

NOTICE

KAYA LIMITED

CIN: L85190MH2003PLC139763

Reg. Office: 23/C, Mahal Industrial Estate, Mahakali Caves Road,
Near Paperbox Lane, Andheri (East), Mumbai – 400093.

Tel: 022-6619 5000, **Fax No.** 022-6619 5050

Website: www.kaya.in **Email:** investorrelations@kayaindia.net

NOTICE is hereby given that the **Thirteenth Annual General Meeting** of Kaya Limited will be held on Thursday, August 4, 2016 at 9:30 a.m. at Dr. R. H. Patil Auditorium, National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements including audited consolidated financial statements of the Company for the financial year ended March 31, 2016 together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Rajen Mariwala, Director (holding DIN: 00007246) who retires by rotation and being eligible seeks re-appointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s. Price Waterhouse, Chartered Accountants (Firm Registration No. 301112E) be and are hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of the 13th Annual General Meeting until the conclusion of 14th Annual General Meeting, at such remuneration as may be determined by the Board of Directors of the Company in mutual agreement with the Statutory Auditors.”

SPECIAL BUSINESS:

4. **Re - Appointment of Mr. Harsh Mariwala as the Chairman and Managing Director of the Company**

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

“**RESOLVED THAT** pursuant to Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 (“Act”), if any, read with Schedule V to the Act and the rules made thereunder, including any statutory modification(s) or re-enactment thereof, and pursuant to Article 110 and any other applicable Article of the Articles of Association of the Company:

1. the consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Harsh Mariwala (DIN: 00210342) as the Chairman and Managing Director of the Company, for a period of five years commencing from November 1, 2016 and ending on October 31, 2021, and he shall continue to act as the Chairman and Managing Director of the Company on attaining the age of 70 years during the aforesaid term of his re-appointment, on the terms and conditions including remuneration as set out in the explanatory statement annexed to the notice; and
2. the Board of Directors of the Company (hereinafter called “the Board” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution), be and is hereby authorized to:
 - a. alter or vary the terms and conditions of the said appointment and/or enhance, enlarge, alter or vary the scope and quantum of remuneration, perquisites, benefits, amenities, etc., as may be acceptable to Mr. Harsh Mariwala, provided however, that the altered or varied remuneration shall not exceed the maximum limits specified under Schedule V to the Companies Act, 2013 or the Rules made thereunder or any statutory modification(s) or re-enactment thereof;

- b. authorize any Director or the Chief Financial Officer or the Company Secretary or any other officer of the Company to execute any document(s) and/or to take such decisions or actions as may be necessary to give effect to the foregoing;
- c. settle any question, difficulty or doubt, that may arise in giving effect to this resolution;
- d. do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary and think fit to give effect to this resolution;
- e. delegate all or any of the powers herein conferred to any Committee of Directors or any other officer(s) of the Company.”

5. Kaya Employee Stock Option Plan, 2016 for employees of the Company

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

“RESOLVED THAT:

