

KUMAKA INDUSTRIES LIMITED



KUMAKA

Industries Limited

CIN : L99999MH19739LCO16315

45th
Annual Report
2018-2019

KUMAKA INDUSTRIES LIMITED

CIN: L99999MH1973PLC016315
(Incorporated on 13-02-1973)

45th Annual Report 2018-19

CORPORATE INFORMATION

Board of Directors

Shri Pankaj Kadakia
Chairman & Managing Director
Dr. Indula Panchal
Non Executive Woman Director
Dr. Niranjana Pandya
Non Executive Independent Director
Dr. T. D. Tiwari
Non Executive Independent Director

Mr. Bharat A Parikh
Chief Financial Officer
Ms. Chandni Pansuriya
Company Secretary

REGISTRAR AND TRANSFER AGENT

Link Intime India Pvt. Ltd.
B-102 & 103, First Floor,
Shangrilla Complex, OPP. HDFC Bank,
Nr. Radhakrishna Char-rasta,
Akota, Vadodara-390020
Tel. No.: 0265-2356573/6794
Fax No.: 0265-2356791
e-mail: alpesh.gandhi@linkintime.co.in

AUDITORS

M/s. SCA & Associates
Chartered Accountants,
Mumbai

REGISTERED OFFICE

404, Sharda Chambers,
Sir Vitthaldas Thakarshe Marg,
33, New Marine Lines,
Churchgate,
Mumbai-400020.

CORPORATE OFFICE

5b, 5th Floor,
Ram Krishna Chambers,
B. P. C. Road, Alkapuri,
Vadodara-390005
Tel. No.: 0265-2330019
Fax No.: 0265-2333884

website: www.kumukaindustries.com
e-mail: secretarial@kumakaindustries.com

KUMAKA INDUSTRIES LIMITED

NOTICE

Dear Member(s),

NOTICE is hereby given that the 45th Annual General Meeting of the Members of KUMAKA INDUSTRIES LIMITED will be held on Saturday, 14 September, 2019 at 03:00 PM at: All India Manufacturers' Organization, 4th Floor, 'Jeevan Sahakar', Near RBI Old Building, Opp. PNB Building, Sir P.M. Road, Fort, MUMBAI – 400 001., to transact the following business:

Ordinary Business:

1. **To receive, consider and adopt the Audited Financial Statement for the year ended on March 31, 2019 along with the reports of the Board of Directors' and Auditors' thereon.**
2. **To appoint a Director in place of Dr. Indula Panchal (DIN-07543310), who retires by rotation and being eligible, offers herself for re-appointment.**

Special Business:

3. **To approve continuance of Dr. Indula Panchal as a Non Executive Director pursuant to Regulation 17(1A) of the Listing Regulations.**

To consider and if thought fit to pass following resolution as a Special Resolution:

“RESOLVED THAT pursuant to applicable provisions of the Companies Act, 2013 and Rules made thereunder including any statutory modification(s) or re-enactment(s) thereof, as also newly inserted Regulation 17(1A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 1st April, 2019, approval of the members be and is hereby accorded to the continuance of Dr. Indula Panchal(DIN: 07543310), Non Executive Director of the Company, who has already attained the age of 75 years, to continue as a Non Executive Director of the Company even on and after 1st April, 2019 till the expiry of her term i.e., up to the conclusion of the 45th Annual General Meeting to be held in the year 2019 as also her proposed tenure as a Retiring Director.

“FURTHER RESOLVED THAT any Director or Key Managerial Person, be and is, hereby authorised to do all acts and deeds, necessary and expedient to give effect to this resolution.”

4. **To re-appoint Dr. Niranjan M. Pandya (DIN- 00385689) as an Independent Director.**

To consider and if thought fit, to pass, following resolution as a special resolution:

“RESOLVED THAT pursuant the provisions of section 149, 150, 152, schedule IV and any other applicable provisions if any of the Companies Act, 2013 and rules made thereunder read with regulation 17 and other applicable regulations, if any of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Including any statutory modification(s) or re-enactment(s) thereof for the time being in force,] based on the recommendation of Nomination and Remuneration Committee and approval of the Board of Directors of the Company, Dr. Niranjan M. Pandya (DIN- 00385689), who was earlier appointed as an Independent Director for consecutive term of 5years upto the conclusion of 45th Annual General Meeting of the Company in calendar year 2019 and in respect of whom the Company has received requisite Notice in writing pursuant to the section 160 of the Companies Act 2013, proposing his candidature for the office of Independent Director, be and is, hereby reappointed as an Independent Director of the Company for a period of five years from the conclusion of 45th Annual General Meeting upto 50th Annual General Meeting to be held in calendar year 2024 not liable to retire by rotation during his tenure as an Independent Director even if he has attained 75 years.

“FURTHER RESOLVED THAT any Director or Key Managerial Personal of the Company, be and is, hereby authorised to do all the acts and deeds, necessary expedient and incidental to give effect to the aforesaid resolution”.

5. **To approve Related Party transactions between the Company and Shri Manilal Harilal Kadakia Charitable Trust.**

To consider and if thought fit, to pass, the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Company's policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Shri Manilal Harilal Kadakia Charitable Trust., a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations,

KUMAKA INDUSTRIES LIMITED

for Sale of mineral water, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of 20 Lakhs per annum, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm's length basis and in the ordinary course of business of the Company.

"FURTHER RESOLVED THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution."

6. To approve continuation of employment and payment of Remuneration to Mr. Pankaj Manilal Kadakia, (DIN:00166339), as a Managing Director.

To consider and if thought fit, to pass, the following resolutions as a Special Resolution:

"RESOLVED THAT in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], approval, be and is, hereby accorded to the continuance of employment of Mr. Pankaj Kadakia (DIN: 00166339), who will attain the age of seventy years on 16th September, 2020, as a Managing Director of the Company up to his residual tenure ending on 26th February, 2022 as approved by the members at their adjourned 44th Annual General Meeting of the Company held on 25th September, 2018.

"FURTHER RESOLVED THAT pursuant to Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015, applicable provisions of the Companies Act, 2013 read with rules made thereunder and other applicable laws, if any including any statutory modification(s) or re-enactment(s) thereof for the time being in force] as also pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, APPROVAL be and is hereby accorded, to the continuation of payment of remuneration to Mr. Pankaj Manilal Kadakia (DIN:00166339) (belonging to promoter group) as a Managing Director on the existing terms and conditions as approved by the shareholders of the Company, at their Adjourned 44th Annual General Meeting held on 25th September, 2018 for his residual term ending on 26th February, 2022 notwithstanding:

(a) the annual remuneration payable to him exceeds Rs. 5 Crores or 2.5 percent of the net profits of the Company.

OR

(b) the aggregate annual remuneration of all the Executive Directors exceeds 5 percent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013.

"FURTHER RESOLVED THAT all the Directors and key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds and things, including to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution."

Date: 19th July, 2019
Place: Vadodara

By the Order of the Board,
for Kumaka Industries Ltd.

Pankaj M. Kadakia
Chairman & Managing Director

KUMAKA INDUSTRIES LIMITED

NOTES

1. PROXY/AUTHORIZED REPRESENTATIVE:

- (i) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY, TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.

The instrument appointing proxy (Proxy Form), in order to be effective must be deposited at the registered office of the Company, not less than forty-eight (48) hours before the commencement of the Annual General Meeting ("AGM"). Proxy Form is enclosed with the Notice.

Members are requested to note that a person can act as proxy on behalf of the members not exceeding 50 (fifty) and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.

- (ii) Corporate Members intending to send their authorised representatives to attend the AGM are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote in their behalf at the Meeting.
- (iii) In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.

2. BOOK CLOSURE:

Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 7th September, 2019 to Saturday, 14th September, 2019 (both days inclusive) for the Annual General Meeting.

3. CUT OFF DATE:

- (i) A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Saturday, 7th September, 2019 (the "Cut-off Date") only shall be entitled to vote through Remote E-voting and at the AGM. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut-off date.

4. COMMUNICATION TO MEMBERS

- (i) The Notice of the AGM along with the Attendance Slip and Proxy Form, and a copy of Annual Report has been sent by electronic mode to all members holding shares as on 24th July, 2019, whose email addresses are registered with the Company / Depository Participant(s) unless a member has requested for a hard copy of the same and also to the auditors and directors of the Company. For members who have not registered their email addresses, physical copies of the abridged annual report along with aforesaid documents are being sent by the permitted

mode.

- (ii) Copy of annual report and notice of AGM will also be available on the website of the Company at **www.kumakaindustries.com** and at the website of CDSL. Hard copies of the full annual report will be sent to those shareholders who will request the same.
- (iii) All the documents referred to in the accompanying notice, will be available for inspection at the registered office of the Company on all working days except Saturday and Sunday, between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.
- (iv) In case you have any query relating to the enclosed financial statements, you are requested to send the same to the Company Secretary at the Corporate office of the Company or on email Id "secretarial@kumaka industries.com", at least 10 days before the date of AGM so as to enable the management to keep the information ready.
- (v) In order to implement the Green Initiative of the Government, whereby Companies have now been allowed to send/ serve notice(s) / document(s) / Annual Report(s) etc. to their members through electronic mode, your Company hereby requests all its members to register their email ID with the Registrar and Transfer Agent (in case of Physical holding), if not yet provided, to promote Green Initiative.

5. VOTING BY MEMBERS

The voting for the agenda items as mentioned in the Notice shall be done in the following manner:

- (i) Members may cast their votes through electronic means by using an electronic voting system from a place other than the venue of AGM ("Remote E-voting") in the manner provided below during the e-voting period as mentioned below in Para 5(I)(A).
- (ii) At the venue of AGM, voting shall be done through Ballot papers and the members attending AGM who have not cast their vote by Remote E-voting shall be entitled to cast their vote through Ballot Paper.
- (iii) A Member may participate in the AGM even after exercising his right to vote through Remote E-voting but shall not be allowed to vote again at the venue of the AGM. If a Member casts votes through Remote E-voting and also at the AGM, then voting done through Remote E-voting shall prevail and voting done at the AGM shall be treated as invalid.

(I) Voting through Electronic Means

In compliance with Section 108 of the Companies Act 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide facility of Remote E-voting to all its Members, to enable them to cast their votes on all resolutions set forth in this Notice electronically and the business mentioned in the Notice may be transacted through

KUMAKA INDUSTRIES LIMITED

E-voting. Remote E-voting is optional and not mandatory. The Company has engaged the services of Central Depository Services(India) Limited (CDSL) for the purpose of providing Remote E-voting facility to all its Members. The process and manner of Remote E-voting are as under:

- (A) Instruction for e-voting by Members whose email ID's are registered with the Company/Depository Participant(s)
- (i) The voting period begins on 11th September, 2019 at 09:00 am and ends on 13th September, 2019 at 05:00 pm. During this period shareholders of the Company, as on the cut-off date (record date) of 7th September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders.
 - (iv) Now Enter your User ID
 - A. For CDSL: 16 digits beneficiary ID,
 - B. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - C. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - (vii) If you are a first time user, follow the steps given below:

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **Kumaka Industries Limited** on which you choose to vote.
- (xii) 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
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the Login Password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also use Mobile app –“m-Voting” for e voting. m-voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m-voting using their e voting credentials to vote for the company resolution(s).
- (xix) 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, user would be able to link the account(s) for which they wish to vote on.
The list of accounts linked in the login 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

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) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on Address Sticker.
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 OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> • 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).

KUMAKA INDUSTRIES LIMITED

Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xx) 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.
- (xxi) Any person, who acquires shares of the Company and becomes a member of the Company after the dispatch of this Notice and hold shares as of the Cut-off date i.e. Saturday, 7th September, 2019, may obtain Login-Id and Password by sending a request at helpdesk.evoting@cdslindia.com by mentioning his/her folio no. However, if you are already registered with CDSL for e-voting, then the person can use his/her existing user-id and password for casting votes. A person who is not a member as on the Cut-Off date should treat this notice fully for information purpose.

6. SCRUTINIZER

- (i) M/s. Devesh Pathak & Associates Practicing Company Secretaries having consented to act as a scrutinizer has been appointed as scrutinizer (“Scrutinizer”) for scrutinizing the voting process (Poll Paper) as well as Remote E-voting) in a fair and transparent manner.

7. DECLARATION OF RESULTS

The Result of voting (Remote E-voting and the voting at the AGM) on the resolutions shall be declared within 2 days from the date of AGM by the Chairman or any person authorized by him for this purpose. The results declared along with the report of the Scrutinizer shall be placed on the website of the company i.e. www.kumakaindustries.com and on the website of CDSL i.e. www.evotingindia.com., immediately after the result is declared and simultaneously communicated to the BSE.

8. NOMINATION

Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 or any statutory re-enactment(s) thereof, are requested to submit the request in prescribed form SH-13 to the RTA.

9. EXPLANATORY STATEMENT AND ADDITIONAL INFORMATION

- (i) The Statement pursuant to Sec. 102(1) of the Companies Act, 2013 with respect to the Special Business set out in the Notice is annexed.

10. OTHER INFORMATION

Members are, requested to bring their own copies of the Annual Reports to the meeting in pursuit of green initiative.

11. DETAILS UNDER REGULATION 36(3) OF SEBI (LISTING

OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND IN TERMS OF CLAUSE NO. 1, 2, 5 OF SECRETARIAL STANDARDS – 2 IN RESPECT OF THE DIRECTORS SEEKING APPOINTMENT/ RE APPOINTMENT:

Brief Resume:

Name of Director	Dr.Indula Panchal	Dr. Niranjan M. Pandya
DIN	07543310	00385689
Date of birth	14/05/1942	01/06/1939
Qualifications	Doctor of Medicine (MD)	B.A (Economics) M.A (Economics) Ph. D (Economics) Ph. D. thesis on “working of the International Monetary system : A Critical Evaluation”
Expertise in specific functional areas	Medicine and Administration	Teaching experience of over 30 years at graduate and post graduate level Taught International Economics, Classical Economics and Agricultural Economics at M.A.
Terms and conditions of re appointment	Re-appointment as a non executive Woman Director liable to retire by rotation	Re appointment as an Independent Director
Details of remuneration and remuneration last drawn	As detailed in corporate governance report	As detailed in corporate governance report
Date on which first appointment on board	15/06/2016	20/11/2009
Details of shareholding in the company	800 equity shares	100 equity shares
Relationship with other directors / key managerial person (if any)	Not Related	Not Related
Number of board meetings attended during the year	As detailed in corporate governance report	As detailed in corporate governance report
Details of directorship/ committee chairmanship membership in other companies	Nil	Nil

KUMAKA INDUSTRIES LIMITED

Date – 19th July, 2019
Place-Vadodara

By order of the Board
For **Kumaka Industries Limited**

Pankaj M Kadakia
Chairman and Managing Director

Map/Location of Annual General Meeting Venue:



KUMAKA INDUSTRIES LIMITED

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”):

Item-3

As per amended Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), effective from 1st April, 2019, no listed company shall appoint or continue the Directorship of a Non Executive Director who has attained the age of 75 years, unless a Special Resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the notice for such appointment.

