

KUMAKA INDUSTRIES LIMITED

Reg. Off. : 404, Sharda Chambers, 33, Sir Vithaldas Thakersey Marg New Marine Lines, Mumbai - 400 020.

Corp. Off. : 5th Floor, Ramkrishna Chambers, BPC Road, Alkapuri, Vadodara- 390 007, Gujarat.

CIN.:L99999MH1973PLCO16315. Tel. No. +91 265-2330019, Fax No. +91 265-2333884

Website : www.kumakaindustries.com E-mail address : secretarial@kumakaindustries.com

NOTICE OF VOTING THROUGH POSTAL BALLOT

(Pursuant to Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014)

To,
The Members of
Kumaka Industries Limited

Notice is hereby given that pursuant to Section 110 of the Companies Act, 2013 ('the Act') read with Rule 22 of the Companies (Management and Administration) Rules, 2014, (the Rules) including any statutory modification or re-enactment thereof for the time being in force, Secretarial Standard 2 ("SS2") on General Meetings, Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 entered with the Stock Exchanges and any other laws and regulations applicable from time to time, the Company is seeking consent/approval of the Members of the Company, to pass the proposed resolutions as set out below, by means of postal Ballot, which includes E-Voting (Voting by electronic means);

The Explanatory Statement pursuant to Section 102 of the Act, setting out the material facts and the reasons thereof, is annexed hereto along with the Postal Ballot Form, for your consideration. The Notice along with the Explanatory Statement and the Postal Ballot form is also available on the website of the Company i.e. www.kumakaindustries.com. In terms of The Companies (Management and Administration) Rules, 2014 and SS- 2, an advertisement shall be published in the Newspapers specifying the relevant information.

The Board of Directors of the Company has appointed Mr. N. L. Bhatia (FCS: 1176) (CP No.:422), Partner, Messrs. NL Bhatia and Associates, Practicing Company Secretaries, as a Scrutinizer (the "Scrutinizer") for conducting the Postal Ballot in fair and transparent manner. Members are requested to carefully read the instructions printed on the Postal Ballot Form, record their assent (FOR) or dissent (AGAINST) therein by filling necessary details and affixing your signature at the designated place in the form and return the form duly completed, in the attached self-addressed postage pre-paid envelope, so as to reach the Scrutinizer on or before the close of working hours i.e. 5.00 P.M. on 22.09.2016.

The scrutinizer, after completion of the scrutiny, will submit his report to the Chairman of the Company on 29.09.2016. The Result of the Postal Ballot will be declared by the Chairman of the Company on 29.09.2016 at 4.00 p.m. at the Registered office and Corporate Office of the Company. The results will also be posted on the website of the Company on 29.09.2016. The results shall also be intimated to BSE Limited, where the shares of the company are listed and also hosted on Company's website viz. www.kumakaindustries.com for information of the general public.

E-Voting Option:

Further, the Company, in compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, is pleased to provide the members, with a facility to exercise their right to vote on the matters included in the Postal Ballot by electronic means i.e. through e-voting services provided by Central Depository Services (India) Limited ("CDSL"). E-voting is optional and all members may vote either by completing and dispatching the Postal Ballot Form by post, or by e-voting. The e-voting period commences on 24.08. 2016 at 9.00 a.m. and ends on 22.09.2016 at 5.00 p.m.

Members desiring to exercise their vote by using e-voting facility are requested to carefully follow the instructions in the Notes under the Section 'Voting through electronic means' in this Notice.

The Resolutions, if approved, will be taken as passed, effectively last date of receipt of Postal Ballot.

Proposed Resolutions:

Item No.1:

To consider adoption of new set of Memorandum of Association of the Company:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 13 and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof) and the rules framed there under, and subject to necessary approval(s) if any, from the competent authorities, consent of the Company be and is hereby accorded to substitute the existing Memorandum of Association of the Company by a new set of Memorandum of Association; the draft regulations contained in the Memorandum of Association which is available for public inspection at the Registered office, Corporate Office of the Company and on the Company’s website.”

“RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to settle any question, difficulty or doubt that may arise in this regard and to give effect to this resolution either on its own or by delegating all or any of its powers to any of the Director, Company Secretary or any other officer of the Company.”

Item No. 2:

To consider adoption of New Set of Articles of Association:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, and the rules framed there under, for the time being in force), the draft regulations contained in the Articles of Association which is available for public inspection at the Corporate Office of the Company and on the Company’s website, be and are hereby approved and adopted, in substitution and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.”

“RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to undertake all such acts, deeds, matters and things to finalise and execute all such deeds, documents and writings as may be deemed necessary, proper, desirable and expedient in its absolute discretion, to settle any question, difficulty or doubt that may arise in this regard and to give effect to this resolution either on its own or by delegating all or any of its powers to any of the Director, Company Secretary or any other officer of the Company.”

Item No. 3:

To approve, ratify & confirm the action taken by the Board of Directors of the Company for sale, transfer and disposal of its investment in shares of its wholly owned subsidiary:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to Sections 180 (1) (a) and 188 (1) (b) of the Companies act, 2013, (including any statutory modification(s) or re-enactment thereof, and the rules framed there under, for the time being in force), and Clause 49(V)(F) and Clause 49(VII)(E) of the Listing Agreement and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any, the Members of the Company hereby ipso facto approve, ratify and confirm the action of the Board of Directors of the Company of sale, transfer and dispose of 95,00,000 Equity Shares of Rs. 10/- each held of M/s. Kadakia Alkalies & Chemicals Limited,(KACL) its wholly owned subsidiary, at a price of Rs. 0.05 paise per share, based on value of share determined by the Statutory Auditors of the said Wholly owned Subsidiary, in one or more tranches sold and transferred on 9th December,2014, during the financial year 2014-15, as was deemed proper by the Board of Directors of the Company.

“RESOLVED FURTHER THAT action taken by the Board in giving effect to the said resolution be and is hereby ratified and further, authorized the Board to take all such actions, deed and things as may be necessary, desirable or expedient in connection therewith and to approve any alterations, modifications to the transactions documents if any, from time to time and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regards to the transactions for and on behalf of the Company.”

Item No. 4:

To consider shifting of Registered Office of the Company from the State of Maharashtra to the State of Gujarat:

To consider and if thought fit, to pass with or without modifications, the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 12, 13 and 110 and other applicable provisions of the Companies Act, 2013, read with relevant applicable Rules, if any, (including any statutory modifications(s) or re-enactment thereof, for the time being in force) and subject to the approval of Regional Director, Western Region, Mumbai and such other approvals, permissions and sanction, as may be required for the purpose, consent of the Members of the Company, be and

is hereby accorded for shifting of the Registered Office of the Company from the State of Maharashtra to the State of Gujarat, from the date as may be determined by the Board depending upon the date of receipt of Approval of Honorable High Court of Mumbai in the present scheme of Arrangement bearing petition no. CSPL/131/2016 between the Company and its Equity Shareholders, pending before Honorable High Court of Mumbai and consequently thereupon Clause II of the Memorandum of Association of the Company be replaced as under:

II. The Registered Office of the Company will be situated in the “State of Gujarat”.

“RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any person authorised and/or Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) or any officer so authorised by the Board be and is hereby authorised on behalf of the Company to make any modifications, changes, variations, alterations or revisions stipulated by any one of the authorities, statutory or otherwise, while according approval, consent as may be considered necessary and to appoint counsels and advisors, file applications/ petitions, issue notices, advertisement, obtain orders for shifting of the Registered Office from the concerned authorities and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power on behalf of the Company to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the Members of the Company.”

Item No. 5:

To consider appointment of Mr. Pankaj Manilal Kadakia as the Managing Director of the Company and payment of remuneration to him:

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Schedule V to the Act, including any amendment, modification, variation or re-enactment from time to time, the Company hereby approves the appointment and the terms of the remuneration of Mr. Pankaj Manilal Kadakia (DIN: 00166339) as Managing Director of the Company for a period of three years with effect from 27th February, 2016 upon terms and conditions set out in the Explanatory Statement annexed to the Notice convening Postal Ballot (including the remuneration to be paid to Mr. Pankaj Manilal Kadakia in the event of loss or inadequacy of profits in any financial year during the tenure of his appointment) with the authority to the Board of Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Board of Directors/ Nomination and Remuneration Committee and Mr. Pankaj Manilal Kadakia, subject to the same not exceeding the limits set out in the said Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in the behalf”.

“RESOLVED FURTHER THAT in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to Mr. Pankaj Manilal Kadakia shall be governed by Section II of Part II of Schedule V of the Act including any modification(s) thereto.

“RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof, be and is hereby authorized to take all such steps as may be necessary, proper and expedient and to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable to give effect to this resolution.”

