

# KUMAKA

## INDUSTRIES LIMITED

CIN: L99999MH1973PLCO16315



48<sup>th</sup>

Annual Report  
2021-22

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# KUMAKA INDUSTRIES LIMITED

ANNUAL REPORT 2021-22

**CIN: L99999MH1973PLC016315**

**(Incorporated on 13-02-1973)**

**48<sup>th</sup> Annual Report 2021-22**

**CORPORATE INFORMATION**

## **Board of Directors**

**Shri Pankaj Kadakia**

Chairman & Managing Director

**Dr. Niranjan Pandya**

Non Executive Independent Director

**Dr. T. D. Tiwari**

Non Executive Independent Director

**Dr. Indula Panchal**

Non-Executive Director (upto 10.08.2022)

**Mr. Bharat A Parikh**

Chief Financial Officer

**Ms. Vidisha Vimal Hingu**

Company Secretary (w.e.f. 28.06.2022)

**Ms. Mauli Mehta**

Company Secretary (upto 31.12.2021)

## **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](mailto:alpesh.gandhi@linkintime.co.in)

## **REGISTERED OFFICE:**

404, Sharda Chambers,

33, New Marine Lines,

Churchgate,

Mumbai-400020

## **STATUTORY AUDITORS**

**M/s. SCA & Associates**

Chartered Accountants,

Mumbai

## **CORPORATE OFFICE**

**&**

**CORRESPONDENCE ADDRESS:**

B. P. C. Road, Vadodara-390005

Ram Krishna Chambers,

5b, 5<sup>th</sup> Floor,

Tel. No.: 0265-2330019

## **SECRETARIAL AUDITORS**

**M/s Devesh Pathak & Associates,**

Practicing Company Secretaries

Vadodara

## **FACTORY/PLANT :**

Plot No. 180- GIDC,

Sidhpur Industrial Estate,

Abu- Ahmadabad Highway - 384151

**website: [www.kumukaindustries.com](http://www.kumukaindustries.com)**

**e-mail: [secretarial@kumukaindustries.com](mailto:secretarial@kumukaindustries.com)**

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## NOTICE

Dear Member(s),

NOTICE is hereby given that the 48<sup>th</sup> Annual General Meeting (AGM) of the Members of KUMAKA INDUSTRIES LIMITED will be held on Friday, 30<sup>th</sup> September, 2022 at 5:00p.m. through video conferencing (VC)/Other Audio Visual Means (OVAM) at deemed venue at the Registered Office of the Company at 404 Sharda Chambers, 33, New Marine Lines, Churchgate, Mumbai 400020, to transact the following business:

### **Ordinary Business:**

1. To receive, consider and adopt the Audited Financial Statement for the year ended on March 31, 2022 along with the reports of the Board of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Pankaj Kadakia (DIN-00166339), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company:

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

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, [including re-enactment(s) or modification(s) thereof for the time being in force], M/s. MB Majmudar & Co, Chartered Accountants (Firm Registration No. FRN 105884W), be and are hereby appointed as Statutory Auditors of the Company for a term of 5 consecutive years commencing from the conclusion of 48<sup>th</sup> Annual General Meeting until the conclusion of 53<sup>rd</sup> Annual General Meeting of the Company, at such remuneration plus reimbursement of out-of-pocket and other incidental expenses in connection with the audit, as recommended by the Audit Committee and approved by the Board of Directors.

**FURTHER RESOLVED THAT** any Director or Company Secretary of the Company be and is, hereby authorised to do all the acts and deeds necessary and expedient for the purpose including filing requisite forms with the Registrar of Companies."

### **Special Business:**

4. To approve the shifting of the registered office from the State of Maharashtra to the State of Gujarat and consequent alteration of Memorandum of Association of the Company

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

**"RESOLVED THAT** pursuant to the provisions of Section 12(5), Section 13 and other applicable provisions, if any of the Companies Act, 2013 [ including any re-enactment(s) or modification(s) thereof for the time being in force] ('the Act') read with Rule 30 of the Companies (Incorporation) Rules, 2014 and other relevant rules framed thereunder and subject to the approval of the Regional Director or the Central Government/ any other authority as may be

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prescribed from time to time, the consent of the members of the Company be and is hereby accorded for shifting of Registered Office of the Company from State of Maharashtra under the jurisdiction of Registrar of Companies, Mumbai to in the State of Gujarat under the jurisdiction of Registrar of Companies, Gujarat, Dadra & Nagar Haveli;

**FURTHER RESOLVED THAT** subject to the aforementioned approval and pursuant to Section 13 and all other applicable provisions, if any, of the Act, the existing clause II of the Memorandum of Association of the Company be and is hereby substituted with the following:

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

**“FURTHER RESOLVED THAT** for the purpose of giving effect to this resolution, any of the Directors of the Company be and is hereby severally authorized to do all the acts and deeds necessary and expedient including to sign, execute and deliver petitions, affidavits and other necessary documents in this behalf before the concerned Regional Director, the concerned Registrar of Companies and/ or any other appropriate authorities or any other authority or department, to appoint counsel, consultant to appear for and on behalf of the Company before the concerned Regional Director, the concerned Registrar of Companies and/ or any other appropriate authorities or any other authority or department.”

Date: 16<sup>th</sup> August, 2022

Place: Vadodara

For and On behalf of the Board

Sd/-

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

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## **NOTES**

### **1. COMMUNICATION TO MEMBERS**

- (i) Considering the present Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 (collectively referred to as “MCA Circulars”) permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (‘the Act’) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
- (ii) The explanatory statement pursuant to Section 102 of the Companies Act, 2013 (‘the Act’) with respect to the Special Business set out in the notice is annexed hereto and forms part of this notice
- (iii) Since, the AGM is being conducted through VC/OAVM in terms of aforesaid MCA circulars the facility for appointment of proxies by the members will not be available. However, body corporate shareholders may appoint representative for voting through remote e-voting or for participation and e-voting in the AGM to be held through VC/OAVM.
- (iv) The Notice of the Annual General Meeting along with the Annual Report for the financial year 2021-22 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020. Members may note that the Notice of Annual General Meeting and Annual Report for the financial year 2021-22 will also be available on the Company’s website [www.kumakaindustries.com](http://www.kumakaindustries.com); Members can attend and participate in the Annual General Meeting through VC/OAVM facility only.
- (v) Members attending the meeting through VC shall only be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- (vi) Copy of annual report and notice of AGM will also be available on the website of the Company at [www.kumakaindustries.com](http://www.kumakaindustries.com) and on the website of Link Intime India Pvt. Ltd. at [www.linkintime.co.in](http://www.linkintime.co.in). Soft copies of the full annual report will be sent to those shareholders who will request the same.
- (vii) All the documents referred to in the accompanying notice, will be available for inspection at the corporate 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.
- (viii) The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or

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arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. On request, members can inspect the same by sending an email to [secretarial@kumakaindustries.com](mailto:secretarial@kumakaindustries.com)

- (ix) In case you have any query relating to the enclosed financial statement, you are requested to send the same to the Company Secretary at the Corporate office of the Company or on email Id “secretarial@kumakaindustries.com”, at least 10 days before the date of AGM so as to enable the management to keep the information ready.

## 2. BOOK CLOSURE:

Register of Members and Share Transfer Books of the Company will remain closed from Saturday, 24<sup>th</sup> September, 2022 to Friday, 30<sup>th</sup> September, 2022 (both days inclusive) for the Annual General Meeting.

## 3. E-VOTING & CUT OFF DATE:

In compliance with the provisions of Section 108 of The Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014, and Regulation 44 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Members are provided with the facility to cast their votes electronically, through the e-voting services provided by Link Intime India Pvt. Ltd. on all the resolutions set forth in this Notice.

The Members, whose names appear in the Register of Members / Beneficial Owners as on Friday, 23<sup>rd</sup> September, 2022 (the “Cut-off Date”) may cast their vote electronically. The e-voting period will commence from Tuesday, 27<sup>th</sup> September, 2022, at 09:00 a.m. (IST) and will end on Thursday, 29<sup>th</sup> September, 2022 at 05:00 pm. (IST). The e-voting module will be disabled on 29<sup>th</sup> September, 2022 at 05:00 p.m. (IST). The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 23<sup>rd</sup> September, 2022.

## 4. Registration of email ID and Bank Account details:

In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent “RTA”/Depositories, log in details for e-voting are being sent on the registered email address.

In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate, the following instructions to be followed:

- (i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., [www.linkintime.co.in](http://www.linkintime.co.in) under Investor Services > Email/Bank detail Registration- fill in the details and upload the required documents and submit.

OR

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## (ii) In the case of Shares held in Demat mode:

The shareholder may please contact the Depository Participant ("DP") and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

## 5. SCRUTINIZER

M/s. Devesh Pathak & Associates, Practicing Company Secretaries having consented to act as a scrutinizer has been appointed as scrutinizer ("**Scrutinizer**") for scrutinizing the e-voting process at the AGM as well as Remote E-voting in a fair and transparent manner.

## 6. DECLARATION OF RESULTS

The Result of voting (Remote E-voting and the e-voting at the AGM) on the resolutions will be declared within 48 hours 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 will be placed on the website of the Company i.e. [www.kumakaindustries.com](http://www.kumakaindustries.com) and on the website of Link Intime India Private Ltd. ('LLIPL') i.e. [www.linkintime.co.in](http://www.linkintime.co.in), immediately after the result is declared.

## 7. 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.

## 8. DETAILS UNDER CLAUSE NO. 1.2.5 OF SECRETARIAL STANDARDS-2 IN RESPECT OF THE DIRECTOR SEEKING RE APPOINTMENT ARE ENCLOSED AS PER ANNEXURE-A TO THE NOTICE.

## 9. VOTING BY MEMBERS

The voting period begins on 27<sup>th</sup> September, 2022 at 09:00 am and ends on 29<sup>th</sup> September, 2022 at 05:00 pm. During this period shareholders of the Company, as on the cut-off date of 23<sup>rd</sup> September, 2022, may cast their vote electronically.

## 10. REMOTE E-VOTING INSTRUCTIONS FOR SHAREHOLDERS:

As per the SEBI circular dated December 9, 2020, individual shareholders holding securities in demat mode can register directly with the depository or will have the option of accessing various ESP portals directly from their demat accounts.

**Login method for Individual shareholders holding securities in demat mode is given below:**

1. Individual Shareholders holding securities in demat mode with NSDL
  1. Existing IDeAS user can visit the e-Services website of NSDL viz... <https://eservices.nsdl.com> either on a personal computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you

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will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be re-directed to "InstaVote" website for casting your vote during the remote e-Voting period.

