



KUMAKA INDUSTRIES LIMITED

(Formerly known as Ashok Organic Industries Limited)

38th
Annual Report
2011-2012

KUMAKA INDUSTRIES LIMITED

38th ANNUAL REPORT 2011-12

Board of Directors : Mr. Pankaj M. Kadakia - Chairman & Managing Director
Dr. Niranjana M. Pandya - Non Executive Independent Director
Dr. Dhananjay Panchal - Non Executive Independent Director
Mr. K. S. Tandon - Non Executive Independent Director

Auditors : Bhatt Thakker & Co.
Chartered Accountants,
Vadodara.

Registered Office : 404, Sharda Chambers,
33, New Marine Lines
Mumbai-400 020
Tel. No. : 22000024
Fax No. : 22009456
E-mail : kumakaindustries@gmail.com

KUMAKA INDUSTRIES LIMITED

NOTICE

Notice is hereby given that the 38th Annual General Meeting of the Members of KUMAKA INDUSTRIES LTD. (earlier known as M/s. Ashok Organic Industries Ltd.) will be held on Saturday, 29th September, 2012 at 3.00 p.m. at 3rd Floor, Walchand Centre for Training Room, Indian Chamber of Commerce, Church Gate, Mumbai-400 020, to transact the following business

Ordinary Business :

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended on 31st March 2012 and the Balance Sheet as of that date together with Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Niranjana Pandya who retires by rotation being eligible offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

Special Business :

4. To consider and if thought fit, to pass with or without modification, the following resolution as a Special Resolution.
"RESOLVED THAT subject to the approval of Central Government u/s. 314 (1B) of the Companies Act, 1956, read with those under the Director's Relatives [Office or Place of Profit] Rules, 2003 as amended by the Notification dated 6th April, 2011 as well as the recommendation of the Remuneration Committee of the Board of Directors of the Company and the same having been accepted by the Board, Members hereby accord their consent to Mr. Shyam Kadakia, son of Mr. Pankaj Kadakia, Chairman & Managing Director of the Company, for holding and to continue to hold an office or place of profit as President in the Company at a consolidated Salary of Rs.50,000 p.m. plus normal perks, with effect from 6th August, 2012."
"FURTHER RESOLVED THAT this resolution shall be deemed to confer the necessary authority to the Board of Directors to sanction the increments and proper to promote him to any higher remuneration at their discretion in due course, as they may deem fit."

For and on behalf of the Board of Directors

Date: 06-08-2012

Place: Vadodara

Pankaj M. Kadakia
Chairman & Managing Director

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIM/HER. A PROXY NEED NOT BE A MEMBER.
2. Proxies in order to be effective must be received by the Company at its Registered Office not later than 48 hours before the commencement of the Meeting.
3. Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of Special Business enumerated at Item No. 4 of Notice, is annexed herewith.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, the 24th September, 2012 to Saturday, the 29th September, 2012 (both days inclusive).
5. MEMBERS DESIROUS OF GETTING ANY INFORMATION ABOUT THE ACCOUNTS AND OPERATIONS OF THE COMPANY ARE REQUESTED TO ADDRESS THEIR QUERIES TO THE COMPANY AT LEAST SEVEN DAYS IN ADVANCE OF THE MEETING SO THAT THE INFORMATION REQUIRED CAN BE READILY AVAILABLE AT THE MEETING.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

Item No.4 :

Mr. Shyam Kadakia, is the son of Mr. Pankaj Kadakia, the Chairman and Managing Director of the Company.

The Board of Directors of the Company, at their meeting held on 6th August, 2012, has appointed Mr. Shyam Kadakia as the President of the Company, on monthly remuneration of Rs. 50,000/- [Rupees Fifty Thousand Only] with effect from 6th August, 2012, with the authority to revise from time to time, the designation and monthly remuneration, not exceeding Rs. 2,50,000/- [Rupees Two Lacs Fifty Thousand Only], keeping in view the nature of duties being performed, level of responsibilities to be shouldered, overall contribution expected for the growth of business of the Company.