- I. pursuant to:
 - a. Section 62 (1) (b) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force (“the Act”);
 - b. the Memorandum and Articles of Association of the Company;
 - c. the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended (“SEBI Regulations”); and
- II. subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee of the Board):
 - 1. the approval of the Members of the Company be and is hereby accorded to the introduction and implementation of Kaya Employee Stock Option Plan, 2016 (“Kaya ESOP 2016” or “the Plan”), salient features of which are detailed in the explanatory statement to this Notice and the Board be hereby authorized to create, grant, offer, issue and allot Stock Options (“ESOP”), in one or more tranches, to the existing and future employees of the Company, working in India or outside India, including Directors whether Whole-time Directors or not (but excluding an employee who is a Promoter or belonging to the Promoter Group, an Independent Director and a Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company) and to such other persons as may from time to time be allowed to be eligible for the benefit under the provisions of the applicable laws and regulations in force (all such persons are hereinafter collectively referred to as “Employees”) as may be decided by the Board under the Plan, such that the aggregate number of ESOPs granted under the Plan shall not exceed at any time 2% of the paid-up equity share capital of the Company as on the March 31, 2016 and the aforesaid limit shall automatically include within its ambit the expanded equity share capital of the Company where such expansion has taken place on account of corporate action(s) of the Company from time to time;
 - 2. the equity shares so issued and allotted as mentioned herein before shall rank pari passu with the then existing equity shares of the Company;
 - 3. subject to the provisions of the applicable laws and regulations in force including the SEBI Regulations, the Board be and is hereby authorized to:
 - a. administer, implement and superintend the Plan including the Scheme(s) notified/ to be notified under the Plan;
 - b. modify, change, vary, alter, amend, suspend or terminate the Plan, subject to the compliance with the applicable laws and regulations;
 - c. decide all other matters that must be determined in connection with ESOP/s under the Plan or any Scheme notified/ to be notified thereunder;
 - d. make fair and reasonable adjustment to the number of ESOPs in case of Corporate Actions;

- e. formulate, approve, decide upon and bring into effect the Plan and/ or any Scheme(s) notified thereunder, subject to SEBI Regulations for the purpose of grant of stock options to the Employees;
- f. do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient and to settle any questions, difficulties or doubts that may arise with respect to the above matter without requiring the Board to secure any further approval of the Members and the Board be and is hereby further authorized to nominate one or more representatives of the Company to execute such further deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered to do for the purpose of giving effect to this Resolution.”

6. Kaya Employee Stock Option Plan, 2016 for employees of the Subsidiaries of the Company

“RESOLVED THAT:

- I. pursuant to:
 - a. Section 62 (1) (b) and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, including any statutory modification(s) or re-enactment thereof, for the time being in force (“the Act”);
 - b. the Memorandum and Articles of Association of the Company;
 - c. the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended (“SEBI Regulations”); and
- II. subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall be deemed to include any Committee of the Board):
 - 1. the approval of the Members of the Company be and is hereby accorded to the introduction and implementation of Kaya Employee Stock Option Plan, 2016 (“Kaya ESOP 2016” or “the Plan”), salient features of which are detailed in the explanatory statement to this Notice and the Board be hereby authorized to create, grant, offer, issue and allot Stock Options (“ESOP”), in one or more tranches, to the existing and future employees of the present and future Subsidiaries of the Company, working in India or outside India, including Directors whether Whole-time Directors or not (but excluding an employee who is a Promoter or belonging to the Promoter Group, an Independent Director and a Director who either himself or through his relative or through any body corporate, directly or indirectly, holds more than ten per cent of the outstanding equity shares of the Company) and to such other persons as may from time to time be allowed to be eligible for the benefit under the provisions of the applicable laws and regulations in force (all such persons are hereinafter collectively referred to as “Employees”) as may be decided by the Board under the Plan, such that the aggregate number of ESOPs granted under the Plan shall not exceed at any time 2% of the paid-up equity share capital of the Company as on the March 31, 2016 and the aforesaid limit shall automatically include within its ambit the expanded equity share capital of the Company where such expansion has taken place on account of corporate action(s) of the Company from time to time;
 - 2. the equity shares so issued and allotted as mentioned herein before shall rank pari passu with the then existing equity shares of the Company;
 - 3. subject to the provisions of the applicable laws and regulations in force including the SEBI Regulations, the Board be and is hereby authorized to:
 - a. administer, implement and superintend the Plan including the Scheme(s) notified/ to be notified under the Plan;
 - b. modify, change, vary, alter, amend, suspend or terminate the Plan, subject to the compliance with the applicable laws and regulations;
 - c. decide all other matters that must be determined in connection with ESOP/s under the Plan or any Scheme notified/ to be notified thereunder;
 - d. make fair and reasonable adjustment to the number of ESOPs in case of Corporate Actions;