Item No. 6:

To consider authority to Board as per section 180 of the Companies Act, 2013, for sale of any whole or substantially the whole of the undertaking of the Company.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of section 180 (1) (a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) and applicable provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and subject to such other approvals and statutory permissions, if any, as may be required including of financial institutions, banks, as may be and to the extent required, the consent of the company be and is hereby accorded to the Board of Directors of the Company (herein after referred to as ‘the Board’ which term shall mean and include any committee(s) which the Board may constitute to exercise the powers of the Board including the powers conferred by this resolution) to transfer, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the

Company including selling of companies present unusable asset in the open market or the whole or substantially the whole of any of the manufacturing units of the Company wherever situate including the assets and liabilities together with a use of all the respective licenses, permits, consents and approvals whatsoever and all the rights, benefits and obligations attached thereto, as a going concern effective from such date and for such consideration and on such terms and conditions as the Board may deem fit, with liberty to the Board to appoint its Committee(s) authorizing to exercise the powers vested in them.

RESOLVED FURTHER that the Board be and is hereby authorized to settle all or any of the matters pertaining to or arising out of and incidental to such transfer, sell, lease or otherwise as aforesaid and to do and perform all such acts, deeds, matters and things as they may deem necessary, desirable or appropriate and to execute all such deeds, agreements, documents, undertakings, declarations, writings, etc. for completing such transfer, sale, lease or otherwise of the said unit/s as aforesaid as it may consider necessary, expedient, usual, requisite, desirable, or proper for giving effect to the resolutions.”

Date: 27th July, 2016
Place: Vadodara

By order of the Board,

(Soaib G. Sheikh)
Company Secretary

EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 1 & 2:

The existing Memorandum of Association ("MoA") and Articles of Association ("AoA") of the Company, based on Companies Act, 1956 ("1956 Act") are no longer in conformity with the provisions of the Companies Act, 2013 ("2013 Act") and that several clauses of MoA & AoA require alteration/deletion. Given these positions, it is considered expedient to wholly replace the existing MOA by adopting them, afresh, a new set of MoA (primarily based on Table A set out under Schedule I to the Act), and a new set of AOA (primarily based on Table F set out under Schedule I to the Act) instead of amending them by alteration/incorporation as per the provisions of Companies Act, 2013.

In terms of Section 13, 14 and other applicable provisions of the Companies Act, 2013, if any, consent of Members are required by way of Special Resolutions, for adoption of new set of MoA & AoA. The entire sets of proposed new MoA & AoA are available in the website of the Company. Members can also obtain a copy of the same from the Corporate Office of the Company.

None of the Directors, Key Managerial Personnel and their relatives, is in any way, concerned or interested in the Resolutions at Item Nos. 1 & 2 of the accompanying Notice.

The Board commends the Resolutions at Item Nos. 1 & 2 for the approval by the Members as Special Resolutions, by means of postal ballot and e-voting.

Item No. 3:

M/s. Kadakia Alkalies & Chemicals Limited was a Wholly Owned Subsidiary of Kumaka Industries Limited.

Kumaka Industries Limited had a Caustic Soda Plant which was hived off to Kadakia Alkalies & Chemicals Limited along with all secured loans. At the time of settlement with the Institutes, the Institutes insisted that Kumaka Industries Limited transfer back the assets and all secured loans from its subsidiary Company M/s. Kadakia Alkalies & Chemicals Limited to Kumaka Industries Limited and accordingly all the assets and secured loans were transferred to Kumaka Industries Limited.

In view of this, Kadakia Alkalies & Chemicals Limited had no assets whatsoever and no secured loans. Only it had carried forward losses, the share value of M/s. Kadakia Alkalies & Chemicals Limited is negative.

When Kumaka Industries Limited had settled all the dues with secured lenders and were looking for the funding from the financial institutes, it is a mandatory requirement of financial institutes to have the Consolidated Financial Statements of the Company to assess the financial liability before granting any financial facility to the Company.

Because of Kadakia Alkalies & Chemicals Limited losses, the Consolidated Financial Statement of the Company was showing the loss and it was not possible for any financial institute to grant us loan to the proposed project.

In view of this, it was necessary for the Company to sell the share of Kadakia Alkalies & Chemicals Limited so that it has not remained the wholly owned subsidiary of Kumaka Industries Limited.