2. If you are not registered for IDeAS e-Services, option to register is available at <https://eservices.nsdl.com> Select "Register Online for IDeAS Portal" or click at <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
  3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://eservices.nsdl.com> either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
2. Individual Shareholders holding securities in demat mode with CDSL
    1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <https://web.cdslindia.com/myeasi/home/login> or [www.cdslindia.com](http://www.cdslindia.com) and click on New System Myeasi.
    2. After successful login of Easi/Easiest the user will be able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
    3. If the user is not registered for Easi/Easiest, option to register is available at <https://web.cdslindia.com/myeasi/Registration/EasiRegistration>.
    4. Alternatively, the user can directly access e-Voting page by providing demat account number and PAN No. from a link in [www.cdslindia.com](http://www.cdslindia.com) home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. LINKINTIME. Click on LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.
  3. Individual Shareholders (holding securities in demat mode) login through their depository participants  
You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name i.e. LINKINTIME and you will be redirected to "InstaVote" website for casting your vote during the remote e-Voting period.

## **Login method for Individual shareholders holding securities in physical form/ Non-Individual Shareholders holding securities in demat mode is given below:**

Individual Shareholders of the company, holding shares in physical form / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register for e-Voting facility of Link Intime as under:

1. Open the internet browser and launch the URL: <https://instavote.linkintime.co.in>
2. Click on "Sign Up" under 'SHARE HOLDER' tab and register with your following details: -

### **A. User ID:**

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Shareholders holding shares in physical form shall provide Event No + Folio Number registered with the Company. Shareholders holding shares in NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID; Shareholders holding shares in CDSL demat account shall provide 16 Digit Beneficiary ID.

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable).

**C. DOB/DOI:** Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format)

**D. Bank Account Number:** Enter your Bank Account Number (last four digits), as recorded with your DP/Company.

*\*Shareholders holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above*

*\*Shareholders holding shares in **NSDL form**, shall provide 'D' above*

► Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter).

► Click "confirm" (Your password is now generated).

3. Click on 'Login' under '**SHARE HOLDER**' tab.
4. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'.

## Cast your vote electronically:

1. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon.
2. E-voting page will appear.
3. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link).
4. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

## Guidelines for Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIPL at <https://instavote.linkintime.co.in> and register themselves as '**Custodian / Mutual Fund / Corporate Body**'. They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

## Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders:

Shareholders facing any technical issue in login may contact Link Intime INSTAVOTE helpdesk by sending a request at [enotices@linkintime.co.in](mailto:enotices@linkintime.co.in) or contact on: - Tel: 022 – 4918 6000.

## Helpdesk for Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e. NSDL and CDSL.

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Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 22- 23058542-43.

## Individual Shareholders holding securities in Physical mode has forgotten the password:

If an Individual Shareholders holding securities in Physical mode has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the “Forgot Password” option available on the e-Voting website of Link Intime: <https://instavote.linkintime.co.in>

- o Click on ‘Login’ under ‘SHARE HOLDER’ tab and further Click ‘forgot password?’
- o Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on “SUBMIT”.

*In case shareholders is having valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above. The password should contain minimum 8 characters, at least one special character (@!#\$%&\*), at least one numeral, at least one alphabet and at least one capital letter.*

User ID for Shareholders holding shares in Physical Form (i.e. Share Certificate): Your User ID is Event No + Folio Number registered with the Company

## Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:

Shareholders who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular “Event”.

### InstaVote Support Desk

Link Intime India Private Limited

## 11. PROCESS AND MANNER FOR ATTENDING THE ANNUAL GENERAL MEETING THROUGH INSTAMEET:

1. Open the internet browser and launch the URL: <https://instameet.linkintime.co.in>

► Select the “Company” and ‘Event Date’ and register with your following details: -

**A. Demat Account No. or Folio No:** Enter your 16 digit Demat Account No. or Folio No

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- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**
- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

**B. PAN:** Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

**C. Mobile No.:** Enter your mobile number.

**D. Email ID:** Enter your email id, as recorded with your DP/Company.

► Click “Go to Meeting” (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

## **Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:**

1. Shareholders who would like to speak during the meeting must register their request 3 days in advance with the company on the specific email id created for the general meeting.
2. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

## **Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:**

Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting “Cast your vote”
2. Enter your 16 digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMEET and click on 'Submit'.
3. After successful login, you will see “Resolution Description” and against the same the option “Favour/ Against” for voting.
4. Cast your vote by selecting appropriate option i.e. “Favour/Against” as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under ‘Favour/Against’.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on “Save”. A confirmation box will be displayed. If you wish to confirm your vote, click on “Confirm”, else to change your vote, click on “Back” and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

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Note: Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting. Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/ participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.

Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

In case shareholders/ members have any queries regarding login/ e-voting, they may send an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or contact on: - Tel: 022-49186175.

**InstaMeet Support Desk**

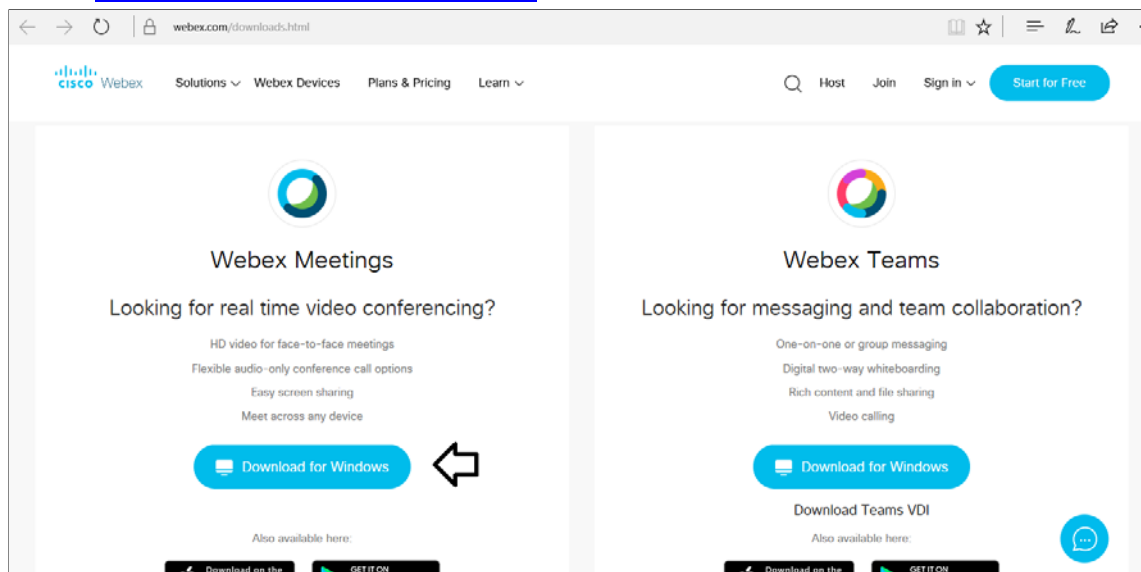
**Link Intime India Private Limited**

## Annexure

### **Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET**

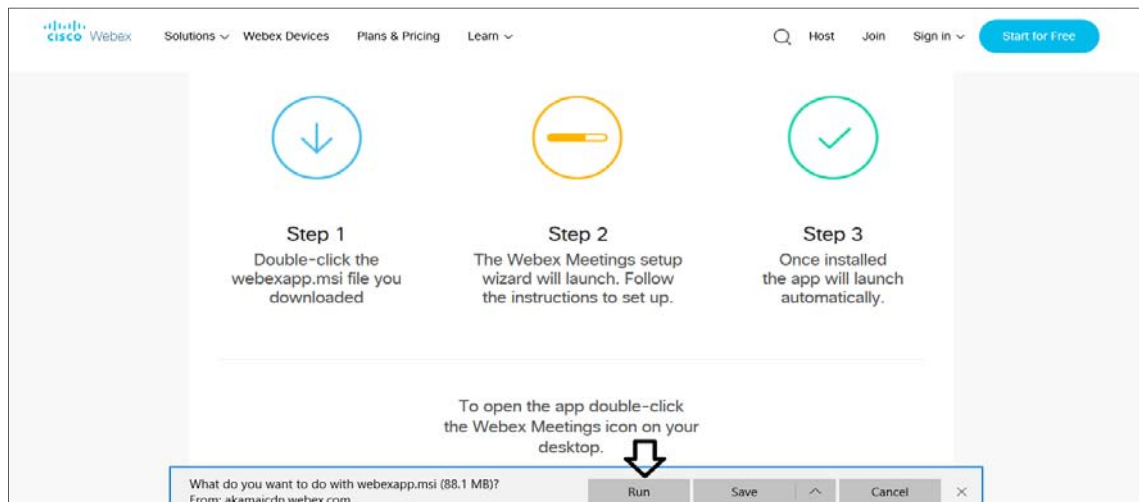
For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

- a) Please download and install the Webex application by clicking on the link <https://www.webex.com/downloads.html/>



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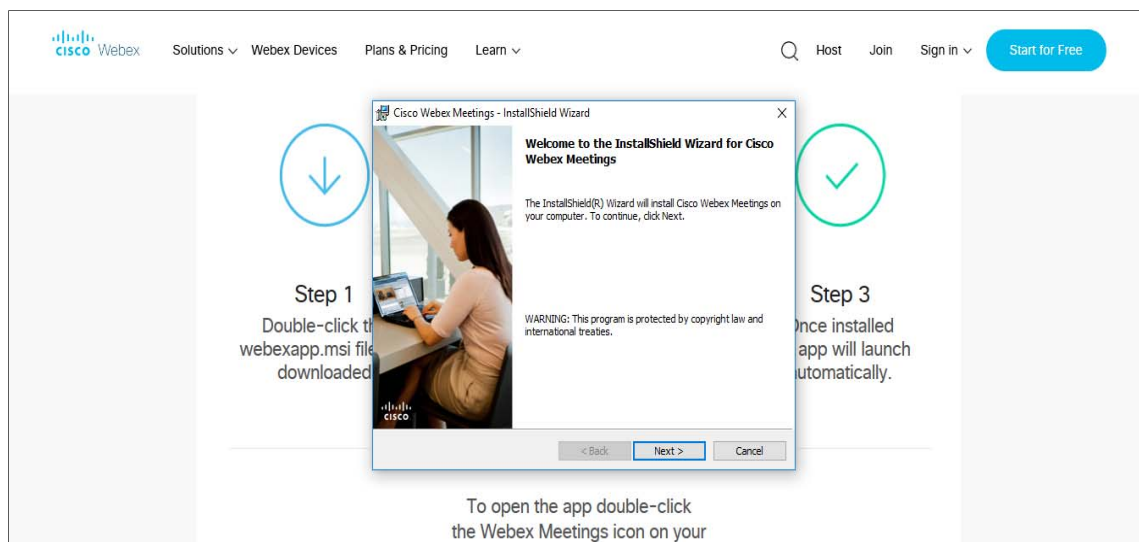
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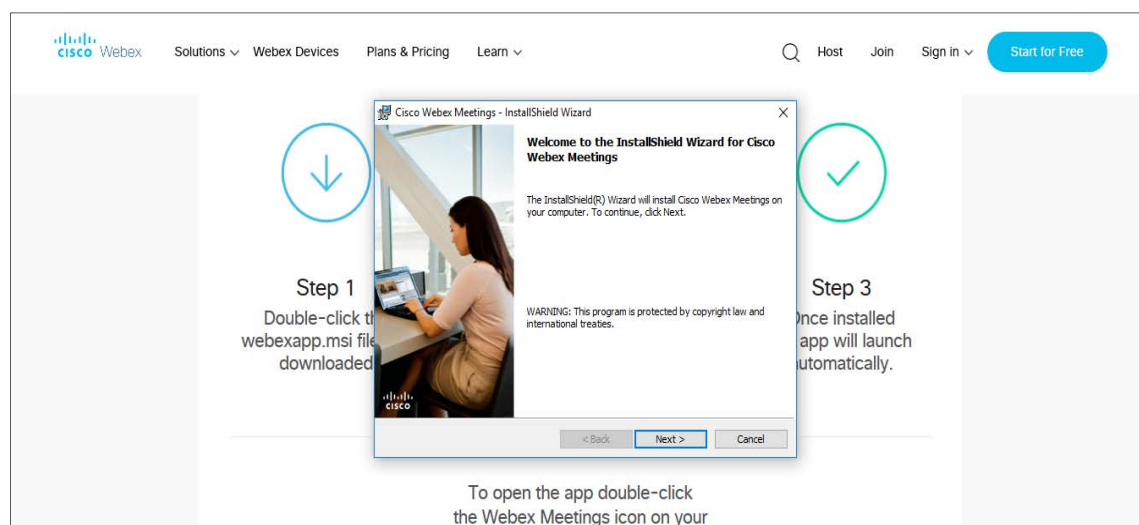
The screenshot shows the Cisco Webex website with the following navigation links: Solutions, Webex Devices, Plans & Pricing, and Learn. There are also links for Host, Join, Sign in, and a Start for Free button. The main content area displays three steps for installation:

- Step 1** (Blue circle with a downward arrow): Double-click the webexapp.msi file you downloaded.
- Step 2** (Yellow circle with a pencil icon): The Webex Meetings setup wizard will launch. Follow the instructions to set up.
- Step 3** (Green circle with a checkmark): Once installed the app will launch automatically.

Below the steps, a text box states: "To open the app double-click the Webex Meetings icon on your desktop." An arrow points to a Windows file explorer window showing the file "webexapp.msi (88.1 MB)" from "akamaicdn.webex.com". The "Run" button is highlighted.



This screenshot is similar to the first one, but with the "Cisco Webex Meetings - InstallShield Wizard" window overlaid. The window title is "Cisco Webex Meetings - InstallShield Wizard". The main text inside the window reads: "Welcome to the InstallShield Wizard for Cisco Webex Meetings". Below this, it says: "The InstallShield(R) Wizard will install Cisco Webex Meetings on your computer. To continue, click Next." There is a "WARNING: This program is protected by copyright law and international treaties." at the bottom. The "Next >" button is highlighted.



This screenshot is identical to the previous one, showing the Cisco Webex website with the installation steps and the "Cisco Webex Meetings - InstallShield Wizard" window overlaid. The "Next >" button is highlighted.

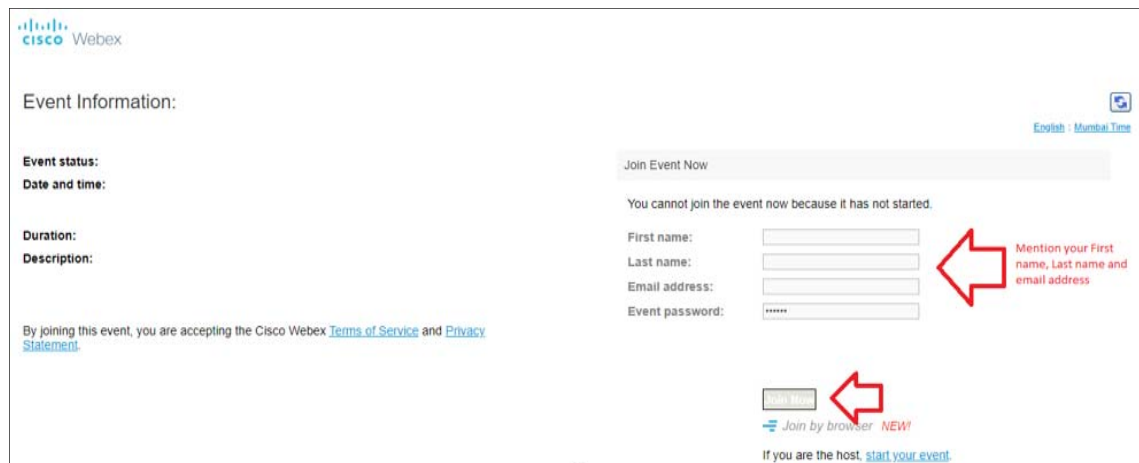
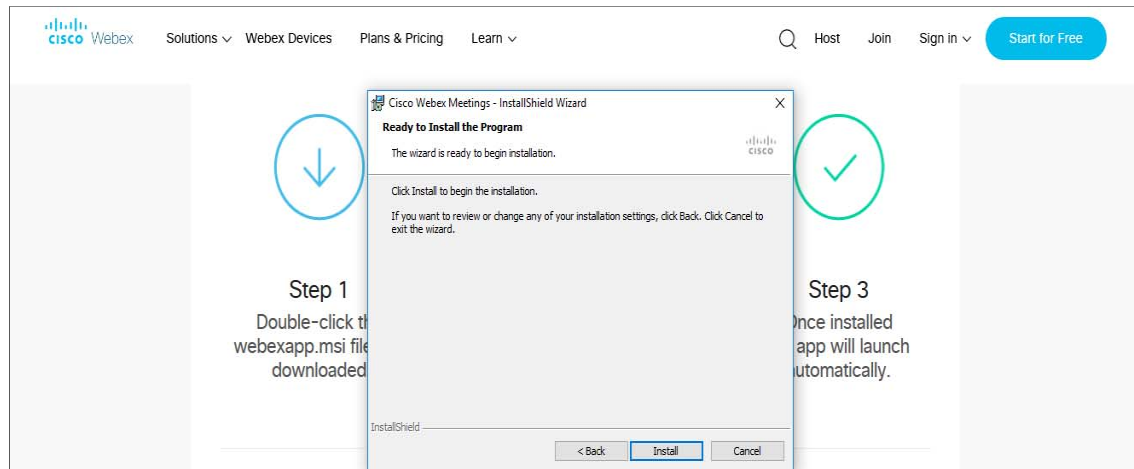
or

# KUMAKA INDUSTRIES LIMITED

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- b) If you do not want to download and install the Webex application, you may join the meeting by following the process mentioned as under:

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1 (A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1 (B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or <a href="#">Run a temporary application</a> . Click on <a href="#">Run a temporary application</a> , an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now



## Note:

- Shareholders/ Members, who will be present in the Annual General Meeting through Insta Meet facility and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.
- Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through Insta Meet. However, they will not be eligible to vote again during the meeting.

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- (iii) In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to [instameet@linkintime.co.in](mailto:instameet@linkintime.co.in) or Call us: - Tel : ( 022-49186175 )
- (iv) Institutional/Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to [maildeveshpathak@rediffmail.com](mailto:maildeveshpathak@rediffmail.com) with copies marked to the Company at [secretarial@kumakaindustries.com](mailto:secretarial@kumakaindustries.com) and to its RTA at [alpesh.gandhi@linkintime.co.in](mailto:alpesh.gandhi@linkintime.co.in).

Date: 16<sup>th</sup> August, 2022

Place: Vadodara

For and On behalf of the Board

Sd/-

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

# KUMAKA INDUSTRIES LIMITED

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## **ANNEXURE 'A'**

**Details in terms of Secretarial Standard-2 issued by Institute of Company Secretaries of India, in respect of Director's seeking appointment/ re-appointment:**

<b>Name of Director</b>	<b>Pankaj Kadakia</b>
DIN	00166339
Date of birth	16/09/1950
Experience	45 years
Nationality	Indian
Qualifications	M.S. (Polymer materials) from Polytechnic Institute of Brooklyn, New York, USA, B.S. (Chemical Engineering) B.Sc (chemistry) from Bombay University
Expertise in specific functional areas	Successful execution of various projects of the Company as well as marketing and financial management.
Terms and conditions of re appointment	Re-appointment as a Retiring Director
Details of remuneration and remuneration last drawn	N.A
Date on which first appointment on Board	12/07/2014
Details of shareholding in the company	2829450 shares
Relationship with other directors / key managerial person (if any)	Not Related
Number of board meetings attended during the year	5
Details of directorship/ committee chairmanship membership in other companies	Directorships:  1. Kadakia Alkalies and Chemicals Private Limited 2. Ashok Cellulose Limited  Committee Chairmanship/Memberships in other Companies: NA

Date: 16<sup>th</sup> August, 2022

Place: Vadodara

For and On behalf of the Board

Sd/-

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

# KUMAKA INDUSTRIES LIMITED

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## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item no. 4**

Keeping in view the economic and administrative convenience, your directors at their meeting held on 16<sup>th</sup> August, 2022 proposed to shift the registered office of the Company from Mumbai, Maharashtra to Vadodara, Gujarat

It would result in carrying on the affairs of the Company in a more efficient and economical manner and thus, in the long run, would be beneficial to the Company and its stake holders. There will not be retrenchment of any employee of the Company consequent to the shifting of the Registered Office of the Company.

In terms of the provisions of Section 13(4) of the Companies Act, 2013 read with the Rule 30 of the Companies (Incorporation) Rules, 2014, , shifting of the Registered Office from one State to another state and alteration of clause II of the Memorandum of Association require the approval of Central Government (presently: Regional Director). Upon approval of the resolution by the shareholders, necessary application will be submitted to the Central Government (presently: Regional Director). Accordingly, your directors recommend and seek approval of the members Resolution as set out in Item no. 4 of the accompanying Notice by way of Special Resolution.

The draft Memorandum of Association as amended for shifting of the registered office would be available for inspection by the Members at the corporate office of the Company on all working days(except Saturdays and Sundays), between 11:00 a.m. to 1:00 p.m. up to the date of the Meeting.

Neither any of the Directors/Key Managerial Personnel of the Company nor their relatives are in any way, financially or otherwise, concerned or interested in the said Resolution as set out in item no. 4.

For and On behalf of the Board

Date: 16<sup>th</sup> August, 2022

Place: Vadodara

Sd/-

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

# KUMAKA INDUSTRIES LIMITED

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## **BOARD'S REPORT**

To,  
The Members,  
**Kumaka Industries Limited**

Your Directors are pleased to present their 48<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited financial statement for the Year ended 31<sup>st</sup> March, 2022.

