

24th
Annual Report

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KANEL INDUSTRIES LIMITED

Regd. Office : 203, 2nd Floor, Abhijeet-1, Mithakhali Six Roads,
Ellisbridge, Ahmedabad - 380 006.

KANEL INDUSTRIES LIMITED

TWENTY FOURTH ANNUAL GENERAL MEETING PROGRAMME

DATE : 30TH SEPTMEBER, 2016
DAY : FRIDAY
TIME : 9.30 A.M.
VENUE : 203, ABHIJEET – 1, 2ND FLOOR,
MITHAKHALI SIX ROADS,
ELLISBRIDGE,
AHMEDABAD – 380 006.

NOTE TO SHAREHOLDERS :

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting, Shareholders are requested to kindly bring their copies to the meeting.

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BOARD OF DIRECTORS

Shri Dhiren K. Thakkar	Chairman & Managing Director
Shri Shilpa Solanki	Additional Woman Director
Shri Jatin Vyas	Director

COMPANY LAW CONSULTANT

M/s Kamlesh M. Shah & Co.,
Company Secretaries,
801-A, Mahalay Building, Opp. Hotel President,
Off. C.G. Road, Ahmedabad - 380 009.

BANKERS OF THE COMPANY

The Kalol Nagarik Sahkari Bank Ltd.
HDFC Bank Ltd.
Shri Kadi Nagarik Sahkari Bank Ltd.

STATUTORY AUDITORS

M/s. Dinesh Dahyalal & Associates
Chartered Accountants
Ahmedabad.

LISTING AT**AHMEDABAD**

The Ahmedabad Stock Exchange Ltd.
Ahmedabad

JAIPUR

The Jaipur Stock Exchange Ltd.
Jaipur

MUMBAI

The Bombay Stock Exchange Ltd.
Mumbai

CULCUTTA

The Culcutta Stock Exchange Ltd.
Culcutta

REGD. OFFICE

203, 2nd Floor, Abhijeet-1, Mithakhali Six Roads,
Ellisbridge, Ahmedabad - 380 006.

COMPLIANCE OFFICER

Mr. Jatin R. Vyas
203, 2nd Floor, Abhijeet-1, Mithakhali Six Roads,
Ellisbridge, Ahmedabad - 380 006.

NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of the Members of the **KANEL INDUSTRIES LIMITED** will be held on Friday the 30th September, 2016 at 09:30 A.M. at the Registered office of the Company at 203, Abhijeet-1, 2nd floor, Mithakhali Six Roads, Ellisbridge, Ahmedabad: 380 006 to transact the following business:

ORDINARY BUSINESS:

- 1) To Receive, Consider, Approve and Adopt the Audited Statement of Accounts i.e. The Audited Balance Sheet as at 31st March, 2016 The Profit & Loss Account for the year ended on that date, the report of the Auditors and Directors thereon.
- 2) To reappoint a director Mr. DHIREN KANAIALAL THAKKAR who retires by rotation and being eligible offers himself for reappointment
- 3) **To Consider and if thought fit to pass with or without modification following Resolution as an ORDINARY RESOLUTION:**

RESOLVED THAT pursuant to provisions of Section 139 (1) and other applicable provisions of the Companies Act 2013 (Corresponding provisions of Section 224(1B) of the Companies Act 1956) read with Rule 4 and 6 of the Companies (Audit and Auditors) Rules 2014 as in force, the consent of the members of the Company be and is hereby accorded to the Appointment of Shah Dinesh Dahyalal & Associates, a firm of Chartered Accountants (Proprietor firm Registration Number:120362W and CA Member No: 106871), as Statutory Auditors of the Company for the next financial years i.e. for the financial years 2016-17 and to fix their remuneration as per section 139(2) of the Companies Act 2013.

PLACE: AHMEDABAD.
DATE: 31ST MAY, 2016

**ON BEHALF OF THE BOARD OF DIRECTORS
OF KANEL INDUSTRIES LIMITED**

SD/-
(DHIREN K THAKKAR)
CHAIRMAN & MANAGING DIRECTOR
(DIN: 00610001)

The Register of Members of the Company will remain closed from 23/09/2016 to 30/09/2015 (both days inclusive).

NOTES:

- 1) A Member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote and that a proxy need not be a member of the company.
- 2) Proxies in order to be effective must be received at the Company's Registered Office not less than 48 hours before the meeting. Proxies submitted on behalf of limited companies, societies, Trusts, etc., must be backed by appropriate resolution / authority as applicable, issued on behalf of the nominating organization.
- 3) **A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.** 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 a proxy for any other person or shareholder.

- 4) In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and Clause 35B of the Listing Agreement (Including any Statutory Modification or re-enactment thereof for the time being in force), the Company is providing e-Voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically. The instructions for e-voting are enclosed herewith.
- 5) Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting
- 6) **The Register of members and share transfer books of the Company shall remain closed from 23/09/2016 TO 30/09/2016 (Both days inclusive).**
- 7) The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
- 8) Members desiring any information on accounts are requested to write to the company **7 days** before the meeting to enable the management to keep the information ready.
- 9) Shareholders holding shares in physical form are requested to advise any change of address immediately to Company's Registrar and Share Transfer Agent, System Support Service. Shareholders holding shares in electronic form must advise to their respective depository participants about change in address and not to company.
- 10) All shareholders are requested to dematerialize their shareholding immediately as the shares are traded compulsorily in demat segment only.
- 11) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
- 12) All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
- 13) The Notice of the Annual General Meeting and Annual Report of the Company for the year ended 31st March, 2016 is uploaded on the Company's website www.kanel.in and may be accessed by the members.
- 14) Electronic copy of the Annual Report for 2014-15 is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2014-15 is being sent in the permitted mode.