Mr. Shyam Kadakia is MBA (Finance and Strategy) from Indian School of Business. He graduated Cum Laude from Columbia University (New York, USA) in chemical engineering. After Post graduation, he joined Novantas LLC, a management consulting firm and specialized in the retail banking sector.

Mr. Shyam Kadakia is a Trustee of Manilal Harilal Kadakia Charitable Trust, the non-profit trust registered in 1973 under the Bombay Trust Act. At present, he has been actively participating in coordinating the setting up of the new pharmaceutical plant.

In terms of Section 314 of the Companies Act, 1956, subject to the further approval of the Members read with Relatives [Office or Place of Profit] Rules, 2003 as amended by the Notification dated 6th April, 2011 issued by the Ministry of Corporate Affairs read with Section 314 of the Companies Act, 1956, he holds the office or place of profit in the Company, as its President from 6th August, 2012.

None of the Director other than Mr. Pankaj Kadakia is interested in the said resolution.

The Board recommends this Special resolution for adoption.

For and on behalf of the Board,

Date : 06-08-2012

Place : Vadodara

Pankaj Kadakia
Chairman & Managing Director

KUMAKA INDUSTRIES LIMITED

Annexure to the Notice of Annual General Meeting

Information pursuant to Clause 49 of Listing Agreement regarding reappointment of Director.

Name of the Director	Dr. Niranjan Pandya
Date of Birth	01-06-1939
Date of Appointment	20-11-2009
Specialized Expertise	Business Management
Qualifications	M.A.; Ph.D.
Directorships of other Companies as on 31 st March, 2012	None
Chairman / Member of Committees of other Companies as on 31 st March, 2012	None

KUMAKA INDUSTRIES LIMITED

DIRECTORS' REPORT

To,

The Members,

Your Directors submit their 38th Report together with the Statement of Account for the year ended on 31st March 2012.

Following figures summaries the financial performance of the Company during the year under review.

1. Financial Results : (Rs. in Lacs)

	2011-12	2010-11
Sales and Other Income	113.37	527.48
Profit/(Loss) before Interest & Depreciation	(2498.26)	464.95
Less : Interest	—	—
Depreciation	6.80	524.45
Profit/(Loss) before Tax	(2505.06)	989.40
Provision for Taxation	—	—
Profit/(Loss) for the year	(2505.06)	989.40
Balance Brought forward of earlier years	(20530.21)	(19540.81)
Balance carried to Balance Sheet	(23035.27)	(20530.21)

2. Dividend:

In view of loss, the Board regrets its inability to recommend payment of Dividend for the year under review.

3. Operations:

During the year under review, all the Units of the Company remained out of operation because of non-availability of funds required for refurbishing of plants and the working capital. The Company sold off some of its Immoveable assets, to pay off its long overdue debts.

The Company's Assets which were earlier taken over by Asset Reconstruction Company (India) Ltd (Arcil) under the provisions of SARFAESI Act were released and given possession to the Company, upon making due payment in phased manner to them. Therefore there are no Secured loans to be repaid to the Banks / Financial Institutions as of the date.

In its endeavor to recommence its operations, the Company has been exploring new avenues in the field of Drugs & Pharmaceuticals, Energy Sector, Finance and Investment Sectors, by way of diversification, with the help of Strategic Investors / Partners.

With joint collaboration either in the form of technical or financial, the Company is hopeful to recommence its operations in future time to come.

4. Directors' Responsibility Statement:

Pursuant to Section 217 (2AA) of the Companies Act, 1946, your Directors confirm based on the confirmation received from the operating management that;

- in the preparation of the annual accounts, the applicable accounting standards have been followed
- the Directors have selected such accounting policies as mentioned in Schedule 18 to the accounts and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of

the financial year ended 31st March, 2012 and of the loss of the Company for that period.

- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities:

- the Directors have prepared the annual accounts on a going concern basis.