Thus, as a part of corporate restructuring the Board of Directors of the Company decided to sell or disinvest Shares held in M/s. Kadakia Alkalies & Chemicals Limited which was the wholly owned subsidiary of the Company and which had no assets and liability and it had only carried forward financial losses with a negative share value and it was non operational for more than one and half decades and it was hampering the growth of Kumaka Industries Limited and hence it was decided to disinvest the shares of Kadakia Alkalies & Chemicals Limited. Under the said disinvestment, shares were sold to several unrelated persons as well as Mr. Pankaj Kadakia and Mr. Bharat Parikh. At the time of disinvestment, Mr. Bharat Parikh was not the CFO of the Company. Subsequently Mr. Bharat Parikh appointed as the Chief Financial Officer of the Company w.e.f. 11th May, 2015.

By proposed Special Resolution, the Board of Directors of the Company seek to avail the approval of the Members to ipso facto approve, ratify and confirm the action already taken to sell, transfer and dispose of said Investment in its wholly owned subsidiary and to give effect to the said transaction with an intention to rectify the mistake and to regularize the transaction thereby to comply with the requirements.

The Board recommends the Resolution at Item No. 3 for approval by the Members as a Special Resolution, by means of postal ballot and e-voting.

None of the Directors or Key Managerial Personnel or relatives of Directors and KMP, except Mr. Pankaj M. Kadakia and Mr. Bharat Parikh, is concerned or interested in the resolution at Item No.3 of the accompanying Notice. Pursuant to Clause

49(VII) (E) of the Listing agreement and Regulation 23(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, all related parties, shall abstain from voting.

Item No: 4

As the Members are aware, the Company has its Registered office at Mumbai in the state of Maharashtra, since its inception, with all its plants / works located at Ankleshwar, Dist. Bharuch and at Nandesari, Dist. Vadodara and managing affairs of the Company, mainly through its Corporate Office situated at Vadodara in the State of Gujarat. Having operational activities established and run in the state of Gujarat, almost all the stakeholders are located in the state of Gujarat. It has larger number of Shareholders from the state of Gujarat and that majority of the Directors of the Company also reside in Vadodara in the state of Gujarat.

Proposed shifting of Registered office from the state of Maharashtra to the State of Gujarat, would offer more convenience and facility for carrying on the operations of the Company more advantageously, efficiently and economically and would add lots of ease in effective and efficient management of the affairs of the Company.

Subject to the necessary approvals of the Members by way of Special Resolution, in terms of Section 12 , 13, and other applicable provisions of the Companies Act, 2013 and confirmation by the Regional Directors, Western Region Mumbai, the Board of Directors of the Company, has proposed to shift its Registered office from Mumbai in the state of Maharashtra to Vadodara, in the state of Gujarat, where the establishment and infrastructure facilities exist.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP, are concerned or interested in the resolution at Item No. 4 of the accompanying Notice to the extent of their shareholdings in the Company.

The Board commends the Special Resolution at Item No. 4 of the accompanying Notice for approval by the Members, by means of postal ballot and e-voting.

Item No. 5.

Mr. Pankaj M. Kadakia is B.S. from Bombay University and M.S. in Chemical Engineering, possesses 40 Years of rich, wide and varied business experience in the Chemical Industry. He has been associated with the Company in the capacity of the Director since 26th June, 1974 and served in the capacity of the Managing Director of the Company for more than Four decades.

Considering his educational background, business acumen, rich experience, valuable contributions provided to the Company and his future contributions and services required by the Company for its betterment, on the recommendation of Nomination and Remuneration Committee, the Board of Directors, at their meeting held on 27th February, 2016, have appointed Mr. Pankaj M. Kadakia as the Managing Director for a period of 3 years, upon the terms and condition enumerated in the draft Agreement, in terms of Section 195, 196, 203 and other applicable provisions of the Companies Act, 2013, subject to the approval of the Shareholders and such other approvals including of the Central Government, if any.

Main terms of the appointment of Mr. Pankaj M. Kadakia as the Managing Director of the Company:

1) Tenure : 3 years from 27th February, 2016 to 26th February, 2019.

2). Nature of duties :

The Managing Director shall devote his whole time and attention to the Business of the Company and shall perform such duties as may be entrusted to him by the Board from time to time and separately communicated to him and exercise such powers as may be assigned to him, subject to the superintendence ,control and directions of the Board in connection with and in the best interests of the Business of the Company.

3) Remuneration : Consolidated Salary Rs. 1,00,000/- per month .