- 15) Electronic copy of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.
- 16) Instructions for e-voting: In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 read with Regulation 44 of the SEBI (LODR), 2015 the Company is pleased to provide members facility to exercise their right to vote at the 24TH Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" i.e. KANEL INDUSTRIES LIMITED from the drop down menu and click on "SUBMIT"
- (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. (6 Digit Alpha-Numeric)
- (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 first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details	<p>Enter the Dividend Bank Details 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 number of shares held by you as on the cut-off date in the Dividend Bank details field.
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- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then reach directly 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 <Company Name> i.e. The KANEL 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 changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

Please follow all steps from sr. no. (i) to sr. no. (xvii) above to cast vote.

General Instructions:

- a. **The voting period begins on 27th September 2016 at 9.00 a.m. and ends on 29th September, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of (record date) of 23rd September 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. The EVSN Number for e-voting generated on the website www.evotingindia.com is 160909032.**
- b. 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
- c. Mr. Kamlesh M. Shah, Practicing Company Secretary, (Membership No. ACS: 8356 and COP No. 2072) (Address: 801-A, Mahalay Complex, Opp: Hotel President, B/h. Fairdeal House, Swastik Cross Roads, Navrangpura, Ahmedabad: 380 009, Gujarat, India, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- d. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.
- e. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.kanel.in and on the website of CDSL within two(2) days of passing of the resolutions at the AGM of the Company and communicated to the ASE and BSE Limited.

INFORMATION ABOUT THE DIRECTORS WHO ARE PROPOSED TO BE APPOINTED/ RE-APPOINTED AT THE 24th ANNUAL GENERAL MEETING AS PER REGULATION OF SEBI (LODR), 2015 FORMING PART OF THE NOTICE CONVENING THE ANNUAL GENERAL MEETING OF THE COMPANY.

Particulars	Mr. Dhiren K. Thakkar
Director Identification Number.	00610001
Date of Birth.	26/06/1972
Age.	45 yrs
Educational Qualification.	Graduate
Experience (No. of Years)	25 Yrs.
Business field in which Experience.	Administration
Date of Appointment as Director in the Company.	08/10/2008
Directorship held in any other Company.	1. DHARTI PROTEINS LIMITED 2. TJR AGROCOM PRIVATE LIMITED 3. SHAKTI NUTRACEUTICALS PRIVATE LIMITED. 4. T J R SONS LIMITED. 5. SUN RETAIL PRIVATE LIMITED 6. KAUFMAN RETAIL PRIVATE LIMITED 7. MANDAR AGRO INDUSTRIES LLP
Member of any Committees of the Directors in the Company.	Audit Committee Remuneration Committee
Member of any committees of the Directors in other Companies with names of the Company.	N.A.
Member of any Trade Association/ Charitable Organization/ NGOs etc.	N.A.

PLACE: AHMEDABAD.
DATE: 31ST MAY, 2015

ON BEHALF OF THE BOARD OF DIRECTORS OF
KANEL INDUSTRIES LIMITED

SD/-
(DHIREN K THAKKAR)
CHAIRMAN AND MANAGING DIRECTOR
(DIN: 00610001)

DIRECTORS' REPORT

To,
The Members,
KANEL INDUSTRIES LIMITED

Dear Shareholders,
Your directors have pleasure in presenting herewith the 24TH Audited Annual Report for the year ended on 31st March, 2016 of your Company.

[Amount in Rs.]

PARTICULARS	2015-16	2014-15
Income from Operation	255586967	226872301
Other Income	35507	39299
Increase/ (Decrease) in stock	NIL	NIL
Total Income	255622474	226911600
Total Expenditure	257618225	229329378
Profit/ (Loss) before Tax	-1995750	-2417778
Provision for Tax	NIL	NIL
Tax for Earlier periods	NIL	NIL
Prior Period Extra Ordinary Items (Net)	NIL	NIL
Net Profit / (Loss) after Tax	-1995750	-2417778
Balance Carried to B/S -	1995750	-2417778

OPERATIONAL OVERVIEW

During the under review the Company has made net losses of rs.-1995750(Previous year's loss of Rs.-2417778) from business. The Company has earned total income RS.255622474(Previous year's income was Rs.229329378) and Total expenses is Rs.257618225 (Previous year's expense is Rs.229329378).

DIVIDEND:

As our company incurred heavy losses during the year under review and due to the accumulated losses our directors regret for their inability to declare dividend to the members.

DETAILS OF THE ASSOCIATES/ JOINT VENTURE / SUBSIDIARIES COMAPAN IES

The company does not have holding or subsidiary companies during the year and no other company has become holding / subsidiary/ joint venture.

SHARE CAPITAL STRUCTURE:

During the year under review there were no changes in the Authorized, Issued, Subscribed and Paid up Share Capital Structure of the Company.