### **1. THE STATE OF THE COMPANY'S AFFAIRS:**

#### **(i) Financial summary /highlights:**

PARTICULARS	2021-22 (in Rs.)	2020-21 (in Rs.)
<b>TOTAL INCOME</b>	<b>50,12,966</b>	<b>47,27,210</b>
<b>PROFIT / (LOSS) BEFORE DEPRECIATION AND TAX</b>	<b>7,66,993</b>	<b>(62,80,498)</b>
(Less): Depreciation & Amortization expenses	( 1,43,405 )	(2,81,609)
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>6,23,588</b>	<b>(65,62,107)</b>
(Less): TAX EXPENSES:		
Add/(Less) : Current tax	-	-
: Current Tax in relation to prior period	-	-
: Deferred Tax	-	-
<b>NET PROFIT/(LOSS) AFTER TAX</b>	<b>6,23,588</b>	<b>(65,62,107)</b>
<b>Add/(Less): Balance carried forward</b>	<b>(36,49,75,224)</b>	<b>(43,34,12,359)</b>
<b>Add: Revaluation surplus on sale of land transfer from Other Comprehensive Income (OCI)</b>	<b>-</b>	<b>7,49,99,241</b>
<b>Balance carried to the Balance Sheet</b>	<b>(36,43,51,637)</b>	<b>(36,49,75,224)</b>

#### **(ii) Operational results**

During the year, total income of the Company was Rs. 50,12,966 /- as against Rs. 47,27,210 /- in the previous year. The Company has incurred net profit of Rs. 6,23,588 /- as against net loss of Rs. 65,62,107/- in the previous year.

Your Directors are making efforts to procure more business and the business is expected to increase in future.

# KUMAKA INDUSTRIES LIMITED

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## 2. **DIVIDEND:**

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

## 3. **TRANSFER TO RESERVES:**

The Company is not required to transfer any amount to its reserve. Hence no amount is transferred to reserves during the year under review.

## 4. **REPORTING OF FRAUDS:**

There have been no instances of fraud reported by the Auditors under section 143(12) of the Act and rules framed there under either to the Company or to the Central Government.

## 5. **EXIT OFFER:**

The Company was moved to the Dissemination Board of the BSE Limited in terms of compulsory delisting order dated 12<sup>th</sup> August, 2021 passed by BSE Limited vide its letter no. LIST/COMP/MR/003/2021-22 dated 12<sup>th</sup> August, 2021 under the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 ("Regulations"), Securities Contracts (Regulation) Act, 1956 read with Securities Contracts (Regulation) Rules, 1957 and Rules, Bye Laws and regulations of BSE.

In view of the same, the Designated Stock Exchange had appointed Independent Valuer(s) to determine the fair value of the delisted equity shares. The said Independent Valuer(s) after taking into consideration the applicable valuation methodologies, had determined the fair value of the Equity Shares to be Rs. 15.04/- (Rupees Fifteen and Paise Four Only) per Equity Share. The said price was communicated by BSE Ltd. vide its letter dated 12<sup>th</sup> August, 2021.

Accordingly, Mr. Pankaj Kadakia ("the Offeror"), the Promoter of Kumaka Industries Limited vide public Announcement in Free Press Journal, Mumbai Edition, Business Standard, All India Edition (English) and in Navshakti, Mumbai Edition City Edition (Regional language News Paper) on 14<sup>th</sup> September, 2021 made an Exit offer to the shareholders of the Company to acquire 15,03,475 Equity Shares having face value of Rs. 10/- each at the exit price of Rs. 15.04 per fully paid Equity Share of the Company from the Public Shareholders of the Company.

Shareholders were invited to tender their fully paid up Equity Shares of Rs. 10/- each during the period between Thursday, 16<sup>th</sup> September, 2021 and Friday, 15<sup>th</sup> October, 2021 and the promoter has, in compliance with all the directions issued vide notice dated 12<sup>th</sup> August, 2021 and provisions of SEBI (Delisting of Equity Shares) Regulations, 2009 provided due exit to its public shareholders who had successfully tendered their shares during the offer period.

**Note:** All the Public Shareholders who have not offered their shares under the Exit Offer period can tender their shares by submitting the required documents up to a period of 1 (one) year from completion of offer i.e. up to 15<sup>th</sup> October, 2022 at the Offer Price as per the Valuation by BSE.

## 6. **SHARE CAPITAL:**

- i. In the regard, your Directors would like to state that earlier the Hon'ble National Company Law Tribunal, Mumbai (Hon'ble NCLT) had approved the scheme of Arrangement between the Company and its Equity shareholders mainly in

# KUMAKA INDUSTRIES LIMITED

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respect of equity share capital. The Company was in the course of implementation of the same.

- ii. However, there after order Hon'ble National Company Law Appellate Tribunal (Hon'ble NCLAT) vide its order no. 136/2020 dtd 20<sup>th</sup> October, 2020 set aside the order of Hon'ble NCLT and directed the Company to undo all the actions taken in line with the scheme sanctioned by the Hon'ble NCLT.
- iii. According, in order to undo the same, initially 10375 EQUITY Shares to cancelled in terms of Hon'ble NCLT order were revived.
- iv. Keeping in view divergent views of stakeholders in respect of implementation of the order dtd. 20<sup>th</sup> October, 2020 issue by Hon'ble NCLAT, the matter is pending before the Hon'ble NCLAT.
- v. Accordingly, paid up Equity Share Capital as on 31<sup>st</sup> March, 2022 continue to be Rs. 12.085 Crores.

## 7. SUBSIDIARY COMPANIES:

The Company neither has any subsidiary/joint venture/associate Company and no Company has become/ceased to be subsidiary/joint venture/associate Company during the year.

## 8. DIRECTORS'RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, confirms that:

- a) in the preparation of the annual financial statements for the year ended March 31, 2022, the applicable accounting standards have been followed along with proper

explanation relating to material departures, if any;

- b) 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, 2022 and of the profit and Loss of the Company for the year ended on that date;
- c) 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) the annual financial statements have been prepared on a going concern basis and applying IND-AS.
- e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- f) systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## 9. DEPOSITS:

The Company has neither accepted nor renewed any deposits within the meaning of Section 73 of Companies Act, 2013 ('the Act') read with the Companies (Acceptance of Deposits) Rules, 2014.

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

# KUMAKA INDUSTRIES LIMITED

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In terms of Section 152 and 160 of the Companies Act, 2013 and in accordance with the Articles of Association of the Company, Mr. Pankaj Kadakia would retire at the ensuing Annual General Meeting and being eligible offers himself for reappointment. Requisite notice in respect of his reappointment is also received. Nomination & remuneration Committee as well as the Board have recommended his re-appointment.

Change in Directors/ KMPs during the year was as follows:

- Mrs. Indula Panchal (DIN: 07543310), Director of the Company resigned with effect from 10<sup>th</sup> August, 2022 from the Directorship of the Company. The Board took on record its appreciation for valuable services rendered by her.
- Ms. Mauli Mehta, Company Secretary of the Company resigned on 31<sup>st</sup> December, 2021 from the post of Company Secretary of the Company;
- Ms. Vidisha Hingu was appointed as a Company Secretary of the Company w.e.f. 28<sup>th</sup> June, 2022.

### **11. (A) STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF THE ACT:**

The Board of Directors hereby declares that all the independent directors duly appointed by the Company have given the declaration and they meet criteria of independence as provided under Section 149(6) of the Act.

### **(B) A STATEMENT WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF INDEPENDENT DIRECTORS:**

Your Directors are of the opinion that Independent Directors of the Company

are of high integrity and suitable expertise as well as experience (including proficiency).

### **12. BOARD MEETINGS HELD DURING THE YEAR:**

5 Meetings of Board of Director were held during the year on 01/06/2021, 21/07/2021, 17/08/2021, 23/11/2021, and 10/03/2022.

Details of attendance of directors is as follows:

Name of Directors	No. of Meetings	
	Held	Attended
Dr. Niranjana M. Pandya	5	3
Mr. Pankaj Kadakia	5	5
Dr. T. D. Tiwari	5	5
Dr. Indula Panchal	5	1

### **13. A STATEMENT RELATING TO MANNER OF ANNUAL EVALUATION BY THE BOARD OF PERFORMANCE OF BOARD/ COMMITTEE/ DIRECTORS:**

Since the Company is neither listed Company nor public Company having paid up capital of Rs. 25 crores or more, the Company is not required to furnish the statement and accordingly, the same has not been furnished.

### **14. NOMINATION AND REMUNERATION COMMITTEE:**

The Committee consists of two Independent Directors viz. Dr. T. D. Tiwari and Dr. Niranjana M. Pandya with Dr. T. D. Tiwari, as the Chairman and Mr. Pankaj M Kadakia, Chairman of the Company as the member. The Committee met on 21/07/2021

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

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Name of Members	Status of the Meetings		
	Category of Director	Held	Attended
Dr.Niranjan M. Pandya	Chairman	1	1
Mr.Pankaj Kadakia	Member	1	1
Dr. T. D. Tiwari	Member	1	1

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 and shareholders 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.**

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 terms of reference of the Nomination and Remuneration Committee are in accordance with Section 178 of the Act including following major terms:**

- 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 employees

- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- 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.

## 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 Nomination and Remuneration Committee consisting of members as aforesaid reviews and recommends the remuneration package of the Executive Director(s) based on performance and defined criteria.

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 calibre 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/- for attending every Board Meeting and Committee Meetings respectively.**

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Except sitting fees, no other payments towards remuneration were made to the non-executive directors.

Nomination and Remuneration Policy of the Company is available on website of the Company at [www.kumakaindustries.com](http://www.kumakaindustries.com)

## **15. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

System of adequate Internal Financial Controls with reference to the Financial Statements is already in place.

## **16. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1) OF THE COMPANIES ACT 2013:**

The Company has entered into contracts/ arrangement with related parties pursuant to section 188 of the Companies Act, 2013. Its particulars are enclosed as per **Annexure - A**.

## **17. STATUTORY AUDITORS:**

The period of appointment of M/s SCA and Associates, Chartered Accountants as statutory auditors of the Company expires on the day of the ensuing Annual General Meeting.

Being eligible, it was proposed to re-appoint them as Statutory Auditor; however, vide their letter dated 16<sup>th</sup> August, 2022, M/s. SCA and Associates have expressed their unwillingness for re-appointment due to personal reasons.

Accordingly, based on the recommendation of the Audit Committee your Directors recommend appointment of M/s. MB Majmudar & Co, Chartered Accountants as statutory auditors from

the conclusion of the 48<sup>th</sup> Annual General Meeting till the conclusion of 53<sup>rd</sup> Annual General Meeting in compliance with the provision of Section 139[1] of the Companies Act, 2013. They have furnished their consent and requisite certificate in respect of their eligibility.