Dr. Indula Panchal is a Doctor of Medicine having rich experience of about 50 years in the area of medicine and administration. Her brief resume, nature of expertise in functional areas, disclosure of relationship, Directorship and membership of the committees of the Board of Listed Entities and shareholding as required under Regulation 36(3) of LODR is set out in the Note No. 11 to the Notice.

The Board considers that her continuous association would be of immense benefit to the Company and it is desirable to avail her services as a Non Executive Director.

Your Directors, accordingly recommend and seek your approval to the resolution as appearing in Item No. 3 of the notice for your approval as a Special Resolution.

Except, Dr. Indula Panchal, Mr. Pankaj Kadakia and their relatives, no other Director or Key Managerial Person or their relatives shall be deemed to be interested or concerned, financially or otherwise in the resolution.

Item-4

The Board of Directors, in terms of the recommendation of Nomination and Remuneration Committee, approved re-appointment of Dr. Niranjana M. Pandya for a period of 5 years as a Non Executive Independent Director at their respective meeting held on 19th July, 2019, for a period of 5 years from the conclusion of 45th Annual General Meeting up to the conclusion of 50th Annual General Meeting to be held in the calendar year 2024 even if he has attained 75 years of age.

The brief resume of Dr. Niranjana M. Pandya together with other details as required under Regulation 36 of SEBI (LODR) Regulations, 2015 are provided in Note No. 11 to this notice. Dr. Niranjana M. Pandya has furnished declaration to the effect that he fulfills the requirements of Independent Director as specified in Section 149(6) of the Companies Act, 2013 read with Regulation 16(1)(b) of SEBI (LODR) Regulations, 2015. In the opinion of the Board, he fulfills the conditions specified in the Companies Act, 2013, and the Rules made thereunder for his appointment as a Non Executive Independent Director of the Company and is Independent of the Management. The copy of draft letter of his appointment as a Non Executive Independent Director would be available for inspection by the members at the registered office of the Company during 11:00 am and 1:00 pm on any working day, excluding Saturdays and Sundays and Public Holidays up to the date of 45th Annual General Meeting.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to avail his services as a Non Executive Independent Director. Accordingly, the Board recommends and seek approval of resolution in respect of his re-appointment as a Non Executive Independent Director by way of a Special Resolution. The Company has received the proposal for his re-appointment as Director as per applicable Rules and Regulations.

Dr. Niranjana M. Pandya holds 100 Equity Shares of the Company.

None of the other Directors or Key Managerial Personnel and their relatives, except Dr. Niranjana M. Pandya shall be deemed to be interested or concerned financially or otherwise in the resolution.

Item-5

Your Company has entered into a transaction with the trust as mentioned in the resolution which is a “Related Party” as defined under Section 2(76) of the Companies Act, 2013.

As per the provisions of Section 188(10) of the Act, “Related Party Transactions” require prior consent of the Board where transactions proposed to be entered into falls in the list of items referred therein and are within threshold limits prescribed under Rule 15 of the Companies (Meeting of Board and its Powers) Rules, 2014. Proviso to Section 188 further provides that nothing contained in sub-section 1 of Section 188 applies where transactions are entered into by the Company in the ordinary course of business other than transactions which are not on arm's length basis.

As per the provisions of Regulation 23 of SEBI (LODR), Regulations, 2015, defines the term Material Related Party Transactions. It provides that all related party transactions shall be considered as “Material” if the transaction entered with or transactions to be

KUMAKA INDUSTRIES LIMITED

entered individually or taken together with a Related Party along with previous transactions during a Financial Year exceeds 10% of the Annual Consolidated Turnover of the company as per the Last Audited Financial Statement of the Company. The Material Related Party Transactions requires approval of the Shareholders by way of an Ordinary Resolution and in respect of voting on such resolution(s), all the related parties shall abstain from voting, irrespective of whether the entity or person is a party to the particular transaction or not, pursuant to Regulation 23(7) of SEBI (LODR) Regulations, 2015.

Members may please note that based on the criteria as mentioned above in the LODR, transactions with such related parties as mentioned in Item No. 5 are "Material" and therefore requires approval of the Company by Ordinary Resolution.

The following are the particulars under Rule 15 of Companies (Meeting of Board and its Powers) Rules, 2014:

INFORMATION ABOUT THE APPOINTEES :

Sr.No.	Particulars	Description
1.	Name of the Related Party	Shri Manilal Harilal Kadakia Charitable Trust
2.	Name of the Director or KMP who is Related	Mr. Pankaj Kadakia – CMD Mr. Niranjan M. Pandya – ID
3.	Nature of Relationship	Mr. Pankaj Kadakia and Mr. Niranjan M. Pandya are Trustees
4.	Nature, Material Terms, Monetary Value and Particulars of the Contract or Arrangements	Sale of Mineral Water

NOTE:

CMD – Chairman and Managing Director

ID – Independent Director

The Board of Directors of your Company has approved this item in the Board Meeting held on 24th May, 2019.

The Board of Directors is of the opinion that the transactions are on an arm's length basis and are in the ordinary course of business and recommends the resolution as set out in the accompanying Notice for the approval of members of the Company as an Ordinary Resolution. None of the Directors and Key Managerial Personnel of the Company or their relatives, except Mr. Pankaj Kadakia, Dr. Niranjan M. Pandya and their relatives, shall be deemed to be, financially or otherwise, interested or concerned in this resolution.

Item-6

Section 196(3)(a) of the Act, inter alia, provides that no company shall continue the employment of a person as a Managing Director who has attained the age of 70 years, unless, it is approved by the members by passing Special Resolution. Clause(c) of Part I of Schedule V to the Act also contains a similar relaxation.

Mr. Pankaj Kadakia who has been reappointed as a Managing Director by the members of the Company at their Adjourned 44th Annual General Meeting held on 25th September, 2018 would attain the age of Seventy years on 16th September, 2020 and hence continuation of his employment as a Managing Director requires the approval of Members by Special Resolution.

Newly inserted Regulation 17(6) (e) of SEBI (Listing Obligations and Disclosure Requirements Regulations, 2015 ('LODR')) also requires approval of Shareholders by way of Special Resolution in following circumstances "the payment of any fees or compensation to executive directors who are promoters or members of the promoter group shall be subject to the approval of shareholders by way of Special Resolution if:-

KUMAKA INDUSTRIES LIMITED

- (a) The annual remuneration payable to such executive director exceeds Rs.5 crores or 2.5 per cent of the net profits of the listed entity, whichever is higher; or
- (b) Where there is more than one such director, the aggregate annual remuneration to such director exceeds 5 per cent of the net profits of the listed entity.”

Since Mr. Pankaj Kadakia, a Managing Director is an Executive Director belonging to promoter Group, in order to continue to pay remuneration as approved by the members of the Company at aforesaid Annual General Meeting as recommended by Nomination & Remuneration Committee as also approved by the Board of Directors, your Directors recommend and seek your approval to the resolution as set out in item no. 6 of the accompanying notice by way of Special Resolution pursuant to newly inserted Regulation 17(6)(e) of LODR. Details of his remuneration are available in the Corporate Governance Report.

Except Mr. Pankaj Kadakia and his relatives, no other Director/Key Managerial Person or their relatives shall be deemed to be inserted or concerned financially or otherwise in the aforesaid resolution.

Date: 19th July, 2019

Place: Vadodara

By Order of the Board
For Kumaka Industries Limited

Pankaj M. Kadakia
Chairman and Managing Director

KUMAKA INDUSTRIES LIMITED

BOARD'S REPORT

To,
The Members,
Kumaka Industries Limited.

Your Directors are pleased to present the 45th Annual Report on the business and operations of the Company and the Audited financial statement for the Year ended 31st March, 2019.

1. HIGHLIGHTS OF PERFORMANCE :

Following figures summarize the financial performance of the Company for the year 2018-2019
Financial Results:

Particulars	Amount In Lacs	
	31.03.2019	31.03.2018
Gross total Income	20.53	6.23
Profit / (Loss) before Finance Cost	-	-
Depreciation and Taxes	-	-
(Less): Finance Cost	(3.37)	(2.92)
(Less): Depreciation	(0.89)	(3.92)
(Less): Tax	-	-
(Less): Extraordinary/Exceptional Items	(16.25)	(100.32)
Net Profit/(Loss) after Tax carried to Balance Sheet	(54.45)	(172.57)

2. DIVIDEND

In view of carried forward loss, your directors do not recommend any Dividend for the year under review

3. APPROPRIATION OF RESERVES

The Company is not required to transfer any amount to reserve. Accordingly, no amount is transferred to any reserve. Especially in view of losses.

4. SHARE CAPITAL

There was no change in the share capital during the year review and the

Paid up Equity Share Capital as on 31st March, 2019 was Rs. 12.085 Crores.

However, the Equity shares of the Company stand suspended at BSE Ltd. And the Company has submitted petition to the Hon'ble High Court of Bombay under Section 391 to 394 of Companies Act, 1956 in respect of reduction of capital. The same is transferred to Hon'ble National Company Law Tribunal, Mumbai Bench and is pending under Section 230-231 of the Companies Act, 2013.

5. COMPANY'S PERFORMANCE / STATE OF COMPANY'S AFFAIRS

The Company earned Gross Total Income of Rs.20.53 Lacs for the year under review as against Rs.6.23 Lacs for the financial year 2018-19. After providing finance cost, depreciation and tax, Net Loss of the Company is Rs. 54.45 Lacs compared with Loss of Rs 172.57 Lacs of the previous year.

Future Prospects:

Your Company is in process of setting up food processing plant at Chittoor (Andhra Pradesh). Company has taken the possession of Land in Sri City at 130, Citrus Drive, Sri City -517 646, Andhra Pradesh. Company has retained Atomic energy approval from Board of Radiation and Isotope Technology (BRIT). Company got capital and interest subsidy sanction from Andhra Pradesh Food Processing Society (APFPS). Company got Clearance from Andhra Pradesh Pollution Control Board (APPCB). Company got factory inspector approval. Company has appointed consulting engineer for civil work. Company has got approval from Atomic Energy Regulatory Board (AERB)

6. SUBSIDIARY COMPANIES

The Company has no subsidiary company as on March 31, 2019. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

7. DIRECTORS' RESPONSIBILITY STATEMENT

- That in the preparation of the annual financial statements for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgement and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit and Loss of the Company for the year ended on that date;

- c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That the annual financial statements have been prepared on a going concern basis and applying IND-AS.
- e) Those proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) Those systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

8. DEPOSITS

Your Company has neither accepted nor renewed any deposits within the meaning of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

9. DETAILS OF DIRECTORS OR KMP WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:

Mr. Minesh Raval Resigned as a Company Secretary w.e.f 14/04/2018

Mr. Bharat A Parikh resigned as additional Independent director of the Company w.e.f 20/07/2018.

Dr. Dhananjay Panchal resigned as Independent Director of the Company w.e.f 23/07/2018.

Subsequently, Mr. Shiv Patel Resigned as a Chief Financial Officer of the Company W.e.f. 31/08/2018

Dr.T.D.Tiwari was appointed as director w.e.f 25/09/2018.

Ms. Chandni Pansuriya has been appointed as Company Secretary of the Company w.e.f 15/10/2018.

Mr. Bharat A Parikh has been appointed as CFO of the Company W.e.f. 24/10/2018.

10. BOARD MEETINGS HELD DURING THE YEAR.

Five Meetings of Board of Director were held during the year on 27/04/2018, 17/07/2018, 08/10/2018, 14/11/2018, and 08/02/2019. For details of meetings of the Board please refer to the Corporate Governance Report, which forms part of the Board's Report.

11. BOARD EVALUATION.

The Board of Directors has carried out an Annual Evaluation of its own performance, Board Committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under

Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. ('The history Regulations')

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc. The Board and the Nomination and Remuneration Committee ("NRC") reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the Chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

12. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on Directors' Appointment and Remuneration and other matters provided in Section 178(3) of the Act has been stated in the Corporate Governance Report, which forms part of the Board's Report.

13. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

14. HUMAN RESOURCES

Companies with human resources relations continued to be harmonious and cordial during the year under review.

15. AUDITORS

(1) Statutory Auditors:

At the Annual General Meeting held on 25/09/2017 M/s. Prakash Muni & Associates, Chartered Accountants were appointed as Statutory Auditors of the Company to hold office from the conclusion of the 43rd Annual General

Meeting till the conclusion of the 47th Annual General Meeting to be held in the financial year 2022. During the year statutory auditors of the Company M/s. Prakash Muni & Associates, Chartered Accountants merged their Chartered Accountants firm with another Chartered Accountants firm namely SCA And Associates and hence board during the year pursuant to resolution passed at 43rd AGM passed a resolution at their meeting stating that the company's Statutory Auditor name stands changed to SCA And Associates on the same Terms and Conditions mentioned in resolution on 43rd AGM.

In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. The notes forming part of the account are self explanatory to the observation made by the Auditors in their report and do not call for any further comments.

(2) Secretarial Auditors:

Pursuant to the provisions of Section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors of the Company appointed DEVESH PATHAK & ASSOCIATES, Practising Company Secretaries to undertake the Secretarial Audit of the Company for the year ended March 31, 2019. The Secretarial Audit Report is annexed as Annexure – 1.

The Secretarial Audit Report for the financial year ended March 31, 2019 contains observations. Directors' reply on the Auditor's comment is follows:

Explanation for observations:-

1. For Point no. a) to c): As it is mentioned in the Observations a) to c), the Company has submitted petition No. CSP/190/2017 to the NCLT under section 230 to 232 of Companies Act, 2013 The Company is awaiting order of NCLT
2. For Point no. d): Due to financial constraints Company had not released the advertisement in the newspaper. The Company will release the advertisement in future.

16. MANAGEMENT DISCUSSION & ANALYSIS

Your Company is in process of setting up food processing plant at Chittoor (Andhra Pradesh). Company has taken the possession of Land in Sri City at 130, Citrus Drive, Sri City -517 646, Andhra Pradesh. Company has retained Atomic energy approval from Board of Radiation and Isotope Technology (BRIT). Company got capital and interest subsidy sanction from Andhra Pradesh Food Processing Society (APFPS). Company got Clearance from Andhra Pradesh Pollution Control Board (APPCB). Company got factory inspector approval. Company has appointed consulting engineer for civil work. Company has got approval from Atomic Energy Regulatory Board (AERB).

Opportunities, Threats, Risk and Concerns

Looking at the increasing export of fruits, vegetables and sea food, your Company sees great opportunities ahead through the proposed food processing of those products.

Segment wise performance

The Company doesn't have any functional segment right now. The Company is in process to establish a food processing plant. Company has placed order for Plants and Machinery. Company is in final stage of its Civil Tender

Financial Performance

A summary of the financial performance vis-à-vis operational performance is disclosed in Board's Report.

Internal Control Systems and Adequacy

The Company has adequate internal control systems including suitable monitoring procedures commensurate with its size and the nature of the business. The internal control systems provide for all documented policies, guidelines, and authorization and approval procedures. The statutory auditors while conducting the statutory audit, review and evaluate the internal controls and their observations are discussed with the Audit committee of the Board.

Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include financial position of the company, economic conditions affecting demand / supply, price conditions in the domestic and overseas market in which the company operates, changes in the government regulations, tax laws and other statutes.

17. AUDIT COMMITTEE & NOMINATION AND REMUNERATION COMMITTEE:

The details pertaining to composition of Audit Committee & Nomination and Remuneration Committee are included in the Corporate Governance Report, which forms part of this report.

18. RISK MANAGEMENT:

The Board of the Company has formed a Risk Management Committee. The Committee is responsible for reviewing, implementing and monitoring the risk management plans and ensuring its effectiveness.

Details of the internal controls system are given in the Management Discussion and Analysis Report, which forms part of the Directors' Report.

19. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS.

The Company has not provided any loans and not given any guarantees nor provided securities to any of the entities or made investments pursuant to Section 186 of the Companies Act, 2013 during the year under review.

20. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES.

Particulars of contract or arrangement with related parties as referred in sec 188 (1) of Companies Act 2013 in prescribed form AOC-2 is appended as Annexure – 2 to the Board's Report.

21. CSR

The Company does not fall in any of the criteria as set out in Section 135(1) of the Act and accordingly Company is not required to comply with the same In respect of Corporate Social Responsibility.

22. POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE.

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace, in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under. The Policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has also constituted an Internal Complaints Committee headed by Women Director, known as the Prevention of Sexual Harassment (POSH) Committee, to inquire into complaints of sexual harassment if any and recommend appropriate actions.

The Company has not received any complaint of sexual harassment during the financial year 2018-19.

23. VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has adopted a Vigil Mechanism /Whistle Blower Policy, to provide a formal mechanism to the Directors and employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

24. SIGNIFICANT AND MATERIAL ORDER PASSED BY THE

REGULATORS OR COURTS:

No significant material orders have been passed by the Regulators or Courts or Tribunals which would impact the going concern status of the Company as well as operations of the Company in future.

25. PARTICULARS OF EMPLOYEES AND REMUNERATION:

Pursuant to the Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, no employee of the Company was paid remuneration exceeding the prescribed limits, during the Financial year 2018-19.

26. EXTRACT OF ANNUAL RETURN AS PER SECTION 92 (3) OF COMPANIES ACT 2013:

The details forming part of the extract of the Annual Return in form MGT - 9 is annexed herewith as "Annexure - 3".

27. A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SUB-SECTION (6) OF SECTION 149:

In accordance with requirements of Section 149(6) and (7) of the Companies Act, 2013 and the Listing Regulations all the independent directors have given declarations of independence in the first board meeting of the current financial year.

28. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND BALANCE SHEET DATE:

There are no material changes and commitments, that would affect financial position of the Company from the end of the financial year of the Company to which the financial statements relate and the date of the Board's report.

29. ENERGY CONSERVATION, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

A) Conservation of Energy:

Your Company is serious in conserving energy by reducing consumption of power by implementing close monitoring over plan running and adequate maintenance of electric components of plants and other machinery. The Company has not made any capital investment. However, the Company has continued same actions.

B) Technology absorption:

Your Company has not taken new initiative towards technology absorption and accordingly it was neither imported any technology nor made any expenditure on research and development.

- C) Foreign Exchange earnings and outgo:
There is no inflow or out flow of Foreign exchange during the year.
- D) The change in nature of business:
There is no change in nature business of the Company during the year under review.

30. STATEMENT ON COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS.

In terms of clause no. 9 of Revised SS-1 (Revised Secretarial Standards on meetings of Board of Directors effective from 01.20.2017), your Directors state that the Company is compliant of applicable Secretarial Standards during the year under review.

31. ACKNOWLEDGEMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from all the stakeholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

Registered Office Address: -

404 Sharda Chambers,

33, Sir Vithaldas Thakersey Marg

New Marine Lines,

Mumbai City MH 400020 IN

Date: 19/07/2019

For and on behalf of the Board,

Pankaj Kadakia

Chairman & Managing Director

(DIN - 00166339)

KUMAKA INDUSTRIES LIMITED

Annexure- 1
Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st March, 2019

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
KUMAKA INDUSTRIES LIMITED.
404 Sharda Chambers,
33, New Marine Line,
Churchgate,
Mumbai – 400020.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the KUMAKA INDUSTRIES LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; [presently: The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.]
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; [Presently: the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018]
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; [Presently: The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014]
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; [Presently: the Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018]

(vi) Having regard to the products, processes and locations of the Company as also having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, we further report that the Company has complied with the following laws applicable specifically to the Company:

KUMAKA INDUSTRIES LIMITED

1. The Environment (Protection) Act, 1986
2. The Air (Prevention And Control of Pollution) Act, 1981
3. The Water (Prevention and Control of Pollution) Act, 1974

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Ltd. including The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR').

During the period under the review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc mentioned above subject to the following observations:

- a) Equity shares of the Company stand suspended with the BSE Ltd. due to penal reasons. In this matter, the petition was submitted by the Company to the Hon'ble High Court of Bombay under section 391 to 394 of the Companies Act, 1956. Thereafter the same is transferred to Hon'ble National Company Law Tribunal, Mumbai Bench ('Hon'ble NCLT') and is pending vide No.CSP-190(MB)/2017 under section 230-231 of the Companies Act, 2013.
- b) Entire shareholding of the promoters is required to be held in demat form pursuant to regulation 31(2) of LODR. However, the same is in physical format as informed to us, since the Company is still awaiting the order of Hon'ble NCLT in the aforesaid matter.
- c) Minimum public shareholding shall be at least 25% pursuant to Regulation 38 of LODR read with Rule 19(2) and Rule 19A of the Securities Contract (Regulation) Rules, 1957. However, public shareholding has remained only 12.44% during the year under review. As informed to us, the Company is still awaiting the order of Hon'ble NCLT in the aforesaid matter.
- d) The Securities and Exchange Board of India passed an order vide no. WTM/ PS/ CFD/ JUNE/ 2013 dated 4th June, 2013 under Section 11(1), 11(2)(j), 11(4), and 11(B) of the Securities and Exchange Board of India Act, 1992 read with Section 12A of Securities Contracts (Regulation) Act, 1956 (SCRA) in relation to compliance by listed companies (including the Company) with the requirement of minimum public shareholding inter alia:
 - (i) Direct freezing of voting rights and corporate benefits of the promoter / promoter group shareholding;
 - (ii) Prohibition on the promoter / promoter group from dealing in securities of their respective companies;
 - (iii) Restraint on promoter / promoter group shareholders from holding any new position as a Director in any Listed Company
- e) Publication of notice of dates of meeting where financial results are discussed as well as publication of financial results in two newspapers pursuant to regulation 47(1) of LODR have not been made during the year, to avoid additional financial burden on the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report (by way of information) that during the audit period:

- (a) The Company has not issued any securities during the period under review and accordingly
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, and;
 - The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 were not applicable during the period under review.

KUMAKA INDUSTRIES LIMITED

- (b) The Company has neither got delisted Equity Shares nor bought back any security of the Company and accordingly
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, and;
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018,
- were not applicable during the period under review
- (c) The Company has not paid Annual Listing Fees for the year under review, since the Company is still awaiting the order of Hon'ble NCLT in the aforesaid matter.
- (d) Submission of statement for the Quarter ended on 30th September, 2018 pursuant to Regulation 13(3) of LODR, submission of Certificate from PCS for the Quarter ended on 30th September, 2018 pursuant to Regulation 40(a) of LODR, and submission of Compliance Certificate for the Quarter ended 30th September, 2018 pursuant to Regulation 7(3) of LODR with BSE was delayed by 25 days, 24 days and 127 days, respectively.
- (e) Letter to Shareholders seeking their PAN and Banking Details as required vide Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated April 20, 2018, read with SEBI/MIRSD/DOS3/CIR/P/2018/115 dated July 16, 2018, was sent only through Annual Report for the year ended 31st March, 2018 and accordingly the Company has partially but materially complied with the Circular.
- (f) Members of the Company approved Special Resolutions in respect of (i) Alteration of MOA in line with the Companies Act, 2013 as also insertion of sub-clause 3 to clause III (Main Objects); (ii) Authority to the Board of Directors to borrow up to Rs. 50 crores pursuant to Section 180(1)(c) of the Companies Act, 2013, and; (iii) Authority to the Board of Director to dispose off the properties of the Company by way of hypothecation/mortgage etc. to secure the borrowings pursuant to Section 180(1)(a) of the Companies Act, 2013.

For Devesh Pathak & Associates
Practising Company Secretaries

Sd/-

CS Devesh A. Pathak
Sole Proprietor
FCS No.4559
CP No.: 2306

Date: 30th May, 2019
Place: Vadodara

Note: This report is to be read with our letter of even date which is enclosed as forming integral part of this report.

30th May, 2019

To,
The Members,
Kumaka Industries Limited,
404 Sharda Chambers,
33, New Marine Lines,
Churchgate,
Mumbai - 400020.

Ref: Secretarial Audit Report dated 30th May, 2019 pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices we followed provided reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company and have relied upon the reports of designated professionals including Statutory Auditors for the purpose.

Wherever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happenings of events etc.

The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards, is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Devesh Pathak & Associates
Practising Company Secretaries

CS Devesh A. Pathak
Sole Proprietor
FCS No. 4559
CP No.: 2306

KUMAKA INDUSTRIES LIMITED

Annexure- 2 Form No. AOC-2

(Pursuant to Clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub Section (1) of Section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

Sr. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	NIL
b)	Nature of Contracts/Arrangements/Transactions	NIL
c)	Duration of Contracts/Arrangements/Transactions	NIL
d)	Salient terms of Contracts/Arrangements/Transactions	NIL
e)	Date of approval by Board	NIL
f)	Amount paid in advances, if any	NIL
g)	Justification for entering into such Contracts/ Arrangements/Transactions	NIL
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	NIL

2. Details of contracts or arrangements or transactions at Arm's length basis.

Sr. No.	Particulars	Details
a.	Name (s) of the related party & nature of relationship	Shri Manilal Harilal Kadakia Charitable Trust
b.	Nature of contracts/arrangements/transaction	1. Sale of Mineral Water
c.	Duration of the contracts/arrangements/transaction	-
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	N.A.
e.	Date of approval by the Board	N.A.
f.	Amount paid as advances, if any	As Given in balance sheet.

KUMAKA INDUSTRIES LIMITED

Annexure -3

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the Financial Year Ended on 31st March, 2019 of

KUMAKA INDUSTRIES LIMITED

[Pursuant to Section 92(1) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	L99999MH1973PLC016315
2	Registration Date	13/02/1973
3	Name of the Company	KUMAKA INDUSTRIES LIMITED
4	Category / Sub-Category of the Company	Manufacture of Mineral Water
5	Address of the Registered Office and contact details	404, Sharda Chambers, 33, Sir Vithaldas Thakersey Marg, New Marine lines, Mumbai-400020.
6	Whether listed company	Yes
7	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	Link Intime Pvt. Ltd. B-102 & 103, Shangrilla Complex, First floor, Opp. HDFC Bank, Near Radhakrishna Char Rasta, Akota, Vadodara-390020. Phone No:0265-2356573/6794 Fax No:0265-2356791

II. Principal Business Activities of the Company.

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products /services	NIC Code of the Product/ service	% to total turnover of the company
1.	Manufacture of Mineral Water	11043	100

III. Particulars of Holding, Subsidiary and Associate Companies -

The Company has no subsidiary Company as on March 31, 2019. There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013 ("Act").