Annual Increments which will be effective 1st April, each year, will be decided by the Board based on the recommendations of Nomination and Remuneration Committee ("NRC") or by NRC on authority of the Board.

Other allowances:

- i. Provision of chauffeur driven car for Company's business will not be considered as perquisite. Use of car for private purpose shall be billed by the Company.
- ii. Provision of Telephone at residence of the Managing Director and a Mobile Phone for his use not to be considered as perquisites.
- iii. Personal long distance calls on telephone shall be billed by the Company.
- iv. Entitlement to Annual Privilege leave on full salary for 30 days shall be allowed to be accumulated up to 90 days.

- v. Reimbursement of entertainment expenses actually and properly incurred by him in the course of legitimate business of the Company and traveling hotel & other expenses incurred by the Managing Director in India and abroad exclusively on the business of the Company in accordance with its rules and regulations, from time to time.
- vi. In the event of inadequacy or absence of profits, the Company shall pay to Mr. Pankaj Manilal Kadakia the above remuneration as **minimum remuneration** but not exceeding the limits specified under Schedule V of the Companies Act, 2013 or such other limits as may be specified by the Central Govt. from time to time as minimum remuneration.
- vii. No payment of sitting fees shall be made to the Managing Director, for attending of Meetings of the Board of Directors or Committee thereof.

4). Other Terms and Conditions:

- i. The Company shall be entitled to forthwith terminate the agreement if the Managing Director becomes insolvent or makes any composition or arrangement with his creditors or he ceases to be a Director of the Company.
- ii. The terms and conditions including the remuneration payable to the Managing Director of the said appointment and/or Agreement may be altered and varied from time to time by the Board as it may, in its discretion, deem fit provided same not exceeding the limits set out in the said Schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force.
- iii. Notwithstanding anything to the contrary contained therein, the Agreement, at anytime, shall be terminated by either party giving 90 days' notice in writing to that effect, to the other party.
- iv. During the tenure of appointment as Managing Director, Mr. Pankaj M Kadakia shall not be liable to retire by rotation. The above may also be treated as an abstract of the terms and conditions of the appointment of Mr. Pankaj M Kadakia as required under section 190 of the Companies Act, 2013.

The Draft Agreement proposed to be executed is available at the Corporate office of the Company on any working day excluding public holidays and Sundays between 11:00 a.m. to 1:00 p.m. up to from the date of dispatch of Notice till the date of declaration of Results i.e. 29th September, 2016.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP, except Mr. Pankaj M. Kadakia, is concerned or interested in the resolution at Item No. 5 of the accompanying Notice.

The Board commends the Special Resolution at Item No. 5 of the accompanying Notice for approval by the Members, by means of postal ballot and e-voting.

Disclosure pursuant to the Provisions of Part II Section II (B) (IV) Of Schedule V of the Companies Act, 2013

I. General Information:

- (1) Nature of Industry: Pharmaceuticals
- (2) Date or expected date of commencement of commercial production: Currently the Company is looking for new opportunities.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: NA
- (4) Financial performance based on given indicators: NA
- (5) Foreign Investments or collaborations, if any: NIL

II. Information about the Appointee(S):

- (1) Background: Mr. Pankaj M. Kadakia is B.S. from Bombay University and M.S. in Chemical Engineering possesses 38 Years of rich, wide and varied experience in the Chemical Industry
- (2) Past Remuneration: NA
- (3) Recognition or awards: Past president of FGI, CGCC and GABADIA.
- (4) Job Profile and his suitability: Management of the day to day Operations of the Company.
- (5) Remuneration proposed: Rs. 1,00,000/- per month
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of her origin): Rs. 2,00,000/-
- (7) Pecuniary relationship directly or indirectly with the Company, or relationship with the Managerial Personnel, if any: Shareholder of 28,29,450 Equity Shares.

III. OTHER INFORMATION:

- (1) Reasons of loss or inadequate profits: Non availability of borrowing facilities
- (2) Steps taken or proposed to be taken for improvement: Currently the Company is looking for new opportunities.
- (3) Expected increase in productivity and profits in measurable terms: Currently the Company is looking for new opportunities.