## **18. SECRETARIAL AUDIT REPORT:**

Since the Company does not fall in any of the criteria for Secretarial Audit as per the provisions of section 204 of the Act, the Company is not required to obtain Secretarial Audit Report.

## **19. Explanation(s) / Comment(s) on Qualification(s) / Reservation(s) / Adverse Remark(s) / Disclaimer by the Statutory Auditor or Secretarial Auditor in their Report:**

Neither the Statutory Auditor nor the Secretarial Auditors of the Company, if any in their respective reports have made any qualification, reservation, adverse remarks nor any disclaimer. Accordingly, no explanation or comments are required to be furnished.

## **20. AUDIT COMMITTEE:**

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

The Committee consists of two Independent Directors viz. Dr. Niranjan M. Pandya, Dr. T. D. Tiwari and one Executive Director viz. Mr. Pankaj Kadakia with Dr. Niranjan Pandya, as the Chairman. The Committee met on 01/06/2021, 21/07/2021, 17/08/2021 and 23/11/2021 and 10/03/2022.

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

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Name of Members	Status of the Meetings		
	Category of Director	Held	Attended
Dr.Niranjan M. Pandya	Chairman	5	3
Mr.Pankaj Kadakia	Member	5	5
Dr. T. D. Tiwari	Member	5	5

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.

## Terms of reference:

The terms of reference of the Audit Committee is aligned with the terms of reference provided under Section 177(4) of the Act.

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.

## 21. A STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY:

The Company has a reasonably workable risk management policy to identify measure and mitigate business risks and opportunities. The policy seeks to minimize adverse impact on the business objective and enhances the Company's competitive advantage. This risk management policy helps in managing market, credit and operations risks.

## 22. 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.

## 23. DETAILS ABOUT THE DEVELOPMENT AND IMPLEMENTATION OF POLICY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

Since the Company does not fall in any of the criteria mentioned in section 135(1) of the Act, provisions of Section 135 of the Act, and rules framed thereunder relating to corporate social responsibility, are not applicable to the Company. Hence, no details in the regard have been furnished.

## 24. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company in view of lesser than 10 employees was not required to constitute Internal Complaint Committee under POSH Act. However, the Company has zero tolerance approach towards Sexual Harassment of Woman at workplace. Further, there were no complaints received by the Company during the year under the review.

## 25. DISCLOSURE ON ESTABLISHMENT OF A VIGIL MECHANISM:

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

# KUMAKA INDUSTRIES LIMITED

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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 have been denied access to the Audit Committee.

## 26. COST AUDITORS:

The Company is not required to appoint the cost auditor as specified by the Central Government under Section 148(1) of the Companies Act, 2013 and accordingly the Company has not appointed the cost auditor.

## 27. COST RECORDS:

The Company is not required to maintain the cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013 and accordingly the Company has not maintained the cost records.

## 28. 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.

## 29. PARTICULARS OF EMPLOYEES AND REMUNERATION:

Pursuant to the Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 no employee of the Company was paid remuneration exceeding the prescribed limits, during the Financial year 2021-22.

## 30. ANNUAL RETURN:

The Company has placed a copy of the annual return on its website and the same is available on- [www.kumakaindustries.com](http://www.kumakaindustries.com).

## 31. MATERIAL CHANGES AND COMMITMENTS:

There was no material change and commitment affecting the financial position of the Company which have occurred between the end of financial year of the Company i.e. 31<sup>st</sup> March, 2022 and the date of this report and hence not reported.

## 32. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO AS PER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014:

### A) Conservation of Energy:

Your Company is serious in conserving energy by reducing consumption of power by implementing close monitoring over plant 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:

Since, the Company has not imported any technology the Company has no information to offer in respect of technology absorption.

### C) Foreign Exchange earnings and outgo:

The Company has neither earned nor spent any foreign exchange.

## 33. CHANGE IN NATURE OF BUSINESS, IF ANY:

# KUMAKA INDUSTRIES LIMITED

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There is no change in nature of the business of the Company during the year.

## **34. MEDIAN EMPLOYEE DETAILS:**

The Company being an Unlisted Company, provisions of Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 ('the Rules') are not applicable. Moreover, the Company does not have any employee drawing remuneration within the meaning of Rule 5(2) of the Rules. Accordingly, no information in the regard has been furnished.

## **35. VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT:**

Since the Company has not made any voluntary revision of Financial Statements or Board's Report during the year under review, detailed reasons for the same pursuant to proviso to section 131 of the Act are not required to be reported.

## **36. A STATEMENT RELATING TO MANNER OF ANNUAL EVALUATION BY THE BOARD OF PERFORMANCE OF BOARD/COMMITTEE/DIRECTORS:**

Since the Company is neither listed Company nor public Company having paid up capital of Rs. 25 crores or more, the Company is not required to furnish the statement and accordingly, the same has not been furnished.

## **37. RECEIPT OF ANY COMMISSION BY MD/WTM FROM THE COMPANY OR FOR RECEIPT OF COMMISSION/REMUNERATION FROM IT'S HOLDING OR SUBSIDIARY:**

The Managing Director is not in receipt of any Commission from the Company and the Company neither has any Holding company nor any subsidiary company. Hence, the details of commission pursuant to Section 197(14) of the Act are not required to be reported.

## **38. 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 01.10.2017), your Directors state that the Company is compliant of applicable Secretarial Standards during the year under review.

## **39. NO APPLICATION/ PROCEEDING UNDER IBC:**

Neither any application is made nor any proceeding is pending under the Insolvency and Bankruptcy Code, 2016 (IBC) during the year under review and accordingly the Company has no information to offer in the regard.

## **40. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:**

During the year, no such event has occurred. Hence, reasons for the same are not required to be provided.

## **41. DISCLOSURE REGARDING ISSUE OF SWEAT EQUITY SHARES:**

During the year, the Company has not issued Sweat Equity Shares. Hence, details as per Rule 8(13) of the Companies

# KUMAKA INDUSTRIES LIMITED

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(Share Capital and Debentures) Rules, 2014 are not required to be reported

## **42. DISCLOSURE REGARDING ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS:**

The Company has not issued any Equity Shares with Differential rights as to dividend or vote during the year. Hence, details as per Rule 4(4) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be reported.

## **43. DISCLOSURE REGARDING ISSUE OF EMPLOYEE STOCK OPTIONS**

The Company has not issued any Employee Stock Options during the year. Hence, the details as per Rule 12(9) of Companies (Share Capital and Debentures) Rules, 2014 are not required to be reported.

## **44. ACKNOWLEDGEMENTS:**

Your Directors take opportunity to express their gratitude to government, bankers, advisors, employees and shareholders for their valuable support and co-operation.

### **Registered Office Address: -**

**404 Sharda Chambers,  
33, Sir Vithaldas Thakersey Marg,  
New Marine Lines,  
Mumbai City MH 400020 IN**

**Date: 16<sup>th</sup> August, 2022**

**For and on behalf of the Board,**

**Sd/-**

**Pankaj Kadakia**

**Chairman & Managing Director**

**[DIN: 0016339]**

# KUMAKA INDUSTRIES LIMITED

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## Annexure- A

### **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 arm's 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.

Sl.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 2. Sterilization plant through ETO process
c.	Duration of the contracts/arrangements/transaction	5 years w.e.f. 1 <sup>st</sup> April, 2020
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Upto Rs. 50 Lakhs per annum
e.	Date of approval by the Board	7 <sup>th</sup> February, 2020
f.	Amount paid as advances, if any	As given in balance sheet

For and on behalf of the Board,

Sd/-

**Pankaj Kadakia**  
**Chairman & Managing Director**  
**[DIN: 0016339]**

## **INDEPENDENT AUDITOR'S 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 2022, 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 aforesaid 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, ("IndAS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022 the loss and total comprehensive income, changes in equity and its cash flows 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 thereunder, 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 Ind AS 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.

In preparing the Standalone Ind AS 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 overseeing 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 Ind AS 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 a reasonably 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 doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## **Report on Other Legal and Regulatory Requirements**

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

1. As required by the Companies (Auditor's Report) Order, 2016 ("Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, We give in the "Annexure A", a statement of the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 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, the statement of cash flows 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 the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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 controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure B".
  - 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 best of my

information and according to the explanations given to us: -

- a. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 21 to the financial statements.
- b. The Company does not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- c. 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.

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

**Prakash R. Muni**  
**PARTNER**  
**Membership No: 30544**

UDIN No: 22030544AODTIT4106  
Place: Mumbai  
Dated: 29<sup>th</sup> July, 2022

## **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 31<sup>st</sup> March 2022, 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 having only intellectual property rights as its 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. Scope 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, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of loans given. 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, 2022 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, 2022 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	30,51,500	AY 2012-13	DY.Commissioner of Income Tax
Income Tax	5,80,741	AY 2014-15	CIT (APPEALS)

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 not paid/provided for managerial remuneration.
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.
14. According to the information and explanations given 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**  
**UDIN: 22030544AODTTT4106**  
**Place: Mumbai**  
**Date: 29<sup>th</sup> July, 2022**

## **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, 2022 in conjunction with my 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.

### **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, 2022 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**

**UDIN : 22030544AODTIT4106**

**Place: Mumbai**

**Dated: 29<sup>th</sup> July, 2022**

## **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, 2022 and authorized for issue on 29 July 2022.

### **Note 1: SIGNIFICANT ACCOUNTING POLICIES**

#### **(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.

#### **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 that 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.

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.

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 capitalized 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 accounting pronouncements**

Ministry of Corporate Affairs ("MCA") notice new standard or amendments to the existing standards under companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022 MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 01, 2022, as below:

(i) **Ind AS 103-Reference to Conceptual Framework**

The amendments to specify that to qualify for recognition as part of applying the acquisition method, the identifiable asset acquired and liabilities assumed must meet the definition of assets and liabilities in the conceptual framework for financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The company does not expect the amendment to have any significant impact in its financial statements

(ii) **Ind AS 16- Proceeds before intended use**

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amount received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The company does not expect the amendments to have any impact in its recognitions of its property, plants and equipment in its financial statements.

(iii) **Ind AS 37-Onerous Contracts –Costs of Fulfilling a Contract**

The amendments specify that that the 'cost of fulfilling a contract comprises the costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (example would be direct labour, materials) or an others costs that relate directly to fulfilling contracts. The amendments is essentially a clarification and the company does not expect the amendment to have any significant impact in its financial statements

(iv) **Ind AS 109-Annual Improvements to Ind AS (2021)**

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The company does not expect the amendment to have any significant impact in its financial statements.

(v) **Ind AS 116- Annual Improvements to Ind AS (2021)**

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

## 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. 2012-13	30,51,500	DY. Comm. of I.T. Mumbai
2	Income Tax	A.Y. 2014-15	5,80,741	CIT- Appeal Mumbai

#### Note.

1. Income Tax liabilities for the Assessment year 2014-15 Rs.5,80,741/- against that Rs.2,50,000/- have been paid during the year 2016-17.