- e. formulate, approve, decide upon and bring into effect the Plan and/ or any Scheme(s) notified thereunder, subject to SEBI Regulations for the purpose of grant of stock options to the Employees;
- f. do all such acts, deeds, matters and things as it may in its absolute discretion deem expedient and to settle any questions, difficulties or doubts that may arise with respect to the above matter without requiring the Board to secure any further approval of the Members and the Board be and is hereby further authorized to nominate one or more representatives of the Company to execute such further deeds, documents and writings that may be considered necessary and to carry out any or all activities that the Board is empowered to do for the purpose of giving effect to this Resolution.”

NOTES:

1. An Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (“the Act”) relating to the Special Businesses to be transacted at the Annual General Meeting (“AGM”) as set out in the Notice is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. The instrument appointing the proxy, in order to be effective, must be deposited at the registered office of the Company, duly completed and signed, not less than 48 HOURS before the commencement of the meeting. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution/authority, as applicable. A person can act as proxy on behalf of members not exceeding fifty (50) and/or holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by member(s) holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person.
4. Corporate members are requested to send to the Company or its Registrar and Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the AGM.
5. During the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, a member can inspect the proxies lodged at any time during the business hours of the Company, provided that a prior notice of not less than three days is given in writing to the Company for such inspection.
6. Pursuant to Section 91 of the Companies Act, 2013, Register of members and Share Transfer Books of the Company will remain closed from Friday, July 29, 2016 to Thursday, August 4, 2016 both days inclusive for the purpose of the AGM.
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. The Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
9. Relevant documents referred to in the proposed resolutions are available for inspection at the Registered Office of the Company during “business hours” on all days except Saturdays, Sundays and Public holidays up to the date of the AGM.
10. The Board of Directors have fixed the “business hours” as 11.00 a.m. to 1.00 p.m. on all working days of the Company for the purpose of inspection of certain statutory registers/ records/ documents of the Company.
11. Members who hold shares in demat form are requested to direct any change of address, updates of savings bank account details to their respective Depository Participant(s). Members holding shares in physical form are requested to notify/send any change in their address to the Company’s Registrar and Transfer Agent at:

Link Intime India Private Limited,
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai - 400 078.
Tel No.: +91 22 2594 6970 Fax No.: +91 22 2594 6969
E-mail : rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in.

12. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialized form are requested to bring their Client ID and DP ID numbers for identification.
13. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore requested to submit PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agents.
14. Pursuant to the provisions of Section 72 of the Companies Act, 2013 read with relevant Rules made thereunder, Members holding shares in single name may avail the facility of nomination in respect of shares held by them. Members holding shares in physical form may avail this facility by sending a nomination in the prescribed Form No. SH-13 duly filled to the Registrar and Transfer Agents of the Company. Members holding shares in electronic form may contact their respective Depository Participant(s) for availing the facility. The Nomination Form is available on the website of the Company. Link: www.kaya.in
15. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Rules made thereunder, Companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Accordingly, the Notice of the AGM along with the Annual Report 2015-16 is being sent by electronic mode to those members whose e-mail addresses are registered with the Company/ Depositories, unless any shareholder has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
16. Members holding shares in demat form who have not registered their e-mail address are requested to register the same directly to their respective Depository Participant(s). Further, Members holding shares in physical form are requested to register their e-mail address with the Company's Registrar and Transfer Agent for receiving documents like General Meeting Notices, Financial Statements, Directors' Report, Auditors' Report, Ballot Papers and other communications through electronic mode at:

Link Intime India Private Limited,
C-13, Pannalal Silk Mills Compound,
LBS Marg, Bhandup (West), Mumbai - 400 078.
Tel No.: +91 22 2594 6970 Fax No.: +91 22 2594 6969
E-mail : rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Members may also address all other correspondence to the Registrar and Transfer Agent at the address mentioned above.
17. Company does not give gifts to its members and also does not offer its products at discounted rates. However, the Company is committed to shareholders wealth maximization through superior performance.
18. Requisite details of Directors seeking appointment/re-appointment at the Annual General Meeting are given in the Explanatory Statement. The Directors have furnished the necessary declarations for their appointment.
19. Members may note that the Notice of the Meeting and the Annual Report 2015-16 is available on the Company's website www.kaya.in. The physical copies of the same will also be available at the Company's registered office for inspection during the normal business hours on working days up to the date of AGM.

