challenges faced by manufacturing firms is meeting their short term commitments. The manufacturing firms have extended longer credit period to debtors as they have shorter credit period from creditors (Mogaka & Jagongo 2013). This in turn affects the operations of the firm making it difficult to meet their current liabilities. Raheman &Nasr (2007) found that working capital is a key element for competition and they are rigorously managed by firms. This fine tuning is particularly important in recession and macroeconomic down town, where an organization major part of current asset is consisting of closing stock of raw materials, or unsold goods, which cannot be realized in a short notice for meeting the working capital requirement of an organization. Therefore, this will lead to financial crunch in meeting short term obligations and ultimately may lead to inefficiency in working capital (Wamalwa 2003).

Various studies have been conducted in relation to working capital efficiency in manufacturing firms. Though the results are mixed, both locally and internationally, the studies have been conducted on firms listed in various securities exchange which are generally large and with stable financial base different from medium and small firms. The medium and smaller firms which form the majority of the manufacturing firms have not been incorporated in the previous researches. I t is therefore due to this research gap that the researcher wanted to determine the effect of corporate governance practices on the working capital efficiency of manufacturing firms in Nairobi county.

1.3 Objectives of the Study

1.3.1 Main Objective

This study was guided by the main objective, to determine the influence of Corporate Governance practices on Working Capital efficiency of Manufacturing firms in Nairobi County.

1.3.2 Specific Objectives

1. To determine the influence of Board Structure on Working Capital Efficiency of Manufacturing firms in Nairobi County.
2. To establish the influence of Internal Audit on Working Capital Efficiency of Manufacturing firms in Nairobi County.
3. To determine the influence of shareholders' Interest on Working Capital Efficiency of Manufacturing firms in Nairobi County.

1.4 Hypotheses

To offer useful answers to the research objectives, the following hypothesis stated in their null forms were tested

H01: There is no significant relationship between Board Structure and working capital efficiency

H02: There is no significant relationship between Internal Audit and working capital efficiency

H03: There is no significant relationship between Shareholders' Interest and working capital efficiency

1.5 Justification of the Study

Good corporate governance holds management accountable to the board and the board accountable to the shareholders. The Corporate Governance practices promote the standards of self-regulation so as to bring the level of governance in line with international trend. The result of the study will contribute to the understanding of how the Corporate Governance practices influence the working capital efficiency in developing economies such as Kenya. Scholars may also wish to use the findings of this study as a basis for further research.

The study will enrich the shareholders and investors understanding, on how the corporate governance practices affect the value of their investment since Working Capital affects profitability and liquidity of a firm. It will also help in addressing the agency problem. Management will also benefit from the study as they will know how adherence to the selected Corporate Governance practices influences the level of their organization's working capital efficiency. The study will also benefit the financial managers, investors, financial management consultant and other stakeholders.

1.6 Limitations of the Study

The study experienced certain limitations which included accessibility of data as the respondents were not willing to provide information for fear of leaking the firm's information to competitors. This was addressed explain from the onset the purpose of the study and the intent of the questionnaires through formal discussions with the respondents.

This study was limited to the sample of Nairobi County manufacturing firms. The findings of this study could only be generalized to firms similar to those that were included in this research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter reviews literature relating to corporate governance practices and firms working capital management. The literature review has been organized in the following sections. First section covers the theories underlying the study, corporate governance and firm's working capital. The second section covers the corporate governance practices and working capital, third section covers the empirical studies on the subject area and the last section covers the missing gap.

2.2 Theoretical Framework

Firms usually come to the conclusion that there is a need for an appropriate mixture of debt finance with regard to the length of time to maturity: some short term borrowing is desirable alongside some long term borrowing (Brigham &Ehrhardt. 2004). This is because there is always a minimum level of current assets which is continuously required by a firm to carry on its business operations. This forms the permanent or fixed working capital. The extra working capital needed to support the changing production and sales through the operating cycle. The major factors to be considered in achieving the right between the permanent and variable working capital include cost interest rate and risk of not being able to renew borrowings, of the yield curve shifting or not being able to meet sudden outflow if the maturity is bunched (Weinraub &Vissicher, 1998).

2.2.1 Matching Approach

According to Gitman (2005), some firms follow the matching principle, in which the maturity structure of finance matches the maturity period of the project or asset. Here, the fixed assets and current assets which are needed on permanent basis are financed through long term sources. While current assets that's financing needs vary throughout the year are financed by short term borrowings. The theory implies that excessive cash in corporate accounts is not necessarily in favor of the firm. Unnecessary cash may be built up because of poor corporate governance. Tradeoff theory, pecking order theory and free cash flow theory usually explain the pattern of cash holdings. Firms, according to tradeoff theory and by extension the matching approach, set their optimal level of cash holdings by weighting the marginal costs and marginal benefits of holding cash (Afza & Nazir 2009). The level of cash a firm maintains is characterized by its policies regarding working capital requirements, cash flow management, dividend payments, investments and asset management.

2.2.2 Aggressive Approach

This approach is considered more risky because of the frequent needed to refinance to support permanent current assets as well as fluctuating current assets. Gitman (2005) observed that if a firm relied on overdraft for this, it will be vulnerable to a rapid withdrawal of that facility and if stocks and cash are reduced to pay back the overdraft the firm may experience severe disruptions, loss of sales output and additional costs because of failure to maintain the minimum required working capital to sustain optimum profitability. Thus, Bringham and Ehrhardt (2004) post that this working capital policy will be associated with higher return and risk. Audit committee represents another internal governance mechanism whose impacts to improve the

quality of financial management of a company and therefore encouraging the firm not to take unnecessary risk in maintenance of their working capital level.

2.2.3 Conservative Approach

Under the conservative approach, the firm finances its permanent assets and also a part of temporary current assets with long term financing. When there are times in the course of the year when surplus cash is available, this will be invested in short-term instruments. Most of the managers feel much happier under the conservative approach because of the lower risk of being unable to pay bills as they arise. The low-risk is to make sure that long term financing covers the total investment of the assets. However such a policy may not be to the best interest of the owners of the firm.

The short term funds invested in the short term securities is unlikely to earn satisfactory return relative to the cost of the long term funds. In all likelihood, shareholders would better off if the firm reduced its long term financing, by returning cash to shareholders or paying off some long term loans. The holding and increasing of net working capital tie up used money for financing net working capital. If net working capital increases, the firm must utilize and tie up more money and this decreases free cash flows. Production level growth necessitates increased levels of cash, inventories and accounts receivable (Michalski, 2008).

2.3 Corporate Governance Practices and Working Capital Efficiency

There are a number of principles that are essential for good corporate governance practices of which the board of directors, Audit and shareholders' interest has been identified as representing critical foundation and virtues of good corporate governance practices. To better appreciate the corporate governance issues, firms need to take into

consideration the risk taking orientation of their shareholders; Board structures is discussed inform of board size, board composition and CEO duality. Audit is discussed inform Annual reports and accounts, independent of Audit committees and internal control. Shareholders' interest is discussed in form of disclosure and transparency, equitable treatment of shareholders and the right of shareholders.

Harford, Mansi & Maxwell (2008) focused on the study on the corporate governance and firm cash holdings. They found that firms with weaker corporate governance actually have smaller cash reserves. When distributing cash to shareholders, firms with weaker governance structures choose to repurchase instead of increasing dividends, avoiding future payout commitments. The combination of excess cash and weak shareholders rights leads to increases in capital expenditures and acquisitions. Firms with low shareholders right excess cash have lower profitability and valuations. Previous studies concluded that industry practices, form size, future firms sales growth, the proportion of outside directors on a board, executive compensation and CEO share ownership significantly influence the efficiency of a company's working capital management.

Studies have also pointed out that the larger the proportion of outsiders on firm's board, the better its working capital management performance. And the larger the CEO's current compensation the better the firm's working capital management performance. In adequate policies regarding accounts receivable, accounts payable and inventory management have a negative impact on cash conversion cycle. The policy to maintain high cash balances may reflect management own risk aversion and that may cause an agency problem because the board of directors and the CEO may maintain balances that they do not maximize shareholders wealth (Gill and Biger

2013). By managing working capital effectively, shareholders can get maximum returns on their invested capital. Weak corporate governance may have adverse consequences for cash consequences for cash management, accounts receivable, inventory, accounts payable, and cash conversion. The CEO tenure helps in improving working capital management. The dual responsibility CEO's serves the interest of the management team and one way to protect the teams position is to hold excessive corporate liquidity. In addition, the CEO together with the board of directors formulate policies, including policy relate to working capital management.

2.4 Board Structure and Working Capital Efficiency

Direct monitoring by the shareholders is governed through the board of directors who were elected by shareholders. The board of directors is the ultimate decision making organ of the company. The board plays a major role in the corporate governance frame work and is mainly responsible for monitoring managerial performance and achieving an adequate return for shareholders. The board also acts as an intermediary between the principals (shareholders) and the agents. (Managers) ensuring that capital is directed to the right purpose (OECD report 2004). The Kenya Capital Markets Authority (2002) defines the role of the board of directors as identifying the corporate business opportunities as well as principal risks in its operating environment including the implementation of appropriate measures to manage such risks or anticipated changes impacting on the corporate business.

Prasad (2006) noted that board structure distinguishes between those directors who hold management positions in the company and those who do not. Those with management positions are referred to as inside directors. The top person in the board is known as the chairman. He could be an executive or non-executive of the company.

If the CEO happens to be a director on the board, then he is an executive director. Prasad (2006) identified other dimensions of board structure such as the number and types of board committees, committee's membership, flow of information of information among these committees and pattern of committee membership.

The board of directors is the highest body of a company that is responsible for managing the firm and its operation. It plays a vital role in shorter decision regarding the shorter investments. Kamau and Basweti (2013) found there is a positive correlation between the board size and the working capital efficiency. Larger board size may find it difficult in arriving at a consensus in decision which can ultimately affect the quality of corporate governance. Larger bards allows firms to bring diverse and vital resources on the board that can make the board decision making effective and efficient, directly or indirectly meeting challenges in the globalized business environment.

The size of the board can add to the diversity of perspectives, proving greater choices among solutions and more decision criteria to achieve the shorter goals and objectives. The board size and the working capital efficiently ensure that the shorter objectives are achieved. Size of the board is recognized as one of the unique features of board dynamics with considerable but strategic impact on the board independence as well as the overall quality of corporate governance (Jensen & Meckling 1976). The size of board is vital to achieving the board effectiveness and improved firm performance especially from resource dependency perspective which place more emphasis on the board ability to co-opt limited and scares resource from various external links.

Board size affects the quality of deliberation among members and ability of board to arrive at optimal corporate decisions. The accounts payable period, accounts receivable period are components of the working capital which can be affected by the board's decision. There is near consensus in the conceptual literature that effective boards are composed of greater proportions of outside directors. A preference of outsider dominated boards is largely grounded in agency theory. Agency theory is control based theory in that managers by virtue of their firm specific knowledge and managerial expertise are believed to gain an advantage over firm owners who are largely removed from the operational aspects of the firm. The potential for this conflict of interest or battle for control necessitates monitoring mechanism designed to protect shareholders as owners of the firm (Jensen & Ruback 1983).

An examination of fortune 500 corporations, Kesner (1987) found a positive and significant relationship between proportion on inside directors and returns to investors, the earlier work on corporate governance reported a positive association between inside directors and firm performance. Additionally, there is a stream of research which has found no relationship between board composition and firm performance. In the face of ownership and control dispersion, outside non-executive directors are more reliable and also effective in representing shareholders interest. Kesner (1987) argued that non-executive directors are much more likely to oppose to corporate strategy they believe is not in the best interest of shareholders. The board monitoring and control function becomes difficult with insider dominated board since they cannot provide appropriate monitoring against itself.

