

KUMAKA INDUSTRIES LIMITED



KUMAKA
Industries Limited

CIN : L99999MH19739LCO16315

45th
Annual Report
2018-2019

KUMAKA INDUSTRIES LIMITED

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

45th Annual Report 2018-19

CORPORATE INFORMATION

Board of Directors

Shri Pankaj Kadakia

Chairman & Managing Director

Dr. Indula Panchal

Non Executive Woman Director

Dr. Niranjan Pandya

Non Executive Independent Director

Dr. T. D. Tiwari

Non Executive Independent Director

Mr. Bharat A Parikh

Chief Financial Officer

Ms. Chandni Pansuriya

Company Secretary

REGISTRAR AND TRANSFER AGENT

Link Intime India Pvt. Ltd.

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

AUDITORS

M/s. SCA & Associates

Chartered Accountants,
Mumbai

REGISTERED OFFICE

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

CORPORATE OFFICE

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

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

KUMAKA INDUSTRIES LIMITED

NOTICE

Dear Member(s),

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

Ordinary Business:

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

Special Business:

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

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

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

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

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

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

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

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

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

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

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

KUMAKA INDUSTRIES LIMITED

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

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

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

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

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

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

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

OR

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

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

Date: 19th July, 2019
Place: Vadodara

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

Pankaj M. Kadakia
Chairman & Managing Director

KUMAKA INDUSTRIES LIMITED

NOTES

1. PROXY/AUTHORIZED REPRESENTATIVE:

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

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

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

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

2. BOOK CLOSURE:

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

3. CUT OFF DATE:

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

4. COMMUNICATION TO MEMBERS

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

mode.

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

5. VOTING BY MEMBERS

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

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

(I) Voting through Electronic Means

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

KUMAKA INDUSTRIES LIMITED

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

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

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on Address Sticker.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant **Kumaka Industries Limited** on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the Login Password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Shareholders can also use Mobile app – "m-Voting" for e voting. m-voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m-voting using their e voting credentials to vote for the company resolution(s).
- (xix) Note for Non – Individual Shareholders and Custodians Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
After receiving the login details, user would be able to link the account(s) for which they wish to vote on.
The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the

KUMAKA INDUSTRIES LIMITED

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

- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (xxi) Any person, who acquires shares of the Company and becomes a member of the Company after the dispatch of this Notice and hold shares as of the Cut-off date i.e. Saturday, 7th September, 2019, may obtain Login-Id and Password by sending a request at helpdesk.evoting@cdslindia.com by mentioning his/her folio no. However, if you are already registered with CDSL for e-voting, then the person can use his/her existing user-id and password for casting votes. A person who is not a member as on the Cut-Off date should treat this notice fully for information purpose.

6. SCRUTINIZER

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

7. DECLARATION OF RESULTS

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

8. NOMINATION

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

9. EXPLANATORY STATEMENT AND ADDITIONAL INFORMATION

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

10. OTHER INFORMATION

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

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

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

Brief Resume:

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

KUMAKA INDUSTRIES LIMITED

Date – 19th July, 2019
Place-Vadodara

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

Pankaj M Kadakia
Chairman and Managing Director

Map/Location of Annual General Meeting Venue:



KUMAKA INDUSTRIES LIMITED

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

Item-3

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

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

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

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

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

Item-4

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

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

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

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

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

Item-5

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

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

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

KUMAKA INDUSTRIES LIMITED

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

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

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

INFORMATION ABOUT THE APPOINTEES :

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

NOTE:

CMD – Chairman and Managing Director

ID – Independent Director

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

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

Item-6

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

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

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