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Share Holders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
(A) Promoters									
(1) Indian									
a) Individual/HUF	NIL	10582150	10582150	87.56%	NIL	10582150	10582150	87.56%	NIL
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks/FI									
f) Any Other..									
Sub-total (A) (1):-	NIL	10582150	10582150	87.56%	NIL	10582150	10582150	87.56%	NIL
(2) Foreign									
a)NRIs- Individuals									
b)Other - Individuals									

KUMAKA INDUSTRIES LIMITED

c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	
Total share holding of Promoter (A) = (A)(1)+(A)(2)	NIL	10582150	10582150	87.56%	NIL	10582150	10582150	87.56%	NIL
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	NIL	10200	10200	0.09%	NIL	10200	10200	0.09%	NIL
b) Banks/FI	NIL	100	100	NEGLIGIBLE	NIL	100	100	NEGLIGIBLE	NIL
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FII's									
h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-	NIL	10300	10300	0.09%	NIL	10300	10300	0.09%	NIL
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	NIL	67150	67150	0.55%	NIL	67150	67150	0.55%	NIL
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	NIL	1301225	1301225	10.77%	NIL	1301225	1301225	10.77%	NIL
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	NIL	124800	124800	1.03%	NIL	124800	124800	1.03%	NIL
c) Others (specify)									
Sub-total (B)(2):-	NIL	1493175	1493175	12.35%	NIL	1493175	1493175	12.35%	NIL
Total Public Shareholding (B) = (B)(1) + (B)(2)	NIL	1503475	1503475	12.44%	NIL	1503475	1503475	12.44%	NIL
TOTAL (A)+(B)	NIL	12085625	12085625	100%	NIL	12085625	12085625	100%	NIL
C. Shares held by Custodian for GDRs & ADRs	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL
Grand Total (A+B+C)	NIL	12085625	12085625	100%	NIL	12085625	12085625	100%	NIL

KUMAKA INDUSTRIES LIMITED

(ii) Shareholding of Promoters

Sl No.	Share Holders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in Share Holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares pledged/ encumbered to total Shares	No. of Shares the Company	% of total Shares of encumbered to total Shares	% of Shares pledged/	
-	-							
1	Shri Pankaj M. Kadakia	28,29,450	23.41	0	28,29,450	23.41	0	0
2	Shri S P Kadakia	29,23,250	24.19	0	29,23,250	24.19	0	0
3	Smt MP Kadakia	39,07,850	32.33	0	39,07,850	32.33	0	0
4	N P Kadakia	9,11,600	7.54	0	9,11,600	7.54	0	0
5	Niraj V Desai	10,000	0.08	0	10,000	0.08	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of company	No. of shares	% of total shares of the company
	At the beginning of the year	10582150	87.56	10582150	87.56
	Date wise Increase / Decrease in Promoters Share holding during the Year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the end of the year	1,05,82,150	87.56	1,05,82,150	87.56

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
01	Shrish Patel				
	Pushpa Sirish Patel				
	At the beginning of the year	37800	0.31	37800	0.31
	At the End of the year	37800	0.31	37800	0.31
02	Praj Industries Ltd				
	At the beginning of the year	36800	0.30	36800	0.30
	At the End of the year	36800	0.30	36800	0.30
03	Dipak Haribhai Gaudani				
	At the beginning of the year	31500	0.26	31500	0.26
	At the End of the year	31500	0.26	31500	0.26
04	Rasilaben Deepakbhai Gaudani				
	Deepak Haribhai Gaudani				
	At the beginning of the year	23800	0.20	23800	0.20
	At the End of the year	23800	0.20	23800	0.20
05	Ramesh Maheshwari				
	A Venkat Raman				
	Mahesh Kumar Jhawar				
	At the beginning of the year	10850	0.09	10850	0.09
	At the End of the year	10850	0.09	10850	0.09

KUMAKA INDUSTRIES LIMITED

06	Kirit Bhagwandas Shah Saroj Kirit Shah Paresh Bhagwandas Shah				
	At the beginning of the year	10750	0.09	10750	0.09
	At the End of the year	10750	0.09	10750	0.09
07	Bank of India A/C BOI Mutual Fund				
	At the beginning of the year	10200	0.08	10200	0.08
	At the End of the year	10200	0.08	10200	0.08
08	Manjulaben R Kothari Sanjay R Kothari				
	At the beginning of the year	10100	0.08	10100	0.08
	At the End of the year	10100	0.08	10100	0.08
09	Veena K Dadbhawala Kishor C Dadbhawala				
	At the beginning of the year	9800	0.08	9800	0.08
	At the End of the year	9800	0.08	9800	0.08
10	Masitia Capital Services Ltd				
	At the beginning of the year	9800	0.08	9800	0.08
	At the End of the year	9800	0.08	9800	0.08

(v). Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
01	Shri Pankaj M. Kadakia				
	At the beginning of the year	28,29,450	23.41	28,29,450	23.41
	At the end of the year	28,29,450	23.41	28,29,450	23.41
02	Dr. Indula Panchal				
	At the beginning of the year	800	0.0066	800	0.0066
	At the end of the year	800	0.0066	900	0.0066
03	Shri Niranjana Pandya				
	At the beginning of the year	100	0.0008	100	0.0008
	At the end of the year	100	0.0008	100	0.0008
04	Shri Dhananjay Panchal				
	At the beginning of the year	900	0.0066	900	0.0066
	At the end of the year	900	0.0066	900	0.0066

V. Indebtedness: The Company has no debt as on 31st March, 2019.

VI. Remuneration of Directors and Key Managerial Personnel:

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of Director	Total Amount
		Shri Pankaj Kadakia	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	12,00,000	12,00,000
2.	Stock Option		
3.	Sweat Equity		
4.	Commission		

KUMAKA INDUSTRIES LIMITED

- as % of profit - others, specify...		
5. Others, please specify		
Total (A)	12,00,000	12,00,000
Ceiling as per the Act		

B. Remuneration to other directors:

Sl.	Particulars of Remuneration	Name of Other Director					Total Amount
		Dr.Indula Panchal	Dr.Niranjana Pandya	Bharat Parikh	Dr. T.D. Tiwari	Dr.Dhananjay Panchal	
	1.INDEPENDENT DIRECTORS						
	• Fee for attending						
	1. Board Meetings -	7500	12500	2500		5000	27500
	2. Committee Meetings						
	I) Audit committee -	-	1750	-	-	1000	2750
	II) Nomination and Remuneration committee	-	1000	-	-	1000	2000
	III) Stakeholders' Relationship committee	-	-	-	-		
	• Commission	-	-	-	-		
	• Others (perquisites)	-	-	-	-		
	Total (1)	7500	15250	2500	-	7000	32250
	2.. OTHER NON-EXECUTIVE DIRECTORS						
	• Fee for attending						
	3. Board Meetings	-	-	-	-		
	4. Committee Meetings						
	IV) Audit committee	-	-	-	-		
	V) Nomination and Remuneration committee	-	-	-	-		
	VI) Stakeholders' Relationship committee	-	-	-	-		
	• Commission -	-	-	-	-		
	• Others (perquisites)	-	-	-	-		
	Total (2)	-	-	-	-		
	Total (B) = (1 + 2)	7500	15250	2500	-	7000	32250
	Total Managerial Remuneration	7500	15250	2500	-	7000	32250
	Overall Ceiling as per the Act						

C. Remuneration to key managerial personnel other than MD/MANAGER/WTD

Sl.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary	-	1,01,453/-	67,048/-	1,68,501/-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option				
3.	Sweat Equity Commission				
	- as % of profit				
	- others, specify...				
4.	Others, please specify				
	Total	-	1,01,453/-	67,048/-	1,68,501/-

VII. Penalties / Punishment/ Compounding of Offences:

There were no penalties / punishment / compounding of offences for the year ending March 31, 2019.

For and Behalf of Board of Directors

Mr. Pankaj Kadakia

Chairman and Managing Director

(DIN-00166339)

KUMAKA INDUSTRIES LIMITED

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2018-19

Company's Philosophy

Vibrant corporate governance practices constitute the strong foundation on which successful commercial entities are built on an enduring basis. The Company's philosophy on corporate governance oversees business strategies and ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

1. Board of Directors

The Board of Directors as at 31st March, 2019 is comprised of Four Directors with the Chairman & Managing Director as well as one woman non executive director and Two Independent Non-Executive Directors. The Composition of the Board is in conformity with Rule 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(LODR) and Section 149 of the Companies Act, 2013 (the Act).

During the year, Five Board Meetings were held on 27/04/2018, 17/07/2018, 08/10/2018, 14/11/2018, and 08/02/2019.

The Composition of the Board of Directors and their attendance at the Board meetings during the year and the last Annual General Meeting are as follows:

COMPOSITION OF BOARD AS AT 31ST MARCH, 2019

Name of Directors	Category of Directors	No. of Board Meetings Attended during 2017-18		Attendance at the last A.G.M	No. of Directorship in other domestic Public Companies as a		No. of Committee Chairmanship / Membership in other Companies as a	
		Held	Attended		Chair man	Member	Chair Men	Member
Shri Pankaj Kadakia DIN 00166339	Chairman & Managing Director	5	5	Yes	-----	-----	-----	-----
Dr. Niranjn Pandya DIN 00385689	Non-Executive Independent	5	5	Yes	-----	-----	-----	-----
Dr. Indula Panchal DIN 06457903	Non-Executive woman	5	3	Yes	-----	-----	-----	-----
Dr. T.D. Tiwari DIN 08182575	Non-Executive Independent	3	3	Yes	-----	-----	-----	-----

Shareholding of Directors:

Name of Directors	No. of Shares	% of the Capital
Shri Pankaj M. Kadakia	28, 29,450	23.41
Dr. Niranjn M Pandya	100	0.0008
Dr. Indula panchal	900	0.0066

None of the Directors on the Company's Board is holding office of the Director in more than 20 (Twenty) Companies including 10 (Ten) Public Companies as well as eight listed entities. Independent Directors are also not holding office of Director in more than 7 (Seven) Listed entities. Further, none of the Directors is a Member of more than 10 (Ten) Committees or Chairman of more than 5 (Five) Committees across all the listed entities in which he acts as Director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2019 have been made by the directors.

Independent directors are non-executive directors. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have given declaration confirming that they meet the criteria as mentioned under 16(1)(b) of LODR and Section 149(6) of the Act.

None of the Non Executive Directors have any material pecuniary relationship or transactions with the Company.

KUMAKA INDUSTRIES LIMITED

The familiarization program for directors has been disclosed on the website of the Company – www.kumakaindustries.com

COMMITTEES OF THE BOARD:

1. Audit Committee:

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of the LODR read with Section 177 of the Act.

Terms of reference:

- The terms of reference of the Audit & Risk Management Committee are aligned with the terms of reference provided under Section 177(4) of the Act and provisions of Regulation 18 of LODR.

The primary objective of the Audit Committee is to monitor and effectively supervise the Company's financial reporting process with a view to provide accurate, timely and proper disclosures as well as the integrity and quality of the financial reporting.

The Committee is consisted of two Independent Directors and one Executive Director viz. Dr. Niranjan M. Pandya, Dr. T. D. Tiwari and Mr. Pankaj Kadakia with Dr. Niranjan Pandya, as the Chairman. The Committee met on 27/04/2018, 17/07/2018, 14/11/2018 and 08/02/2019.

During the year, the attendance of the members at the meetings was as follows:

Name of Members	Category of Director	Status Meetings	
		Held	Attended
Dr. Niranjan M. Pandya	Chairman	4	4
Dr. Dhananjay Panchal*	Member	2	2
Mr. Pankaj Kadakia	Member	4	4
Dr. T. D. Tiwari**	Member	2	2

(*Resigned with effect from 23rd July, 2018)(**Appointed with effect from 20th July, 2018)

The Company has not denied any personnel, access to the Audit Committee of the Company and the situation has not arisen to provide protection to “whistle blowers” from unfair termination and other unfair or prejudicial employment practices.

2. Nomination and Remunerations Committee:

The Committee consists of two Independent Directors viz. Dr. T. D. Tiwari and Dr. Niranjan M. Pandya with Dr. Niranjan Pandya, as the Chairman and Mr. Pankaj M Kadakia as the member. The Committee met on 27/04/2018 and 17/07/2018.

During the year, the attendance of the members at the meetings was as follows:

Name of Members	Category of Director	Status Meetings	
		Held	Attended
Dr. Niranjan M. Pandya	Chairman	2	2
Dr. Dhananjay Panchal*	Member	2	2
Mr. Pankaj Kadakia	Member	2	2
Dr. T. D. Tiwari**	Member	0	0

(*Resigned with effect from 23rd July, 2018)(**Appointed with effect from 20th July, 2018)

The Nomination & Remuneration Committee has been constituted to recommend / review remuneration of the Executive Director based on their performance and defined assessment criteria.

Remuneration Policy of the Company is directed towards rewarding performance, based on the review of achievements. The Remuneration policy is in consonance with the existing Industry practice.

The remuneration of Chairman & Managing Director is approved by the Board within the overall limit fixed under the law. No other Director is paid any remuneration.

As of now, the Company does not have any employee stock option plan.

KUMAKA INDUSTRIES LIMITED

There were no other pecuniary relationships or transactions of the Non Executive Director vis-à-vis the Company. The Company has not granted any stock option to any of its Directors.

The broad terms of reference of the nomination and Remuneration Committee are asunder:

- i. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommendation to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employee
- ii. Formulation of criteria for evaluation of Independent Directors and the Board;
- iii. Devising a policy on Board diversity;
- iv. Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommendation to the Board of their appointment and removal.
- v. The terms of reference of the Committee are aligned with the terms of reference provided under Section 178 of the Act and Para A of Part D of Schedule II of the LODR.

Remuneration Policy:

Remuneration Policy of the Company is directed towards rewarding performance, based on the review of achievements. The Remuneration policy is in consonance with the existing Industry practice.

The Board of Directors formed a Nomination and Remuneration Committee to review and recommend the remuneration package of the Executive Director, based on performance and defined criteria, which is consisted of Dr. Niranjana Pandya, Dr. Dhananjay Panchal and Mr. Pankaj Kadakia.

Dr. Niranjana Pandya is the Chairman of the Committee.

The remuneration paid to Executive Directors of the Company is approved by the Board of Directors on the recommendations of the Nomination and Remuneration Committee. The Company's remuneration strategy is market-driven and aims at attracting and retaining high caliber talent. The strategy is in consonance with the existing industry practice and is directed towards rewarding performance, based on review of achievements, on a periodical basis.

Non Executive Directors are paid sitting fees of Rs.2500/- and Rs.500/- respectively for attending every Board Meeting and Committee Meetings.

Except sitting fees, no other payments towards remuneration were made to aforesaid directors.

For the year ended 31st March, 2019, Mr. Pankaj Kadakia, the Chairman & Managing Director were to receive remuneration of Rs. 1,00,000/- P.M.

3. Stakeholders' Relationship Committee

The Committee consisted of two Independent Directors viz Dr. Niranjana M. Pandya, as a Chairman, and, with Dr. Dhananjay Panchal, as a member Mr. Pankaj Kadakia is also a member of the committee. One Meeting was held on 27-04-2018 which was attended by all the members.