The independent outside director brings to bear the much needed neutrality and objectivity in the board discuss. Corporate governance plays an important role in controlling the management of working capital by formulating sound policies. The roles of CEO duality help in maintaining an appropriate level of working capital in the organization (Gill & Biger, 2013). CEO tenure also helps in improving working capital management. The dual-responsibility, CEOs serve the interests of the management team and one way to protect the team‘s position is to hold excessive corporate liquidity. In addition, the CEO together with the board of directors formulates policies, including policy related to working capital management.

According to the Agency theorists, CEO Duality creates imbalance in corporate power distribution as heavy concentration of management and control resides with one-person which tend to jeopardized board effectiveness (Deloof 2003). This imbalance makes it inevitably difficult for the corporate board to provide appropriate monitoring or even institute punitive measure against erring CEO due to absence of independence. The integrity of information available to board is compromised with CEO duality due to asymmetric as CEO determines what kinds of information are brought to board attention. Agency theorists thus, argued that the separation of the two positions will reduce the agency cost and promote corporate transparency and accountability.

2.5 Internal Audit and Working Capital Efficiency

Verdi (2006) conceptually defined financial reporting quality as the precision wit which financial reporting conveys information about the firms operations, in particular its expected cash flows, in order to inform equity investors. Financial

reporting should provide information to help investors, creditors and other users assess the amounts, timing uncertainly of prospective net cash inflows to the related enterprise. The purpose of corporate reporting is to provide information that is useful to a wide range of users in making economic decisions. Verdi (2006) correctly observed that, investor confidence and market efficiency depend on the disclosure of accurate and timely information about corporate performance.

The financial statements are supposed to express true and fair picture of the company's financial status. Companies are required to maintain proper book of accounts. This helps in providing data to shareholders and maintains transparency and disclosure which is an important part of maintaining good corporate governance structure. Financial statements must reveal all financial data and transactions.

As a matter of best practice, the constitution of audit committees represents an important step towards promoting good corporate governance. The audit committees have an influence on the working capital efficiency.

Under the legal notice no 60 KCMA, 2002 the audit committees should review quarterly, half yearly and yearend financial statements of the company. Their responsibility is to check whether a company is maintain proper books of accounts or not make sure that company is complying with corporate governance principles. The Audit committee provides a formal communication between the boards, the internal monitoring system the external auditors. The existence and composition of Audit committee have an influence on financial reporting. The Audit committee independence increases the quality and the credibility of financial statements. In this capacity, the audit committee acts as an arbiter between management and the auditors.

Healy and Palepu (2001) suggested that audit committees should have a minimum size of three members to enhance independence. An Independent Audit Committee enhances the efficiency of working capital by auditing cash accounts, accounts payable and inventory accounts. This in turn, minimizes agency problems and agency costs. The board should present and objective and understandable assessment of the company's' operating position and prospects. Healy and Palepu (2001) noted that firms provide disclosure through regulated financial reports including financial statements, footnotes and analysis and other regulatory findings. Financial statement are supposed to express true and fair picture of the company's' financial status. The financial statement shows the current assets and current liabilities. This is used to calculate the working capital position of the firm.

Working capital is an important factor because it has a direct positive effect on profitability as well as liquidity of the company. Optimum level of liquidity, debts and the proper management of business liquidity shows the ability of the company in responding to short – term obligation. A firm ought to optimize its liquidity and profitability while conducting its daily business operations. The corporate governance framework should ensure that timely and disclosure is made on all materials matters regarding the corporation including the financial situation, performance, ownership and governance of the company (OECD 2004). Inadequate policies regarding accounts receivable, accounts payable and inventory management have a negative impact on the cash conversion cycle.

The policy to maintain high cash balances may reflect management's own risk aversion and that many cause an agency problem because the board of directors and the CEO may maintain balances that do not maximize shareholders wealth (Gill and Biger, 2013). By managing working capital effectively, shareholders can get maximum return on their invested capital.

2.6 Shareholders' Interest and Working Capital Efficiency

Shareholders expect the managers to act and make decisions in their interest. The managers and the directors should have efficient and effective use of resources for the production of goods and services. This will in turn maximize the shareholders wealth. By holding proper books of accounts and providing financial data to shareholders, organizations maintain transparency and disclosure, which is an important part of maintain good governance structure (Afza & Nazir, 2009). Financial statement must reveal all financial data and transactions. Shareholders should have access to information about corporate performance and leadership through disclosures in report.

Organization for Economic Cooperation and Development (2004) states that the corporate governance framework should ensure timely and accurate disclosure is made on all material matters regarding the corporation, including the financial situation, performance, ownership and governance of the company. Transparency is the basis on which trust between the company and shareholders is built. The board of directors shall ensure that there is equitable treatment of all shareholders. The corporate governance framework should ensure equitable treatment of all shareholders, including minority and foreign shareholders. All shareholders should have the opportunity to obtain effective reckless for violation of rights. Shareholders

of the company shall jointly and severely protect and actively exercise supreme authority of the company in general meetings.

Shareholders shall ensure that the board of directors is constantly held accountable and responsible for the efficient and effective governance of the company.

2.7 Empirical Studies

Kajananthan and Achchuthan (2013) conducted a study on the corporate governance practices and Working Capital Management Efficiency. Special reference was given to Listed Manufacturing Company in Srilanka. Twenty five listed firms from the period between 2007 to 2011were studied. The study found out that there is no significant mean different between the levels of working capital management efficiency among corporate governance practices as board committees, board meetings and proportion of non-executive directors except board leadership structure. Corporate governance practices were measured by board leadership structures, proportionate of non-executive directors in the board, board committees and board meetings. Working Capital management efficiency was measured using Cash Conversion Cycle, Current liabilities and total assets and current assets to total assets.

Azam and Haider (2012) conducted a study on the impact of working capital management on firm's performance. Evidence from Non-Financial Institutions listed in Karachi Stock exchange. The findings shown that, working capital management has significant impact on firm's performance. It also concluded that managers can increase the value of shareholders and return on assets by reducing their Inventory size, cash conversion cycle and cash trading cycle. Measures of performance were

Return on assets and return on equity. Working capital was measured by Average Collection Period, Inventory Turnover, Average payment period, Cash Conversion Period, Net trading cycle, Gross Working Capital Turnover Ratio, Current Assets to Total Assets Ratios, Current Liabilities to Total Assets Ratios and current Ratio.

Gill and Biger (2013) conducted a study on the impact of corporate governance on working capital management efficiency of American Manufacturing Firms. The study was conducted on one hundred and eighty firms listed between the years 2009 to 2011.The study used correlational research design. They used CEO tenure, CEO duality and Audit Committee and Board size to measure corporate governance. The working capital efficiency was measured by Accounts receivable, Accounts payables, Cash Conversion cycle, current ratio and sales growth. They concluded that corporate governance improves firm's working capital management efficiency.

Locally, Kamau & Basweti (2013) conducted a study on the relationship between corporate governance and working capital management efficiency of firms Listed at the Nairobi Security Exchange. The population of the study consisted of forty two firms that had been consistently listed from 2006-2012. The performance index was used to measure the working capital management efficiency. The result of the study indicated that there was no statistical relationship between corporate governance and working capital management efficiency. Corporate Governance was measured by board size, CEO duality, board meeting, CEO tenure and directors' remuneration. Data on working capital management was measured by annual sales, current assets, current liabilities and size of working capital.

According to Karani, (2013) adoption of corporate governance practices plays an important role in improving the efficiency of working capital management. There exist a positive relationship between accounts payable and audit committee. As the corporate governance practices are implemented by a firm, the level of accounts payable of the firm is minimized. The objective of the study was to establish the effect of corporate governance on working capital of manufacturing firms listed at the Nairobi securities exchange. The study used CEO tenure, board size and audit committee to measure corporate governance. On the other hand working capital was measured using accounts receivable period, inventory conversion period, accounts payable period and cash conversion cycle. Seventeen manufacturing firms consistently listed at the Nairobi security exchange for the period between 2008-2012 were studied.

2.8 Research Gap

Many researchers have examined the relationship between variety of governance mechanisms and working capital management efficiency. Though the results are mixed, both locally and internationally the studies have been conducted on firms listed in various security exchanges. There is a yawning gap exists since none of them have conducted a study on the firms that have not been listed. Corporate governance measurements studies conducted have only dealt with the boards structures. Interest to shareholders and Audit has not been used as a governance practice. Shareholders are the owners of the firms and are affected by the how the directors manages the firm. The shareholders want efficient and effective utilization of resources to maximize their wealth.

2.9 Conceptual Framework

The study was guided by conceptual framework shown below.

Independent Variables **Dependent Variables**

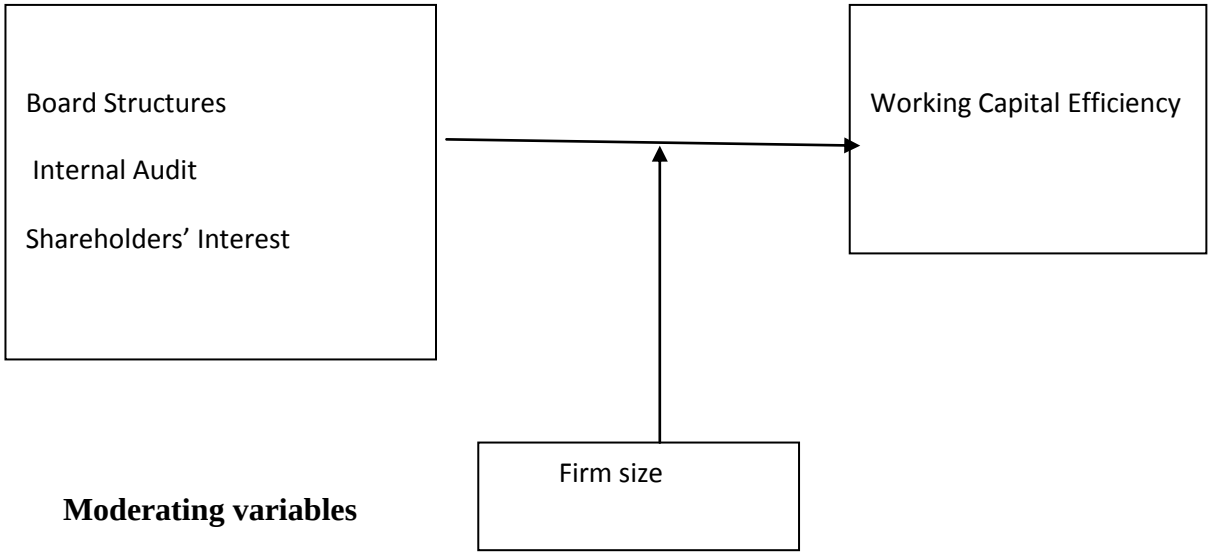

Figure 2.1: Conceptual framework.

CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter explains the method used in carrying out this research study. The chapter is subdivided into the following sections: Research design, target population, sample size and sampling procedures, research instruments validity, instruments reliability, data collection procedure and data analysis techniques.

3.1 Research Design

Research design is a process of creating empirical test to support or refutes a knowledge claim. The study was descriptive in nature and was quantitatively conducted. Jacobs & Razarich (1996) define survey research method as a technique in which detailed information concerning a social phenomenon is gathered by posing questions to respondents. The outcome of such investigation makes it possible to find explanation of social phenomenon in question. A survey gathers data at a particular point in time with the intention of describing the nature of existing conditions, identifying standards against which existing conditions can be compared and determining the relationship that exist between specific events.