20. Voting Instructions:

- a) In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Thirteenth Annual General Meeting ("AGM") by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited ("NSDL").

- b) Ms. Amita Desai, Practicing Company Secretary (Membership No. 4180) has been appointed as the Scrutinizer to scrutinize the voting process including remote e-voting process in a fair and transparent manner.
- c) Members who do not have access to remote e-voting facility may send their votes using Ballot form available on the website of the Company, so as to reach the Scrutinizer not later than Wednesday, August 3, 2016 (5.00 p.m. IST). The Ballot Form shall also be made available to such members upon a request made in writing to the Company at its registered office or by sending an e-mail at investorrelations@kayaindia.net or to the Registrar and Transfer Agents at rnt.helpdesk@linkintime.co.in by mentioning their Folio No./DP ID and Client ID No. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final. **Ballot forms received after Wednesday, August 3, 2016 (5.00 p.m. IST) will not be considered.**

The members are requested to send valid Ballot Forms addressed to:

M/s. Amita Desai,
Practicing Company Secretary,
Unit: Kaya Limited,
C/o. Link Intime India Private Limited,
C-13, Pannalal Silk Mills Compound, LBS Marg,
Bhandup (West), Mumbai – 400 078

- d) A facility for voting by Poll or otherwise will also be made available at the AGM to the Members attending the AGM who have not already cast their votes by remote e-voting or Ballot Form prior to the AGM. The members who have cast their vote by remote e-voting or Ballot Form prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- e) **Voting Rights shall be reckoned on the paid-up value of equity shares registered in the name of the Members as on cut-off date i.e., Friday, July 29, 2016. A person whose name is recorded in the register of members or in the register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on the cut-off date, i.e., Friday, July 29, 2016 only shall be entitled to avail the facility of remote e-voting/ Ballot paper voting/ voting facility provided at the AGM.**
- f) **Any person becoming member of the Company after the dispatch of the Notice of the AGM and holding shares as on the cut-off date, i.e., Friday, July 29, 2016 shall be entitled to vote by remote e-voting/ Ballot paper voting/ voting facility provided at the AGM.**
- g) **The remote e-voting period commences on Monday, August 1, 2016 (9:00 am IST) and ends on Wednesday, August 3, 2016 (5:00 pm IST). During this period members of the Company holding shares either in physical form or in dematerialized form, as on Friday, July 29, 2016, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.**
- h) **A member can opt for only one mode of voting i.e., either through remote e-voting or by Ballot voting/ Voting facility provided at the AGM. If a member casts votes by more than one mode, then voting done through e-voting shall prevail and voting through Ballot/ voting facility at the AGM shall be not be considered.**
- i) The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/ Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "Kaya remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.

- (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select EVEN of Kaya Limited – “104160”
 - (viii) Now you are ready for remote e-voting as “Cast Vote” page opens.
 - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
 - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
 - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to info@amitadesai.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- I. Initial password is provided at the bottom of the Attendance Slip for the AGM.
 - II. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast your vote.
- C. Any person becoming member of the Company after the dispatch of the Notice of the AGM and holding shares as on the cut-off date, i.e., Friday, July 29, 2016 may obtain the login ID and password by sending a request at evoting@nsdl.co.in or rnt.helpdesk@linkintime.co.in.
- D. General Instructions:
- I. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
 - II. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - III. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

21 Voting Results

- a) The Scrutinizer shall, after the conclusion of voting at the AGM, first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- b) The Results declared along with the report of the Scrutinizer shall be placed on Company's website: www.kaya.in and on the website of NSDL: www.evoting.nsdl.com immediately after the declaration of result by the Chairman or a person authorized by him. The results shall also be communicated to the BSE Limited and National Stock Exchange of India Limited.
- c) Subject to the receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the AGM, i.e., August 4, 2016.