5. Subsidiary Company:

The Company has a Wholly Owned Subsidiary Company under the name of M/s. Kadakia Alkalies And Chemicals Limited. There has been no material change in the nature of business of the subsidiary Company. A statement containing brief Financial details of the subsidiary company, is included in the Annual Report. As required under the Listing Agreements with the Bombay Stock Exchange Ltd., a Consolidated Financial Statement of the Company and its subsidiary, are attached. The Consolidated Financial Statements have been prepared in accordance with the relevant Accounting Standards as prescribed under Section 211(3C) of the Companies Act, 1956("Act"). These financial statements disclose the assets, liabilities, income, expenses and other details of the Company and its subsidiaries. Pursuant to the provision of Section 212(8) of the Act, the Ministry of Corporate Affairs vide its circular dated February 8, 2011 has granted general exemption from attaching the Balance Sheet, Profit and Loss Account and other documents of the subsidiary company with the Balance Sheet of the Company. A statement containing brief financial details of the Company's subsidiary for the financial year ended March 31, 2012 is included in the Annual Report. The annual accounts of the subsidiary and the related detailed information will be made available to any member of the Company for inspection at the registered office of the Company. The Company shall furnish a copy of details of annual accounts of subsidiary company to any member on demand.

6. Directors:

Mr. Ashok M. Kadakia and Dr. Anil M. Kadakia, ceased to be Directors from 27th August, 2011. The Board places on record its sincere appreciation for the contribution received from both of them during their tenure as Directors of the Company.

Dr. Niranjan Pandya, the Director retires by rotation, however, being eligible offers himself for reappointment.

Members are requested to consider his reappointment.

7. Audit Committee :

The Audit Committee as constituted with Independent Directors, in terms of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, performed inter alia the work assigned to it as laid down thereunder, during the year under review.

8. Corporate Governance :

Your Company has always been striving to incorporate appropriate standards and Code of Conduct for good Corporate Governance and has therefore complied with all the mandatory provisions of Corporate Governance as prescribed under the

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amended Listing Agreements of the Bombay Stock Exchange Limited with which the Company's shares are listed.

A separate report on Management discussion and analysis and on Corporate Governance is annexed as part of the Annual Report along with Statutory Auditor's Certificate on the compliance, are enclosed as **Annexure 'A'** and **Annexure 'B'** respectively.

9. Accounts & Finance :

Observation and remarks made by the Statutory Auditors in their Report are self explanatory and do not call for further clarification and explanation.

10. Auditors :

M/s. Bhatt Thakker & Co. Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and being eligible offers themselves for re- appointment.

11. Statutory Disclosures :

During the year under review, Operations were suspended hence information under Section 217(1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, is not furnished as there was no foreign exchange inflow or outflow during the year under review.

Further, there were no employees covered as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 as amended hence such details are not furnished.

12. Listing of Equity Shares :

The Company's equity shares are listed on Bombay Stock Exchange Limited, however trading in the Shares are suspended pending certain compliance of listing agreement. The Company is in process to comply the balance requirements so as to recommence the trading of Shares at BSE.

13. Fixed Deposit :

Your Company has not accepted deposits from the public.

14. Acknowledgement :

Your Directors wish to place on record their appreciation of the co-operation received from all the concerned and thank the shareholders their trust and confidence.

For and on behalf of the Board of Directors,

Date: 06-08-2012

Place: Vadodara

Pankaj M. Kadakia
Chairman & Managing Director

ANNEXURE-A

MANAGEMENT DISCUSSION AND ANALYSIS

1. Industry Structure and Development:

Currently the Company is in the organic chemicals segment. Due to cheap imports from China and introduction of new manufacturing technology for the products that the Company used to manufacture, the manufacturing activity of the Company had become unviable.

The Company is planning to diversify into pharmaceuticals industry. Using the assets base of the Company, the management is working on a project to setup an active pharmaceutical ingredient plant. Recent studies indicate that the Indian pharmaceutical industry is poised to grow due to the following reasons:

- A. Worldwide expiration of block buster drug patents
- B. Cost effective production in India

The Pharmaceutical industry in India is the world's third-largest in terms of volume and stands 14th in terms of value. India gained its foothold on the global scene with its innovatively engineered generic drugs and active pharmaceutical ingredients (API), and it is now seeking to become a major player in outsourced clinical research as well as contract manufacturing and research.