The Committee, inter alia, oversees and reviews all matters connected with the shares of the Company and looks into shareholders complaints like transfer of shares, non receipt of balance sheet, non receipt of declared dividend etc. The Committee oversees the performance and the working of the Secretarial Department and recommends measures for overall improvement in the quality of investor services.

As on 31.03.2019, there was no Investor Grievances remaining pending/ unresolved with ATR filed for same, and no complaint is pending.

4. Independent Directors' Meeting

One separate meeting of Independent Directors was held on 04/05/2019 with all the Independent Director present at the meeting.

Independent Directors at their meeting discussed following matters in relation to FY-2018-19:-

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of the Chairman of the Company;
- Evaluation of the quality, quantity, content and timelines of flow of information between management and the Board, for the Board to effectively and reasonably perform its duties.

All independent directors were present at the meeting.

KUMAKA INDUSTRIES LIMITED

5. General Body Meetings

A. Particulars of the last three Annual General Meeting held and Special Resolution passed thereat were as under:

Sr. No.	Date	Time	Place	Special Resolution
(1)	20/09/2016	3:00 PM	The Maharashtra Chamber of Commerce, Industry & Agriculture (MACCIA), Orion House, 6 th floor, 12, K. Dubhash Marg, Near Kala Ghoda, Fort, Mumbai-400001	(i) To approve Related Party Transaction between M/s Kumaka Industries Limited and M/s Pinnacle Therapeutics Private Limited.
(2)	18/09/2017 & adjourned on 25/09/2017	10:00 AM 10:00 AM	The Electric Merchants Association, Room No. 7&12, 2 nd floor, ShreejiBhuvan, 51 Mangaldas Lane, Lohar Chawl, Mumbai-400002.	NOSPECIALRESOLUTION
(3)	18/09/2018 & adjourned on 25/09/2018	3:30 PM 3:30 PM	The Electric Merchants Association, Room No. 7&12, 2 nd floor, ShreejiBhuvan, 51 Mangaldas Lane, Lohar Chawl, Mumbai-400002. The Electric Merchants Association, Room No. 7&12, 2 nd floor, ShreejiBhuvan, 51 Mangaldas Lane, Lohar Chawl, Mumbai-400002	(i) To Appoint Dr. T. D. Tiwari as an Independent Director. (ii) To consider re-appointment of and remuneration payable to Shri Pankaj Kadakia as the Managing Director.

B. Members of the Company passed three Special Resolutions through postal Ballot (including e-voting) on 2nd February, 2019 in respect of (1) alteration of Memorandum of Association (2) Authority to the Board of Directors to borrow pursuant to Section 180(1)(c) of the Act.(3) Authority to the Board of Directors to dispose of the property to secure borrowing pursuant to Section 180(1)(a) of the Act. The Postal Ballot process was conducted by CS Devesh A.Pathak

Disclosures:

- (a) There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large.
- (b) No penalties or strictures have been imposed on the Company by SEBI or any Statutory Authority on any matter related to capital markets. The Company's scrip has been temporarily suspended for trading on noncompliance of some listing requirements.
- (c) The Company has obtained certificate from M/s. Devesh Pathak & Associates practising company secretaries in respect of disqualification/debarment of director.

5.1 Compliance of Mandatory Requirements:

The Company has materially complied with the mandatory requirements as stipulated in LODR.

5.2 Compliance of Non-Mandatory Requirements:

The Company has not adopted any non-mandatory requirements

5.3 Code of Conduct:

The Board of Directors of the Company has adopted Code of Conduct for all Board Members of the Company and Senior Management. The Board members have affirmed compliance to the Code of Conduct. The Company has been posting on its website, the Code of Conduct adopted by its Directors.

KUMAKA INDUSTRIES LIMITED

6. Means of Communication:

The quarterly, half-yearly and yearly financial results of the Company are normally sent to the BSE, immediately after the same are approved by the Board. Though, due to financial constraints the results could not be published in newspapers, they are submitted to the BSE in accordance with LODR and are supplied through E-Mail & posts to the Shareholders, on demand.

7. General Shareholder Information:

(a) 45th Annual General Meeting

Date and Time : 14th September, 2019 at 03.00 P.M.
 Venue : All India Manufacturers' Organization, 4th Floor,
 'Jeevan Sahakar', Near RBI Old Building, Opp. PNB Building,
 Sir P.M. Road, Fort, MUMBAI – 400 001-400 002

- (b) Financial Year : Year ended March 31, 2019
 (c) Dates of Book Closure : From Saturday, 7th September, 2019 to Saturday,
 14th September, 2019 (both days inclusive)
 (d) Dividend payment Date : Not Applicable
 (e) Listing on Stock Exchange : BSE Limited, Mumbai
 (f) Company Code : 526923
 (g) Market Price Data : Trading in Equity Shares has been suspended by the BSE Limited
 and accordingly in view of no trading of shares during the year under
 review, details of market price at BSE are not given.

- (h) Registrar & Transfer Agents : **Link Intime India Pvt. Ltd**
 B-102 & 103, Shangrila Complex, 1st Floor,
 Opp. HDFC Bank, Near Radha Krishna Char Rasta,
 Akota, Vadodara - 390 020. Phone No.: 0265-2356573 – 2356794.
 Fax No. 0265-2356794.
 Email: alpesh.gandhi@linkintime.co.in

(i) Share Transfer System :

Shares lodged for transfer in physical form are processed and duly transferred Share Certificates are sent within 15 days of receipt of the valid documents. The Shares are transferred at an interval of 15 days time.

(j) Distribution of Shareholding :

(i) The Distribution of Shareholding as on 31st March, 2019

(i) The Distribution of Shareholding as on 31st March, 2019

No of Shares	No. Of Share Holders	% of Share-holders	No. of Shares Held	% of Total Shareholders
Up to 500	9,618	97.6248	10,32,450	8.55
501 to 1000	137	1.3906	1,05,675	0.87
1001 to 2000	46	0.4669	66,675	0.55
2001 to 3000	19	0.1929	48,725	0.40
3001 to 4000	5	0.0508	18,700	0.16
4001 to 5000	7	0.0711	31,900	0.26
5001 to 10000	6	0.0609	53,500	0.44
10001 & above	14	0.1420	1,07,28,000	88.77
Total	9852	100.000	1,20,85,625	100.00

(ii) Shareholding Pattern as on 31st March, 2019 :

Category	No. of Shares held	% of shareholding
1. Directors & Relatives (Promoters)	1,05,82,150	87.56
2. Mutual Funds/ UTI	10,200	0.08
3. Banks/Financial Institutions	100	negligible
4. Other Corporate Bodies	67,150	0.56
5. Indian Public	14,26,025	11.80
TOTAL	1,20,85,625	100.00

KUMAKA INDUSTRIES LIMITED

- (j) Outstanding GDRs / ADRs Warranty : Not Applicable
- (m) Plants Location : Company is in the process of commissioning food processing plant. at Sri City at 130, Cirtus Drive, Sri City-517 646, Andhrapradesh.
- (n) Address of Correspondence : **Registrar & Transfer Agents Link Intime India Private Limited.**
: B-102 & 103, Shangrila Complex, 1st Floor, Opp.HDFC Bank, Near Radha Krishna Char Rasta, Akota, Vadodara - 390 020.
Phone No. : 0265-2356573 – 2356794. Fax No. 0265-2356794.
Email: alpesh.gandhi@linkintime.co.in
OR
Kumaka Industries Limited
Corporate Office of the Company at 5th Floor,
Ram Krishna Chambers,BPC Road, Alkapuri, Vadodara -390007.

For and Behalf of the Board of Directors,

Mr. Pankaj M Kadakia
Chairman and Managing Director
(DIN-00166339)

KUMAKA INDUSTRIES LIMITED

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

To,
Board of Directors,
Kumaka Industries Limited.

This is to confirm that the Company has adopted a Code of Conduct for directors and its employees including the Managing Director, In addition, the Company has adopted a code of Conduct for its Non - executive Directors and Independent Directors, These codes are available on the Company's Website.

I Confirm that the company has in respect of the year ended 31st March, 2019, received from the senior Management team of the Company and the members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Date : 19th, July, 2019

For, **Kumaka Industries Limited**

Place : Vadodara

Pankaj M. Kadakia
Chairman & Managing Director

CERTIFICATION OF MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER TO THE BOARD PURSUANT TO REGULATION 17(8) OF THE SEBI (LODR) REGULATION, 2015.

To
Board of Directors
Kumaka Industries Limited

We Hereby Certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2019, and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) No transactions entered into by the Company during the year which is fraudulent, illegal or violative of the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For, **Kumaka Industries Limited**

Date: 19th, July, 2019

Place: Vadodara

Pankaj M Kadakia
Chairman & Managing Director

Bharat A. Parikh
CFO

KUMAKA INDUSTRIES LIMITED

PRACTISING COMPANY SECRETARY'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
KUMAKA INDUSTRIES LIMITED
Mumbai.

We have examined the compliance of conditions of Corporate Governance of KUMAKA INDUSTRIES LIMITED ("the Company") for the year ended March 31, 2019, as stipulated in Regulation 15 and other relevant regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR')

The compliance of conditions of Corporate Governance is responsibility of the Management. Our examination was limited to review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 15 and other relevant regulations of the Listing Regulations above, during the year ended March 31, 2019 as applicable subject to following observations:

- a) Equity shares of the Company stand suspended with the BSE Ltd. due to penal reasons and as informed by the Company to us in view of the non compliance of the provisions of section 100 of the Companies Act, 1956 pertaining to reduction of share capital. In this matter, the petition has been submitted by the Company to the Hon'ble High Court of Bombay under section 391 to 394 of the Companies act, 1956. Thereafter, the same is transferred to Hon'ble National Company Law Tribunal Mumbai Bench ('Hon'ble NCLT') and is pending vide No.CSP-190(MB)/2017 under section 230-231 of the Companies Act, 2013.
- b) Entire shareholding of the promoters is required to be held in demat form pursuant to regulation 31(2) of LODR. However, the same is in physical format as informed to us, since the Company is still awaiting the order of Hon'ble NCLT in the aforesaid matter.
- c) Minimum public shareholding shall be at least 25% pursuant to Regulation 38 of LODR read with Rule 19(2) and rule 19A of the Securities Contract (Regulation) Rules, 1957. However, public shareholding has remained only 12.44% during the year under review. As informed to us, the Company is still awaiting the order of Hon'ble NCLT in the aforesaid matter.
- d) Publication of notice of dates of meeting where financial results are discussed as well as publication of financial results in two newspapers pursuant to regulation 47(1) of LODR have not been made during the year.
- e) The Company has not paid Annual listing fees for the year 2018-19 as required pursuant to regulation 14 of LODR, since the Company is still awaiting the order of Hon'ble NCLT in the aforesaid matter.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

Place: Vadodara
Date: 30th May, 2019

For **DEVESH PATHAK & ASSOCIATES**
Practising Company Secretaries

Sd/-

CS Devesh A. Pathak
FCS No. 4559
CoP No. 2306

KUMAKA INDUSTRIES LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF KUMAKA INDUSTRIES LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of KUMAKA INDUSTRIES LIMITED ('the Company'), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Cash Flows and the statement of changes in equity for the year then ended and a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the afore said standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019 the loss and total comprehensive income, changes in equity and its cashflows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance inclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

KUMAKA INDUSTRIES LIMITED

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are responsible for over-seeing the Company's financial reporting process.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of user as taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional Scepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the over-ride of internal control.

Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of areas on ably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with the mall relationships and other matters that may reasonably be thought to be on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doings would reasonably be expected to outweigh the public interest benefits of such communication.

KUMAKA INDUSTRIES LIMITED

Report on other Legal and Regulatory Requirements

As required by Companies (Auditor's Report) order 2016, issued by the Central Government of India in terms of sub-section (11) of section 143(3) of the Act, we give in the Annexure "A" statement on the matters specified in the paragraph 3 and 4 of the order; to the extent applicable

As required by sec 143 (3) of the Act, we report that:-

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- c) the Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued there under;
- e) On the basis of written representations received from the directors as on 31 March, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) With respect to the other matters included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 and to our best of our information and according to the explanations given to us:-
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements note no:21.
 - ii. The Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31st March, 2019.

For SCA And Associates
CHARTERED ACCOUNTANTS
Firm Registration No: 101174W

Prakash R. Muni
PARTNER
Membership No: 30544

Place: Mumbai
Date: 24th May, 2019

KUMAKA INDUSTRIES LIMITED

Annexure "A" to the Independent Auditor's Report

Re: Kumaka Industries Limited

The Annexure referred to in our Independent Auditor's Report to the members of the company on the standalone Ind AS financial statements for the year ended 31st March 2019, we report that :-

1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of its fixed assets.
- (b) The fixed assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the company and the nature of its assets.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. Since, the company is not having inventory therefore the para 3(ii) of the order relating to physical verification of inventories is not applicable.
3. The Company has granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act. As per the explanation given by the company, because of the stringent financial condition of the former subsidiary and firm. Company has neither charged nor received any interest. In our opinion, the terms and conditions are prejudicial to the interest of the company. Scopes of recovery are also remote. There is neither recovery of principal amount nor interest during the year. No steps for recovery of principal amount and interest have been taken by the company during the year.
4. In our opinion and according to the information and explanations given to us, during the year the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of loans given. During the financial year ended 31st March, 2019, The Company has not granted any loans or made any investments, or provided any guarantees or security to the parties covered under Section 185 of the Act. However, in the past years, the company had given unsecured loan and had acquired equity shares in former subsidiary company in which the key managerial personnel are directors and has given advance in the past years to a partnership firm in which relatives of a director are partners within the meaning of section 185 and 186 of the Companies Act, 2013.
5. The company has not accepted the deposits from public as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
6. The Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act for any activities of the Company.
7. (a) In our opinion and according to explanation given to us the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities. There is no arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, and the records of the company of the company examined by us, there are no dues in respect of income-tax, sales tax, wealth tax, service tax, GST, excise duty, custom duty, and cess as at March 31, 2019 which have not been deposited on account of any dispute. The particulars of dues of value added tax and service tax as at March 31, 2019 which has not been deposited on account of dispute is as follows :-

Nature of Dues	Amount (Rs.)	Period to which amount related	Forum where the dispute is pending
Income Tax	36,97,936	AY 1995-96	Mumbai High Court
Income Tax	7,14,567	AY 1996-97	ITAT
Income Tax	30,51,500	AY 2012-13	DY. Commissioner of Income Tax
Excise Matters	90,00,000	1996-97	CESTAT
Income Tax	44,51,160	AY 2014-15	CIT (APPEALS)

KUMAKA INDUSTRIES LIMITED

8. As per the Information & explanation given to us, the company has not borrowed money from banks/financial institutions nor issued any debentures and hence the question of default in repayment of dues does not arise. Accordingly, clause (viii) of paragraph 3 of the Order is not applicable.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause (ix) of paragraph 3 of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
12. In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, clause (xii) of paragraph 3 of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards (IND AS -24) Related Party Transaction.
14. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause (xv) of paragraph 3 of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For SCA and Associates
CHARTERED ACCOUNTANTS
Firm Registration No: 101174W

Prakash R. Muni
PARTNER
Membership No: 30544

Place: Mumbai
Date: 24th May, 2019

KUMAKA INDUSTRIES LIMITED

Annexure “B” to the Independent Auditor's Report of even date on the Standalone Financial Statements of KUMAKA INDUSTRIES LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **KUMAKA INDUSTRIES LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India”. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over Financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that We comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence We have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

KUMAKA INDUSTRIES LIMITED

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019 based on "the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountant of India.