By Order of the Board
For **KAYA LIMITED**

Almas Badar
Company Secretary &
Compliance Officer

Place : Mumbai

Date : June 28, 2016

Registered Office:

23/C, Mahal Industrial Estate, Mahakali Caves Road,
Near Paperbox Lane, Andheri (East), Mumbai – 400093.

Tel no.: 022-6619 5000

Fax No.: 022 6619 5050

Website: www.kaya.in

Email: investorrelations@kayaindia.net

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

Item No. 4

Mr. Harsh Mariwala has been on the Board of Kaya Limited since its incorporation i.e March 27, 2003. He was appointed as the Chairman and Managing Director ("CMD") vide a resolution passed by the shareholders at the Extra-Ordinary General Meeting of the Company held on November 18, 2011 for a period of 5 (Five) years w.e.f. November 1, 2011. Accordingly, his tenure as CMD expires on October 31, 2016.

Mr. Harsh Mariwala has given his consent to be appointed as CMD of the Company. Accordingly, on recommendation of Nomination and Remuneration Committee of the Company, the Board of Directors at its meeting held on May 26, 2016 re-appointed him as CMD of the Company for a period of 5 (five) years commencing from November 1, 2016 to October 31, 2021 and approved the terms and conditions of his appointment including remuneration.

Further, Mr. Harsh Mariwala during the tenure of his appointment would attain the age of 70 years in the month of May, 2021. As per the provisions of Section 196 (3) read with Schedule V Part I (c) of the Companies Act, 2013, Managing Director can be appointed/ continue acting as Managing Director after attaining 70 years, if his appointment/ continuation is approved by a special resolution passed by the Company in General Meeting.

Brief profile of Mr. Harsh Mariwala, names of companies in which he holds directorships and memberships/ chairmanships of Board Committees and shareholding in the Company is provided in the Corporate Governance Report forming part of the Annual Report.

The terms and conditions as to the appointment including remuneration of Mr. Harsh Mariwala are broadly stated as under:

1. The appointment of Mr. Harsh Mariwala as CMD is subject to the supervision, control and direction of the Board and he shall be responsible for the day-to-day management of the Company and shall carry out such duties as may be entrusted to him by the Board. He shall perform such services/functions as may be delegated to him from time to time by the Board;
2. The CMD shall be in continuous service of the Company during his term of appointment and his office shall not be liable to retire by rotation;
3. The appointment may be terminated by the Company or by the CMD by giving not less than three months' notice. If at any time, CMD ceases to be a Director of the Company for any cause whatsoever, he shall cease to be the CMD;
4. CMD shall not receive any remuneration by way of salary, dearness allowance, perquisites, commission or any other allowance, benefit or amenity from the Company during his office as CMD of the Company;
5. CMD shall not be entitled to sitting fees for attending Meetings of the Board of Directors of the Company or any committee or committees thereof.

The Board confirms that Mr. Harsh Mariwala satisfies all the conditions as set out in Part I of Schedule V as also under Section 196(3) of the Act, for being eligible to be appointed as CMD of the Company. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The Board of Directors are of the opinion that the appointment of Mr. Harsh Mariwala as the CMD is in the best interest of the Company and accordingly, recommend the Special Resolution set out in Item No. 4 of the Notice for approval of the shareholders.

Mr. Harsh Mariwala is interested in the resolution set out at Item No. 4 of the Notice with regard to his appointment and remuneration and to the extent of his shareholding in the Company. Relatives of Mr. Harsh Mariwala may be deemed to be interested in the said resolution, to the extent of their shareholdings, if any, in the Company.

