

31ST ANNUAL REPORT

KANEL INDUSTRIES LIMITED



2022-2023

KANEL INDUSTRIES LIMITED

(31ST) THIRTY ANNUAL GENERAL MEETING:

DATE: 30TH SEPTEMBER 2023

DAY: SATURDAY

TIME: 09:30 A.M.

VENUE: 203, ABHIJEET BUILDINGS, NEAR MITHAKHALI 6 ROAD, ELLISBRIDGE, AHMEDABAD-380006, GUJARAT.

NOTE TO SHAREHOLDERS:

As a measure of economy and Green Initiative, copies of the Annual Report will not be distributed at the Annual General Meeting.

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KANEL INDUSTRIES LIMITED

➤ **BOARD OF DIRECTORS:**

- Shri Dhiren K. Thakkar
- Shri Hitesh K Thakkar
- Shri Asha F Desai
- Shri Vikram Ishvarbhai Desai
- Chairman, Managing Director & CFO
- Non-Executive Director
- Independent Woman Director
- Independent Director

➤ **RESOLUTION PROFESSIONAL:**

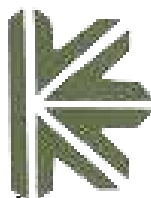
- Shri Prashant Bharatkumar Patel
IBBI Registration No.: IBBI/IPA-002/IP- No. 0827 /2019-2020/12627

➤ **BANKERS OF THE COMPANY:**

- The Kalol Nagarik Sahakari Bank Ltd.
- HDFC Bank Ltd.
- Shri Kadi Nagarik Sahakari Bank Ltd.
- IndusInd Bank Ltd.

➤ **STATUTORY AUDITORS:**

- **M/s. Bhagat & Co.**
Chartered Accountants,
Ahmedabad.



➤ **SECRETARIAL AUDITOR:**

- **M/s. Himanshu S K Gupta & Associates**
Practicing Company Secretary
Ahmedabad.

➤ **LISTING AT:**

AHMEDABAD

The Ahmedabad Stock Exchange Ltd.

MUMBAI

The Bombay Stock Exchange Ltd.

JAIPUR

The Jaipur Stock Exchange Ltd.

KOLKATA

The Culcutta Stock Exchange Ltd.

➤ **REGD. OFFICE:**

203, Abhijeet Buildings, Near Mithakhali 6 Road,
Ellisbridge, Ahmedabad-380006, Gujarat.

CIN: L15140GJ1992PLC017024

E-mail: koeil@yahoo.com

Website: www.kanel.in

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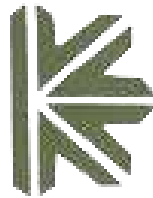
➤ **REGISTRAR & SHARE TRANSFER AGENT:**

Accurate Securities & Registry Private Limited

203, Shangrila Arcade, Abohe Samsung Showroom,

Nr. Shyamal Cross Road, Satellite, Ahmedabad - 380015.

E-mail: investor@accuratesecurities.com



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NOTICE

NOTICE is hereby given that the 31st Annual General Meeting of the Members of the **KANEL INDUSTRIES LIMITED** will be held on Saturday 30th September, 2023 at 09:30 a.m. at the Registered office of the Company at 203, Abhijeet Buildings, Near Mithakhali 6 Road, Ellisbridge, Ahmedabad-380006, Gujarat 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, 2023, the Profit & Loss Account for the year ended on that date, the report of the Auditors and Directors thereon.**
- 2) To appoint a director in place of Mr. Hitesh Kanaiyalal Thakkar, who retires by rotation and being eligible offers himself for re-appointment.**
- 3) Appointment of M/s N.S. Nanavati & Co., Chartered Accountants as Statutory Auditors of the company for the term of 5 years**

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

"RESOLVED THAT, pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s. N.S. Nanavati & Co., Chartered Accountants, (Firm Registration No. 134235W), be and are hereby appointed as Statutory Auditors of the Company.

RESOLVED FURTHER THAT, M/s. N.S. Nanavati & Co., Chartered Accountants, (Firm Registration No. 134235W), be and are hereby appointed as Statutory Auditors of the Company for a term of 5 years commencing from 2023-2024 to 2027-2028 on such remuneration as fixed by the Board of Directors in consultation with auditor and who shall hold office till the conclusion of 36th Annual General Meeting for the year i.e., for the financial year 2027-2028.