This type of design was most appropriate in investigating the influence of corporate governance practices on working capital efficiency of manufacturing firms in Nairobi County. Further, this design was suitable for the study because the researcher collected data at a particular point in time when events had occurred with an intention of identifying the influence of corporate governance on working capital efficiency.

3.2 Target Population

According to Jacobs and Razarich (1989), target population refers to all members of a real hypothetical set of people, events or objects to which we wish to generalize results of the research. In this study, the target population comprised of five hundred and fifty four managing directors from all the five hundred and fifty four manufacturing firms in Nairobi County. From the target population, two hundred and thirty two were categorized as Large manufacturing firm, two hundred and sixty two were categorized as Medium manufacturing firm and sixty one were categorized as Small manufacturing firm.

3.3 Sample Size and Sampling Procedures

A sample is a subject of a population; Mugenda (2003). Sampling on the other hand refers to selection of Individuals for observations intended to yield some knowledge about population of concern. Sampling has the advantage of reducing the cost of the research, ensuring faster data collection as well as improved accuracy and quality of data. For the purpose of this study, Stratified Random Sampling was used. This method involves a process of stratification of segregation of the population in homogenous groups (groups with the same characteristics).

This was then followed by random selection of the subjects from each stratum. The population was stratified in three categories. These are, Large manufacturing firms, Medium manufacturing firms and Small manufacturing firms. Gay & Airasian (2000) stated that a sample of at least 10% is adequate enough to provide the needed sample from the population for an intended research. The study used 20% of the population as its sample size. The sample size of the study was therefore 111 respondents which

is 20% of the target population (554) manufacturing firms in Nairobi County. The study used 46 firms as samples from the large category, 54 firms were used as samples from the medium category and 11 firms were used as samples from the small category. This ensured that a sample was a representative of the population hence ensured that validity was attained.

Table 3.1 Sample size

The sample size was as illustrated below.

Category	Population	Sample size
Large Category	231	46
Medium Category	262	54
Small category	61	11
Total	554	111

3.4 Research Instruments

In order to establish the influence of corporate governance on working capital efficiency of Manufacturing firms in Nairobi County, the views of managing directors were sought. The main instruments of data collection were structured and unstructured questionnaires. This ensured more information was captured for each objective. The questionnaires contained four sections. Section one collected information on Demographic of the respondent's he second section based on the first objective and captured information on Board Structures and Working Capital efficiency, the third section based on the second objective effect of Internal Audit on Working Capital efficiency and the fourth section based on the third objective influence of Shareholders' interest on Working Capital efficiency. Interview guide

and Documentary analysis were also used. Interview collected data from the Kenya Association of manufacturers (KAM).

The questionnaires are the most realistic tool and faster collection of data, `less time consuming and can be picked from the respondent after an agreed time (Mutai, 2001).The questionnaires were preferred in the study because all the respondents were literate. Also, being a descriptive study, the questionnaires facilitated efficiency in collecting information from the respondents.

3.5 Instruments Validity

To ascertain the validity of the instrument, a pilot test was done on three firms that were not part of the sample. This helped the researcher to note the level of difficulty in the instrument and whether there were any ambiguities. The pilot served the purpose of testing relevance of the instrument to the objectives of the study. The researcher ensured that the questions were constructed using simple and plain English that was easy to understand. The questionnaires were validated by the supervisors before being used to collect the data.

3.6 Instrument Reliability

Reliability refers to the consistency of the research and the extent to which studies can be replicated. This was assessed by pilot study carried out through administering the questionnaires to three managing directors. The pilot study was conducted to those firms that were not part of the sample. The pilot study was done to ensure that the respondents have no difficulties in understanding the questions.

3.7 Data Collection Procedure

Data was collected from the sampled Manufacturing firms after attaining research permission from the authorities. A brief introduction was made to the respondents before administering the questionnaires with the aim of explaining the nature and

importance of the study to the respondents. The researcher took the questionnaires to the respondents through hand delivery during pilot and main study and later picked them immediately after the agreed period.

3.8 Data Analysis Techniques

Data analysis was based on the research questions designed at the beginning of the research. This was done by use of frequency tables, percentages and means. Responses in the questionnaires were tabulated, coded and processed by use of computer software. The statistical package for Social Sciences (SPSS) was used to analyze the data. Inferential statistics of Correlation analysis was used to test the relationship between the variables. To test the hypotheses of the study, chi-square test was conducted with a significance test at 5% level. Chi-square is a statistical test commonly used to compare observed data. The chi-square (I) test is used to determine whether there is a significant difference between the expected frequencies and the observed frequencies in one or more categories.

CHAPTER FOUR

DATA PRESENTATION,ANALKYSIS,INTERPRETATION AND DICUSSION

4.1 Introduction

This chapter presents the analysis of the data that was gathered from the field. The chapter is divided on to several sections. These include the demographic data of the respondents, years of management experience, Education level and the analysis of data based on research objectives. From the 111 questionnaires administered, 94 (85%) were returned. The return rate was above 80% and hence was deemed adequate for data analysis.

4.2 Demographic Data of rrespondents

The demographic information of the respondents was based on their gender and age.

Table 4.1 Distribution of respondents according to gender

Gender	Frequency	Percentage
Male	60	64
Female	34	36
Total	**94**	**100**

Data shows that majority 60 (64%) of the respondents were male while 34(36) of the respondents were female. This indicated that there are more male Managers than female managers in manufacturing firms in Nairobi County

Table 4.2 Distribution of respondents according to Age

Age of the Respondents	Frequency	Percentage
Age 20-30	13	14
30-40	24	26
40 – 50	35	37
50 and Above	22	23
Total	**94**	**100**

The data shows that 35(37%) of the respondents were aged between 40-50 years, 24(26%) of the respondents were aged between30-40 years. The data also indicated that 22(23%) of the respondents were aged above 50 years while 13(14%) were aged between 20-30 years.

Table 4.3 Distribution of respondents according to Education qualification

Highest Education Qualification	Frequency	Percentage
Primary School Level	1	1
Secondary level	9	10
College Level	31	33
University level	53	56
Total	**94**	**100**

The study sought to understand the levels of education for different respondents. The analysis found that 1(1%) of the respondents had primary level of education, 9(10%) of the respondents had secondary school level of education, while 31(33%) had college level of education. The majority of the respondents had university qualification and comprised of 53 (56%) of the respondents.

The distribution of respondents' years of management experience was shown in the table below.

Table 4.4 Distribution of respondents according to years of Management Experience

Work Experience	**Frequency**	**Percentage**
0-3 years	7	7
4-6 years	9	10
7-9 years	18	19
10 years and above	60	64
Total	**94**	**100**

The data shows that majority of the respondents have more than five years of experience. The study found that 7(7%) of the respondents had up to three years of experience, while 9 (10%) had between 4-6 years of experience. The study found that, there was a bigger number of the respondent who had between 7-9 years of experience and these were 18 (19%) of the respondents. The majority 60(65%) had over 10 years of experience.

4.3 Board Structures and Working Capital Efficiency

The data sought to analyse whether shareholders having a constant eye on the manager's actions and company operations enable openness and accountability. The analysis and the findings were as presented below.

Table 4.5 Shareholders Supervision on openness and accountability

Responses	Frequency	Percentage
Yes	71	76
No	23	24
Total	**94**	**100**

The analysis found that, 71(76%) of the respondents said that Yes, While 23 (24%) said no.

Table 4.6 Board Structure Elements Influencing Working Capital Efficiency

Board Structure Elements Influencing Working Capital Efficiency.		**1**	**2**	**3**	**4**	**5**	**Total**	**Mean**	**S.D**
Firm board size	%	42	36	12	6	4	**100**	1.25	0.44
	F	39	34	11	6	4	**94**		
Firm board composition	%	22	26	38	10	4	**100**	1.31	1.47
	F	21	24	36	9	4	**94**		
Chief Executive Officer's	%	86	12	2	0	0	**100**	1.47	0.70
tenure	F	81	11	2	0	0	**94**		
Board effectiveness in terms of leadership, Stewardship monitoring and Reporting	%	72	22	4	2	0	**100**	1.89	1.01
	F	67	21	4	2	0	**94**		
Frequency of board meetings	%	68	32	0	0	0	**100**	1.81	1.21
	F	64	30	0	0	0	**94**		
Board members experience and	%	20	12	44	22	2	**100**	2.28	1.16
qualification	F	19	11	41	21	2	**94**		
Multiple directorship	%	42	22	12	10	14	**100**	1.75	0.94
	F	40	21	11	9	13	**94**		
Directors remuneration	%	23	24	22	18	13	**100**	1.22	1.34
	F	22	23	20	18	12	**94**		

The analysis found that different respondents had different views on the board structure and the elements of the working capital efficiency in the manufacturing firm. The study found that firm board size was found to have a 42% impact on the working capital efficiency. The board size is bigger the slower the rate at which the company

make their decisions and more working capital is needed to reach the goals set due to high planning and varying views that might be raised by such company board size.

Concerning Board composition, the highest numbers of respondents 38% were undecided on whether the board composition affects the firm working capital efficiency. This can mean that it therefore has little or no impact to the company working capital efficiency. Concerning the chief executive office tenure, the study found that 86% of the respondents strongly agreed that CEO tenure affect the working capital efficiency of the firm. On the relationship between Board effectiveness in terms of leadership, Stewardship monitoring and reporting in relation to working capital efficiency, 72% of the respondents strongly agreed that there is a keen and wide relationship between the leadership, stewardship monitoring and reporting relationship on the influence of the working capital efficiency.

The study found that the frequency of board meetings further affect the working capital efficiency of the firm. The analysis shows that 68% of the respondents strongly agreed. The data shows that the majority of the respondents 44%were undecided on whether the board members experience and skills influence affect the working capital efficiency. The study further found that multiple directorship affects the working capital efficiency as strongly agreed by 42% of the respondents. The study indicated that remuneration of the directors affect the company working capital efficiency indicated by 23% of the respondents. It can be noted that director's remuneration is not a major element as the majority were only 24%.

4.4 Internal Audit and Working Capital Efficiency

The analysis sought to determine the effects of the internal audit on the working capital efficiency of the firm. The analysis indicated that there is very high importance in internal audit in controlling the organizational and exposing the misappropriation in the organization or unearthing the embezzlement that would occur in the company hence affecting working capital efficiency.

Table 4.7 Internal Audit and Working Capital Efficiency

Whether Internal Audit affect Working Capital Efficiency	**Frequency**	**Percentage**
Yes	81	86
No	13	14
Total	**94**	**100**

The analysis sought to understand the effects of internal audit on working capital efficiency. The study found that 86% of the respondents believed that internal audit affects the working capital efficiency. However, the analysis found that 14% of the respondents believed that there are little or no effects that are related to internal audit in relation to working capital efficiency.

Table 4.8 Reponses on Components of Internal Audit on working capital efficiency

Components of Internal Audit		1	2	3	4	5	Total	Mean	S.D
Internal audit functions affect	%	22	12	36	18	12	**100**	1.28	0.57
Working capital efficiency	F	21	11	34	17	11	**94**		
Internal controls procedures affect	%	54	14	16	12	4	**100**	1.33	0.83
Working capital efficiency	F	51	13	15	11	4	**94**		
Independent internal auditor's	%	42	36	12	5	5	**100**	2.25	1.42
report affect working capital	F	39	34	11	5	5	**94**		
efficiency									
Audit committee's meetings influences	%	26	22	24	25	3	**100**	2.14	1.22
Working capital efficiency	F	24	21	23	23	3	**94**		
Size of the Audit committee	%	10	8	2	12	68	**100**	1.08	0.28
enhance working capital efficiency	F	9	8	2	11	64	**94**		
Board relationship with the	%	28	24	21	6	21	**100**	2.58	1.28
internal auditors enhance working	F	26	23	20	5	20	**94**		
capital efficiency									

The study sought to find out if components of internal audit affect the working capital efficiency in the manufacturing firms. The analysis indicated that proper management of the internal audit functions affects the efficiency of working capital, where by 22% of the respondents strongly agreed with the statements. Concerning the internal controls procedure, majority of the respondents strongly agreed that internal controls

affect the working capital efficiency as provided by 54% of the respondents. While 4% of the respondents strongly disagreed. The data shows that 42% of the respondents strongly agreed that the efficiency of the working capital is influenced by Independent internal auditors' reports.

The analysis indicated that most of the respondents strongly agreed 26%, that audit committee meetings influences working capital efficiency but the study was divided with almost the same number of the respondents just agreeing (as incited by 22%) and others disagreeing (as indicted by 25%) and finally others were not decided on the answer (as indicted by 24%). The analysis on the size of audit committee enhancing working capital efficiency, data shows that 68% of the respondents strongly disagreed with the suggestion. The analysis indicated that, the bigger or the smaller the audit committee is in no way related to the firm's working capital efficiency. Finally the study sought the information on how Board relationship with the internal auditors enhances working capital efficiency. The analysis found from 28% of the respondents strongly agrees the Board relationship with the internal auditors enhances working capital efficiency.

4.5 Shareholders' Interest and Working Capital Efficiency

The study sought to analyze the effects of the shareholders interest on working capital efficiency. Many corporate financial officers identify working capital management as being very important to their firms' value especially in the maximization of the shareholders wealth. The analysis therefore sought to establish the effects of shareholders' interest in working capital efficiency. The analysis was as follows.

Table 4.9 Shareholders' Interest and Working Capital Efficiency

Does Shareholders' Interest affect Working Capital Efficiency	Frequency	Percentage
Yes	86	92
No	8	8
Total	**94**	**100**

The study found that 92% of the respondents said yes that the shareholders' interest affect working capital efficiency. The analysis however found from 8% of the respondents is said that there is no link or relationship between shareholders interest and working capital efficiency.

Table 4.10 shareholders' interest on influence on working capital efficiency

Shareholders' Interest on Influence on Working Capital Efficiency		**1**	**2**	**3**	**4**	**5**	**Total**	**Mean**	**S.D**
Disclosure and Transparency affect working capital efficiency	%	58	22	5	8	7	**100**	1.28	0.51
	F	55	21	5	7	6	**94**		
Conduct of annual general Meeting affect working Capital efficiency	%	22	18	26	34	0	**100**	1 .56	1.00
	F	21	17	24	32	0	**94**		
Annual financial reports Affect working capital efficiency	%	66	14	6	10	4	**100**	3.42	1.91
	F	62	13	6	9	4	**94**		
Frequency of reporting affect working capital efficiency	%	42	12	16	28	2	**100**	1.69	0.79
	F	39	11	15	27	2	**94**		
Regular and timely information affect working efficiency capital	%	55	13	12	14	6	**100**	2.81	1.28
	F	52	12	11	13	6	**94**		
Risk management controls affect working capital efficiency	%	32	48	6	12	2	**100**	1.75	0.94
	F	30	45	6	11	2	**94**		
Board relationship with the monitoring agencies affect working capital efficiency	%	72	15	8	2	3	**100**	1.52	1.11
	F	68	14	7	3	3	**94**		

The analysis found that 58% of the respondents strongly agreed that disclosure and transparency affect working capital efficiency. While 34% of the respondents disagreed that the Conduct of annual general meeting affects working capital efficiency while none of the respondents disagreed. However the study found that 66% strongly agreed that Annual financial reports affect working capital efficiency

.The analysis indicated that 42% of the respondents strongly agreed that frequency of reporting affect working capital efficiency. The analysis indicated that 55% of the respondents strongly agreed that regular and timely information affect working capital efficiency. The analysis indicated that 48% of the respondent strongly agreed that Risk management controls affect working capital efficiency while 72% strongly agreed that Board relationship with the monitoring agencies affect working capital efficiency.

4.6 Measurement of the Working Capital Efficiency

Table 4.11 Working Capital Efficiency

Measurement of the Dependent Variables		**1**	**2**	**3**	**4**	**5**	**Total**	**Mean**	**S.D**
Our firm's board structure Influences working capital Efficiency.	%	45	26	22	6	1	**100**	1.93	1.01
	F	42	24	21	6	1	**94**		
Our firm's internal audit functions influences working capital efficiency	%	18	42	16	20	4	**100**	2.51	1.13
	F	17	39	15	19	4	**94**		
Shareholders' Interest influences working capital efficiency in our firm	%	66	14	6	10	4	**100**	1.72	1.12
	F	62	13	6	9	4	**94**		

The study sought to analyse the effects the manager's views concerning the organizational working capital efficiency. The study found that the statement on whether firm's board structure influenced the working capital efficiency was strongly agreeable with 45% of the respondent indicating that they believed that firm board structure affects the manufacturing company's working capital efficiency. While 1% strongly disagreed. The study further sought to get the views of the firms internal audit functions including working capital efficiency. The analysis found that 42% of the respondents agreed that firm's internal audit functions influences working capital

efficiency, more to that, 66% of the respondents indicated that Shareholders' interest influences working capital efficiency in our firm.

4.7 Descriptive Statistics

Table 4.12 Descriptive Statistics

	Mean	Std. Deviation	N
Working capital Efficiency	1.3617	.48307	94
Board Structure	1.2447	.43220	94
Internal Audit	1.1383	.34706	94
Share Holder Interest	1.1383	.34706	94

On working capital efficiency, the researcher found a mean of 1.36 indicating a strong agreement that corporate governance practices affect the working capital efficiency. It can be deduced to mean that corporate governance plays some role in improving the efficiency of working capital management. The study shows that effective corporate governance practices in an organization ensures that its resources are managed in a manner that will lead to a better performance. The management of working capital is such a resource that effective corporate governance has an effect on when a business does not manage its liquidity well; it will have cash shortages and as a result experience problems paying its obligations when they fall due.

On Board structure a mean of 1.24 indicated that there is a strong agreement that corporate governance provides efficiency on working capital. The analysis gave a mean of 1.13 for internal Audit which indicated that there is agreement that corporate governance has contributed to positive change on working capital efficiency. Internal audits provide a number of important services to firms on management of working

capital. These include detecting and preventing fraud, testing internal control, and monitoring compliance with company policy and government regulation. Concerning share holder interest a mean of 1.13 was found which indicated there was an agreement that corporate governance practices relating to shareholders interests has an effect on the working capital efficiency of manufacturing firms. Having made an investment in a business, shareholders are concerned with assessing the profitability of their investment. The decisions made by managers determine what they can expect both in terms of dividends, or profits, and capital growth, both of which are reflected through the share price.

4.8 Correlations

Table 4.13 Correlations

	Working capital Efficiency	Board Structure	Internal Audit	Share Holder Interest
Working capital Efficiency	1.000	.756	.532	.532
Board Structure	.756	1.000	.704	.704
Internal Audit	.532	.704	1.000	.880
Share Holder Interest	.532	.704	.920	1.000

From the above table it is evident that there is strong positive and direct correlation between the working capita efficiency and independent variables.

Thus board structure (0.756), Internal Audit (0.532) and Shareholders' Interest (0.532). This implies that an improvement in these variables will be associated with significant increase in the levels of working capital efficiency.

4.9 Coefficient of determination Model Summary

Table 4.14 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df 1	df2	Sig. F Change
1	.756[a]	.872	.562	.31961	.572	60.725	2	91	.000

a. Predictors: (Constant), Share Holder Interest, Internal Audit, Board Structure

From table 4.14, the coefficient of determination, R Square is the square of the sample correlation coefficient between the outcomes predicted values. As such it explains the extent to which changes in the dependent variable can be explained by the change in the dependent variables, or the percentage of variation in the dependent variable (Working Capital Efficiency) that is explained by the three Independent variables. These are the Board structures, Internal Audit and the Shareholders' Interest. The independent variables explain 87.2% of the working capital efficiency as represented by R Square. This implies that changes in the Independent variables accounted for 87.2%of the changes in the dependent variables.

4.10 Coefficients

Table 4.15 Coefficients

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.310	.117	.522	2.65	.009
Board structure	.845	.165	.421	5.1212	.002
Internal Audit	.113	.108	.756	1.046	.000
Share Holder Interest	.016	.134	.000	0.119	1.000

Dependent Variable: Working capital Efficiency

The equation; $Yi= a + b_1x_1 + b_2x_2 + b_3x_3 + \varepsilon$

Where: Y_i = Dependent variable (Working Capital Efficiency)

a is the constant

b_1, b_2, b_3, coefficient of determination

X_1 = Board Structure, X_2 = Internal Audit, and X3 = Shareholders Interest

Therefore from the table above the equation becomes:

$Y_i = - 0.310 + 0.845 X_1 + 0.113 X_2 + 0.016 X_3$

From the equation above, the analysis shows that if all other variables are constant, a unit increase in Board structures will lead to a 84.5 percent change in the level of working capital efficiency; a unit increase in Internal audit will lead to a 11.3 percent change in the level of working capital efficiency while a unit increase in Shareholders' interest will lead to a 1.6 percent change in the level of working capital.

These results imply that board structure influence more the working capital efficiency followed by the Internal Audit while the Shareholders' interest influence the least.

4.11 Testing Hypothesis

The use of the chi-square (X2) was to test the hypotheses (H1 – H3) by determining the strength of the relationship between the variables with a .05% significant level, meaning that there is only a 5 percent chance that the statistical significance, if any, resulted from random chance. The premise for the validity and consistency of the analysis is the calculation of the P-value. The p-value is the probability that a sample drawn from a population is tested given that the assumptions proposed by the study are true.

$H0_1$: There is no significant relationship between Board Structure and working capital efficiency.

Table 4.16 Test Statistics-Board structures, provides the actual result of the chi-square goodness-of-fit test. We can see from this table that our test statistic is statistically significant: $\chi 2\ (1) = 57.132$, $p < .0005$. The calculated value of P-Value is less than the pre-chosen probability. Therefore we reject the null hypothesis and accept the alternative hypothesis that there is significant relationship between Board structure and working capital efficiency.

Table 4.16 Board structure

Test statistics	Board structure
Chi-square	57.132a
Asymp. sig.	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 159.5.

$H0_2$: There is no significant relationship between Internal Audit and working capital efficiency

The table below, Table 4.17 provides the actual result of the chi-square goodness-of-fit test. We can see from this table that our test statistic is statistically significant: $\chi 2$ (1) = 144.906, p < .0005.The P Value is less than the of significance level. Therefore, reject the null hypothesis and accept the alternative hypothesis that there is significant relationship between Internal Audit and working capital efficiency.

Table 4.17 Internal Audit

Test statistics	**Internal audit**
Chi-square	144.906a
df	1
Asmp.sig	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 159.5.

$H0_3$: There is no significant relationship between Shareholders' Interest and working capital efficiency

The table below, Table 4.18, provides the actual result of the chi-square goodness-of-fit test. We can see from this table that our test statistic is statistically significant: $\chi 2(1) = 144.906$, $p < .0005$. The p Value is less than the significance level. Therefore, we reject the null hypothesis and accept the alternative hypothesis that there is

statistically significant relationship between Shareholders' Interest and working capital efficiency.