Except the above, none of the Directors, Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in this resolution.

Item no. 5 and 6

Approval of Kaya Employee Stock Option Plan, 2016

With the objective of rewarding and motivating employees, to attract and retain the best talent, to create a culture of ownership, and to build commitment towards the Company, it is proposed to introduce Kaya Employee Stock Option Plan, 2016 ("ESOP Plan, 2016")

or "Kaya ESOP 2016" or "Plan") for the present and future permanent employees (in India or outside India) and directors (whether whole time or not) of the Company and its subsidiary companies (in India or outside India); subject to the employees meeting the eligibility criteria.

Kaya ESOP 2016 would be governed by SEBI (Share Based Employee Benefits) Regulations, 2014, including any circulars, notifications, clarifications issued thereunder ("SEBI Regulations") and the provisions of Companies Act, 2013 and the Rules made thereunder ("the Act"). The Nomination and Remuneration Committee of the Board of Directors constituted under Section 178 of the Act shall act as the Compensation Committee for the purpose of implementation, administration and superintendence of the Kaya ESOP 2016.

The salient features of Kaya ESOP 2016 and various disclosures in terms of Act and SEBI SBEB Regulations in relation thereto are as under:

A. Brief Description of Kaya ESOP 2016

Kaya ESOP 2016 is an incentive plan for the welfare of the employees of the Company and of its Subsidiaries. Under this Plan, various schemes shall be notified and under each Scheme, eligible employees shall be granted Stock Options by the Board/ Nomination and Remuneration Committee. Options granted under the notified Scheme/s shall vest on satisfaction of vesting conditions which can thereafter be exercised resulting in allotment of equity shares of the Company.

B. Total number of Options to be granted

The total number of Options to be granted to the employees of the Company and of its Subsidiaries under Kaya ESOP 2016 shall not exceed at any time 2% of the paid-up equity capital of the Company as on March 31, 2016. The aforesaid limit shall automatically include within its ambit the expanded equity share capital of the Company where such expansion has taken place on account of corporate action(s) of the Company from time to time.

Each stock option when exercised and allotted shall be converted into one fully paid-up equity share of Rs. 10/- each.

Vested options that lapse due to non-exercise or unvested options that get cancelled due to resignation or termination of the employees or otherwise, would be available for re-grant at a future date for which no further approval of shareholders would be required.

C. Identification of classes of employees entitled to participate in Kaya ESOP 2016

Following classes of employees are entitled to participate in Kaya ESOP 2016:

- a. Permanent employees of the Company working in India or out of India;
- b. Directors of the Company, whether whole time or not; and
- c. Permanent employees and Directors of the Subsidiary Company/ies working in India or out of India.

Following persons are not eligible:

- a. an employee who is a Promoter or belongs to the Promoter Group;
- b. a Director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding Equity Shares of the Company; and
- c. an Independent Director.

The Nomination and Remuneration Committee shall determine the eligibility criteria which should be fulfilled in order to become eligible to participate in the Scheme/s to be notified.

D. Requirement of Vesting and Vesting Period

All options granted on any date shall vest not earlier than 1 (one) year and not later than 5 (Five) years from the date of grant of options. The options granted shall vest as long as the employee continues to be in the employment of the Company or its Subsidiary(ies).

E. Maximum Period within which the options shall be vested

The vesting period for a particular Scheme notified under the Kaya ESOP 2016 shall be not more than 5 (Five) years from the date of grant. However, Nomination and Remuneration Committee may stipulate different vesting periods within each of the Notified Scheme for the eligible employees, provided that such vesting period shall not in any event be less than 1 (One) year and more than 5 (Five) years from the date of grant.

F. Exercise Price or Pricing Formula

The Exercise Price shall be determined by the Nomination & Remuneration Committee in line with SEBI Regulations and any other applicable law but it shall not be lower than the Face Value of the shares.