Additional Disclosures :

Statement pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as follows:

Name of Director	Mr. Pankaj Manilal Kadakia
Brief Resume	Mr. Pankaj M. Kadakia is B.S. from Bombay University and M.S. in Chemical Engineering possesses 38 Years of rich, wide and varied experience in the Chemical Industry. He has been associated with the Company in the capacity of the Director since 26th June, 1974 and served in the capacity of the Managing Director of the Company for more than 4 decades.
Nature of his expertise in specific functional areas	Management of the day to day Operations of the Company.
Disclosure of relationships between Directors inter-se	Not Applicable
Directorships in other Listed Companies	Not Applicable
Membership of the Committees of the Board of other Listed Companies	Not Applicable
Shareholding of non executive directors	Not Applicable .

Information pursuant to 1.2.5 of the Secretarial Standard on General Meetings (SS- 2) regarding Director seeking appointment / re-appointment

Mr. Pankaj M. Kadakia

Age	66 Years
Qualifications	B.S. from Bombay University and M.S. in Chemical Engineering
Experience	40 Years in Chemical Industry.
Main Terms and conditions of appointment or reappointment	Remuneration - Rs. 1,00,000/- p.m. Termination of agreement by either party giving three months Notice in advance. Other Terms & conditions shall be as per rules of the Company.
Last drawn remuneration	Rs. 1,00,000/- per month
Date of first appointment on the Board	26th June, 1974
No. of share held	28,29,450 Equity Shares
Relationship with Directors, Managers & KMP	None
Number of Board Meeting attended during Financial Year 2015-16	Eight Board Meetings out of Nine held
Other Directorship	(1)Kadakia Alkalies and Chemicals Limited (2)Ashok Cellulose Limited
Chairman/ Member of the Committees of Boards of other companies	None

Item No. 6.

As the members are aware that the Company is going through the financial crisis and it is not able to get the requisite finance from the market for any further endeavor. Hence, the Company is left with only one possible way to get out from this financial deadlock by selling of companies present unusable asset in the open market and acquire less costly and smaller operative assets with the proceeds of the sale.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP, are concerned or interested in the resolution at Item No. 6 of the accompanying Notice to the extent of their shareholdings in the Company.

The Board commends the Special Resolution at Item No. 6 of the accompanying Notice for approval by the Members, by means of postal ballot and e-voting.

By order of the Board,

Date: 27th July, 2016

Place: Vadodara

(Soaib G. Sheikh)
Company Secretary

NOTES:

1. An Explanatory Statement pursuant to Section 102 and other applicable provisions of the Act read with the Companies (Management and Administration) Rules, 2014, in respect of all the businesses specified above is annexed hereto.
2. The Board vide its Resolution passed on 30th March, 2016 has appointed Mr. N. L. Bhatia, Practicing Company Secretary, having FCS No. 1176 & CP No. 422, as Scrutinizer for conducting the Postal Ballot / e-voting process in accordance with the law and in a fair and transparent manner.
3. The Notice of the Postal Ballot is being sent to all the Members, whose names would appear in the Register of Members as on the close of working hours on 08th August, 2016 i.e. the cut-off date. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Members as on that date. A person who is not a member as on this date should treat this notice for information purposes only.
4. The Postal Ballot Form together with the self-addressed postage pre-paid envelope is enclosed for the use of the member. Please carefully read the instructions printed on the enclosed Postal Ballot Form before exercising your vote and return the Form duly completed, signifying your assent or dissent, in the attached self-addressed, postage prepaid envelope, so as to reach the Scrutinizer within a period of 30 days from the date of dispatch of notice i.e. before the close of working hours at 5.00 p.m. on Thursday, the 22nd September, 2016.
5. All documents referred to in the accompanying Notice and Explanatory Statement are open for inspection at the Corporate Office of the Company during office hours on all working days, except Saturday and Sunday and other holidays, between 11:00 a.m. and 1:00 p.m. up to the date of declaration of results of postal ballot i.e. Thursday, 29th September, 2016.
6. The Company is pleased to offer e-voting facility as an alternate, for all its members to enable them to cast their vote electronically instead of dispatching Postal Ballot. He can use the facility and log-in any number of times till he has voted on all the Resolutions or till the end of the voting period (i.e. till the last date of receipt of Postal Ballots), whichever is earlier.

Members irrespective of who have registered their e-mails for receipt of documents in electronic mode under the green initiative and who wish to vote through Postal Ballot Form can seek Duplicate Form/s from Corporate Office of the Company situated at 5th Floor, Ramkrishna Chambers, BPC Road, Alkapuri, Vadodara- 390 007.