For SCA And Associates
CHARTERED ACCOUNTANTS
Firm Registration No: 101174W

Prakash R. Muni
PARTNER
Membership No: 30544

Place: Mumbai
Date: 24thMay, 2019

KUMAKA INDUSTRIES LIMITED

KUMAKA INDUSTRIES LIMITED
CIN - L99999MH1973PLC016315
BALANCE SHEET AS AT 31ST MARCH, 2019

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
1) Non-Current Assets			
(a) Property, Plant and Equipment	2	145,792,258	137,612,658
(b) Financial Assets			
(i) Investment	3	82,750	82,750
(ii) Other Financial Assets	4A	14,504,228	14,004,228
(iii) Loans Receivables	5	-	-
(c) Income Taxes	6	639,477	367,920
(d) Other Non Current Assets	7	629,111	-
Total Non Current Assets		161,647,824	152,067,556
Current Assets			
(a) Inventories		-	-
(b) Financial Assets			
(i) Trade Receivables	8	680,540	-
(ii) Cash and Cash Equivalents	9A	337,318	728,213
(iii) Other Bank Balances	9B	6,209,227	3,109,227
(iv) Other Financial Assets	4B	79,569	-
(c) Other Current Assets	10	75,751,342	75,696,000
Total Current Assets		83,057,995	79,533,440
TOTAL ASSETS		244,705,819	231,600,996
EQUITY AND LIABILITIES			
Equity			
(a) Share Capital	11	120,856,250	120,856,250
(b) Other Equity	12	66,842,031	72,286,827
Total Equity		187,698,281	193,143,077
Liabilities			
Non Current Liabilities			
Current Liabilities			
Financial Liabilities			
(a) Borrowings		-	-
Other Current Liabilities	13	57,007,539	38,457,919
Total Current Liabilities		57,007,539	38,457,919
TOTAL LIABILITIES		244,705,819	231,600,996
Significant accounting policies and notes on financial statements	1 to 33		

As per our Report of even date
For SCA And Associates
Chartered Accountants
Firm Registration No 101174 W

For and on behalf of the Board

Prakash R. Muni
Partner
Membership No 30544

Mr. Pankaj M. Kadakia
Managing Director
DIN- 00166339

Dr. T. D. Tiwari
Director
DIN- 08182575

Mr. Bharat A. Parikh
Chief Financial Officer

Chandni Pansuriya
Company Secretary

Place : Mumbai
Date : 24th May, 2019

KUMAKA INDUSTRIES LIMITED

KUMAKA INDUSTRIES LIMITED
CIN - L99999MH1973PLC016315
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2019

	Particulars	Note	Year Ended March 31,2019	Year Ended March 31,2018
I	Revenue from Operations		1,222,625	204,750
II	Other Income(net)	Note	830,478	417,843
III	TOTAL INCOME		2,053,103	622,593
	Expenses			
(a)	Cost of Materials Consumed	16	-	102,344
(b)	Purchase of Traded goods		-	-
(c)	Employee Benefit Expenses	17	1,473,526	1,489,694
(e)	Other Expenses	18	3,973,403	5,572,237
(f)	Finance Costs	19	336,871	291,655
(g)	Depreciation and Amortisation Expense	3	89,100	391,649
IV	TOTAL EXPENSES		5,872,900	7,847,579
V	PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX(III-IV)		(3,819,796)	(7,224,986)
VI	Exceptional items	20	1,625,000	10,031,623
VII	PROFIT BEFORE TAX(V-VI)		(5,444,796)	(17,256,609)
VIII	Tax Expense			
	Current Tax			
	Defered Tax Liability/(Asset)			
	TOTAL TAX EXPENSE		-	-
IX	PROFIT FOR THE YEAR (VII-VIII)		(5,444,796)	(17,256,609)
X	OTHER COMPREHENSIVE INCOME			
(A)	Items that will be reclassified subsequently to the statement of profit and loss			-
(B)	Income tax on items that will be reclassified subsequently to the statement of profit and loss			
(C)	Items that will not be reclassified subsequently to the statement of profit and loss		-	27,250,634
(D)	Income tax on items that will not be reclassified subsequently to the statement of profit and loss		-	-
	TOTAL OTHER COMPREHENSIVE INCOME/(LOSSES)		-	27,250,634
XI	TOTAL COMPREHENSIVE INCOME OF THE YEAR		(5,444,796)	9,994,025
XII	Earning per equity share:-Basic		(0.45)	(1.43)
	Earning per equity share:-Diluted		-	-
	Weighted average number of equity shares			
	(Face value of Rs. 10 each)			
XIII	Significant accounting policies and notes on financial statements	1 to 33		

As per our Report of even date

For and on behalf of the Board

For SCA And Associates

Chartered Accountants
Firm Registration No 101174 W

Mr. Pankaj M. Kadakia
Managing Director
DIN- 00166339

Dr. T. D. Tiwari
Director
DIN- 08182575

Prakash R. Muni
Partner
Membership No 30544

Mr. Bharat A. Parikh
Chief Financial Officer

Chandni Pansuriya
Company Secretary

Place : Mumbai
Date : 24th May, 2019

KUMAKA INDUSTRIES LIMITED

KUMAKA INDUSTRIES LIMITED

CIN- L99999MH1973PLC016315

Cash Flow Statement for the period ended 31st March, 2019

(Rs.)

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit/(Loss) before Tax	(5,444,796)	(17,256,609)
Adjustments for:		
Interest received	(830,198)	(417,843)
Interest	336,871	-
Provision for Doubtful Debts	-	2,530,447
Provision for Doubtful Advances	-	209,024
Depreciation	89,100	391,649
(Profit)/Loss on Sale of Fixed Assets	-	4,973,813
Operating Profit before Working Capital Changes	(5,849,024)	(9,569,519)
Adjustments for:		
(Increase)/Decrease in Inventory	-	102,346
(Increase)/Decrease in Debtors	(680,540)	-
(Increase)/Decrease in Other Current Assets	(555,343)	132,845
Increase/(Decrease) in Current Liabilities	18,549,620	671,090
Cash generated from /(used in) operations	11,464,714	(8,663,238)
Direct Taxes paid	(271,557)	(41,728)
Cash Flow from Operating Activities	11,193,157	(8,704,966)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchase of Fixed assets	(8,897,811)	(200,000)
(Increase)/Decrease in Fixed Deposits	(3,100,000)	6,541,773
Interest received	750,629	417,843
Sale of Fixed assets	-	1,000,000
Net Cash used in Investing Activities	(11,247,182)	7,759,616
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Repayment of long term borrowings	-	-
Interest paid	(336,871)	-
Net Cash Generated from Financing Activities	(336,871)	-
Net Increase in Cash & Cash Equivalents (A+B+C)	(390,896)	(945,350)
Cash & Cash Equivalents (Opening)	728,213	1,673,564
Cash & Cash Equivalents (Closing)	337,318	728,213

As per our Report of even date

For and on behalf of the Board

For SCA And Associates

Chartered Accountants

Firm Registration No 101174 W

Mr. Pankaj M. Kadakia
Managing Director
DIN- 00166339

Dr. T. D. Tiwari
Director
DIN- 08182575

Prakash R. Muni
Partner
Membership No 30544

Mr. Bharat A. Parikh
Chief Financial Officer

Chandni Pansuriya
Company Secretary

Place : Mumbai

Date : 24th May, 2019

KUMAKA INDUSTRIES LIMITED

KUMAKA INDUSTRIES LIMITED
CIN - L99999MH1973PLC016315
STATEMENT OF CHANGES IN EQUITY

Particulars	Equity Share Capital (A)	Reserves and Surplus			Other Comprehensive Income	Total Other Equity (B)	Total (A+B)
		Securities premium	Revaluation Reserve	General Reserve			
Balance as at April 1, 2017	120,856,250	292,203,750	7,432,093	40,178,015	141,118,124	69,724,895	190,581,145
Profit for the year	-	-	-	-	-	(17,256,609)	(17,256,609)
Transfer (to)/from Statement of Profit and Loss Account	-	-	(7,432,093)	-	-	(7,432,093)	(7,432,093)
Other comprehensive income	-	-	-	-	27,250,634	27,250,634	27,250,634
Total comprehensive income	120,856,250	292,203,750	-	40,178,015	168,368,758	72,286,827	193,143,077
Transfer of profits to Capital Redemption Reserve	-	-	-	-	-	-	-
Realised loss on equity shares carried at fair value through OCI	-	-	-	-	-	-	-
Balance as at March 31, 2018	120,856,250	292,203,750	-	40,178,015	168,368,758	72,286,827	193,143,077
Balance as at April 1, 2018	120,856,250	292,203,750	-	40,178,015	168,368,758	72,286,827	193,143,077
Profit for the year	-	-	-	-	-	(5,444,796)	(5,444,796)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income	120,856,250	292,203,750	-	40,178,015	168,368,758	66,842,031	187,698,281
Transfer (to)/from Statement of Profit and Loss Account	-	-	-	-	-	66,842,031	66,842,031
Balance as at March 31, 2019	120,856,250	292,203,750	-	40,178,015	168,368,758	66,842,031	187,698,281

Nature and Purpose of Reserves

a) **Securities Premium** : Securities premium arises on issue of shares at premium. The reserves are utilised in accordance with the provisions of section 52 of the Companies Act, 2013.

b) **General Reserve**: General Reserve is created by a transfer of profits from retained earnings for appropriation purpose. It is a free reserve.

c) **Other Comprehensive Income**: This reserve represents the cumulative gains and losses arising on the Fair valuation of Land and Investments. These amounts will not be reclassified to Statement of Profit & Loss

d) **Revaluation Reserve**: Reserve arising from revaluation of plant under previous Accounting standards disposed of last year.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-33

As per our Report attached on the even date

For SCA And Associates

Chartered Accountants

Firm Registration No 101174 W

For and on behalf of the Board

Prakash R. Muni

Partner

Membership No 30544

Mr. Pankaj M. Kadakia

Managing Director

DIN- 00766339

Dr. T. D. Tiwari

Director

DIN- 08182575

Chief Financial Officer

Company Secretary

Place : Mumbai

Date : 24th May, 2019

KUMAKA INDUSTRIES LIMITED

KUMAKA INDUSTRIES LIMITED

Corporate Information

The Company is promoted by Shri Pankaj M. Kadakia and is in the business of Manufacturing Chemicals.

The Registered Office of the Company is at 404, Sharda Chambers, New Marine Lines, Mumbai -400020.

The Board of Directors of the Company approved the financial statements for the year ended March 31, 2019 and authorized for issue on May 24, 2019.

(i) (a) Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

(b) Use of estimates

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

Useful lives of property, plant and equipment

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note no:(x)

Provisions and contingent liabilities

A provision is recognized when the Company has a present obligation as a result of past event and it is probable than an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits and compensated absences) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

(iii) **Revenue Recognition**

Effective April 1, 2018, the Company has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contracts. The comparative information of previous year continues to be reported under Ind AS 18 and Ind AS 11. The impact of the adoption of the standard on the financial statements of the Company is Nil.

Revenue is recognized upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

KUMAKA INDUSTRIES LIMITED

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Contract assets are recognized when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

- a. Revenue from the sale of goods is recognised when the significant risks, control and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated cost can be estimated reliably, and amount of revenue can be measured reliably.
- b. Revenue from rendering of services is recognized when the performance of agreed contractual task has been completed.
- c. Revenue from sale of goods is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.
- d. Revenue from operation includes sale of goods and services, adjusted for discounts (Net).
- e. Interest income is recognized using the effective interest method.
- f. Dividend income is recognized when the right to receive payment is established.

(iv) Government Grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

(v) Foreign Currency Loans/Transactions

- a. Transactions in Foreign Currency are recorded at the rate prevailing on the date when the amount is received or remitted.
- b. Foreign currency denominated monetary assets and liabilities are converted into rupee at the exchange rate prevailing on the balance sheet date; gains/ losses are reflected in the statement of profit and loss. Non-Monetary assets and liabilities that are measured in terms of historical cost in foreign currencies are not retranslated.
- c. Exchange difference on account of acquisition of fixed assets is adjusted to carrying cost of fixed assets.

(vi) Employee Benefits

Short Term Employee Benefits

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Long Term Employee Benefits

The liability towards gratuity and leave encashment is not funded.

(vii) Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment loss, if any. Costs directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

KUMAKA INDUSTRIES LIMITED

Advances paid towards the acquisition of property, plant & equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and cost of assets not put to use before such date are disclosed under Capital work-in-progress. Subsequent expenditure relating to property, plant & equipment is capitalised only when it is probable that future economic benefit associate with this will flow to the company and the cost of item can be measured reliably. Repairs and maintenance cost are recognized in statement of profit & loss when incurred. The cost and related accumulated depreciation are eliminated from financial statement upon sale or retirement of the asset and resultant gains and losses are recognized in the statement of profit & loss. Assets to be disposed off are reported at lower of carrying value or fair value less cost to sell.