G. Exercise Period and the process of Exercise

The vested options shall be allowed for exercise on and from the date of vesting. The vested options need to be exercised within a maximum period of 2 (Two) years from the date of vesting of such options. The vested Option shall be exercisable by the employees by a written application to the Company expressing his/ her desire to exercise such vested Options in such manner and on such format as may be prescribed. The vested Options shall lapse if not exercised within the specified exercise period.

H. Appraisal process for determining the eligibility of employees for Kaya ESOP 2016

The appraisal for determining the eligibility of the employees shall be decided by the Nomination and Remuneration Committee and will be based on the criteria such as grade of the employee, the date of joining of the employee, performance evaluation, current remuneration, period of service, industry experience and such other criteria that may be decided by the Nomination and Remuneration Committee at its sole discretion.

I. Maximum number of Options to be issued per employee and in aggregate

The maximum number of Options that may be granted to an eligible employee under a particular Scheme notified under the Kaya ESOP 2016, during any one year, shall not exceed 0.5% of the paid-up equity share capital of the Company as on the grant date. The total number of options granted in aggregate under the Plan shall not exceed the limit specified under clause B above.

J. Maximum quantum of benefits to be provided per employee under the Kaya ESOP 2016

The maximum quantum of benefits underlying the options issued to an eligible employee shall be equal to difference between the option exercise price and the market price of the shares on the exercise date.

K. Administration and implementation of the Kaya ESOP 2016

The Plan and the Scheme/s to be notified thereunder shall be implemented and administered directly by the Company.

L. Source of acquisition of shares under Kaya ESOP 2016

The Plan and the Scheme/s to be notified thereunder contemplates fresh/new issue of shares by the Company.

M. Amount of loan to be provided for implementation of the scheme(s) by the Company to the trust, its tenure, utilization, repayment terms, etc.

The Company is not providing any loan for the Plan as Company is directly implementing the Plan and the Scheme/s to be notified thereunder through fresh/new issue of shares.

N. Maximum percentage of secondary acquisition that can be made by the trust for the purpose of the Plan

This is not relevant for Kaya ESOP 2016 as the Plan and the Scheme/s to be notified thereunder contemplates fresh/new issue of shares.

O. Accounting and Disclosure Policies

The Company shall follow the Guidance Note on Accounting for Employee Share-based Payments and/or any relevant Accounting Standards as may be prescribed by the Institute of Chartered Accountants of India (ICAI) from time to time, including the disclosure requirements prescribed therein.

P. Method of option valuation

To calculate the employee compensation cost, the Company shall use the Intrinsic Value method for valuation of the Option granted. The difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the Options and the impact of this difference on profits and on EPS of the company shall also be disclosed in the Directors' Report.

The Board of Directors recommends the passing of Special Resolutions set out at Item Nos. 5 & 6 of the Notice for the approval of Members.

Consent of the members is being sought pursuant to Section 62(1)(b) and other applicable provisions, if any, of the Companies Act, 2013 and rules framed there under and as per Regulation 6 of the SEBI Regulations.

None of the Directors and Key Managerial Personnel of the Company including their relatives is interested or concerned in the resolution, directly or indirectly except to the extent of their entitlements, if any, under the Plan.

By Order of the Board
For **KAYA LIMITED**

Almas Badar
Company Secretary &
Compliance Officer

Place : Mumbai

Date : June 28, 2016

Registered Office:

23/C, Mahal Industrial Estate, Mahakali Caves Road,
Near Paperbox Lane, Andheri (East), Mumbai – 400093.