Members may contact Mr. Soaib G. Sheikh, the Company Secretary for any grievances connected with voting by postal ballot including voting by electronic means at the Corporate Office of the Company at 5th Floor, Ramkrishna Chambers, BPC Road, Alkapuri, Vadodara- 390 007 or e-mail to secretarial@kumakaindustries.com.

7. The Scrutinizer will submit his Report after completion of the scrutiny, addressed to the Chairman on 29th September, 2016. The Chairman will, or in his absence any other person so authorized by him will, announce the result of voting by postal ballot on 29th September, 2016 at 4:00 p.m. at the Corporate Office of the Company at 5th Floor, Ramkrishna Chambers, BPC Road, Alkapuri, Vadodara- 390 007 and the Resolutions will be taken as passed effectively on the last date of receipt of Postal Ballot, if the results of the Postal Ballots indicate that the requisite majority of the members had assented to the Resolutions. The Scrutinizer's decision on the validity of the Postal Ballot shall be final.

Members who wish to be present at the venue at the time of declaration of the result are welcome to do so. The results of the Postal Ballot along with the Scrutinizer's Report will also be displayed at the Company's Registered Office and Corporate Office situated at 5th Floor, Ramkrishna Chambers, BPC Road, Alkapuri, Vadodara- 390 007 and hosted on the website of the Company www.kumakaindustries.com and at Stock Exchange.

8. Voting through electronic means:

In compliance with the provisions of Section 108 and 110 and other applicable provisions of the Act, read with the Companies (Management and Administration) Rules, 2014, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited, on resolution set forth in this notice.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

PROCESS AND MANNER FOR MEMBERS OPTING FOR PHYSICAL VOTING

1. A member desiring to exercise his vote by Postal Ballot may complete this Postal Ballot Form and send it to the

Scrutinizer in the attached postage prepaid envelope before the close of working hours (5.00 p.m.) on or before Thursday, the 22nd September, 2016. The postage will be borne and paid by the Company.

2. The self-addressed postage pre-paid envelope is addressed to the Scrutinizer appointed by the Board of the Company.
3. The Members are requested to exercise their voting rights by using the attached Postal Ballot Form only. No other form or photocopy of the form is permitted. A Member may request for a duplicate Postal Ballot Form, if so required. However, the duly filled in duplicate Postal Ballot Form should reach the Scrutinizer not later than the date specified in point no. 1 above.
4. This Postal Ballot Form should be completed and signed by the Member or Members, in case of joint holding as per the specimen signature registered with the Company/ Depository Participant by the first named member and in his absence, by the next named joint holder.
5. Incomplete, unsigned and incorrect Postal Ballot Form will be rejected. The Scrutinizer's decision on the validity of the Postal Ballot shall be final and binding.
6. In case the shares are held by Body Corporate/ Trust, the duly completed Postal Ballot Form should be accompanied by a certified true copy of the Board Resolution/ Authorization together with the attested specimen signature of the authorised signatories.
7. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed self-addressed postage pre-paid Envelope addressed to the Scrutinizer and any extraneous paper found in such envelope would be destroyed by the Scrutinizer.

PROCESS AND MANNER FOR MEMBERS OPTING FOR E-VOTING

The instructions for shareholders voting electronically are as under:

The remote e-voting period begins on 24th August, 2016 at 9.00 a.m. and ends on 22nd September, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares, as on the cut-off date (record date) of 20th August, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The shareholders should log on to the e-voting website www.evotingindia.com.

Click on Shareholders.

Now Enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

Members holding shares in Physical Form should enter Folio Number registered with the Company.

Next enter the Image Verification as displayed and Click on Login.

If you are holding shares in demat form and have to log on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(i) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) •Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. •Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (ii) After entering these details appropriately, click on “SUBMIT” tab.
- (iii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (iv) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (v) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (vi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (vii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (viii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (ix) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (x) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xi) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xiii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

IMPORTANT NOTES

1. Members are requested not to send any other paper (except Updation form) along with the Postal Ballot Form in the enclosed Pre-addressed envelope in as much as all such envelopes will be sent to the Scrutinizer and any extraneous paper (other than the Updation form) in such envelope shall be destroyed by the Scrutinizer and the Company would not be able to act on the same.
2. There will be one postal ballot form for every folio / client ID, irrespective of the numbers of joint holders.

The results of the postal ballot will be announced at the Registered office and the Corporate Office of the Company on Thursday, the 29th September, 2016 at 4.00 p.m.