RESOLVED FURTHER THAT, any Director of the Company be and is hereby authorized as to do all such acts, deeds and things incidental thereto to give effect to aforesaid resolution."

SPECIAL BUSINESS:

- 4) To reappoint Mr. Dhiren Kanaiyalal Thakkar (DIN: 00610001) as Managing Director of the Company for a term of 5 years:**

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

"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof for the time being in force) read with schedule V to the Companies Act, 2013 and subject to such consent(s), approval(s) and permission(s) as may be required in this regard

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from any authority and as agreed by the Board of Directors (hereinafter referred to as the Board, which term shall unless repugnant to the context by the Board in this behalf), consent of the members of the Company be and is hereby accorded to the re-appointment of Mr. Dhiren Kanaiyalal Thakkar (DIN 00610001) as a Managing Director of the Company, liable to retire by rotation, for a period of 5 (Five) years with effect from October 03, 2023 on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment and or remuneration as it may deem fit and as may be acceptable to Mr. Dhiren Kanaiyalal Thakkar subject to the same not exceeding the limits specified under Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof.

Tenure of Appointment:

For a period of 5 years commencing from October 03, 2023.

Nature of duties:

a. Subject always for all purpose and in all respects to the provisions of the Act or any statutory modification thereof for the time being in force and applicable to the duties and obligations to be performed and observed and the powers and authorities to be exercised by the Managing Director as such and certain restrictions mentioned in particular and under the General supervision, superintendence and control of the Board of Directors of the Company, the Managing Director shall have the general conduct of the management of business and financial and other affairs of the Company and exercise such powers, authorities and discretions as are hereby conferred upon and vested in him as such, as well by the Articles of Association and for the Regulations of the Company for the time being in force and/or as may from time to time delegated by the Board, save and such as are specifically reserved to the exercised by the Company in General Meeting or by the Board.

b. The Managing Director undertakes to employ the best of his skill and ability to make his utmost endeavors to promote the interests and welfare of the Company and to conform to and comply with the directions and regulations of the Company and all such orders and directions as may be given to him from time to time by the Board.

Remuneration:

Basic Salary not exceeding Rs. 1,00,000/- (Rupees One Lakhs only) per month.

The remuneration referred to above is subject to the limit of 5% of the annual net profits of the Company and further subject to the overall limit of 10% of the annual net profits of the Company on the remuneration of the Managing Director and other Executive Directors of the Company taken together.

Provided, however, that in the event of absence or inadequacy of profit, the Whole-Time Director shall be entitled to remuneration mentioned above within the overall maximum remuneration-specified in Table A of Section II of Schedule V to the Companies Act, 2013.

Apart from the above-mentioned details, the below mentioned terms and conditions have been entered into between the Company and the Managing Director;

(a) The Managing Director is also required to adhere with the Code of Conduct, intellectual property, non-competition, no conflict of interest with the Company and maintenance of confidentiality.

(b) The Managing Director hereby covenant that during his tenure of office as such, he shall not be

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interested or otherwise concerned directly, or through his wife and/or minor children, in any selling agency of the Company, without the prior approval thereto, AND THAT upon the contravention of this provision, his appointment as Managing Director shall cease.

(c) This appointment may be terminated by fifteen days' notice on either side or the Company paying fifteen days remuneration in lieu of such notice.

(d) The employment of the Managing Director may be terminated by the Company without notice or payment in lieu of notice;

a) if the Managing Director is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company for which he is required to render services; or

b) in the event of any serious or repeated or continuing breach (after prior warning) or non-observance by the Managing Director of any of the stipulations to be executed between the Company and the Whole Time Director; or

c) in the event the Board expresses its loss of confidence in the Managing Director.

d) In the event the Managing Director is not in a position to discharge his official duties due to any physical or mental incapacity, the Board shall be entitled to terminate his contract on such terms as the Board may consider appropriate in the circumstances.