2. Outlook:

The current annual market size (including export) of the Indian pharmaceutical industry is over Rs 1 lakh crore with over 8000 SME players. With the cost advantage in India the export of API is expected to increase. New molecule development is also increasing in India with government supporting Research and Development activities.

The alcohol base route for manufacturing acetic acid has become obsolete and the management feels that the Company needs a product shift.

Segment-Wise Performance :

The Company is currently in the organic chemical segments. However during the year the Company was out of activity.

4. Opportunities, Threats, Risks and Concerns:

With the outdated technology of the alcohol and alcohol base products the Company the management believes that it is the right time to change the product. The global scale of operations in the commodity business has also increased making the current plants of Company unviable.

On the other hand the Management of the Company is extremely optimistic of entering pharmaceutical manufacturing segments and believes that the Company's asset base provides an ideal infrastructure for the proposed therapeutic segment.

5. Financial Performance :

During the year the Company was settling its due with the banks. The core manufacturing activity was inoperative. A summary of the financial is disclosed in the Directors' report.

6. Internal Control Systems and Adequacy:

As stated above, during the year, as the plant of the Company remained out of operations. However, whatever transactions that took place were closely monitored with proper checks and controls.

7. Human Relations:

There have been cordial relations in the Company during the period.

8. Cautionary Statement:

Statements in the Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations may be 'forward looking statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied.

Important factors that could make a difference to the Company's operations include financial position of the company, economic conditions affecting demand / supply, price conditions in the domestic and overseas market in which the Company operates, changes in the government regulations, tax laws and other statutes.

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy

The Company believes in good corporate Governance in tune with the guidelines recommended by SEBI and in terms of the Listing Agreements. Given below is the report of the Board of Directors of the Company on Corporate Governance practices being followed by the Company.

2. Board of Directors

The Board of Directors presently comprises of Four Directors with Mr. Pankaj Kadakia as the Chairman and Managing Director and Three Independent non-executive Directors viz. Dr. Dhanjay Panchal, Dr. Niranjana M. Pandya and Mr. K.S.Tandon as the Members. During the year Four Board Meetings were held on 24-5-2011, 12-08-2011 (Adjourned meeting held on 16-08-2011), 07-10-2011 and 28-01-2012.

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

Name of Directors	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	No. of other companies in which he is directors/chairman	No. of Committees of other companies in which he is a member/chairman
Pankaj M. Kadakia	Chairman & Managing Director	4	Yes	3	—
Ashok M. Kadakia*	Professional Director	—	No	5	—
Dr. Anil M. Kadakia*	Professional Director	1	No	4	—
Dr. Niranjana Pandya	Non-Executive Independent Director	4	Yes	—	—
Dr. Dhananjay Panchal	Non-Executive Independent Director	4	Yes	—	—
K.S.Tandon	Non-Executive Independent Director	2	No	—	—

* Ceased to be Directors of the Company from 27th August, 2011.

None of the Directors on the Board holds the office of Director in more than 15 Companies nor are they members in Committees of the board in more than 10 Committees or Chairman of more than 5 Committees.

None of the Non Executive Directors have any material pecuniary relationship or transactions with the Company. Necessary information as mentioned in Annexure 1A to the Clause 49 of the Listing Agreement has been placed before the Board for their consideration.

Shareholding of Directors :

Names of Director	No. of Shares held	% to the Capital
Shri Pankaj M. Kadakia	28, 29,450	23.41

3. Audit Committee:

The Board has constituted Audit Committee pursuant to Section 292A of the Companies Act, 1956 read with Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited (BSE) with the required terms of reference as per the above referred statutory requirements.

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 and the integrity and quality of the financial reporting.