#### (B) Claim by Employees

1. 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/-
2. 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 changes 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 31<sup>st</sup> March, 2022 to Managing Director Rs. 9,00,000 (P.Y. Rs.9,00,000/-).

Sitting Fees paid to Non- Executive/ Independent Directors -

Remuneration	2021-22	2020-21
	Rs.	Rs.
Sitting Fees	21,500	35,000

### 23. Earnings and Expenditure in Foreign Currency

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

24. 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		2021-22	2020-21
<b>Basic &amp; Diluted EPS :</b>			
Net Profit (Loss) after Tax for the year (Rs.)	A	6,23,588	(65,62,107)
Weighted Average No. of Shares (In Nos)	B	1,20,85,625	1,20,75,250
Basic & Diluted Earnings Per Share of Face Value of Rs 10 Per Share.	C (A/B)	0.05	(0.54)

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) Mauli Rushil Mehta – 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	Amount in Rs. Lacs	
		Other Related Parties	Total
Remuneration paid	9.00 (9.00)	NIL (NIL)	9.00 (9.00)

**C. Closing Balances**

Nature of Transaction	KMP	Amount in Rs. Lacs	
		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)
Short Term Borrowings	6.10 (6.21)	NIL (NIL)	6.10 (6.21)
Other Current Liabilities	20.20 (12.06)	NIL (NIL)	20.20 (12.06)

\*Figures in Italic and brackets are pertains to previous year

## **27. 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 is 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.

## **28. 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.

## 29. **Income Tax**

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.

## 30. **Additional Regulatory Information**

### (i) **Willful Defaulter**

The Company has not been declared willful defaulter by any bank or financial institutions or government or any government authority.

### (ii) **Relationship with struck off Companies**

The Company has no transactions with the companies struck off under the Companies Act, 2013.

### (iii) **Details of benami property held**

No Proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules Made thereunder.

### (iv) **Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

### (v) **Compliance with approved scheme(s) of arrangements**

The companies has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

### (vi) **Utilisation of Borrowed funds and Share premium**

No fund have been advanced or loaned or invested either from borrowed fund or share premium or any other sources or kind of funds by the Company to or in any other person or entity, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) **Undisclosed Income**

There is no income surrendered or disclosed as income during current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(viii) **Details of crypto currency or virtual currency**

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

(ix) **Valuation of PP&E, intangible asset and investment property**

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

(x) **Registration of changes or satisfaction with Registrar of Companies**

There are no changes or satisfactions which are yet to be registered with the Registrar of Companies beyond the statutory period.

(xi) **Ratios**

Particulars	Numerator	Denominator	31 <sup>st</sup> March 2022	31 <sup>st</sup> March 2021	Variance	Reason change in ratio by 25%
Current Ratio	Current Assets	Current Liability	5.58	5.14	8.59%	
Return on equity ratio	Net Profit after taxes	Average shareholders equity	0.01	(0.05)	(109.49)%	In FY 2021 there were in exceptional expenses of Rs.40,30,889 in FY 2021-22 it was NIL.
Trade Receivable turnover ratio	Revenue	Average Trade Receivable	6.09	18.29	(66.70)%	In usual course of business.
Trade payable turnover ratio	Purchases of services and other expenses	Average Trade payables	3.61	2.83	27.36%	In usual course of business.
Net capital turnover ratio	Revenue	Working Capital	0.01	0.02	(39.52)%	Business/Revenue has gone down this year.
Net profit ratio	Net Profit	Revenue	0.25	(1.59)	(115.66)%	In FY 2021 there were in exceptional expenses of Rs.40,30,889 in FY 2021-22 it was NIL.

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.

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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. Niranjan M. Pandya**

Director

DIN- 00385689

**Bharat A Parikh**

Chief Financial Officer

**Vidisha Vimal Hingu**

Company Secretary

**Place: Mumbai**

**Date: 29.07.2022**

**KUMAKA INDUSTRIES LIMITED**  
CIN - L99999MH1973PLC016315  
BALANCE SHEET AS AT 31ST MARCH, 2022

Particulars	Note	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>I) Non-Current Assets</b>			
(a) Property, Plant and Equipment	2	149,069,317	149,212,722
(b) Financial Assets			
(i) Investment	3	82,750	82,750
(ii) Other Financial Assets	4A	14,888,702	14,768,328
(iii) Loans Receivables	5	-	-
(c) Income Taxes	6	1,282,362	1,133,819
(d) Other Non Current Assets	7	629,111	629,111
<b>Total Non Current Assets</b>		<b>165,952,242</b>	<b>165,826,730</b>
<b>Current Assets</b>			
(a) Inventories		-	-
(b) Financial Assets			
(i) Trade Receivables	8	410,961	225,505
(ii) Cash and Cash Equivalents	9A	136,365	194,310
(iii) Other Bank Balances	9B	18,367,331	18,348,768
(iv) Other Financial Assets	4B	25,950	29,880
(c) Other Current Assets	10	923,474	826,943
<b>Total Current Assets</b>		<b>19,864,080</b>	<b>19,625,406</b>
<b>TOTAL ASSETS</b>		<b>185,816,322</b>	<b>185,452,135</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Share Capital	11	120,856,250	120,752,500
(b) Other Equity	12	61,399,645	60,879,808
<b>Total Equity</b>		<b>182,255,895</b>	<b>181,632,308</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
(a) Borrowings		-	-
(b) Employee Benefit Obligation		-	-
(c) Provisions		-	-
(c) Deferred Tax Liabilities		-	-
<b>Total Non Current Liabilities</b>		<b>-</b>	<b>-</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
(a) Borrowings	13 (A)	610,795	621,506
(b) Trade Payables	13 (B)	87,405	422,781
<b>Other Current Liabilities</b>	13 (C)	2,862,227	2,775,541
<b>Total Current Liabilities</b>		<b>3,560,427</b>	<b>3,819,828</b>
<b>TOTAL LIABILITIES</b>		<b>185,816,322</b>	<b>185,452,135</b>
<b>Significant accounting policies and notes on financial statements</b>			

For SCA And Associates  
Chartered Accountants  
Firm Registration No 101174 W

**Prakash R. Muni**  
Partner  
Membership No 30544

Place: Mumbai  
Date: 29.07.2022

For and on behalf of the Board

**Mr. Pankaj M. Kadakia**  
Managing Director  
DIN- 00166339

**Dr. Niranjana M. Pandya**  
Director  
DIN- 00385689

**Vidisha Vimal Hingu**  
Company Secretary

**KUMAKA INDUSTRIES LIMITED**  
CIN - L99999MH1973PLC016315  
**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2022**

Particulars		Note	Year Ended March 31,2022	Year Ended March 31,2021
I	Revenue from Operations	14	2,502,675	4,124,090
II	Other Income(net)	15	2,510,291	603,120
III	<b>TOTAL INCOME</b>		<b>5,012,966</b>	<b>4,727,210</b>
	Expenses			
(a)	Cost of Materials Consumed	16	315,234	1,197,201
(b)	Purchase of Traded goods		-	-
(c)	Employee Benefit Expenses	17	1,801,163	2,345,527
(e)	Other Expenses	18	2,122,036	3,427,857
(f)	Finance Costs	19	7,539	6,233
(g)	Depreciation and Amortisation Expense	3	143,405	281,609
IV	<b>TOTAL EXPENSES</b>		<b>4,389,378</b>	<b>7,258,428</b>
V	<b>PROFIT BEFORE EXCEPTIONAL ITEMS AND TAX(III-IV)</b>		<b>623,588</b>	<b>(2,531,218)</b>
VI	Exceptional items	20	-	4,030,889
VII	<b>PROFIT BEFORE TAX(V-VI)</b>		<b>623,588</b>	<b>(6,562,107)</b>
VIII	Tax Expense			
	Current Tax			
	Deferred Tax Liability/(Asset)			
	<b>TOTAL TAX EXPENSE</b>		<b>-</b>	<b>-</b>
IX	<b>PROFIT FOR THE YEAR (VII-VIII)</b>		<b>623,588</b>	<b>(6,562,107)</b>
X	<b>OTHER COMPREHENSIVE INCOME</b>			
(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		-	-
(D)	Income tax on items that will not be reclassified subsequently to the statement of profit and loss		-	-
	<b>TOTAL OTHER COMPREHENSIVE INCOME/(LOSSES)</b>		<b>-</b>	<b>-</b>
XI	<b>TOTAL COMPREHENSIVE INCOME OF THE YEAR</b>		<b>623,588</b>	<b>(6,562,107)</b>
XII	Earning per equity share:-Basic		0.05	(0.54)
	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			

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. Niranjan M. Pandya**  
Director  
DIN- 00385689

**Prakash R. Muni**

Partner

Membership No 30544

**Mr. Bharat A. Parikh**  
Chief Financial Officer

**Vidisha Vimal Hingu**  
Company Secretary

Place : Mumbai  
Date: 29.07.2022

**KUMAKA INDUSTRIES LIMITED**  
CIN- L99999MH1973PLC016315  
Cash Flow Statement for the period ended 31st March, 2022

(Rs.)