Table 4.18 Shareholders Interest

Test Statistics	Shareholders' Interest
Chi-square	144.906a
df	1
Asymp.sig.	.000

a. 0 cells (0.0%) have expected frequencies less than 5. The minimum expected cell frequency is 159.5

4.12 Discussion on the findings

The discussion of findings is in relation with the objectives of the study. The study aimed at determining the influence of corporate governance practices on working capital efficiency of Manufacturing firms in Nairobi County. The study was guide by three specific objectives. These include, determining the influence of Board structure on working capital efficiency of Manufacturing firms in Nairobi County. To establish the influence of internal audit on working Capital efficiency of Manufacturing firms in Nairobi County and to determine the influence of Shareholders' interest on working Capital efficiency of manufacturing firms in Nairobi County. The study establishes that the Chief executive officer's tenure, Board effectiveness in terms of leadership, Stewardship monitoring and reporting are the highest components of board structure which influences the working capital efficiency.

The study agrees with a study by Brigham, & Ehrhardt, (2004) that board of directors play an important role in establishing good corporate practices in a firm. Directors are in charge of monitoring management to protect shareholders' interest. Directors have to ensure the interest of shareholders and managers are aligned. The conflict of interest between shareholders and managers will arise if managers used earnings management to obtain private gains or to reduce likelihood of dismissal when performance is low.

Internal audit and the working capital efficiency, the analysis indicated that with poor internal audit the working capital efficiency is challenged due to increased loopholes of corruption and other factors that affect the working capital. Majority of the respondents 54 % strongly agreed that internal control, procedures affect the working capital efficiency.Study by Harris, (2005) indicated that internal audit is part of the ongoing monitoring of the firms system of internal controls and of its internal capital assessment procedure. Internal audit provides an independent assessment of the adequacy of, and compliance with, the firms established policies and procedures. As such, the internal audit function assists senior management and the board of directors in the efficient and effective discharge of their responsibilities. An audit committees meeting also influences the working capital efficiency. This analysis agrees with a study by Jeng-Ren, & Han-Wen, (2006) that the creation of a permanent audit committee is a solution to meet the practical difficulties that may arise from the board of directors' task to ensure the existence and maintenance of an adequate system of controls. An audit committee reinforces the internal control system and the internal and external audit.

The respondents who said yes to the influence of shareholders interest to working capital efficiency were 92%. The working capital meets the short-term financial requirements of a business enterprise. It is a trading capital, not retained in the business in a particular form for longer than a year. The money invested in it changes form and substance during the normal course of business operations. The need for maintaining an adequate working capital can hardly be questioned therefore; shareholders' interest on working capital might cripple the business operation at a very high rate. The study agrees with an analysis by Raheman, & Nasr, (2007) that the shareholder is the central stakeholder. Placing the shareholder at the focal point of business activity is simply recognizing the fact that firms that do not satisfy shareholder requirements increase their risk of capital flight, higher interest rates, and pressure from the board of directors, takeovers, and lower productivity. Organizations that create long-term shareholder value simultaneously create relatively greater value for all stakeholders. Thus, value-creating organizations appear to operate with the following objective function in mind: Maximize shareholder wealth subject to satisfying remaining stakeholder requirements.

Measurement of the Dependent variables showed that Shareholders Interest had the highest influence on working capital efficiency. A study by Henry, (2013) indicated that efficient Working Capital Management (WCM) was very important for creating value for the shareholders. The way working capital was managed had a significant impact on both profitability and liquidity. The relationship between the length of Net Trading Cycle, corporate profitability and risk adjusted stock return was examined using correlation and regression analysis, by industry and capital intensity. They found a strong negative relationship between lengths of the firm's net trading Cycle

and its profitability. In addition, shorter net trade cycles were associated with higher risk adjusted stock returns.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter summarizes the findings and makes conclusion based on specific objectives of the study. From the data collected and analysis done the following discussions, conclusion and recommendations were made.

5.2 Summary of Findings

The findings of the study revealed that the shareholders presence in the firm management has impact on the openness and accountability of the firm's dealings. The analysis found that, 76% of the respondents said that yes. The supervision of the managers by the shareholders maintains and enhances the openness and increases the firm's accountability in operations with the view of enhancing the overall business performance. The analyses however found from 24% of the respondents were of the opinion that there is little that is achieved with the shareholders maintaining a strict eye on the managers and business operations. This was said to hamper a feeling on lack of trust and over control by the shareholders who might affect the creativity and performance of such managers.

It was further found that the Chief executive officer's tenure with 86% of the respondents strongly agreeing, the Board effectiveness in terms of leadership, stewardship, monitoring and reporting with 72 % of the respondents strongly agreeing and the frequency of board meetings with 68% of the respondents also strongly agreeing are the elements of board structure that has the highest influences on the working capital efficiency. Analysis also showed that the majority number of

respondents did not agree that directors' remuneration influences the working capital efficiency.

The analysis concerning the effects of Internal Audit on Working Capital Efficiency of Manufacturing firms in Nairobi County, the study found out that 86% of the respondents believed that internal audit affects the working capital efficiency in a number of varying situations. When there is proper internal audit, the firm performance is better due to controls that would otherwise have affected the effective performance of the working capital. However, the analysis found that 14% of the respondents believed that there are little or no effects that are related to internal audit in relation to working capital efficiency.

The analysis found that shareholders' Interest on Working Capital Efficiency of Manufacturing firms in Nairobi County is vital due to the big investment they have done in the firm. The study found that 92% of the respondents believed that shareholders' interest affect working capital efficiency. While 8% of the respondents believed that there is no link or relationship between shareholders interest and working capital efficiency. Working capital meets the short-term financial requirements of a business enterprise. It is a trading capital, not retained in the business in a particular form for longer than a year. The money invested in it changes form and substance during the normal course of business operations.

The analysis further found that Independent variables used in the study influences the dependent variable. The study found that the value of R squared at .872 indicates that 87.2% of the variations in working capital efficiency are related to the predictors

(Shareholders' Interest, Internal Audit, and Board Structure). Only 12.8% of variations in working capital efficiency are not accounted for by change in the independent variables in the model. The whole model has a coefficient of correlation (R) as 0.756 which is a very strong positive correlation.

5.3 Conclusion

The study was made to determine the influence of corporate governance on working capital efficiency on manufacturing firms in Nairobi County. The study findings indicate that Board structure; Internal Audit and Shareholders interest has an influence on working capital. Corporate Governance practices are helpful in enhancing working capital efficiency. Based on the overall study findings, the study can concluded that, there is a significant impact of corporate governance on working capital efficiency of manufacturing firms.

Corporate governance covers all the mechanisms to control the managers and leads them to act in the best interests of the shareholders. It attempts to regulate the decision making power of executives to ensure that they do not serve their own vested interests. Corporate governance gives managers and other stakeholders' not only a chance for fair compensation but also prevents excessive bonuses and other benefits to those who are in control of the corporation. In a nutshell, good corporate governance helps to prevent corporate scandals, fraud and potential failure. Above all, good corporate governance is extremely important for corporation suffering from poor image and reputation. It can make corporations more attractive for investors, customers, suppliers and other stakeholders.

5.4 Recommendations

The study recommended that effective policies in the working capital management should be formulated through the corporate governance practices in manufacturing firms in Kenya. Also the Shareholders should view the board of directors as a good corporate governance practice and support the improvements and government controls to maintain the independence of the board of directors. Outside directors should exist as they are useful tools for the independence of the board. Last recommendation is there is need also for harmonization of corporate governance across all the firms since some of them firms had different nature of corporate governance practices and therefore leading to the difference in the management of working capital management.

5.5 Suggestions for Further Research

Future research should investigate generalizations of the findings beyond Nairobi county firms. A study should also be conducted on ownership structure which affects governance mechanisms and their effect on working capital efficiency.

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APPENDICES

APPENDIX 1: INTRODUCTION LETTER

Date: ……..

Dear Respondent,

Ref: Questionnaires

I am a graduate student of Master of Business Management at South Eastern Kenya University. I am carrying out a study on the "Influence of Corporate Governance Practices on Working Capital Efficiency of Manufacturing Firms in Nairobi County".

You have been sampled in this study. It would be of great value if you could share your wealth of knowledge by completing the attached questionnaire. Your answers will be handled with highest anonymity and confidentiality; this will be achieved by no indication of names. Kindly return the completed questionnaire to me.

Regards

Susan Njeri

Tel: 0723 64 62 03

APPENDIX II: QUESTIONNAIRE

This questionnaire is divided into short sections that should take only a moment of your time to complete. Please respond by ticking the appropriate box or filling in your answers in the blank spaces provided. This is an academic exercise and all information collected from respondents will be treated with strict confidentiality.

Thank you very much for your cooperation.

SECTION 1: BASIC INFORMATION

1. Your position in this firm

    a) Managing Directors ☐

    b) Managers ☐

    c) Operations Manager ☐

    d) Any other (please Specify) ……..

2. What is your gender

    Male ☐

    Female ☐

3. What is your age group

    a) 20-30 ☐

    b) 30-40 ☐

    c) 40-50 ☐

    d) Above 50 ☐

4. What is your Level of Education

   a) Primary school level ☐

   b) Secondary level ☐

   c) College Level ☐

   d) University level ☐

5. How many years of management experience do you have

   a) 0-3 years ☐

   b) 4-6 years ☐

   c) 7-9 years ☐

   d) 10 years and above ☐

SECTION TWO: Board Structures and Working Capital Efficiency

6. Do you think that the shareholders having a constant eye on the manager's actions and company operations enable openness and accountability?

   Yes ☐

   No ☐

If yes, in what ways can this be administered?

……

……

……

……

7. Please indicate the extent to which you agree with the following board structure elements on their influence on working capital efficiency. (1) Strongly agree (2) Agree (3) Undecided (4) Disagree (5) Strongly disagree

	Board structure elements	**1**	**2**	**3**	**4**	**5**
a.	Firm board size					
b.	Firm board composition					
c.	Chief Executive Officer's tenure					
d.	Board effectiveness in terms of leadership, Stewardship monitoring and Reporting					
e.	Board meetings					
f.	Board members experience and qualification					
g	Multiple directorship					
h	Directors remuneration					

SECTION THREE: Internal Audit and Working Capital Efficiency

8. Does Internal Audit enhance working capital efficiency?

   Yes [ ] NO [ ]

9. Please to what extent do you agree with the following components of internal audit and their influence on working capital efficiency. (1) Strongly agree, (2) Agree, (3) Undecided (4) Disagree, (5) Strongly disagree.

	Components of Internal Audit	**1**	**2**	**3**	**4**	**5**
a	Internal audit functions					
b	Internal controls					
c	Independent internal auditors					
d	Audit committees					
e	Size of the Audit committee					
f.	Board relationship with the internal auditors					

SECTION FOUR: Shareholders' Interest and Working Capital Efficiency

10. Does the shareholders' interest in the operation of the firm influence its Working capital efficiency?

    Yes ☐

    No ☐

11. Please indicate the extent to which you agree with the following statements regarding shareholders' interest on influence on working capital efficiency

    (1) Strongly agree (2) Agree (3) Undecided (4) Disagree (5) Strongly disagree

	Statement	**1**	**2**	**3**	**4**	**5**
a	Disclosure and Transparency					
b	Conduct of annual general meeting					
c	Annual financial reports					
d	Frequency of reporting					
e	Regular and timely information					
f	Risk management controls					
f	Board relationship with the monitoring agencies					

SECTION FIVE: Measurement of the Dependent Variables

Please indicate the extent to which the following statements apply to your organization on scale of 1 to 5.Where (1) Strongly agree (2) Agree (3) Undecided (4) Disagree (5) Strongly disagree

Dependent variables	**1**	**2**	**3**	**4**	**5**
Our firm's board structure influences working capital efficiency					
Our firm's internal audit functions influences working capital efficiency					
Shareholders' interest influences working capital efficiency					

APPENDIX III: INTERVIEW SCHEDULE

1. Does the board structure influence working capital efficiency?

……

……..……

……

2. Does internal audit influence working capital efficiency?

……

……

3. Does shareholders interest influence working capital efficiency?

……

Thank You for Your Responses.