Depreciation is provided for property, plant and equipment so as to expense the cost over their estimated useful lives based on evaluation. The estimated useful lives of property, plant & equipment is taken as prescribed under Schedule II of the Companies Act, 2013. The estimated useful lives and residual value are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Cost excludes Cenvat credit, Sales Tax and Service Tax credit, Custom Duty entitlement and such other levies / taxes. Depreciation on such assets is claimed on 'reduced' cost.

Depreciation is not recorded on capital work-in-progress until construction and installation are complete and the asset is ready for its intended use.

(viii) Impairment

a. Financial assets (other than at fair value)

The Company assesses at each date of balance sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

b. Non Financial assets

Tangible and intangible assets

Property, plant and equipment and intangible assets with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit and loss.

(ix) Inventories

Items of inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

Cost of raw materials, chemicals, stores and spares, packing material, trading and other products are determined on weighted average basis.

(x) Income Taxes

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognized in statement of profit and loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current Income Taxes

Income tax expense is the aggregate amount of Current tax. Current tax is the amount of Income Tax determined to be payable in respect of the taxable income for an accounting period or computed on the basis of the provisions of Section 115JB of Income Tax Act, 1961 by way of minimum alternate tax (MAT) at the prescribed percentage on the adjusted book profits of a year, when Income Tax liability under the normal method of tax payable basis works out either a lower amount or nil amount compared to the tax liability u/s 115 JB.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction and where the relevant tax paying units intends to settle the asset and liability on a net basis.

Deferred Income Taxes

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount, except when the deferred income tax arises from the initial recognition of an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profit or loss at the time of the transaction.

Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised. The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

The Company recognizes interest levied and penalties related to income tax assessments in interest expenses.

(xi) Financial Instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability.

Cash & Cash Equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortized cost

Financial assets are subsequently measured at amortized cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows that give rise on specified dates to solely payments of principal and interest on the principal amount outstanding and by selling financial assets. The Company has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of equity investments not held for trading.

Financial assets at fair value through profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in profit or loss.

Financial liabilities

Trade Payables & Other Current Liabilities

For trade payables and other payables maturing within one year from the balance sheet date, carrying amounts approximate fair value due to short maturity of these instruments.

(xii) Earnings per Share

Basic earnings per share are computed by dividing profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

(xiii) Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

(xiv) Goods and Services Tax

Goods and Services Tax (GST) liability is accounted on accrual basis. The Company is accounting liability for GST arising under reverse charge mechanism for various services availed by the company, at the time of booking of relevant expenditure. Credit for input GST is claimed as per appropriate laws, rules and regulations.

(xv) Recent Indian Accounting Standards (IND AS)

Ministry of Corporate Affairs ("MCA"), through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind ASs which the Company has not applied as they are effective from April 1, 2019:

- a) IND AS-116 Leases – This standard will replace the earlier standard IND AS 17. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognizes right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The Company will adopt Ind AS 116, effective annual reporting period beginning April 1, 2019.
- b) IND AS-12 Income Taxes (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments) – The Company doesn't expect any impact from the pronouncement of dividend. The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability.
- c) IND AS 109 Prepayment Features with Negative Compensation - The amendments relate to the existing requirements in Ind AS 109 regarding termination rights in order to allow measurement at amortized cost (or, depending on the business model, at fair value through other comprehensive income) even in the case of negative compensation payments.

- d) IND AS 19 Plan Amendment, Curtailment or Settlement - The amendments clarify that if a plan amendment, curtailment or settlement occurs, it is mandatory that the current service cost and the net interest for the period after the re-measurement are determined using the assumptions used for the re-measurement. In addition, amendments have been included to clarify the effect of a plan amendment, curtailment or settlement on the requirements regarding the asset ceiling.
- e) IND AS 23 Borrowing Costs - The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company has no borrowing hence expects no impact from this amendment.
- f) IND AS 28 Long-term Interests in Associates and Joint Ventures - The amendments clarify that an entity applies Ind AS 109 Financial Instruments, to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The Company has no Long-term interest in Associate/Joint Ventures.
- g) IND AS 103 Business Combinations and IND AS 111 Joint Arrangements - The amendments to Ind AS 103 relating to re-measurement clarify that when an entity obtains control of a business that is a joint operation, it re-measures previously held interests in that business. The amendments to Ind AS 111 clarify that when an entity obtains joint control of a business that is a joint operation, the entity does not re-measure previously held interests in that business. There is no Business Combinations nor Joint arrangements hence the Company expects no Impact from this amendment.

The adoption of these new and revised standards has no material impact on the Company's accounting policies and disclosures.

KUMAKA INDUSTRIES LIMITED

KUMAKA INDUSTRIES LIMITED

Note 2 : Property, Plant and Equipment

Description	Land	Lease hold Land	Factory Building	Plant and Machinery	Motor Car	Computers	Furniture and Fixtures	Air Conditioner	Water Treatment Plant	Total
Cost/Deemed cost as at April 1,2018	137,045,222	-	-	-	320,346	27,800	365,458	23,990	200,000	137,982,816
Additions	-	8,268,700	-	-	-	-	-	-	-	8,268,700
Disposals	-	-	-	-	-	-	-	-	-	-
Cost/Deemed cost as at March 31,2019	137,045,222	8,268,700	-	-	320,346	27,800	365,458	23,990	200,000	146,251,516
Accumulated depreciation as at April 1,2018	-	-	-	-	(173,166)	(23,606)	(165,706)	(4,558)	(3,122)	(370,156)
Depreciation for the period	-	-	-	-	(38,057)	(3,666)	(30,159)	(4,558)	(12,660)	(89,100)
Disposals	-	-	-	-	-	-	-	-	-	-
Accumulated depreciation as at March 31,2019	-	-	-	-	(211,223)	(27,272)	(195,865)	(9,116)	(15,782)	(459,258)
Net carrying amount as at March 31,2019	137,045,222	8,268,700	-	-	109,123	528	169,593	14,874	184,218	145,792,258

Description	Land	Lease hold Land	Factory Building	Plant and Machinery	Motor car	Computers	Furniture and fixtures	Air Conditioner	Water Treatment Plant	Total
Cost/Deemed cost as at April 1,2017	109,794,588	-	35,080,672	2,879,426	320,346	27,800	365,458	23,990	200,000	148,492,280
Additions	27,250,634	-	-	-	-	-	-	-	-	27,450,634
Disposals/ Transfer	-	-	35,080,672	2,879,426	-	-	-	-	-	37,960,098
Cost/Deemed cost as at March 31,2018	137,045,222	-	-	-	320,346	27,800	365,458	23,990	200,000	137,982,816
Accumulated depreciation as at April 1,2017	-	-	(23,802,911)	(499,929)	(135,109)	(19,205)	(135,547)	-	-	(24,532,701)
Depreciation for the year	-	-	(277,252)	(34,100)	(38,057)	(4,401)	(30,159)	(4,558)	(3,122)	(391,649)
Disposals	-	-	24,080,163	474,029	-	-	-	-	-	24,554,192
Accumulated depreciation as at March 31,2018	-	-	-	-	(173,166)	(23,606)	(165,706)	(4,558)	(3,122)	(370,156)
Net carrying amount as at March 31,2018	137,045,222	-	-	-	147,180	4,194	199,752	19,432	196,878	137,612,658
Net carrying amount as at April 1,2017	109,794,588	-	11,277,761	2,439,497	185,237	8,595	229,911	23,990	-	123,959,579

KUMAKA INDUSTRIES LIMITED

KUMAKA INDUSTRIES LIMITED

Particulars	31st March, 2019	31st March, 2018
Note 3 : Investments		
Investments Measured at Fair Value through OCI		
<u>In Equity Shares of Former Subsidiary Unquoted, fully paid up</u>		
16,55,000 (16,55,000) Kadakia Alkalies & Chemicals Ltd of Rs.10/- each.	82,750	82,750
Total	82,750	82,750
Note 4 : Other Financial Assets		
(A) Other Financial Assets - Non- Current		
Security Deposits		
a) Considered good		
Deposit with GEB(DGVCL),GIDC Ankleshwar	3,693,196	3,693,196
Security Deposit	500,000	-
Deposits on Behalf of Kadakia Alkalies and Chemicals LTD with GEB (DGVCL)	10,311,032	10,311,032
b) Credit Impaired		
Deposit with DGVCL	209,024	209,024
Less: Provision for Doubtful Advances	(209,024)	(209,024)
Total	14,504,228	14,004,228
(B) Other Financial Assets - Current		
a) Considered good		
Interest receivable on bank Fixed Deposits	79,569	-
b) Credit Impaired		
	-	-
Total	79,569	-
Note 5 : Loans Receivables		
a) Unsecured, Considered Goods		
	-	-
b) Credit Impaired		
Interest free Advances to Related Parties	149,168,350	149,168,350
Less: Provision for Doubtful Advances	(149,168,350)	(149,168,350)
Total	-	-
Note 6 : Income Taxes		
Advance Income Tax (Net of Provision for Tax)	639,477	367,920
Total	639,477	367,920

KUMAKA INDUSTRIES LIMITED

Particulars	31st March, 2019	31st March, 2018
Note 7 : Other Assets - Non Current		
a) Unsecured, Considered Goods		
Capital Advances	629,111	-
b) Credit Impaired		
Other Advances	243,840	243,840
Less: Provision for Doubtful Advances	(243,840)	(243,840)
Total	629,111	-
Note 8 : Trade Receivables		
a) Unsecured, Considered Goods		
	680,540	-
b) Credit Impaired		
Less: Provision for doubtful debts	2,530,447	2,530,447
	(2,530,447)	(2,530,447)
Total	680,540	-
Note 9A :Cash and Cash Equivalents		
Cash on Hand	253	1,052
Balance with banks:		
In Current Accounts	337,065	727,161
Total	337,318	728,213
Note 9B: Other Bank Balances		
In Fixed Deposits (having maturity more than 3 months & held as security)	3,351,000	251,000
Fixed Deposits held at Margin Money or Security against borrowings, Gaurantee and Other Commitment	2,858,227	2,858,227
Total	6,209,227	3,109,227
Note 10 : Other Current Assets		
Indirect Taxes Recoverable	55,342	-
Advance for Expenses	-	-
Assets Held for Sale	75,696,000	75,696,000
Total	75,751,342	75,696,000

KUMAKA INDUSTRIES LIMITED

KUMAKA INDUSTRIES LIMITED

Particulars	31st March, 2019	31st March, 2018
Note 11 : Share Capital		
a) Authorised : 1,50,00,000 Equity Shares @Rs. 10/- each	150,000,000	150,000,000
	150,000,000	150,000,000
b) Issued, Subscribed and Fully Paid up : 120,85,625 Equity Shares @ Rs.10/- each fully paid up.	120,856,250	120,856,250
	120,856,250	120,856,250

Note:

In January 1995, the Company made its first public issue of 37,47,400 equity shares bearing the face value of Rs 10 each, at a premium of Rs. 150 per share (aggregating To Rs 160 per share). Pursuant to the payment of application monies of Rs 40 per share, the Company made the allotment of shares, to the successful Applicants, in April 1995. Total issue size 37,47,400 shares, It included 13,34,400 shares were fully paid up, Balance 24,13,000 shares were partly paid i.e. Rs 40 per share as against Rs.160 issue price or 25%.

Hence the board and later on the members at AGM considered it appropriate to issue one fully paid share in lieu of four partly paid shares. However BSE did not approve listing of such allotment of shares. It is stated that Companies Act specifically does not provide for such situation of reduction in number of shares applied for and consolidation of such application. BSE advised Company to implement procedure for reduction in Share Capital and obtain approval of the Appropriate Authority. The Company has approached NCLT (Mumbai Bench) in the matter. Share capital of the Company will stand modified as per order or directions of NCLT- MUMBAI Bench.

In the aforesaid public issue, 406 applicants had subscribed to 10,375 shares, by paying the entire subscription amount of Rs. 160 per share, but each application was less than lot size of 100 which was fixed by the Company. The Company allotted shares to such applicants. BSE did not approve listing of such allotment of shares. The Company has approached NCLT (Mumbai Bench) in the matter. Share capital of the Company will stand modified as per order or directions of NCLT- MUMBAI Bench

Reconciliation of number of shares and amount outstanding at the beginning and end of the year:

	31/03/2019		31/03/2018	
	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)
Equity Shares outstanding at the beginning of the year	12,085,625	12,085,625	12,085,625	12,085,625
Fresh Issue/ESOP/Bonus Issue of Shares	0	0	0	0
Redemption/Buy-back of Shares	0	0	0	0
Equity Shares outstanding at the end of the year	12,085,625	12,085,625	12,085,625	12,085,625

All Equity Shares issued by the company rank pari passu in terms of rights as to dividend, repayment of capital and voting rights attached to such shares

Details of Shareholders holding more than 5% Equity Shares in the Company:

Name of Shareholder	31/03/2019		31/03/2018	
	No. of Shares	% of Holding	No. of Shares	% of Holding
1. Mr. Pankaj Manilal Kadakia Director	2,829,450	23.41%	2,829,450	23.41%
2. Mrs. Madhavi Pankaj Kadakia	3,907,850	32.33%	3,907,850	32.33%
3. Mr. Shyam Pankaj Kadakia	2,923,250	24.19%	2,923,250	24.19%
4. Ms. Niyati Pankaj Kadakia	911,600	7.54%	911,600	7.54%

KUMAKA INDUSTRIES LIMITED

Particulars	31st March, 2019	31st March, 2018
Note 12 : Other Equity		
Securities Premium Account:		
At the beginning of the year	292,203,750	292,203,750
Addition during the year	-	-
Less: Utilised/Transferred during the year	-	-
At the end of the year	292,203,750	292,203,750
Revaluation Reserve:		
At the beginning of the year	-	7,432,093
Less: Utilised/Transferred during the year	-	(7,432,093)
At the end of the year	-	-
General Reserve:		
At the beginning of the year	40,178,015	40,178,015
Addition during the year	-	-
Less : Utilization During the Year	-	-
At the end of the year	40,178,015	40,178,015
Retained Earnings		
At the beginning of the year	(428,463,696)	(411,207,087)
Add: Profit/(Loss) for the year	(5,444,796)	(17,256,609)
Less: Utilised/Transferred during the year	-	-
At the end of the year	(433,908,492)	(428,463,696)
Other Comprehensive Income (OCI)		
At the beginning of the year	168,368,758	141,118,124
Add: Movement in OCI during the year	-	27,250,634
At the end of the year	168,368,758	168,368,758
Total	66,842,031	72,286,827