Particulars	Year Ended 31st March, 2022	Year Ended 31st March, 2021
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss) before Tax	623,588	(6,562,107)
<b>Adjustments for:</b>		
Interest received	(1,081,014)	(457,452)
Dividend received	(3,150)	(3,150)
Interest	7,539	6,233
Depreciation	143,405	281,609
<b>Operating Profit before Working Capital Changes</b>	(309,632)	(6,734,867)
<b>Adjustments for:</b>		
(Increase)/Decrease in Inventory	-	-
(Increase)/Decrease in Trade Receivable	(185,456)	998,496
(Increase)/Decrease in Other Current Assets	(216,905)	76,002,073
Increase/(Decrease) in Trade Payable	(335,376)	387,588
Increase/(Decrease) in Current Liabilities	75,975	(54,966,856)
<b>Cash generated from / (used in) operations</b>	(971,394)	15,686,434
Direct Taxes paid	(148,543)	(507,849)
<b>Cash Flow from Operating Activities</b>	(1,119,937)	15,178,585
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Property plant equipment	-	(94,756)
(Increase)/Decrease in Fixed Deposits	(18,563)	(15,439,686)
Interest received	1,084,944	428,172
Dividend received	3,150	3,150
<b>Net Cash used in Investing Activities</b>	1,069,531	(15,103,120)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Interest paid	(7,539)	(6,233)
<b>Net Cash Generated from Financing Activities</b>	(7,539)	(6,233)
<b>Net Increase in Cash &amp; Cash Equivalents (A+B+C)</b>	(57,945)	69,233
<b>Cash &amp; Cash Equivalents (Opening)</b>	194,310	125,077
<b>Cash &amp; Cash Equivalents (Closing)</b>	136,365	194,310

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

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Director  
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Mr. Bharat A. Parikh  
Chief Financial Officer

Vidisha Vimal Hingu  
Company Secretary

Place : Mumbai  
Date: 29.07.2022

KUMAKA INDUSTRIES LIMITED  
CIN - L99999MH1973PLC006315

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	Capital Reserve	General Reserve	Retained Earnings			
Balance as at April 1, 2020	120,856,250	292,203,750	-	40,178,015	(63,412,359)	168,368,758	67,338,164	188,194,414
Transfer (to)/from Share capital Profit for the year	(103,750)	-	103,750	-	-	-	103,750	(6,562,107)
Other comprehensive income	-	-	-	-	(6,562,107)	-	-	-
Transfer (to)/from Other comprehensive income	-	-	-	-	74,999,241.00	(74,999,241)	-	-
Total comprehensive income	-	-	-	-	(364,975,224)	-	-	-
Transfer of profits to Capital Redemption Reserve	120,752,500	292,203,750	103,750	40,178,015	-	93,369,517	60,879,808	181,632,308
Realised loss on equity shares carried at fair value through OCI	-	-	-	-	-	-	-	-
Balance as at March 31, 2021	120,752,500	292,203,750	103,750	40,178,015	(364,975,224)	93,369,517	60,879,808	181,632,308
Balance as at April 1, 2021	120,752,500	292,203,750	103,750	40,178,015	(364,975,224)	93,369,517	60,879,808	181,632,308
Transfer (to)/from Share capital Profit for the year	103,750	-	(103,750)	-	-	-	(103,750)	-
Other comprehensive income	-	-	-	-	623,588	-	623,588	623,588
Transfer (to)/from Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-
Transfer (to)/from Statement of Profit and Loss Account	120,856,250	292,203,750	-	40,178,015	(364,351,637)	93,369,517	61,399,645	182,255,895
Balance as at March 31, 2022	120,856,250	292,203,750	-	40,178,015	(364,351,637)	93,369,517	61,399,645	182,255,895

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) Capital Reserve: Reserve arising from reduction of shares capital.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS 1-33

For SCA And Associates

Chartered Accountants

Firm Registration No 101174 W

For and on behalf of the Board

Mr. Pankaj M. Kadakia  
Managing Director  
DIN- 00166339

Dr. Niranjan M. Pandya  
Director  
DIN- 00385689

Prakash R. Muni  
Partner  
Membership No. 30544

Mr. Bharat A. Parikh  
Chief Financial Officer

Vidisha Vimal Hingu  
Company Secretary

Place : Mumbai  
Date: 29/07/2022

KUMAKA INDUSTRIES LIMITED

Note 2 : Property, Plant and Equipment

Particulars	Land	Lease hold Land	Motor Car	Computers	Furniture and Fixtures	Air Conditioner	CC TV Camera	Fire Extinguisher	Water Treatment Plant	Bio Sterilizer Plant (M.S.)	Weight Scale	Total
<b>Gross Block</b>												
Balance as at 01.04.20	137,045,222	9,198,500	320,346	27,800	458,938	23,940	-	-	200,000	2,688,444	18,600	149,981,540
Additions during the year	-	-	-	-	-	27,336	59,830	7,590	-	-	-	94,756
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31.03.21</b>	<b>137,045,222</b>	<b>9,198,500</b>	<b>320,346</b>	<b>27,800</b>	<b>458,938</b>	<b>51,326</b>	<b>59,830</b>	<b>7,590</b>	<b>200,000</b>	<b>2,688,444</b>	<b>18,600</b>	<b>150,076,596</b>
<b>Balance as at 01.04.21</b>	<b>137,045,222</b>	<b>9,198,500</b>	<b>320,346</b>	<b>27,800</b>	<b>458,938</b>	<b>51,326</b>	<b>59,830</b>	<b>7,590</b>	<b>200,000</b>	<b>2,688,444</b>	<b>18,600</b>	<b>150,076,596</b>
Additions during the year	-	-	-	-	-	-	-	-	-	-	-	-
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31.03.22</b>	<b>137,045,222</b>	<b>9,198,500</b>	<b>320,346</b>	<b>27,800</b>	<b>458,938</b>	<b>51,326</b>	<b>59,830</b>	<b>7,590</b>	<b>200,000</b>	<b>2,688,444</b>	<b>18,600</b>	<b>150,076,596</b>
<b>Accumulated Depreciation</b>												
Balance as at 01.04.20	-	-	249,280	27,800	226,024	13,674	-	-	28,442	36,367	678	582,265
Depreciation charged during the year	-	-	38,057	-	40,436	8,927	7,350	466	12,660	170,179	3,534	281,609
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31.03.21</b>	<b>-</b>	<b>-</b>	<b>287,337</b>	<b>27,800</b>	<b>266,460</b>	<b>22,601</b>	<b>7,350</b>	<b>466</b>	<b>41,102</b>	<b>206,546</b>	<b>4,212</b>	<b>863,874</b>
<b>Balance as at 01.04.21</b>	<b>-</b>	<b>-</b>	<b>287,337</b>	<b>27,800</b>	<b>266,460</b>	<b>22,601</b>	<b>7,350</b>	<b>466</b>	<b>41,102</b>	<b>206,546</b>	<b>4,212</b>	<b>863,874</b>
Depreciation charged during the year	-	-	19,081	-	19,572	4,889	5,699	723	6,347	88,322	1,772	143,405
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance as at 31.03.22</b>	<b>-</b>	<b>-</b>	<b>306,418</b>	<b>27,800</b>	<b>286,032</b>	<b>27,490</b>	<b>13,049</b>	<b>1,189</b>	<b>47,449</b>	<b>291,868</b>	<b>5,984</b>	<b>1,007,279</b>
<b>Net Block</b>												
Balance as at 31.03.21	137,045,222	9,198,500	33,089	-	192,478	28,725	52,480	7,124	158,898	2,481,898	14,388	149,212,722
Balance as at 31.03.22	137,045,222	9,198,500	13,928	-	172,906	23,836	46,781	6,401	152,551	2,396,576	12,616	149,069,317

# KUMAKA INDUSTRIES LIMITED

Particulars	31st March, 2022	31st March, 2021
<b>Note 3 : Investments</b>		
<b><u>Investments Measured at Fair Value through OCI</u></b>		
<b><u>In Equity Shares of Former Subsidiary Unquoted, fully paid up</u></b>		
16,55,000 ( 16,55,000) Kadakia Alkalies & Chemicals Ltd of Rs.10/- each.	82,750	82,750
<b>Total</b>	<b>82,750</b>	<b>82,750</b>
<b>Note 4 : Other Financial Assets</b>		
<b>(A) Other Financial Assets - Non- Current</b>		
<b>Security Deposits</b>		
<b>a) Considered good</b>		
Deposit with GEB(DGVCL),GIDC Ankleshwar	3,693,196	3,693,196
Security Deposit	884,474	764,100
Deposits on Behalf of Kadakia Alkalies and Chemicals LTD with GEB (DGVCL)	10,311,032	10,311,032
<b>b) Credit Impaired</b>		
Deposit with DGVCL	209,024	209,024
Less: Provision for Doubtful Advances	(209,024)	(209,024)
<b>Total</b>	<b>14,888,702</b>	<b>14,768,328</b>
<b>(B) Other Financial Assets - Current</b>		
<b>a) Considered good</b>		
Interest receivable on bank Fixed Deposits	25,950	29,880
<b>b) Credit Impaired</b>		
	-	-
	<b>25,950</b>	<b>29,880</b>
<b>Note 5 : Loans Receivables</b>		
<b><u>a) Unsecured, Considered Goods</u></b>		
	-	-
<b><u>b) Credit Impaired</u></b>		
Interest free Advances to Related Parties	149,168,350	149,168,350
Less: Provision for Doubtful Advances	(149,168,350)	(149,168,350)
	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 6 : Income Taxes**

Advance Income Tax (Net of Provision for Tax)

1,282,362

1,133,819

**1,282,362****1,133,819**

**KUMAKA INDUSTRIES LIMITED**

Particulars	31st March, 2022	31st March, 2021
<b>Note 7 : Other Assets - Non Current</b>		
<b>a) Unsecured, Considered Goods</b>		
Capital Advances	629,111	629,111
<b>b) Credit Impaired</b>		
Other Advances	243,840	243,840
Less: Provision for Doubtful Advances	(243,840)	(243,840)
	-	-
<b>Total</b>	<b>629,111</b>	<b>629,111</b>
<b>Note 8 : Trade Receivables</b>		
<b>a) Unsecured, Considered Goods</b>	410,961	225,505
<b>b) Credit Impaired</b>	-	2,530,447
Less: Provision for doubtful debts	-	(2,530,447)
	-	-
<b>Total</b>	<b>410,961</b>	<b>225,505</b>

**Trade Receivables ageing schedule**

**As at 31st March 2022 (Outstanding for following periods from due date of payment)**

<b>Trade Payables ageing schedule</b>	<b>Less than 6 Months</b>	<b>6 months - 1 year</b>	<b>1 to 2 years</b>	<b>2 to 3 years</b>	<b>More than 3 years</b>	<b>Total</b>
i) Undisputed Trade receivables - considered good						
ii) Undisputed Trade receivables - which have significant increase in credit risk	238,101	172,354	506	-	-	410,961
iii) Undisputed Trade receivables - credit impaired						
iv) Disputed Trade receivables - considered good						
v) Disputed Trade receivables - which have significant increase in credit risk						
vi) Disputed Trade receivables - credit impaired						
Allowance for doubtful receivables	238,101	172,354	506	-	-	410,961
	238,101	172,354	506	-	-	410,961

**Trade Receivables ageing schedule**

**As at 31st March 2021 (Outstanding for following periods from due date of payment)**

<b>Trade Payables ageing schedule</b>	<b>Less than 6 Months</b>	<b>6 months - 1 year</b>	<b>1 to 2 years</b>	<b>2 to 3 years</b>	<b>More than 3 years</b>	<b>Total</b>
i) Undisputed Trade receivables - considered good						
ii) Undisputed Trade receivables - which have significant increase in credit risk	70,128		155,377			225,505
iii) Undisputed Trade receivables - credit impaired						
iv) Disputed Trade receivables - considered good						
v) Disputed Trade receivables - which have significant increase in credit risk					2,530,447	2,530,447
vi) Disputed Trade receivables - credit impaired						
Allowance for doubtful receivables	70,128	-	155,377	-	2,530,447	2,755,952
	70,128	-	155,377	-	2,530,447	(2,530,447)
						225,505

Particulars	31st March, 2022	31st March, 2021
<b>Note 9A :Cash and Cash Equivalents</b>		
Cash on Hand	271	481
<b>Balance with banks:</b>		
In Current Accounts	136,094	193,829
<b>Total</b>	<b>136,365</b>	<b>194,310</b>
<b>Note 9B: Other Bank Balances</b>		
In Fixed Deposits (having maturity more than 3 months & held as security)	32,053	82,221
Fixed Deposits held at Margin Money , Gaurantee and Other Committment	18,335,278	18,266,547
<b>Total</b>	<b>18,367,331</b>	<b>18,348,768</b>
<b>Note 10 : Other Current Assets</b>		
Indirect Taxes Recoverable	55,634	96,099
Advances recoverable in cash or kind	867,840	730,844
<b>Total</b>	<b>923,474</b>	<b>826,943</b>

**KUMAKA INDUSTRIES LIMITED**

Particulars	31st March, 2022	31st March, 2021
<b>Note 11 : Share Capital</b>		
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	120,752,500
	120,856,250	120,752,500

**Note:**

(A) 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 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%.