APPENDIX IV: DATA COLLECTION LETTER

SOUTH EASTERN KENYA UNIVERSITY

OFFICE OF THE DIRECTOR

BOARD OF POST GRADUATE STUDIES

P.O. BOX 170-90200
KITUI, KENYA
Email. info@seku.ac.ke

TEL. 020-2413859 (KITUI)
020-2531395 (NAIROBI)
Email.bps@seku.ac.ke

Our Ref: /D61/KIT/20102/2012

Date: Wednesday, February 25, 2015

Susan N. Meshack
Reg. No. D61/KIT/20102/2012
Master of Business Administration
C/O Dean, School of Business and Economics

Dear Susan,

RE: PERMISSION TO PROCEED FOR DATA COLLECTION

This is to acknowledge receipt of your Master Proposal document.

Following a successful presentation of your Master Proposal, the School of Business and Economics in conjunction with the Directorate, Board of Post graduate Studies (BPS) have approved that you proceed on and carry out your research data collection in accordance with your approved proposal.

During your research work, you will be closely supervised by Dr. Joash Migosi and Ms. Jacqueline Ngeta. You should ensure that you liase with your supervisors at all times. In addition, you are required to fill in a Progress Report ***(SEKU/ARSA/BPS/F-02)*** which can be downloaded from the University Website.

The Board of Postgraduate Studies wishes you well and a successful research data collection as a critical stage in your Master of Business administration.

Prof. Cornelius Wanjala
Director, Board of Postgraduate Studies

Copy to: Deputy Vice Chancellor, Academic, Research and Students Affairs
Dean, School of Business and Economics
Chairman, Department of Business & Entrepreneurship
Dr. Joash Migosi Ms. Jacqueline Ngeta
BPS Office - To file

APPENDIX V: List of registered Manufacturing Firms in Nairobi County

Registered Manufacturing Firms In Nairobi County

Business name	Business Size
Top Food (E.A) Limited	Large Agricultural Producer
Welrods Ltd	Large Industrial Plant
Ritz Enterprises Ltd	Large Industrial Plant
King Plastics Industries Ltd	Large Industrial Plant
Crown Clothing (Kenya) Limited	Large Industrial Plant
Cooper K-Brands Ltd	Large Industrial Plant
Pharmaceutical Manufacturing Co. Ltd	Large Industrial Plant
Bilco Engineering	Large Industrial Plant
Fine Spinners Ltd.	Large Industrial Plant
Metro Plastics Kenya Limited	Large Industrial Plant
Pz Cussons East Africa Limited	Large Industrial Plant
Nestle Food Kenya Ltd	Large Industrial Plant
Prime Cartons Ltd	Large Industrial Plant
Cmc Engineering Ltd	Large Industrial Plant
Tri- Clover Industries (K) Ltd	Large Industrial Plant
Rom East Africa Ltd	Large Industrial Plant
Supersleek Limited	Large Industrial Plant
Hi-Plast Limited	Large Industrial Plant
Krishna Wood & Furniture Limited	Large Industrial Plant
Diversey Eastern And Central Africa Ltd	Large Industrial Plant
Tononoka Rolling Mills Limited	Large Industrial Plant
Kenya Clay Products Limited	Large Industrial Plant
H Young And Co.[Ea]Ltd.	Large Industrial Plant
Sameer Africa Limited	Large Industrial Plant
General Motors (East Africa) Limited	Large Industrial Plant
Siya Industries (K) Ltd	Large Industrial Plant
Auto Ancillaries Limited	Large Industrial Plant
Clay Works Ltd	Large Industrial Plant
Tononoka Steels Limited	Large Industrial Plant
Afro Plastics (K) Ltd	Large Industrial Plant
Nairobi Timber Projects Limited	Large Industrial Plant
Unga Feeds Ltd	Large Industrial Plant
Associated Battery Manufacturers	Large Industrial Plant
Quick Pack Ltd	Large Industrial Plant
Buyline Industries Ltd	Large Industrial Plant
Nationwide Electrical Industries Ltd	Large Industrial Plant
General Printers Ltd	Large Industrial Plant
Edible Oil Products Ltd	Large Industrial Plant
Le Stud Ltd	Large Industrial Plant

Style Industries Limited	Large Industrial Plant
Glacier Products Ltd	Large Industrial Plant
Rolmil Kenya Ltd	Large Industrial Plant
Sadolin Paints(E.A) Ltd	Large Industrial Plant
Basco Products (K) Ltd	Large Industrial Plant
Galaxy Paints Coating Ltd	Large Industrial Plant
Crown Paints Kenya Ltd	Large Industrial Plant
Crown Paints Kenya Ltd	Large Industrial Plant
Paperbags Limited	Large Industrial Plant
Paperbags Limited	Large Industrial Plant
Autosterile (Ea) Ltd	Large Industrial Plant
Dawa Limited	Large Industrial Plant
Adix Plastics Ltd	Large Industrial Plant
Packaging Industries Limited	Large Industrial Plant
Laneeb Plastic Industries Ltd	Large Industrial Plant
Warren Concrete Ltd.	Large Industrial Plant
Kenya Builders And Concrete Co.Ltd	Large Industrial Plant
Topen Industries Ltd	Large Industrial Plant
Synresins Ltd	Large Industrial Plant
Osho Grain Millers Ltd	Large Industrial Plant
Asp Company Limited	Large Industrial Plant
Alloy Steel Casting Ltd	Large Industrial Plant
Morris & Company (2004) Ltd	Large Industrial Plant
Sundries Bargains (Nairobi) Limited	Large Industrial Plant
Easy Clean Africa Ltd	Large Industrial Plant
Solpia Kenya Limited	Large Industrial Plant
Westhouse Tobacco Kenya Ltd	Large Industrial Plant
Bali Fashions	Large Industrial Plant
Wire Production Ltd	Large Industrial Plant
Kenafric Industries Limited	Large Industrial Plant
Glaxosmithkline Limited	Large Industrial Plant
Pipe Manufacturers Limited	Large Industrial Plant
Macs Pharmaceuticals Ltd	Large Industrial Plant
Astral Pipes Limited	Large Industrial Plant
Boc Kenya Limited..	Large Industrial Plant
Beiersdorf East Africa Ltd	Large Industrial Plant
Polythene Industries Ltd	Large Industrial Plant
Kenya Sweets Limited	Large Industrial Plant
Candy Kenya Limited	Large Industrial Plant
Glacier Products Ltd	Large Industrial Plant
East African Cables Limited	Large Industrial Plant
Ea Foundry Works K Ltd	Large Industrial Plant
Rosewood Office System Ltd	Large Industrial Plant
Dera Chemical Industries (K) Ltd	Large Industrial Plant

Fine Fashions Ltd	Large Industrial Plant
Kamili Packers Ltd	Large Industrial Plant
Colas East Africa Limited	Large Industrial Plant
M/S Choda Fabricators Limited	Large Industrial Plant
Carton Manufacturers Ltd	Large Industrial Plant
Interconsumers Products Ltd	Large Industrial Plant
Flame Tree Africa Ltd	Large Industrial Plant
Kenwest Cables Ltd	Large Industrial Plant
Wild Elegance Fashion Limited	Large Industrial Plant
Clear International Limited	Large Industrial Plant
Clear International Limited	Large Industrial Plant
Sana Industries Company Ltd	Large Industrial Plant
Trenz Kenya Ltd	Large Industrial Plant
Goldrock International Enterprise (K) Ltd	Large Industrial Plant
Crown Paints Kenya Limited	Large Industrial Plant
Chandaria Industries Ltd	Large Industrial Plant
Kimfay Eastafrica Ltd	Large Industrial Plant
Uni Plastics Ltd	Large Industrial Plant
Laboratory And Allied Limited	Large Industrial Plant
Blowplast Limited	Large Industrial Plant
Blowplast Limited	Large Industrial Plant
Blowplast Limited	Large Industrial Plant
Blowplast Limited	Large Industrial Plant
Crown Industries Ltd	Large Industrial Plant
Plastico Industries Limited.	Large Industrial Plant
Desbro Engineering Limited	Large Industrial Plant
Emco Billets & Steel Ltd	Large Industrial Plant
Napro Industries Limited	Large Industrial Plant
Napro Industries Ltd	Large Industrial Plant
Supra Textiles Limited	Large Industrial Plant
Elite Trailers Ltd	Large Industrial Plant
Crown Rock Shield (K) Limited	Large Industrial Plant
Warren Enterprises Limited	Large Industrial Plant
Bobmil Industries Limited	Large Industrial Plant
Lacheka Lubricants Limited	Large Industrial Plant
Sumaria Industries Ltd	Large Industrial Plant
King Plastic Industries Limited	Large Industrial Plant
Master Fabricators Limited	Large Industrial Plant
East African Cables Limited	Large Industrial Plant
Falcon Signs Limited	Large Industrial Plant
Ritz Enterprises Ltd	Large Industrial Plant
Rhodium Steel Ltd	Large Industrial Plant
Noble Gases International Limited	Large Industrial Plant
Coca Cola Juices Kenya Ltd	Large Industrial Plant

Added Perfomance (K) Ltd	Large Industrial Plant
Brush Manufacturers Ltd	Large Industrial Plant
Steelstone (K) Ltd	Large Industrial Plant
Kentainers Limited	Large Industrial Plant
Statpack Industries Limited	Large Industrial Plant
Premier Cookies Ltd	Large Industrial Plant
Lg Harris And Co. Ea Ltd	Large Industrial Plant
Dodhia Packaging Limited	Large Industrial Plant
Silpack Industries Ltd	Large Industrial Plant
Thermopak Limited	Large Industrial Plant
Dunlop Industries Ltd	Large Industrial Plant
Tin Can Manufacturers Ltd	Large Industrial Plant
Vajas Manufacturer	Large Industrial Plant
Tropikal Brands Afrika Ltd	Large Industrial Plant
Razco Ltd	Large Industrial Plant
Plastic Products Co. Ltd	Large Industrial Plant
Deluxe Inks Limited	Large Industrial Plant
Sphinx Pharmaceuticals Ltd	Large Industrial Plant
Techpak Industries Limited	Large Industrial Plant
Uni-Plastics Ltd	Large Industrial Plant
Kenpoly Manufacturers Ltd	Large Industrial Plant
Eslon Plastics Of Kenya Limited	Large Industrial Plant
Eslon Plastics Of Kenya Ltd	Large Industrial Plant
Pegant Ltd	Large Industrial Plant
Fine Wood Works Limited	Large Industrial Plant
Kenya Hydraulics Limited	Large Industrial Plant
Kenafric Industries Limited	Large Industrial Plant
Welding Alloys Ltd	Large Industrial Plant
Metal Crowns Limited	Large Industrial Plant
Kenbro Industries Ltd	Large Industrial Plant
Tss Spinning And Weaving Ltd	Large Industrial Plant
Kenya Wine Agencies Ltd	Large Industrial Plant
Chalange Industries Ltd	Large Industrial Plant
Silent Night (K) Limited	Large Industrial Plant
Tss Spinning And Weaving Ltd	Large Industrial Plant
Hi - Plast	Large Industrial Plant
Vitafoam Products Ltd	Large Industrial Plant
Engineering Development Ltd	Large Industrial Plant
Bags And Balers Manufactures Limited	Large Industrial Plant
Malplast Industries Limited	Large Industrial Plant
Oriental Mills Limited	Large Industrial Plant
Kentainers Limited	Large Industrial Plant
L. G. Harris And Co. Ea Ltd	Large Industrial Plant
British American Tobacco (K) Ltd	Large Industrial Plant