The Committee consists of Three Independent Directors viz. Dr. Dhananjay Panchal, Dr. Niranjana M. Pandya and Mr. K.S.Tandon with Dr. Dhananjay Panchal, as the Chairman. The Committee met on 24-5-2011, 12-08-2011 (Adjourned meeting held on 16-08-2011), 07-10-2011 and 28-01-2012. During the year the attendance of the members at the meetings was as follows :

Name of Members	Status	No. of Meetings Held	Attended
Dr. Dhananjay Panchal	Chairman	4	4
Dr. Niranjana M. Pandya	Member	4	4
Mr. K.S.Tandon	Member	4	2

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.

4. Remunerations Committee:

The Committee consists of Three Independent Directors viz. Dr. Niranjana M. Pandya, Dr. Dhananjay Panchal and Mr. K.S.Tandon with Dr. Niranjana M. Pandya, as the Chairman. One meeting of Remuneration Committee was held during the year under review, to decide Remuneration of Mr. Shyam Kadakia who is the relative of the Director, as the President of the Company.

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

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

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

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

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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.

5. Shareholders'/ Investors' Grievance Committee:

The Committee consisted with Three Independent Directors viz. with Dr. Niranjana M. Pandya, Dr. Dhananjay Panchal and Mr. K.S.Tandon with Dr. Niranjana M. Pandya, as the Chairman.

Name of Members	Status	No. of Meetings Held	No. of Meetings Attended
Dr. Niranjana M. Pandya	Chairman	2	2
Dr. Dhananjay Panchal	Member	2	2
Mr. K.S.Tandon	Member	2	1

The Board has been appointed Mr. Pankaj Kadakia, the Managing Director, as the Compliance Officer.

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

As on 31.03.2012, there were no Investor Grievances remaining unattended / pending to more than 30 days.

6. General Body Meetings

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

Date	Time	Place	Special Resolution
27-08-2011	2.00 p.m.	3 rd Floor, Walchand Centre Training Room, Indian Chamber of Commerce, Church Gate, Mumbai-400 020	None
05-08-2010	2.00 p.m.	R.S. Bhatt Seminar Room, Above Patker Hall, S N D T Women University, New Marine Lines, Mumbai-400 020	Re-appointment of Mr. Pankaj M. Kadakia as Managing Director for a period of 3 years.
25-09-2009	11.30 a.m.	404, 4 th Floor, Sharda Chambers 33, New Marine Lines, Mumbai- 400 020.	None

During the year under review, Special Resolutions were passed through postal ballot under the provisions of Section 192A of the Companies Act, 1956 and the Companies (Passing of the resolutions by Postal Ballot) Rules, 2001, for effecting Change of Name, Alteration of Other Object of Memorandum of Association, Commencement of New Business and Adoption of New Set of Articles of Association of the Company.

Presently the Company does not have any proposal that requires a postal ballot.

7. Disclosures :

- (a) There were no materially significant related party transactions that may have potential conflict with the interest of the Company at large.
- (b) No penalties or strictures have been imposed on the Company by SEBI or any Statutory Authority on any matter related to capital markets. The Company's scrip has been temporarily suspended for trading on non compliance of some of the listing requirements.

8.1 Compliance of Mandatory Requirements :

The Company has complied with the mandatory requirements as stipulated in Clause 49 of the listing agreement with the Bombay Stock Exchange Ltd.

8.2 Compliance of Non Mandatory Requirements :

The Company has adopted the non-mandatory requirements as regards the provisions relating to the Remuneration Committee. The Quarterly Financial Results are supplied to shareholders on demand. The Company affirms that no employee has been denied access to the Audit Committee. As regards the other non mandatory requirements, the Board has taken cognizance of the same and shall consider adopting the same as and when necessary.

8.3 Code of Conduct :

The Board of Directors of the Company have adopted Code of Conduct for all Board Members the Company. The Company has no distinct level of senior management from the Board since operations of all plants were suspended due to economic reasons. The Board members have affirmed compliance to the Code of Conduct. For economic reasons, the Company has not been able to have its website to post the Code of Conduct on it.