(B) Hence the Board and later on the members at Annual General Meeting (AGM) considered it appropriate to issue one fully paid share in lieu of four partly paid shares. However Bombay Stock Exchange (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 approached Hon'ble High Court of Bombay. Thereafter the same was transferred to NCLT (Mumbai Bench) in the matter with a Scheme and Arrangement to modify / reset its Share capital. In pursuance to The Hon'ble NCLT (Mumbai Bench) order dated 06th July, 2020, The Company has reduced its equity share capital by Rs 1,03,750 by extinguishment 10375 equity shares of Rs 10 each.

(C) The Hon'ble National Company Law Appellate Tribunal (Hon'ble NCLAT) vide its order no. 136/2020 dtd. 20th October, 2020 had set aside the order of The Hon'ble NCLT, Mumbai Bench and has directed the Company to undo all the actions taken in line with the scheme sanctioned by the Hon'ble NCLT.

The Company in its Board meetings and in its unaudited quarterly results for September 2020 and December 2020 quarter has stated that Hon'ble NCLAT order dated 20th October, 2020 is being implemented.

The Board of Directors/The Management has decided to give effect to the Hon'ble NCLAT order on undoing:

- reduction of the share capital of 10375 shares of Rs.10 each amounting to Rs. 1,03,750/-
- Extinguishment of 603250 fully paid-up shares of Rs.10 each included in the said share capital and reinstating 2413000 partly paid-up shares at Rs. 2.50 each.

(D) The Company has sought directions/clarification from the Hon'ble NCLAT and concerned Registrar and Transfer Agents vide its application dtd. 16-03-2021 and Acknowledgement no. 9910138/01397/2021. Pending directions/clarification from the Hon'ble NCLAT no effect has been given in the financial statements for the year ended 31-03-2021.

The impact of uncertainty arising from NCLAT's order on matters stated above is currently unascertainable. Consequently, the Company is unable to estimate the impact, if any, that may result from a conclusion of these matters on the standalone financial statements for the year ended 31st March 2021.

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

	31/03/2022		31/03/2021	
	No. of Shares	Amount(Rs.)	No. of Shares	Amount(Rs.)
Equity Shares outstanding at the beginning of the year	12,075,250	120,752,500	12,085,625	120,856,250
Fresh Issue/ESOP/Bonus Issue of Shares	10,375	103,750	-	-
Redemption/Buy-back of Shares	-	-	10,375	103,750
Equity Shares outstanding at the end of the year	12,085,625	120,856,250	12,075,250	120,752,500

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

**(c) Disclosure of share holding of Promoters**

Shares held by promoters at the end of the year

Promoter Name

Promoter Name	No. of shares as on 31st March, 2022	No. of shares as on 31st March, 2021	% of total shares as on 31st March, 2022	% of total shares as on 31st March, 2021	% Change during the year ended 31st March, 2022	% Change during the year ended 31st March, 2021
1. Mr. Pankaj Manilal Kadakia Director	2,829,450	2,819,075	23.41%	23.35%	0.07%	-0.07%
2. Mrs. Madhavi Pankaj Kadakia	3,907,850	3,907,850	32.33%	32.36%	0.00%	0.00%
3. Mr. Shyam Pankaj Kadakia	2,923,250	2,923,250	24.19%	24.21%	0.00%	0.00%
4. Ms. Niyati Pankaj Kadakia	911,600	911,600	7.54%	7.55%	0.00%	0.00%

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

Name of Shareholder	31/03/2022		31/03/2021	
	No. of Shares	% of Holding	No. of Shares	% of Holding
1. Mr. Pankaj Manilal Kadakia Director	2,829,450	23.41%	2,819,075	23.35%
2. Mrs. Madhavi Pankaj Kadakia	3,907,850	32.33%	3,907,850	32.36%
3. Mr. Shyam Pankaj Kadakia	2,923,250	24.19%	2,923,250	24.21%
4. Ms. Niyati Pankaj Kadakia	911,600	7.54%	911,600	7.55%

**KUMAKA INDUSTRIES LIMITED**

Particulars	31st March, 2022	31st March, 2021
<b>Note 12 : Other Equity</b>		
<b>Securities Premium Account:</b>		
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
<b>Capital Reserve</b>		
At the beginning of the year	103,750	-
Addition during the year	-	103,750
Less: Utilised/ Transferred during the year	(103,750)	-
At the end of the year	-	103,750
<b>General Reserve:</b>		
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
<b>Retained Earnings</b>		
At the beginning of the year	(364,975,224)	(433,412,359)
Add: Profit/ (Loss) for the year	623,588	(6,562,107)
Add : Revaluation surplus on sale of land transfer from Other Comprehensive Income (OCI)	-	74,999,241
Less: Utilised/ Transferred during the year	-	-
At the end of the year	(364,351,637)	(364,975,224)
<b>Other Comprehensive Income (OCI)</b>		
At the beginning of the year	93,369,517	168,368,758
Add: Movement in OCI during the year	-	-
Less : Revaluation surplus on sale of land transfer to retained Earnings	-	(74,999,241)
At the end of the year	93,369,517	93,369,517
<b>Total</b>	<b>61,399,645</b>	<b>60,879,808</b>

KUMAKA INDUSTRIES LIMITED

Particulars	31st March, 2022	31st March, 2021
<b>Note13 (A) : Short Term Borrowings</b>		
From Director	610,795	621,506
From Others	-	-
<b>Total</b>	<b>610,795</b>	<b>621,506</b>
<b>Particulars</b>	<b>31st March, 2022</b>	<b>31st March, 2021</b>
<b>Note13 (B) : Trade Payable</b>		
Total outstanding due of micro and small enterprises	87,405	422,781
Total outstanding due of creditors other than micro and small enterprises		
<b>Total</b>	<b>87,405</b>	<b>422,781</b>

Particulars as at 31st March 2022 (Outstanding for following periods from due date of payments)

Trade Payables ageing schedule	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Dues to Micro, Small and Medium Enterprises					
Others					
Disputed MSME	87,405				87,405
Disputed others					
	87,405	-	-	-	87,405

Particulars as at 31st March 2021 (Outstanding for following periods from due date of payments)

Trade Payables ageing schedule	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Dues to Micro, Small and Medium Enterprises					
Others					
Disputed MSME	422,781				422,781
Disputed others					
	422,781	-	-	-	422,781

Particulars	31st March, 2022	31st March, 2021
<b>Note 13 (C) : Other Current Liabilities</b>		
Statutory Remittances (Contributions to PF and ESIC, Withholding Taxes, GST, TDS, etc.)		
Provision for Other Expenses	95,726	106,796
Payable for Capital Projects	342,980	650,417
Director Remuneration Payable	400,792	811,540
Advance From Customers	2,020,304	1,206,000
Advances Received against Sale of Land	2,425	788
	-	-
<b>Total</b>	<b>2,862,227</b>	<b>2,775,541</b>
<b>Note 14 : Revenue from Operations</b>		
Sale of Products	1,044,607	625,606
Sale of Services (ETO Service Charges)	1,458,068	3,498,484
<b>Revenue from Operations (Net)</b>	<b>2,502,675</b>	<b>4,124,090</b>
<b>Note 15 : Other Income</b>		
Interest Earned on Investments	1,081,014	457,452
Interest on IT Refund	4,980	2,812
Miscellaneous Income	26	12,550
Provision for doubtful debts written back	1,420,835	-
Sundry Balance written back	286	127,156
Dividend Income	3,150	3,150
<b>Total</b>	<b>2,510,291</b>	<b>603,120</b>
<b>Note 16 : Cost of Materials Consumed</b>		
Opening Stock of Raw Materials	-	-
Add: Purchases	315,234	1,197,201
Less: Closing Stock of Raw Materials	-	-
<b>Total Cost of Materials Consumed</b>	<b>315,234</b>	<b>1,197,201</b>
<b>Note 17 : Employees Benefit Cost</b>		
Salaries & Wages/Service Charges	901,163	1,445,527
Director's Remuneration	900,000	900,000
<b>Total</b>	<b>1,801,163</b>	<b>2,345,527</b>

**KUMAKA INDUSTRIES LIMITED**

Particulars	31st March, 2022	31st March, 2021
<b>Note 18 : Other Expenses</b>		
<b><u>Selling and Distribution Expenses:</u></b>		
Advertisement Expenses	68,206	32,491
	<b>68,206</b>	<b>32,491</b>
<b><u>Establishment Expenses:</u></b>		
Annual Custody Fees	45,000	-
Electricity charges	-	36,215
Repairs & Maintainance	81,800	72,216
Rent Rates & Taxes	348,000	507,273
Licence, Subscription & Other Fees	13,946	23,715
Expenses on Directors other than Remuneration	21,500	35,000
Computer Repairs & Internet Charges	10,050	12,434
Insurance Charges	22,711	15,870
Sundry Balance written off	319,697	568,524
Printing & Stationery Expenses	16,130	20,220
Postage, Telephone & Other Expenses	5,845	31,919
Travelling & Conveyance Expenses	3,470	53,262
Miscellaneous Expenses	215,477	716,515
Legal & Professional Fees	750,204	1,102,204
Payment to Auditors	200,000	200,000
	<b>2,053,830</b>	<b>3,395,366</b>
<b>Total</b>	<b>2,122,036</b>	<b>3,427,857</b>
<b>Note 19 : Finance Cost</b>		
Bank Charges & Commission	4,305	4,626
Processing charges	-	-
Other Interest & Finance Charges	3,234	1,607
<b>Total</b>	<b>7,539</b>	<b>6,233</b>
<b>Note 20 : Exceptional Items</b>		
N U PENALTY	-	3,807,908
NAA charges	-	222,981
Land revenue/Water Taxes Paid	-	-
Legal Cases settlement cost	-	-
Loss on Sale of Fixed Assets	-	-
Less: Transfer from Revaluation reserve	-	-
<b>Total</b>	<b>-</b>	<b>4,030,889</b>