Metsec Cables Ltd	Large Industrial Plant
Ellams Products Ltd	Large Industrial Plant
Catalyst Chemicals Ltd	Large Industrial Plant
Kim-Fay East Africa Limited	Large Industrial Plant
Elgon Kenya Ltd	Large Industrial Plant
Styroplast Ltd	Large Industrial Plant
Dunlop Industries Limited	Large Industrial Plant
Eveready Batteries (Kenya) Limited	Large Industrial Plant
Nairobi Flour Mills Ltd	Large Industrial Plant
Henkel (K) Ltd	Large Industrial Plant
Safepak Limited	Large Industrial Plant
Ashut Engineers Ltd	Large Industrial Plant
Ashut Engineers Ltd	Large Industrial Plant
Ecs Limited	Large Industrial Plant
Asl Ltd	Large Industrial Plant
Patmose Technical Services (K) Ltd	Large Industrial Plant
Value Pak Foods Limited	Large Industrial Plant
Haco Industries Kenya Limited	Large Industrial Plant
Odds And Ends Ltd	Large Industrial Plant
Vetcare Kenya Limited	Large Industrial Plant
The Paperhouse Of Kenya Ltd	Large Industrial Plant
Nails And Steel Products Limited	Large Industrial Plant
Nairobi Bottlers Limited	Large Industrial Plant
Interconsumer Products Ltd	Large Industrial Plant
Golden Biscuits (1985) Limited	Large Industrial Plant
Central Glass Industries	Large Industrial Plant
Central Glass Industries Ltd	Large Industrial Plant
Unilever Kenya Limited	Large Industrial Plant
Patco Industries Limited	Large Industrial Plant
Power Technics Ltd	Large Industrial Plant
Sameer Africa Ltd	Large Industrial Plant
Kaluworks Ltd	Large Industrial Plant
Laxmanbhai Constraction Ltd	Large Industrial Plant
Flame Tree Brands Ltd	Large Industrial Plant
Flame Tree Africa Ltd	Large Industrial Plant
Kens Metal Industries Ltd	Large Industrial Plant
Colourpackaging Limited	Large Industrial Plant
Premier Industries Ltd	Large Industrial Plant
Roto Moulders Ltd	Large Industrial Plant
Halar Industries Ltd	Large Industrial Plant
Roto Moulders Ltd	Large Industrial Plant
Packaging Industries Ltd	Large Industrial Plant
Fit Tight Fasteners Ltd.	Large Industrial Plant
Twiga Stationers & Printers Ltd	Large Industrial Plant

Specialised Fibre Glass Ltd	Large Industrial Plant
Sc Johnson & Son Kenya Limted	Large Industrial Plant
Excel Chemicals Ltd	Large Industrial Plant
Nairobi Java House	Large Industrial Plant
Twiga Stationers And Printers Ltd	Large Industrial Plant
Samura Engineering Ltd	Large Industrial Plant
Metal Cans And Closures Kenya Limited	Large Industrial Plant
Manji Food Industries Limited	Large Industrial Plant
Infusion Medicare Limited	Large Industrial Plant
Style Industries Ltd	Large Industrial Plant
Welrods Limited	Large Industrial Plant
Sihra Coffee Machinery Services Limited	Large Industrial Plant
Marshall-Fowler[Steam Services]Limited	Large Industrial Plant
Yenbu Co. Ltd	Large Industrial Plant
K.Kay Engineering Services Limited	Large Industrial Plant
Orbit Enterprises Ltd	Large Industrial Plant
Happy Eaters Ltd	Medium Agricultural Producer
Chirag (K) Ltd	Medium Agricultural Producer
Shanti Snacks Ltd	Medium Agricultural Producer
Agriner Development Ltd	Medium Agricultural Producer
Vivo Ltd	Medium Industrial Plant
Tikoo And Company Limited	Medium Industrial Plant
Cadbury Kenya Limited	Medium Industrial Plant
Labchem Ltd	Medium Industrial Plant
Bubanks Limited	Medium Industrial Plant
Ultra Chemical Industries Limited	Medium Industrial Plant
Economy Farm Products [K]Ltd	Medium Industrial Plant
Angelica Industries Nairobi Limited	Medium Industrial Plant
Ekotech Limited	Medium Industrial Plant
Intertractor Company Limited (Branch)	Medium Industrial Plant
City Radiators	Medium Industrial Plant
Stainless Steel Products Ltd	Medium Industrial Plant
Achellis Material Handling Ltd.	Medium Industrial Plant
Kennat Inks & Chemicals Ltd	Medium Industrial Plant
Envelope Manufacturing Enterprises Ltd	Medium Industrial Plant
City Engineering Works (K) Ltd	Medium Industrial Plant
City Engineering Works (K) Ltd	Medium Industrial Plant
Kenind Paints Ltd	Medium Industrial Plant
Pipemania Industries Ltd	Medium Industrial Plant
Asille Trading (E.A) Ltd	Medium Industrial Plant
Ramji Haribhai Devani Limited	Medium Industrial Plant

Raneem Plastic Industries	Medium Industrial Plant
Arvee Woodsky Limited	Medium Industrial Plant
Crown Berger Allied Industries Limited	Medium Industrial Plant
Agro Manufacturing Co Ltd	Medium Industrial Plant
Goldstar Feeds Ltd	Medium Industrial Plant
Sigma Feeds Ltd	Medium Industrial Plant
Impact Chemicals Limited	Medium Industrial Plant
Associated Gasket Manufatures Ltd	Medium Industrial Plant
Amsco Kenya Ltd	Medium Industrial Plant
Primetech Industries (E.A) Ltd	Medium Industrial Plant
Kenya Asia Industry Ltd	Medium Industrial Plant
Eurocon Tiles Products Ltd.	Medium Industrial Plant
Frigorex (Ea) Ltd	Medium Industrial Plant
Kam Industries Ltd	Medium Industrial Plant
Deluxe Food Industries	Medium Industrial Plant
Re -Suns Spices Limited	Medium Industrial Plant
Sitaram Wood Manufacturers And Furniture And Contractors Ltd	Medium Industrial Plant
Nairobi Plastics Ltd	Medium Industrial Plant
Concepts (Africa) Ltd	Medium Industrial Plant
Hogger Limited T/A Manufacturers Food Production	Medium Industrial Plant
Shri Ganesha Manufacturers Ltd	Medium Industrial Plant
Great Yaduo Industry Ltd	Medium Industrial Plant
Premier Construction Limited	Medium Industrial Plant
Hans Apparel Ltd	Medium Industrial Plant
Sun Yog Kenya Ltd	Medium Industrial Plant
Speccon Company Ltd	Medium Industrial Plant
Sky Light Chemicals	Medium Industrial Plant
Usafi Services Ltd	Medium Industrial Plant
Blantyre Steel Limited	Medium Industrial Plant
Apex Coating East Africa Limited	Medium Industrial Plant
Solai Paints Ltd	Medium Industrial Plant
Bag & Envelope Converters Ltd	Medium Industrial Plant
Vimit Converters Ltd	Medium Industrial Plant
Elys Chemical Industries Limited	Medium Industrial Plant
Dentex Industries Ltd	Medium Industrial Plant
Star Plastics Ltd	Medium Industrial Plant
Plastic Electricon Limited	Medium Industrial Plant
Afri Piping Systems K Ltd	Medium Industrial Plant
Nas Plastics Ltd	Medium Industrial Plant
Viking Industries Ltd	Medium Industrial Plant
A Plus Pvc Technology Company Ltd	Medium Industrial Plant
Topen Industries Ltd	Medium Industrial Plant
Topen Industries Ltd	Medium Industrial Plant
Life Clothing Factory Limited	Medium Industrial Plant

Sadolin Paints[E.A]Ltd	Medium Industrial Plant
Raj Metals Ltd	Medium Industrial Plant
King Knit Ltd	Medium Industrial Plant
Kamba Manufacturers (1986) Limited	Medium Industrial Plant
Forces Equipment (K) Limited	Medium Industrial Plant
Everlighting Manufacturing Co. Ltd	Medium Industrial Plant
Chui Auto Spring Industries Ltd	Medium Industrial Plant
Uzuri Industries Ltd	Medium Industrial Plant
Penta Converters Ltd	Medium Industrial Plant
M/S Hailat Knitting Enterprises Limited	Medium Industrial Plant
Straight Line Enterprises Limited	Medium Industrial Plant
Munshiram International Business Machines Limited	Medium Industrial Plant
Manufacturers And Suppliers (K) Ltd	Medium Industrial Plant
Future Industrial And Trade Corporation Limited	Medium Industrial Plant
Kenind Products Kenya Ltd	Medium Industrial Plant
New World Stainless Steel Ltd	Medium Industrial Plant
Unilab Kenya Ltd	Medium Industrial Plant
Manufacturers And Supplies (K) Ltd	Medium Industrial Plant
Africa Spirits Limited	Medium Industrial Plant
Future Industrial And Trade Corporation Limited	Medium Industrial Plant
Belfast Millers Ltd	Medium Industrial Plant
Jambo Biscuits [K] Ltd	Medium Industrial Plant
Finlay Brushware Ltd	Medium Industrial Plant
Mills Industries Limited T/A Valley Tailor	Medium Industrial Plant
Embakasi Stone Supplies	Medium Industrial Plant
Confini Limited	Medium Industrial Plant
Molecular Kenya Ltd	Medium Industrial Plant
Giloil Company Ltd	Medium Industrial Plant
Foam Mattresses Ltd	Medium Industrial Plant
Dubuit (K) Limited	Medium Industrial Plant
Propack Kenya Limited	Medium Industrial Plant
Task Project Consultants	Medium Industrial Plant
Nerix Pharma Ltd	Medium Industrial Plant
East African Syntans & Chemicals Ltd	Medium Industrial Plant
Rift Valley Leather Limited	Medium Industrial Plant
Cerapack Products Ltd	Medium Industrial Plant
Smart Coatings Ltd	Medium Industrial Plant
Pak Space Limited	Medium Industrial Plant
Tissue Kenya Limited	Medium Industrial Plant
Blowplast Limited	Medium Industrial Plant
Blowplast Limited	Medium Industrial Plant
Kinpash Enterprises Limited	Medium Industrial Plant
Polyplay Limited	Medium Industrial Plant
Elegance Packaging Ltd	Medium Industrial Plant