KUMAKA INDUSTRIES LIMITED

KUMAKA INDUSTRIES LIMITED

Particulars	31st March, 2019	31st March, 2018
Note 13 : Other Current Liabilities		
Statutory Remittances (Contributions to PF and ESIC, Withholding Taxes, GST, TDS, Excise Duty, VAT, Service Tax, etc.)	14,350	357,505
Provision for Other Expenses	599,669	630,894
Advances Received against Sale of Land	56,393,520	37,469,520
Total	57,007,539	38,457,919
Note 14 : Revenue from Operations		
Sale of Products	1,222,625	204,750
	1,222,625	204,750
Other Operational Revenue		
Miscellaneous Income	-	-
Revenue from Operations (Net)	1,222,625	204,750
Note 15 : Other Income		
Interest Earned on Investments	830,198	417,843
Miscellaneous Income	280	-
Profit on Sale of Fixed Assets	-	-
Total	830,478	417,843
Note 16 : Cost of Materials Consumed		
Opening Stock of Raw Materials	-	102,344
Add: Purchases	-	-
Less: Closing Stock of Raw Materials	-	-
Total Cost of Materials Consumed	-	102,344
Note 17 : Employees Benefit Cost		
Salaries & Wages/Service Charges	273,526	289,694
Director's Remuneration	1,200,000	1,200,000
Contribution to other funds	-	-
Total	1,473,526	1,489,694

KUMAKA INDUSTRIES LIMITED

KUMAKA INDUSTRIES LIMITED

Particulars	31st March, 2019	31st March, 2018
Note 18 : Other Expenses		
<u>Selling and Distribution Expenses:</u>		
Provision for doubtful debts	-	2,530,447
Advertisement Expenses	53,174	20,210
	53,174	2,550,657
<u>Establishment Expenses:</u>		
Payment to Auditors	240,000	188,800
Electricity charges	71,177	34,591
Repairs & Maintainance	35,308	248,126
Rent Rates & Taxes	80,070	49,878
Legal & Professional Fees	1,492,560	1,271,835
Licence, Subscription & Other Fees	87,596	26,624
Expenses on Directors other than Remuneration	165,321	106,617
Computer Repairs & Internet Charges	2,700	2,300
Insurance Charges	8,207	9,599
PF Damages and Interest charges	1,006,015	-
Printing & Stationery Expenses	166,656	130,219
Postage, Telephone & Other Expenses	98,788	87,569
Society Charges	-	60,000
Travelling & Conveyance Expenses	250,947	309,209
Consolidated Notified Area Tax	75	49,452
Provision for Doubtfull Advances	-	209,024
Miscellaneous Expenses	214,809	237,737
	3,920,229	3,021,580
Total	3,973,403	5,572,237
Note 19 : Finance Cost		
Bank Charges & Commission	253,171	291,655
Processing charges	82,500	-
<u>Interest Expense</u>		
Other Interest & Finance Charges	1,200	-
	336,871	291,655
Total	336,871	291,655
Note 20 : Exceptional Items		
Land revenue/Water Taxes Paid	-	2,153,591
Legal Cases settlement cost	1,625,000	2,904,218
Loss on Sale of Fixed Assets	-	12,405,907
Less: Transfer from Revaluation reserve	-	(7,432,093)
	1,625,000	10,031,623
Total	1,625,000	10,031,623

KUMAKA INDUSTRIES LIMITED

OTHER NOTES TO ACCOUNTS

21. Contingent Liability/Assets –

(A) Statutory Dues

Sr. No.	Particulars	Period	Amt	Forum where the dispute pending
1	Income Tax	A.Y. 1995-96	36,97,936	Mumbai High Court
2	Income Tax	A.Y. 1996-97	7,14,567	ITAT, Mumbai
3	Income Tax	A.Y. 2012-13	30,51,500	DY. Comm. of I.T. Mumbai
4	Income Tax	A.Y. 2014-15	44,51,160	CIT- Appeal Mumbai
5	Excise Duty	F.Y. 1996-97	90,00,000	CESTAT (Tribunal) Ahmedabad

Note.

- Against Statutory dues of Rs.90, 00,000/- towards Excise duty Rs.6, 75,151/- have been paid in earlier years.
- Income Tax liabilities for the Assessment year 2014-15 Rs.44, 51,160/- against that Rs.2,50,000/- have been paid during the year 2016-17.

(B) Claim by Employees

- There are 46 claims for back wages & other claim by employee (worker & staff) in respect of 36 employees, since the exact amount is not Quantifiable, Approximate Rs. 50,000/- per employee i.e.Rs.18,00,000/- is treated as contingent liabilities and 10 employees the contingent liability is Rs.9,30,486/- and the total contingent liabilities Rs.27,30,486/-
- The contingent liability towards gratuity claim filled by employees is Rs.2,04,229/-

(C) Contingent Assets

During the past years, the company had entered in to correspondence with Gujarat Electricity Board, Now Known as Dakshin Gujarat vij. Co. ltd. For recovery of the refund due consequent upon the Arbitration award amounting Rs.1, 59, 11,789/- as principal amount together with the interest and delayed payment charges due there on as per the Arbitration award which is contingent asset as at 31-03-2019.

22. Remuneration to Directors:

Remuneration paid during the year ended 31st March, 2019 to Managing Director Rs. 12,00,000 (P.Y. Rs. 12,00,000/-).

Sitting Fees paid to Non- Executive/ Independent Directors

Remuneration	2018-19 Rs.	2017-18 Rs.
Sitting Fees	32,250	45,000

23. Earnings and Expenditure in Foreign Currency

Earning in Foreign Currency - NIL (P.Y. – NIL)
Expenditure in Foreign Currency - NIL (P.Y. – NIL)

- In the opinion of the Board and to the best of their knowledge and belief, the value on realization of the Current Assets, Loans & Advances in the ordinary course of the business will not be less than the value stated in the Balance Sheet and provision for all known liabilities are adequate and not in excess of the amount reasonably required to be provided.

25. Earning Per Share

Earning Per Share		2018-19	2017-18
Basic & Diluted EPS :			
Net Profit (Loss) after Tax for the year (Rs.)	A	(54,44,796)	(1,72,56,609)
Weighted Average No. of Shares (In Nos)	B	1,20,85,625	1,20,85,625
Basic & Diluted Earnings Per Share of Face Value of Rs 10 Per Share.	C (A/B)	-0.45	-1.43

KUMAKA INDUSTRIES LIMITED

26. Related Party Disclosure as per IND AS 24

A. List of related parties.

a. Key Management Personnel (KMP)

- (i) Shri Pankaj M Kadakia – Managing Director.
- (ii) Shri Bharat A Parikh – Chief Financial Officer
- (iii) Miss. Chandni Pansuriya – Company Secretary

b. Relatives of Key Management Personnel:

- (i) Pankaj M Kadakia (HUF)
- (ii) Mrs. Madhavi Pankaj Kadakia
- (iii) Mr. Shyam Pankaj Kadakia

c. Other related parties (Companies/Enterprises in which director or their relatives have significant influence)

- (i) Kadakia Alkalies & Chemicals Ltd.
- (ii) USM Enterprises
- (iii) Ashok Cellulose Limited

B. Details of transaction with related parties

Nature of Transaction	KMP	Other Related Parties	Total
Remuneration paid	13.01	NIL	12
	-12	(NIL)	-12

C. Closing Balances

Nature of Transaction	KMP	Other Related Parties	Total
Loans (Non Current Assets)	NIL (NIL)	NIL (Nil)	Nil (Nil)
Investments	NIL (NIL)	0.82 -0.82	0.82 -0.82
Other Current Liabilities	NIL -0.65	NIL (NIL)	Nil -0.65

27. Disclosure as per Regulation 34 (3) and 53 (f) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

- a) Loans and Advances to Subsidiary Companies: Rs. Nil
- b) Loans and Advances to Associate Companies: Rs. Nil
- c) Loans and Advances to Associate Companies/firms in which directors are Interested (excluding Subsidiary and Associate companies): Rs. Nil

28. Risk Factors

The Company's business activities expose it to various risks viz: market risk, credit risk, liquidity risk. The Board of Directors of the Company has approved a risk management policy to address and mitigate the risks associated with the business of the Company. The Board of Directors of the Company regularly monitors and reviews the risks and takes actions to respond to and mitigate the risks.

Various sources of risks and their management in the financial statements are given below:

Credit Risks

Credit risk arises on account of credit exposure to customers, loans given to parties, security deposits given, deposits with banks and financial institution. The credit risk is assessed and managed on an ongoing basis. The

Company uses its internal market intelligence while dealing with the customers and parties to whom loans are given. The Company manages the credit risk based on internal rating system. The Company has dealings only with nationalized and high rated private banks and financial institutions for its banking transactions and placement of deposits.

Default of a financial asset occurs when the counterparty fails to make contractual payment within 365 days of due date of payment. This definition of default is determined by considering the business environment in which the entity operates, ongoing business relationship with the counterpart and other macro – economic factors.

Liquidity Risk Management

Liquidity risk management involves management of the Company's short, medium and long term fund requirement efficiently by maintaining sufficient cash and cash equivalent and availability of funding through adequate amount of committed credit facilities to meet the obligations when due. The management of the Company manages the liquidity risk by maintaining adequate surplus cash in short term deposits. The management regularly monitors the forecast of liquidity position and cash and cash equivalents on the basis of expected cash flows.

Market Risk

Market risk can arise on account of fluctuation in future market prices which will impact the fair value or future cash flows of financial instruments. The fluctuation in market price can be in the form of Currency Risk, Interest Rate Risk or other price risk such as Equity Price Risk. The Company is not exposed to Currency Risk as it does not have any foreign exchange exposure. Similarly, the Company does not have any equity price risk as it does not have any material investment in equity shares nor does the Company trade in any investment. The Company manages Interest Rate Risk on its loan exposures by controlling the exposure within acceptable parameters and at the same time getting optimum returns on its surplus funds.

29. Capital Management

The objectives of capital management are:

- a. Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for the other stakeholders and
- b. Maintain an optimal capital structure to reduce the cost of capital.

The Company does not have any exposure towards debt. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividend paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

30. Income Tax

Income Tax Assessments of the Company have been completed up to Assessment Year 2014-15. There is no disputed demand outstanding up to the said Assessment Year.

During the Current Year provision for Income Tax is Nil as per Section 115JB of the Income Tax Act, 1961 as the Income Tax liability under normal method is NIL on account of accumulated losses of current and prior years.

31. Segment Information

The Company's Managing Director is the Chief Operating Decision Maker (CODM). Based on his examination of Company's performance from a product and geographical perspective he has identified there are no segments for reporting.

32. Previous year's figures have been regrouped/ rearranged wherever considered necessary.

33. The Notes referred to above form an integral part of Balance Sheet and Profit & Loss Account.

KUMAKA INDUSTRIES LIMITED

As per our Report on even date

For SCA And Associates.

Chartered Accountants

Firm Registration No 101174 W

For and on behalf of the Board

Prakash R. Muni

Partner

Membership No.030544

Pankaj M. Kadakia

Managing Director

DIN- 00166339

Dr. T. D. Tiwari

Director

DIN- 08182575

Bharat A Parikh

Chief Financial Officer

Chandni Pansuriya

Company Secretary

Place: Mumbai

Date: 24th May, 2019

KUMAKA INDUSTRIES LIMITED

PROXY FORM

FORM NO. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 10(3) of the Companies (Management and Administration) Rules 2014]

CIN	L99999MH1973PLC016315	Name of Company	KUMAKA INDUSTRIES LIMITED
Registered Office	404 Sharda Chambers, 33, New Marine Lines, Churchgate Mumbai 400020		
Date & Time of AGM	Saturday 14 th September, 2019 at 3.00 p.m.	Name of the Member(s)	
Registered Address			
Email Id.			
Folio No./Client ID & DP ID			

I/We being the member (s) of _____ shares of above named company hereby appoint

1. Name _____
 Address _____
 Email ID _____
 Signature _____
2. Name _____
 Address _____
 Email ID _____
 Signature _____
3. Name _____
 Address _____
 Email ID _____
 Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45th Annual General meeting of the company, to be held on Saturday, 14 September, 2019 at 03:00 PM at: All India Manufacturers' Organization, 4th Floor, 'Jeevan Sahakar', Near RBI Old Building, Opp. PNB Building, Sir P.M. Road, Fort, Mumbai – 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr.No	Resolutions	For	Against
1	ORDINARY BUSINESS To receive, consider and adopt the Audited Financial Statement for the year ended on March, 31, 2019 along with the Reports of the Board of Directors' and Auditors, thereon.		
2	To appoint a Director in place of Dr. Indula Panchal (DIN:-07543310) who retires by rotation and being eligible offers herself for reappointment.		
	SPECIAL BUSINESS		
3	To approve continuance of Dr. Indula Panchal as a Non-Executive Director pursuant to Regulations (Special Resolution)		
4	To reappoint Dr. Niranjana M. Pandya as an Independent Director (Special Resolution)		
5	To approve Related Party Transactions between the Company and Shri Manilal Harilal Kadakia Charitable Trust (Ordinary Resolution)		
6	To approve continuation of employment of and payment of remuneration to Mr. Pankaj Manilal Kadakia (DIN:-00166339) as a Managing Director (Special Resolution)		

Signed day of..... 2019

Affix Rs. 1

Revenue Stamp

Signature of shareholder

Signature of shareholder

Signature of shareholder

Note:

1. The form of Proxy, in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the (v) "For" or "Against" column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

To,

If undelivered please return to :

Kumaka Industries Limited

5th Floor, Ramkrishna Chambers, BPC Road, Alkapuri, Vadodara-390007.

Ph. No. : 0265-2330019