Tel no.: 022-6619 5000

Fax No.: 022 6619 5050

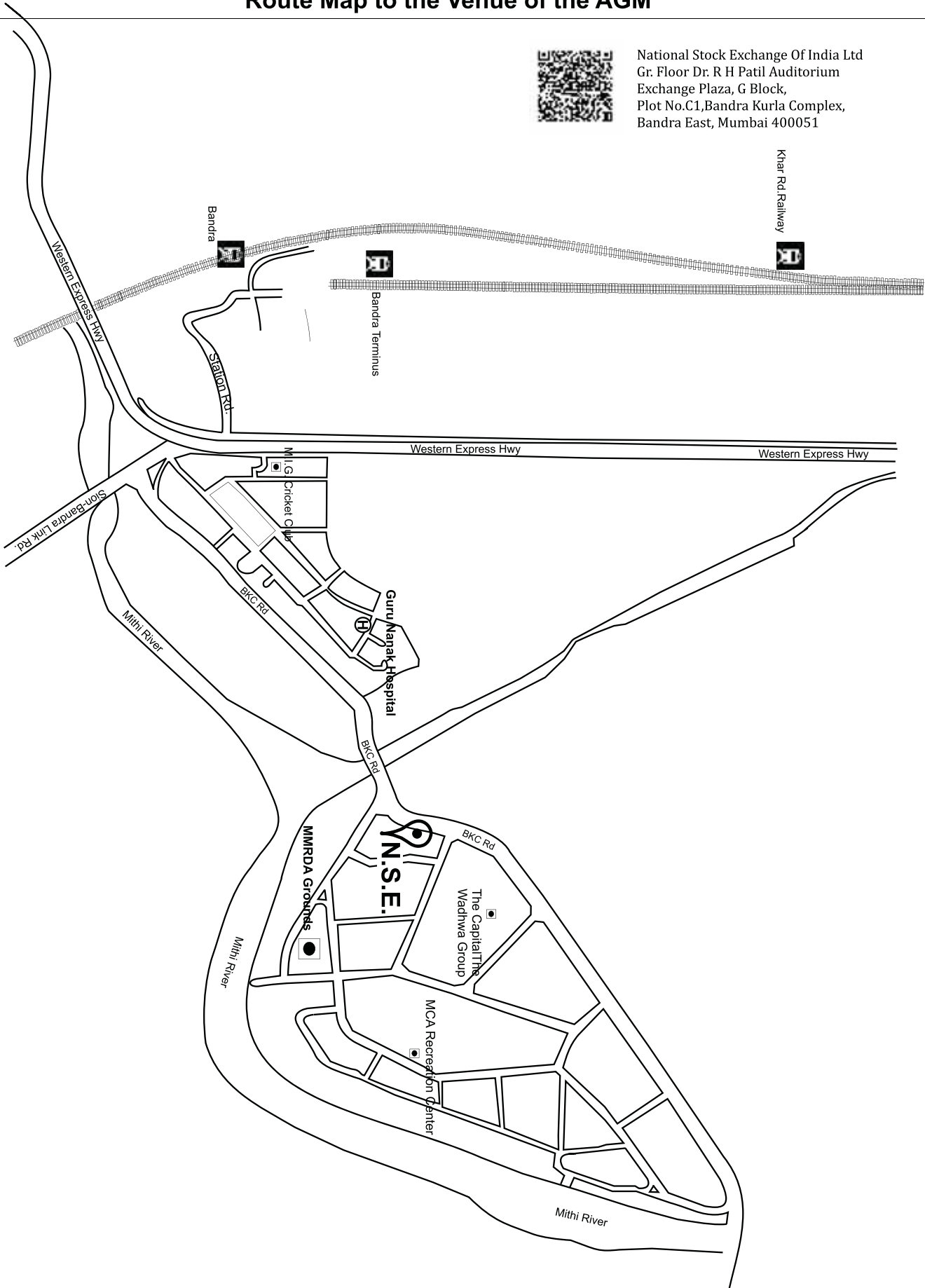
Website: www.kaya.in

Email: investorrelations@kayaindia.net

Route Map to the Venue of the AGM



National Stock Exchange Of India Ltd
Gr. Floor Dr. R H Patil Auditorium
Exchange Plaza, G Block,
Plot No.C1,Bandra Kurla Complex,
Bandra East, Mumbai 400051



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