Inks (K) Ltd	Medium Industrial Plant
Sagoo Holdings Limited	Medium Industrial Plant
Rubber Products Ltd	Medium Industrial Plant
Plastics And Rubber Industries (2005) Ltd	Medium Industrial Plant
Zenith Rubber Rollers (E.A) Ltd	Medium Industrial Plant
Supa Snacks Limited	Medium Industrial Plant
Shamco Industries Ltd	Medium Industrial Plant
Wika Industry Ltd	Medium Industrial Plant
Sultan Isaak Asmelash Ent. Ltd	Medium Industrial Plant
East Africa Cans And Closures Limited	Medium Industrial Plant
Northstar Packaging Ltd	Medium Industrial Plant
Modern Reliance Industries Limited	Medium Industrial Plant
Gesto Pharmaceutical	Medium Industrial Plant
Rehsi Ventures Ltd	Medium Industrial Plant
Osschemie Limited	Medium Industrial Plant
Welfast (K) Ltd	Medium Industrial Plant
Automotive & Industrial Battery Mfrs (K) Ltd	Medium Industrial Plant
Hi Tech Inks And Coatings Ltd	Medium Industrial Plant
Thorn Tree Products Ltd	Medium Industrial Plant
Elys Chemical Industries Limited(Account On Suspension)	Medium Industrial Plant
Thika Wax Works Ltd	Medium Industrial Plant
Naicof Coffee Machinery	Medium Industrial Plant
Tim Joints Ltd	Medium Industrial Plant
R.A.K Ceramics Kenya Limited	Medium Industrial Plant
Mimosa Design Limited	Medium Industrial Plant
Emem Enterprises Ltd	Medium Industrial Plant
Sudi Chemicals Industries Ltd	Medium Industrial Plant
Mann Manufacturing Co. Ltd	Medium Industrial Plant
Shri Ganesha Sweets Ltd	Medium Industrial Plant
Sous Chef Ltd	Medium Industrial Plant
Alpha Woollens (K) Ltd	Medium Industrial Plant
United Garment Manufacturers Ltd	Medium Industrial Plant
Bunny Industries Ltd	Medium Industrial Plant
Silver Star Manufacturers Ltd	Medium Industrial Plant
Raki Commodity Ltd	Medium Industrial Plant
Cabroworks East Africa Limited	Medium Industrial Plant
Dynaplas Limited	Medium Industrial Plant
Spring Box Kenya Ltd	Medium Industrial Plant
Super Manufacturers Limited	Medium Industrial Plant
Arihant Industries Ltd	Medium Industrial Plant
Inkson Industrial Co. Ltd	Medium Industrial Plant
Arvees Fashions Ltd	Medium Industrial Plant
Fineline Industries Ltd	Medium Industrial Plant
Modulec Engineering Systems Ltd	Medium Industrial Plant

Prosel Ltd	Medium Industrial Plant
Shamco Industries Ltd	Medium Industrial Plant
Al Mahra Industries Limited	Medium Industrial Plant
Capitol Printers Ltd	Medium Industrial Plant
Magnum Engineers Ltd	Medium Industrial Plant
Kenapen Industries Limited	Medium Industrial Plant
Slumberland Kenya Ltd	Medium Industrial Plant
Highlite Industries	Medium Industrial Plant
Saroc Limited	Medium Industrial Plant
Ideal Manufacturing Co. Ltd	Medium Industrial Plant
Garden Pavings	Medium Industrial Plant
Black And Beauty Products Ltd	Medium Industrial Plant
Alison Products K- Ltd	Medium Industrial Plant
Kamdev Enterprises Ltd	Medium Industrial Plant
Wonder Pac Industries Limited	Medium Industrial Plant
Jantech Engineering Ltd	Medium Industrial Plant
Amm Engineering Works Limited	Medium Industrial Plant
E.A Educational Publishers	Medium Industrial Plant
Odds And Ends Ltd	Medium Industrial Plant
Coninx Industries Ltd	Medium Industrial Plant
Unighir Ltd	Medium Industrial Plant
Queens Manufacturing	Medium Industrial Plant
Vivo Limited	Medium Industrial Plant
Packaging Masters Ltd	Medium Industrial Plant
Twiga Chemical Industries Limited	Medium Industrial Plant
Zahra Sign Systems Ltd	Medium Industrial Plant
Spectra Chemicals (Kenya) Ltd	Medium Industrial Plant
Lumat Co. Ltd	Medium Industrial Plant
Coates Brothers (E.A.) Ltd	Medium Industrial Plant
Crown Sea Enterprises Ltd	Medium Industrial Plant
Kip Melamine Company Limited	Medium Industrial Plant
Bakels East Africa Ltd	Medium Industrial Plant
Phoenipaper Ltd	Medium Industrial Plant
Five Star Industries Ltd	Medium Industrial Plant
Jumbo Chem (K) Ltd	Medium Industrial Plant
Teeny Fashions Limited	Medium Industrial Plant
Well Spring Products	Medium Industrial Plant
Coninx Industries Ltd	Medium Industrial Plant
Haria Cash Stores	Medium Industrial Plant
New Kenya Co-Operative Creameries	Medium Industrial Plant
Elite Tools Limited	Medium Industrial Plant
Agro Manufacturing Co Ltd	Medium Industrial Plant
Maroo Polymers Ltd	Medium Industrial Plant
Newland Industrirs Ltd	Medium Industrial Plant

Kenya Canvas Ltd	Medium Industrial Plant
Ken Steel Ltd	Medium Industrial Plant
Mars Cosmetics Limited	Medium Industrial Plant
Pearl Industries Limited	Medium Industrial Plant
Cway Kenya Foods & Beverage Co. Ltd	Medium Industrial Plant
Afri Fashions Ltd.	Medium Industrial Plant
Sai Sports Wear And Uniforms Ltd	Medium Industrial Plant
Nets Ltd	Medium Industrial Plant
Metal Equipment Company Limited	Medium Industrial Plant
Excel Packaging Limited	Medium Industrial Plant
Grain Drop Products Limited	Medium Industrial Plant
Grain Drop Products Limited	Medium Industrial Plant
Maroo Polymers Ltd	Medium Industrial Plant
Manhar Brothers (Kenya) Limited	Medium Industrial Plant
Contractors Stop (Ea) Ltd	Medium Industrial Plant
Infinity Plastics Industries Ltd	Medium Industrial Plant
Bloomingdale Limited	Medium Industrial Plant
Best In Tents	Medium Industrial Plant
Crown Solutions Limited	Medium Industrial Plant
Primetech Industries East Africa Limited	Medium Industrial Plant
Shivam Enterprises Ltd	Medium Industrial Plant
R And R Plastic Ltd	Medium Industrial Plant
Africa Polysack Limited	Medium Industrial Plant
Annum Trading Company Limited	Medium Industrial Plant
Global Merchants Ltd	Medium Industrial Plant
Samura Engineering	Medium Industrial Plant
Spice World Ltd	Medium Industrial Plant
Spice World Ltd	Medium Industrial Plant
Abbey Kenya Limited	Medium Industrial Plant
Nasa Products Ltd	Medium Industrial Plant
Jumbo Quality Products Limited	Medium Industrial Plant
Hill Product[K]Ltd	Medium Industrial Plant
Solimpexs Africa Limited	Medium Industrial Plant
Speed Serve Ltd	Medium Workshop
K O B International Co. Ltd	Medium Workshop
Kingly Fashions Ltd	Medium Workshop
Maasai Treads Ltd	Medium Workshop
Chemsols Ltd	Medium Workshop
Al Habib Agencies Ltd	Medium Workshop
Perazim Industries Ltd	Medium Workshop
Woodcharm	Medium Workshop
Easy Paints Ltd	Medium Workshop
Auto Number Plate Co.	Medium Workshop
Dotwood Designs Ltd	Medium Workshop

Nairobi Rubber Stamp Works Ltd	Medium Workshop
Mogra Trappers & Concrete Services Ltd	Medium Workshop
Sign Mark Ltd	Medium Workshop
Chemsols Ltd	Medium Workshop
Dotwood Designs Limited Ii	Medium Workshop
Topmark Feeds (K) Ltd	Medium Agricultural
Paramount Beverages	Medium Agricultural Producer
Prime Trading Limited	Medium Industrial Plant/Factory
Shri Krishana Overseas Ltd	Othemedium Industrial Plant/Factory
Legacy Paints	Medium Manufacturer
Export Institute	Medium Manufacturer
Always Global Distributors Ltd	Medium Manufacturer
Sakim Workshop & Hardware	Medium Manufacturer
Hydro Heating And Suppliers	Medium Manufacturer
Best Personal Care	Medium Manufacturer
Majestic Industries Limited	Medium Manufacturer
Sanchem Enterprises Ltd	Medium Manufacturer
Kenya Inks & Coatings Industries Ltd	Small Industrial Plant
Maharshi Chemicals Ltd	Small Industrial Plant
City Signs Ltd	Small Industrial Plant
Diverse Investment Ltd	Small Industrial Plant
Kengrow Ltd	Small Industrial Plant
Crywan Enterprises Ltd	Small Industrial Plant
Kenpack Cartons Ltd	Small Industrial Plant
Kamili Nature Brands Ltd	Small Industrial Plant
Pristine International Ltd	Small Industrial Plant
Matess Enterprise	Small Industrial Plant
Impala Plastics Limited	Small Industrial Plant
Asili Plastics Limited	Small Industrial Plant
Impala Plastics Ltd	Small Industrial Plant
Trutex Ties Ltd	Small Industrial Plant
Platinum Distillers	Small Industrial Plant
Kedsta Investments	Small Industrial Plant
Distinct Garment Factory	Small Industrial Plant
Highlands Bodies Ltd	Small Industrial Plant
Frontier Power Industries Ltd	Small Industrial Plant
Saifee Chemicals Ltd	Small Industrial Plant
Stalite Systems Co. Ltd	Small Industrial Plant
Afro Cables Industries Ltd	Small Industrial Plant
Benflex Industries Ltd	Small Industrial Plant
Milk And Cream Products Limited	Small Industrial Plant
Quality Ice Creams Limited	Small Industrial Plant

Figerwood Ventures	Small Industrial Plant
Pine Chem (K) Ltd	Small Industrial Plant
Top Snax Industries Limited	Small Industrial Plant
Virolocks (K) Ltd	Small Industrial Plant
Grand Paints Ltd	Small Industrial Plant
Altech Enterprises Ltd	Small Industrial Plant
Box Makers Limited	Small Industrial Plant
Rainbow Manufacturers Ltd	Small Industrial Plant
Top Supplies 2000	Small Industrial Plant
Haitian Building Material International Co Ltd	Small Industrial Plant
Polyplay Limited	Small Industrial Plant
Arax Mill Ltd	Small Industrial Plant
Grand Paints Ltd	Small Industrial Plant
Talani Plastic Manufacturers Ltd	Small Industrial Plant
Elex Products (Ea) Ltd	Small Industrial Plant
Kenya Chemicals Limited	Small Industrial Plant
Johangalt Chemicals Limited	Small Industrial Plant
Healthy Fruits & Juice Limited	Small Industrial Plant
Sanjac Packaging Ltd	Small Industrial Plant
Sky Light Chemicals	Small Industrial Plant
Show Pack Limited	Small Industrial Plant
Parma Medical Equipment	Small Industrial Plant
Towrit Oil Limited	Small Industrial Plant
Madhura Garments	Small Industrial Plant
East Coat And Industrial Ltd	Small Industrial Plant
Kiriko Holdings Ltd	Small Industrial Plant
Cut Tobacco [K] Ltd	Small Industrial Plant
Julijo Investment	Small Industrial Plant
Worldboots Limited	Small Industrial Plant
Rubber Products	Small Industrial Plant
Shree Sai Industries Ltd	Small Industrial Plant
Flourish Company Ltd	Small Workshop
Broadways Hardware And General Supplies	Small Workshop
Durable Weighine Scales	Small Workshop
Blessed Paints	Small Workshop
Eastern Coating And Chemicals Ltd	Small Workshop

Source: Nairobi County Trade And Industry Ministry