9. Means of Communication :

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

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10. General Shareholder Information:

(a) 38th Annual General Meeting

Date and Time : 29th September, 2012 at 3.00 p.m.
 Venue : 3rd Floor, Walchand Centre for Training
 Room, Indian Chamber of Commerce,
 Church Gate, Mumbai-400 020

(b) Financial Calendar

Board Meeting to approve

Unaudited Financial results for Period

Quarter ending September 30 th , 2012	By 14 th of November, 2012
Quarter ending December 31 st , 2012	By 14 th of February, 2013
Quarter ending March, 31 st , 2013	By 14 th of May, 2013
Quarter ending June, 30 th , 2013	By end of July, 2013
Annual General Meeting for the Year ending on 31.03.2013.	By end of September, 2013

(c) **Dates of Book Closure** : From Monday, the 24th September, 2012 to Saturday, the 29th Saturday, 2012 (both days inclusive)

(d) Dividend payment Date : Not Applicable

(e) Listing on Stock Exchange : Bombay Stock Exchange Ltd. Mumbai

(f) Company Code : 526923

(g) Market Price Data : Trading in Equity Shares has been suspended by the Bombay Stock Exchange Limited (BSE) and therefore details of Market Price at BSE are not presented.

(h) The Company has in-house Share Department at

5-B, 5th Floor, Ramkrishna Chambers, BPC Road, Alkapuri, Vadodara - 390 007
 Phone No. : 0265-233 0019, Fax No. 0265-233 3884, Email : kumakaindustries@gmail.com

(j) Share Transfer System:

Shares lodged for transfer in physical form are processed and duly transferred Share Certificates are sent within 30 days of receipt of the valid documents. The Shares are transferred at an interval of 15 days time.

(k) Distribution of Shareholding :

(i) The Distribution of Shareholding as on 31st March, 2012

No of Share-	No. of Share-holders	% of Shares - holders	No. of Shares Held	% of Total Shareholders
Upto 500	9,653	97.65	10,35,650	8.57
501 to 1000	137	1.39	1,05,675	0.87
1001 to 2000	44	0.45	63,975	0.53
2001 to 3000	19	0.19	48,725	0.41
3001 to 4000	5	0.05	18,700	0.16
4001 to 5000	7	0.07	31,900	0.26
5001 to 10000	6	0.06	54,000	0.44
10001 & above	14	0.14	1,07,28,000	88.76
Total	9885	100.000	1,20,86,625	100.00

(ii) Shareholding Pattern as on 31st March, 2012 :

Associates	No. of Shares held	% of shareholding
1. Directors & Relatives (Promoters)	1,05,82,150	87.56
2. Mutual Funds	10,200	0.08
3. Banks Financial Institutions	200	0.01
Other Corporate Bodies	66,825	0.55
Indian Public	14,26,250	11.800
Total	1,20,85,625	100.00

(l) Outstanding GDRs / ADRs : Not Applicable
 Warrants

(m) Plants Location : 318/319, G. I. D. C. Industrial Estate, Ankleshwar, Dist. Bharuch

(n) Address of Correspondence : 5th Floor, Ram Krishna Chambers, BPC Road, Vadodara -390007.

KUMAKA INDUSTRIES LIMITED

Certificate of Auditor's on Corporate Governance

To
The Members,
Kumaka Industries Limited.
Mumbai

We have examined the compliance of conditions of Corporate Governance by Kumaka Industries Limited for the year ended 31st March, 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with the Bombay Stock Exchange Ltd.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance of the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management of the Company, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the above mentioned Listing Agreement.

We state that no investor grievances is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders' Grievance Committee and the Company.

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

For Bhatt Thakker & Co.
Chartered Accountants

Mukesh L. Thakker
Partner

Place : Vadodara
Date : 6-8-2012

Membership No. : 044517 ;Firm No.124010W

CERTIFICATE

To,
The Board of Directors,
Kumaka Industries Limited.
Mumbai

This is to certify that;

We have reviewed financial statements and the Cash Flow statement for the year ended 31st March, 2012 and that to the best of our knowledge and belief:

These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading, These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations,

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct

We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee,

- Significant changes in Internal Control during the year;
- Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

Date: 6-8-2012
Place: Vadodara

Pankaj M. Kadakia
Chairman & Managing Director