- Up on the termination by whatever means of the Managing Director's employment;
- the Managing Director shall immediately tender his resignation from offices held by him in any subsidiaries and associated companies and other entities without claim for compensation for loss of office and in the event of his failure to do so the Company is hereby irrevocably authorised to appoint some person in his name and on his behalf to sign and deliver such resignation or resignations to the Company and to each of the subsidiaries and associated companies of which the Managing Director is at the material time a Director or other officer;
- the Managing Director shall not without the consent of the Company at any time thereafter represent himself as connected with the Company or any of the Subsidiaries or associated companies.
- The Managing Director's appointment is by virtue of his employment in the Company and his appointment shall be subject to the provisions of Section 167 of the Act.

RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in the said regard."

Registered Office:

203, Abhijeet Buildings, Near Mithakhali 6
Road, Ellisbridge, Ahmedabad-380006.

**By order of the Board,
For, Kanel Industries Limited**

Date: September 06, 2023

Place: Ahmedabad

**Sd/-
Prashant Bharatkumar Patel
Resolution Professional
IBBI Registration No.: IBBI/IPA-
002/IP- No. 0827 /2019-2020/12627**

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NOTES:

In view of the outbreak of the COVID- 19 pandemic, Ministry of Home Affairs has from time to time through various circulars and guidelines has clearly indicated the precautions to be taken if there is a social gathering to stop the spread of novel coronavirus. We assure that we have proper arrangements and precautions being taken at the venue of AGM. There is sufficient space so that social distancing of shareholders attending the meeting can be maintained. Further precaution will be taken that none of the attendees will be allowed to the venue without the use of masks and hand sanitizers. In addition to that health checkups will be done of the attendees so as to protect the spread of any kind of disease.

- 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 himself and the proxy so appointed 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 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015, and in terms of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (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 Sunday 24th September, 2023 to Saturday 30th September, 2023 (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 enclosed herewith.
- 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, **Accurate securities and registry private limited**, 203, Shangrila Arcade, Above Samsung Showroom, Nr. Shyamal Cross Road, Satellite, Ahmedabad – 380015 Shareholders holding shares in electronic form must advise to their respective depository participants about change in address and not to company.

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- 10) All shareholders are requested to dematerialize their shareholding immediately as Securities and Exchange Board of India (SEBI) has mandated the transfer of shares only in demat mode.
- 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's Registrar and Share Transfer Agent, **Accurate securities and registry private limited**, 203, Shangrila Arcade, Above Samsung Showroom, Nr. Shyamal Cross Road, Satellite, Ahmedabad – 380015.
- 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, 2023** is uploaded on the Company's website www.kanel.in and may be accessed by the members.
- 14) Members are requested to register their email IDs with the Company and encourage paper free communications. The Company would send its annual reports and other communications to the members on their registered email IDs. The shareholders may register their email IDs with the Company's Registrar and Share Transfer Agent, **Accurate securities and registry private limited**, 203, Shangrila Arcade, Above Samsung Showroom, Nr. Shyamal Cross Road, Satellite, Ahmedabad – 380015.
- 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.

16) Voting through electronic means:

In terms of the provisions of Section 108 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing to the members facility of voting by electronic means in respect of businesses to be transacted at the Meeting which includes remote e-voting (i.e. voting electronically from a place other than the venue of the Meeting). The Company also proposes to provide the option of voting by means of poll paper at the venue of Meeting in addition to the remote electronic voting mentioned above. The Company has engaged the services of National Securities Depository Limited (NSDL) for facilitating voting by electronic means.

The facility for voting through poll paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be

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entitled to vote. The voting rights of Members shall be in the proportion of their shareholding in the Company as on Cut-off Date.

The Company has appointed Mr. Himanshu Surendrakumar Gupta of M/s. Himanshu S K Gupta & Associates, Practicing Company Secretary, Ahmedabad, as the Scrutinizer, to scrutinize the entire voting process including remote e-Voting in a fair and transparent manner.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING ARE AS UNDER:

The remote e-voting period begins on Wednesday, 27th September 2023 at 09:00 a.m. and ends on Friday, 29th September 2023 at 05:00 p.m. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. Saturday September 23, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Saturday September 23, 2023.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system



A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility. Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting