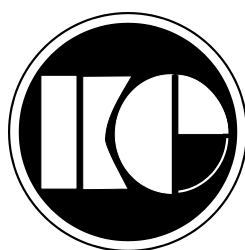


# **KHANDELWAL EXTRACTIONS LIMITED**



**37th ANNUAL REPORT**  
2018-2019

**KHANDELWAL EXTRACTIONS LIMITED**

**BOARD OF DIRECTORS**

K. N. KHANDELWAL	-	Chairman
V. N. KHANDELWAL	-	Whole Time Director (Works)
DINESH KHANDELWAL	-	Whole Time Director (Finance) & CFO
ASHOK GUPTA	-	Independent Director
ATUL BAGLA	-	Independent Director
ANIL KAMTHAN	-	Independent Director
REKHA KEJRIWAL	-	Independent Director

**COMPANY SECRETARY**

SURABHI PASARI

CIN : L24241UP1981PLC005282

**REGISTERED OFFICE :**

51/47, NAYAGANJ, KANPUR – 208 001

Website : [www.khandelwalextractions.com](http://www.khandelwalextractions.com)

Email : [kelknp@yahoo.com](mailto:kelknp@yahoo.com)

**WORKS :**

AKRAMPUR – MAGARWARA

DISTT. UNNAO (UTTAR PRADESH)

**AUDITORS :**

M/S. GUPTA VAISH & CO., KANPUR

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## KHANDELWAL EXTRACTIONS LIMITED

### NOTICE

NOTICE is hereby given that the 37<sup>th</sup> Annual General Meeting of Khandelwal Extractions Ltd. will be held at 50 MIG Bungalow, W Block, Keshav Nagar Kanpur- 208014 on **Saturday, the 28<sup>th</sup> September, 2019** at 4:00 P.M. to transact the following business:

#### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 and Report of the Board of Directors and Auditors' thereon.
2. To ratify the payment of dividend on 5000 Cumulative Redeemable Preference Shares of Series II & 5000 Cumulative Redeemable Preference Shares of Series III @ 12% for the period 01.04.2018 to 24.03.2019 out of surplus in Profit & Loss A/c.
3. To appoint a Director in place of Shri Dinesh Khandelwal (DIN: 00161831), who retires by rotation and being eligible offers himself for re-appointment.

#### SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modification(s), the following resolution(s)

#### As Special Resolution:

4. **Re-appointment of Shri Dinesh Khandelwal as Whole-time Director (Finance) & CFO**

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 of The Companies Act, 2013 and any other applicable provisions, if any and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the members of the Company be and is hereby accorded for the re-appointment of Mr. Dinesh Khandelwal (DIN: 00161831) designated as Whole-time Director (Finance) & CFO, not liable to retire by rotation except for compliance of Section 152 (6) of the Companies Act, 2013, for three (3) years with effect from 01.04.2020, on the terms and conditions as recommended by Nomination and Remuneration Committee and as contained in the Explanatory Statement attached to the notice."

"RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and /or Company secretary of the Company, be and are hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution."

5. **Re-appointment of Shri Ashok Gupta as an Independent Director**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Shri Ashok Gupta (DIN: 00135288), aged 66 years, who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company i.e. up to conclusion of Annual General Meeting in the calendar year 2024."

6. **Re-appointment of Shri Atul Bagla as an Independent Director**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Shri Atul Bagla (DIN: 00159563), aged 53 years, who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company i.e. up to

conclusion of Annual General Meeting in the calendar year 2024."

7. **Re-appointment of Shri Anil Kamthan as an Independent Director**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Shri Anil Kamthan (DIN: 00159819), aged 66 years, who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company i.e. up to conclusion of Annual General Meeting in the calendar year 2024."

8. **Re-appointment of Mrs. Rekha Kejriwal as an Independent Director**

"RESOLVED THAT pursuant to the provisions of Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mrs. Rekha Kejriwal (DIN: 06889864), aged 44 years, who was appointed as an Independent Director and who holds office of Independent Director up to the conclusion of this Annual General Meeting and being eligible, and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a member proposing her candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company i.e. up to conclusion of Annual General Meeting in the calendar year 2024."

By order of the Board of Directors

(SURABHI PASARI)

COMPANY SECRETARY

Regd. Office:

51/47, Nayaganj, Kanpur – 208 001

Dated: 10<sup>th</sup> August, 2019

#### Notes:

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in aggregate not more than 10% of total share capital of the company carrying voting rights. 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. The instrument of proxy in order to be effective must be received by the Company not less than 48 hours before the meeting. A Proxy form is annexed herewith. Proxies submitted on behalf of the Companies must be supported by an appropriate resolution/authority as applicable.
- b) The Register of the members and Share Transfer books of the Company will remain closed from **21<sup>st</sup> September, 2019 to 28<sup>th</sup> September, 2019** (both days inclusive).
- c) Brief resume of the Directors proposed to be re-appointed along with such other details as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and Secretarial Standards on General Meetings (SS-2), are provided as **Annexure to this Notice.**
- d) The Company has entered into necessary arrangements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the shareholders to dematerialize their shareholding in the Company for which they may contact the Depository Participant of the above

## KHANDELWAL EXTRACTIONS LIMITED

Depositories. The Company's ISIN No. is INE687W01010. In view of applicability of Securities and Exchange Board of India ("SEBI") notification dated 08<sup>th</sup> June, 2018, which has mandated that the requests for transfer of securities shall take place only in dematerialized form w.e.f 01<sup>st</sup> April, 2019, members are requested to dematerialize their securities with NSDL/CDSL in order to avoid any hassle while transferring the securities in future.

- e) Members are requested to lodge Share Transfer documents and all other correspondences and queries relating to Share Transfer, Share Certificates, Change of Address etc., to the Company's Registrar and Transfer Agent ("RTA") i.e. M/s Alankit Assignments Limited having its office at 1E/13, Alankit Heights, Jhandewalan Extension, New Delhi- 110055
- f) Member's cooperation is solicited to furnish their latest address, e mail address, contact details and PAN No. to their Depository participants in respect of electronic holdings and to the Company's RTA in respect of physical holdings. **For any assistance, the member(s) may contact Mr. Dinesh Khandelwal –Director (Finance) & CFO on mobile no. 9415330630 or 8081252221 or e-mail at [kelknp@yahoo.com](mailto:kelknp@yahoo.com)**
- g) In terms of Section 108 of the Companies Act 2013 read with relevant applicable rules and pursuant to Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has made arrangement of e-voting through CDSL. Members have option to cast their vote by using electronic voting system from a place other than the venue of the meeting (remote e-voting). Members who wish to cast the vote at AGM shall be provided a Ballot to cast their vote. The members who have cast their vote by remote e-voting may also attend the meeting but shall not be entitled to cast/change their vote again in the meeting.
- h) The voting rights of the Members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the **cut-off date i.e 21<sup>st</sup> September, 2019**. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 as amended from time to time.
- i) The Company has appointed M/s. Banthia & Co. (Prop. Mr. G.K. Banthia) of Kanpur, Practicing Company Secretaries (C.P. No. 1405) as the Scrutinizer for conducting the e-voting and polling process in fair and transparent manner who have consented to be available for the same.
- j) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-voting, will, not later than three days of conclusion of the meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.khandelwalextractions.com](http://www.khandelwalextractions.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com). The results will simultaneously be communicated to the Stock Exchange(s).
- k) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, **i.e 28<sup>th</sup> September, 2019**.
- l) All documents referred to in the accompanying notice are open for inspection at the Registered Office of Company between 2:00 P.M. to 4:00 P.M. on all working days except Saturday up to the date of Annual General Meeting.
- m) A Route Map showing directions to reach the venue of AGM is attached at the end of this Annual Report as per the requirement of the Secretarial Standard -2 on General Meetings.
- n) A copy of this notice has been placed on the website of the Company [www.khandelwalextractions.com](http://www.khandelwalextractions.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com).

### Instructions for the voting through electronic means

- (i) The voting period begins on **25<sup>th</sup> September, 2019 (10:00 am) and ends on 27<sup>th</sup> September, 2019 (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 21<sup>st</sup> 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](http://www.evotingindia.com).
- (iii) Click on Shareholders / Members
- (iv) Now enter your User ID:
  - a. For NSDL: 8 Character DP ID followed by 8 Digits Client Id
  - b. For CDSL: 16 digits Beneficiary 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](http://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	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company are requested to enter 10 digits sequence number printed on address label pasted on cover page of Annual Report
DOB OR Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in DD/MM/YYYY) as recorded in your demat account or with the Company in order to login.
OR	If both the details are not recorded with the Depository or Company please enter the number of shares held by you as on <b>21<sup>st</sup> September, 2019</b> (e voting cut off date) in the Dividend Bank details field.

- (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 used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that the 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 of Khandelwal Extractions 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 a 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 cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (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](http://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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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 Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) Any person, who acquires shares of the Company and become the members after dispatch of the Notice and hold shares as on the cut off date i.e **21<sup>st</sup> September, 2019** may follow the same instructions as mentioned above for E-voting.
- (xxi) In case if 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

## KHANDELWAL EXTRACTIONS LIMITED

### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

#### **Item No. 4**

Mr. Dinesh Khandelwal, who has been associated with the Company's activities since inception, has been holding office in the capacity of Whole-Time Director (Finance) & CFO in terms of approval accorded by members of the Company in the 34<sup>th</sup> Annual General Meeting held on 24th September, 2016 for a period of 3 years w.e.f. 01.04.2017. His present tenure would expire on 31.03.2020. The Board of Directors on the basis of recommendation of Nomination and Remuneration Committee has re-appointed him as Whole-Time Director (Finance) & CFO for another period of three (3) years w.e.f 01.04.2020 on the remuneration package which is within the maximum permissible limit under Schedule V of the Companies Act, 2013. Fresh approval of the members by way of Special Resolution is being sought for the same.

The followings are the terms and conditions as regards to salary and perquisites payable to him:

- i) Salary: Rs.30000/- per month (reduced from existing 52500/- p.m.)

#### **Category – A:**

- a) Provident Fund: Company's contribution to Provident Fund will not be included in the computation of the ceiling on perquisite to the extent these, either singly or put together are not taxable under the Income Tax Act.

#### **Category – B:**

Provision of Car and cell phone for use on Company's business will not be considered as perquisites. Use of car for private purpose shall be billed by the Company.

He shall not be entitled for any sitting fees for meeting of the Board or of any committee thereof attended by him. In the event of loss or inadequacy of profits in any financial year(s), the aforesaid remuneration shall be paid as minimum remuneration in accordance with the provisions of Companies Act, 2013. The Board of Directors may revise upwards, the remuneration from time to time, within the maximum permissible limit under Schedule V of the Companies Act, 2013, but not exceeding Rs. 60000/- p.m. excluding perquisites.

So far the Company was engaged in Solvent Extraction Industry but it has closed its manufacturing operations during the year and is exploring new avenues. The re-appointment of Mr. Dinesh Khandelwal is required to comply with the statutory requirements as well as he shall be helpful to explore new activities. Remuneration has been kept very low in order to minimise the expenses during present financial constraints.

No Director and Key Management Personnel, except Mr. K N Khandelwal, Mr. Dinesh Khandelwal, and Mr. Vishwa Nath Khandelwal being relative to each other, are concerned and interested in the resolution.

#### **Item No. 5, 6, 7 & 8**

Shri Ashok Gupta, Shri Atul Bagla, Shri Anil Kamthan & Mrs. Rekha Kejriwal were appointed as Independent Directors of the Company by the members at the 32<sup>nd</sup> AGM of the Company held on 27<sup>th</sup> September, 2014 for a period of five consecutive years up to the conclusion of AGM in the calendar year 2019. As per Section 149(10) of the Act, an Independent Director shall hold office for a term of up to five consecutive years on the Board of a Company,

but shall be eligible for re-appointment on passing a special resolution by the Company for another term of up to five consecutive years on the Board of a Company.

Based on the performance evaluation report and as per the recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions and the Rules made thereunder of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the above named directors, being eligible for re-appointment as Independent Directors and offering themselves for re-appointment, are proposed to be re-appointed as Independent Directors for second term of five consecutive years on the Board of the Company i.e. up to conclusion of Annual General Meeting in the calendar year 2024.

The Company has received declarations from them stating that they are not disqualified in terms of Section 164 and they meet the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013. They have also given their consent to continue to act as Independent Directors of the Company, if so appointed by the members.

The Company has received a notice in writing, for each of the directors separately, from member(s) under Section 160(1) of the Companies Act, 2013 proposing the candidature of above directors for the office of Independent Director of the Company. Copy of which is available on the website of the Company.

In the opinion of the Board, the above directors fulfils the conditions specified under Section 149 (6) of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 for their reappointment as an Independent Director of the Company and they are independent of the management. Copy of the draft letter of appointment of above directors as Independent Directors setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 6:00 pm) on any working day, upto and including the date of AGM of the Company.

The Board considers that being familiar to companies affairs, their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Ashok Gupta, Shri Atul Bagla, Shri Anil Kamthan & Mrs. Rekha Kejriwal as Independent Directors. Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of above directors as Independent Directors for another term of five consecutive years with effect from this Annual General Meeting up to the conclusion of Annual General Meeting to be held in calendar year 2024, for the approval by the shareholders of the Company.

Except Shri Ashok Gupta, Shri Atul Bagla, Shri Anil Kamthan & Mrs. Rekha Kejriwal and their relatives being appointees individually for their concerned resolution, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolutions set out at Item Nos. 5 to 8 of the accompanying Notice of the AGM.

# KHANDELWAL EXTRACTIONS LIMITED

## ANNEXURE TO AGM NOTICE

Brief particulars of Directors seeking re-appointment pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standards on General Meetings (SS-2):

Particulars	Dinesh Khandelwal	Ashok Gupta	Atul Bagla	Anil Kamthan	Rekha Kejriwal
DIN	00161831	00135288	00159563	00159819	06889864
Designation	Whole-time Director (Finance) & CFO	Independent Director	Independent Director	Independent Director	Independent Director
Date of Birth	01/06/1953	06/06/1953	12/04/1966	23/07/1953	12/02/1975
Qualification	Commerce Graduate	Chartered Accountant	Chartered Accountant	Post Graduate & Degree in Law (Specialization in Company Law)	Company Secretary
Date of first appointment on the Board	24/04/1981	30/06/2004	30/06/2004	31/01/2009	29/07/2014
Brief resume /Expertise in specific functional areas of Director	One of the promoter Directors, Associated with the Company since inception , Experience of over 35 years in Company's finances, banking and commercial functions, Devotes full time attention in the Company's affairs.	Over 30 years of experience in Finance, Accounts, Taxation and related matters.	Vast experience in field of Finance.	Vast experience in field of Company law matters, Secretarial Practices and accounts.	Over 16 years of experience in field of Company law matters, Finance and Accounts.
Directorship/Membership/Chairmanship held in Committees of Board of other companies	Nil	Jaykay Enterprises Ltd. J.K. Cotton Ltd.	Pioneer Projects Ltd. Jay Kay Cem (Eastern) Ltd. Ujala Merchants and Traders Ltd. Nebula3D Services Pvt. Ltd.	Nil	Nil
Shareholding in the Company	42000 equity shares	100 equity shares	100 equity shares	100 equity shares	NIL
Relationship with other directors inter-se	Brother of Mr. Kailash Nath Khandelwal and Mr. Vishwa Nath Khandelwal	Nil	Nil	Nil	Nil
No. of Board meetings attended in the year 2018 -19	4	4	4	4	4
Remuneration last drawn (FY 2018-19)	Details given in Form MGT-9	Details given in Form MGT-9	Details given in Form MGT-9	Details given in Form MGT-9	Details given in Form MGT-9



# KHANDELWAL EXTRACTIONS LIMITED

## DIRECTORS' REPORT

**Dear Members,**

Your Directors have pleasure in presenting Company's 37<sup>th</sup> Annual Report and Audited Financial Statements for the financial year ended March 31<sup>st</sup>, 2019.

### 1. FINANCIAL RESULTS

	(Rs. in Lakhs)
Sales and other Income	561.37
Loss before Interest and Depreciation	(21.74)
Less: Interest	23.30
Depreciation	5.14
Tax Expenses (including Deferred Tax)	(14.81)
Loss after tax	(35.37)

### 2. HIGHLIGHTS OF PERFORMANCE

During the year, the Company's working resulted in loss before interest and depreciation of Rs 21.74 lakhs on a turnover of Rs. 561.37 lakhs. As reported last year, the Company's solvent extraction operations were found unviable, hence the management decided to close the operations. It subsequently disposed off all inventories and all the workers have been paid to their full satisfaction. The Company is now left with necessary unavoidable staff. To minimize the expenses it has also surrendered the power and factory license to the respective authorities. All bank dues have been paid. Except unsecured loans and current liabilities, it has paid off all major liabilities. The Company's assessment under Income Tax Act, 1961 is completed upto A.Y. 2017-18 and there was no outstanding demand.

These developments left the Company's management to explore possibilities of sale/lease of the plant/undertaking for which shareholders' approval was obtained in the last Annual General Meeting. Since, then management has been exploring the possibilities for the same, but so far no concrete proposal has been received/finalized.

#### Indian Accounting Standards (Ind-AS)–IFRS Converged Standards.

The Company has adopted Indian Accounting Standards (Ind-AS) with effect from 1st April, 2017 pursuant to Ministry of Corporate Affairs' notification of the Companies (Indian Accounting Standard) Rules, 2015 and the Annual Accounts of 2018-19, has been drawn in terms of provisions of the Ind-AS.

### 3. TRANSFER TO RESERVES

In view of losses incurred by the Company for the F.Y. 2018-19, no amount has been transferred to General Reserve.

### 4. DIVIDEND

In view of losses during F.Y. 2018-19, the Board of Directors have not recommended dividend on Equity shares. However, during the year an interim dividend of Rs. 141892/- (including Rs. 24192/- as dividend distribution tax) was paid on 5000, 12% Cumulative Redeemable preference shares of (Series II) and 5000, 12% Cumulative Redeemable preference shares of (Series III) of Rs. 100/- each for the period 01.04.2018-24.03.2019 along with premature redemption.

### 5. SHARE CAPITAL

The Company's Authorized Capital remains unchanged at Rs. 200 Lakhs. The Paid up Equity Share Capital of the Company as on the date of Balance Sheet stands unchanged at Rs. 85,01,000/- (comprising of 8,50,100 Equity shares of Rs. 10/- each). With a view to reduce burden, the Company during the year has redeemed Preference Share Capital amounting to Rs. 10,00,000 (comprising of 5000 Cumulative Redeemable Preference Shares of Series II and 5000 Cumulative Redeemable Preference Shares of Series III @ 12% of Rs. 100/- each), hence the Paid up Preference Share Capital of the Company stand reduced to Nil.

### 6. FIXED DEPOSITS

Your Company has not invited any deposits during the financial year under review.

### 7. SUBSIDIARIES

Your Company does not have any subsidiary within the meaning of the Companies Act, 2013. During the financial year ended 31<sup>st</sup> March, 2019, no entity became or ceased to be the subsidiary, joint venture or associate of the Company.

### 8. DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. In accordance with the provisions of Section 152 of the Companies Act, 2013 and Rules made thereunder, Mr. Dinesh Khandelwal (DIN: 00161831), Whole-time Director (Finance) & CFO, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment to the Board.

The tenure of Mr. Dinesh Khandelwal designated as Whole-time Director (Finance) & CFO, who was appointed for three (3) years w.e.f 1<sup>st</sup> April, 2017 will expire on 31<sup>st</sup> March 2020. The Board on the recommendation of Nomination and Remuneration Committee has reappointed him as Whole-time Director (Finance) & CFO for three (3) years period from 01.04.2020 on the remuneration detailed in the notice of AGM, subject to approval by members in the general meeting. Your Directors recommend the resolutions for re-appointment of Mr. Dinesh Khandelwal for your approval.

Pursuant to the provisions of the Companies Act, 2013 ("the Act") CA Ashok Gupta (DIN 00135288), CA Atul Bagla (DIN: 00159563), CS Anil Kamthan (DIN: 00159819) and CS Rekha Kejriwal (DIN: 06889864), were appointed as Independent Non-Executive Directors to hold office for five consecutive years for a term up to conclusion of AGM in the calendar year 2019 by the Members of the Company in the 32<sup>nd</sup> Annual General Meeting held on 27<sup>th</sup> September, 2014. They being eligible for reappointment as Independent Directors for another term of five consecutive years and based on the recommendation of the

Nomination and Remuneration Committee, the Board recommends for the approval of the Members through Special Resolution at the ensuing Annual General Meeting reappointment of Mr. Ashok Gupta, Mr. Atul Bagla, Mr. Anil Kamthan and Mrs. Rekha Kejriwal as Independent Directors for another term of five consecutive years up to the conclusion of AGM in the calendar year 2024.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013.

Profile and other information of the aforesaid Directors, forms part of the notice convening the ensuing Annual General Meeting.

b. Mr. Dinesh Khandelwal, Whole-time Director (Finance) & CFO; Mr. Vishwa Nath Khandelwal (DIN: 00161893), Whole-time Director (Works) and Ms. Surabhi Pasari, Company Secretary and Compliance Officer are the Key Managerial Personnel of your Company.

### 9. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013; the Nomination and Remuneration Committee formulated the criteria for evaluation of the performance of the Board of Directors, its various Committees constituted as per the provisions of the Companies Act, 2013 and individual directors. Based on that, the Board of Directors carried out an annual evaluation of its own performance and of its various Committees viz. Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee and Committee of Directors and expressed their satisfaction with its performance and performance of its Committees. The Board of Directors also evaluated the performance of individual Director on the basis of self-appraisal and expressed their satisfactory performance. The Board of Directors also carried out an annual performance evaluation of its Independent Directors and expressed their satisfaction with their functioning / performance.

In terms of Schedule IV to the Companies Act, 2013, the Independent Directors also convened a separate meeting for this purpose and evaluated the performance of Chairman and Non Independent Directors.

### 10. REMUNERATION POLICY

The Board of Directors on the recommendation of the Nomination and Remuneration Committee has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. The Policy covers the criteria for selection and appointment of Board Members and senior management and their remuneration. The Company's Remuneration Policy is based on the principles of (i) Pay for Responsibility and Duties, (ii) Pay for Potential and (iii) Pay for growth of the Company.

The Nomination and Remuneration Committee is vested with powers to determine yearly increments/salary increase of Executive Directors/ KMPs and one level below based on their performance and contribution towards profitability and sustainability of Company. Non Executive Directors are paid only sitting fee which is decided by Nomination & Remuneration Committee.

### 11. RISK MANAGEMENT POLICY

The production and operations of Company's Solvent Extraction Plant has been closed. Now, the management is exploring possibilities of sale/lease of Company's undertaking which will be the only source of income of the Company in future. The new business involves risks of different nature. The new policy shall be framed as and when desired.

### 12. INTERNAL CONTROL SYSTEM

The Company has an adequate system of internal control relating to purchase/sales of stores, raw materials including components plant & machinery, equipment and other similar assets and for the sale of goods commensurate with the size of the Company and nature of its business. The Company has also Internal Control System for speedy compilation of Accounts and Management Information Reports and to comply with applicable laws and regulations. The Company has a well defined organizational structure, authority levels and internal rules and regulations for conducting business transactions suitable to the size of the business.

The Company has already formed an Audit Committee which met four times in a year. Audit Committee also ensures proper compliance with the provisions of The Companies Act, 2013 and also reviews the adequacy and effectiveness of the internal control environment and monitors implementation of internal audit recommendations. Besides the above, Audit Committee is actively engaged in overseeing financial disclosures and in reviewing your Company's risk management policies.

### 13. INTERNAL FINANCE CONTROLS

In accordance with Section 134(5)(e) of the Companies Act, 2013, the Company has Internal Financial Controls Policy by means of policies and procedures commensurate with the size & nature of its operations and pertaining to financial reporting. In accordance with Rule 8(5) (viii) of Companies (Accounts) Rules, 2014, it is hereby confirmed that the Internal Financial Controls are adequate with reference to the financial statements.

### 14. WHISTLE BLOWER POLICY/ VIGIL MECHANISM

The Company has a Whistle Blower Policy to report genuine concerns or grievances detrimental to the interest of the Company. The Whistle Blower Policy has been posted on the website of the Company.

### 15. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 are not attracted. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated

## KHANDELWAL EXTRACTIONS LIMITED

persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 was not required. Details of transactions made are disclosed in financial statements. All related party transactions are presented to the Audit Committee and the Board. Omnibus approval was obtained for the transactions which are foreseen and repetitive in nature.

### 16. STATUTORY AUDITORS AND THEIR REPORT

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under M/s. Gupta Vaish & Co., Kanpur, Chartered Accountants, (ICAI Registration No 005087C), were appointed as Statutory Auditors of the Company at the Thirty Fifth (35th) Annual General Meeting to hold office for a term of 5 years from the conclusion of 35<sup>th</sup> Annual General Meeting till the conclusion of Fortieth (40th) Annual General Meeting subject to ratification of appointment by shareholders at each intervening Annual General Meeting.

M/s. Gupta Vaish & Co have confirmed their eligibility and qualification required under Sections 139, 141 and other applicable provisions of the Companies Act, 2013 and Rules issued thereunder (including any statutory modification(s) or reenactment(s) thereof for the time being in force).

In accordance with Notification dated 7th May, 2018 of Ministry of Corporate Affairs, the ratification of appointment of Statutory Auditors at every AGM is not required. Accordingly, the ratification of appointment of statutory auditors does not form part of the Notice convening ensuing Annual General Meeting of the Company.

There are no qualifications, reservations or adverse remarks or disclaimer made in the Auditor's Report for the financial year ended 31<sup>st</sup> March, 2019 which requires any clarification or explanation. However, Auditors have drawn attention of shareholders on Company's ability as a going concern. The matter is adequately covered in para 2 above, read along with notes on accounts.

### 17. SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of The Companies Act, 2013 and the Rules made there under, M/s. Banthia & Co, Practicing Company Secretary (CP No. 1405), Kanpur, were appointed to conduct the Secretarial Audit of the Company for the year ended 31<sup>st</sup> March, 2019. The Practicing Company Secretary has submitted his Report on the secretarial audit which is annexed as **Annexure I** to this Directors' Report. The Secretarial Audit Report does not contain any adverse observation or qualification requiring explanation or comments from the Board under Section 134 (3) (f) of the Companies Act, 2013.

### 18. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS

Pursuant to the provisions of Section 143 (12) of the Companies Act, 2013, no instance of fraud has been reported by the auditors against the Company.

### 19. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act 2013, your Directors confirm that:

- a) in the preparation of the annual accounts, the applicable accounting standards have been followed with no material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the same period;
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls in the Company that are adequate and are operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that these are adequate and are operating effectively.

### 20. MATERIAL CHANGES AND COMMITMENTS

There are no material changes or commitments made by the Company affecting the financial position of the Company between the end of financial year and date of the Report.

### 21. DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

No significant and material orders have been passed by any Regulator or Court or Tribunal impacting the going concern status and Company's operations in future.

### 22. CHANGE IN THE NATURE OF BUSINESS

The Company has closed its present operations of manufacturing of rice bran oil/de-oiled rice bran. It is exploring possibilities to new business which is yet to take place.

### 23. STATUTORY DISCLOSURES:

#### i. CORPORATE GOVERNANCE

The Company is exempted from compliance of Corporate Governance provisions as per SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

#### ii. ANNUAL RETURN

An extract of Annual Return in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 is appended as **Annexure II**. The copy of the same is placed on the website of the Company and can be accessed at <http://www.khandelwalextractions.com/announcements.html>

#### iii. MEETINGS OF THE BOARD AND COMMITTEE HELD DURING THE YEAR

- a. The Board of Directors met four times during the year on 26.05.2018, 11.08.2018, 10.11.2018 and 09.02.2019. All the Directors except Mr. K.N.

Khandelwal (absent on 11.08.2018) were present in all the meetings.

- b. The Audit Committee formed under Section 177 of Companies Act 2013, consisting of Mr. Ashok Gupta, Chairman; Mr. Atul Bagla and Mr. K.N. Khandelwal met four times during the year on 26.05.2018, 11.08.2018, 10.11.2018 and 09.02.2019. All the members except Mr. K.N. Khandelwal (absent on 11.08.2018) were present in all the meetings.
- c. During the year, Nomination and Remuneration Committee consisting of Mr. Ashok Gupta, Chairman; Mr. Atul Bagla, Mr. Anil Kamthan and Mr. K.N. Khandelwal met one time during the year on 26.05.2018. All the members were present in the meeting.
- d. The Stake Holders Relationship Committee consisting of Mr. Anil Kamthan, Chairman; Mr. K.N. Khandelwal and Mr. Dinesh Khandelwal met once on 25.03.2019 to take note of investor complaints/grievances. All the members were present in the meeting.
- e. Independent Directors held a meeting on 25.03.2019 to assess /evaluate the performance of Chairman and Non Independent Directors and concluded their satisfaction on their performances.

#### iv. CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility is not applicable to the Company.

#### v. DISCLOSURE UNDER SECTION 186: LOANS AND INVESTMENTS

Loans and investments were made for deployment of surplus funds which are within the limits as prescribed u/s 186 of the Companies Act, 2013. Details are given in financial statements annexed in the Annual Report for F.Y. 2018-19.

#### vi. CONSERVATION OF ENERGY

Information required in "Form A" is not being given as our unit does not fall under specified industry mentioned in the relevant schedule.

#### vii. TECHNOLOGY ABSORPTION

The Company's plant has been designed on the continuous process technology of M/s. Extractions Technik, GmbH, Germany. No expenditure has been incurred in in-house research and development.

#### viii. IMPORTS / EXPORTS AND FOREIGN EXCHANGE EARNINGS AND OUTGO

There was no import/export and no foreign exchange earnings and outgo incurred during the year under review.

#### ix. REMUNERATION PAID TO EXECUTIVE DIRECTORS AND KEY MANAGERIAL PERSONNEL

Details of remuneration paid to Directors, KMPs are given in Form No. MGT-9. Further, details as required under Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 read with section 197(12) of the Act, is given in **Annexure III**. Executive directors have been paid minimum remuneration as approved by the Shareholders. Non-executive Directors have been paid only sitting fees.

There was no employee getting salary in excess of the limit as specified under Rule 5(2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 read with section 197(12) of the Act, throughout or part of the year under review.

#### x. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

No complaint has been received under the aforesaid Act during the year under reference.

### 24. ENVIRONMENT AND SAFETY

The Company being conscious of the importance of making the environment clean and safe has taken all necessary steps for making the environment clean and all approvals under Pollution Control Act/Factories Act/Explosive Licenses/Fire and Safety Rules/other licenses when and where necessary are in place till the period the plant operations continue during the year.

### 25. LISTING OF EQUITY SHARES

The Equity shares continue to be listed with BSE Ltd. The Company has paid the Annual Listing fee for the year 2018-19 to the said stock exchange.

### 26. DEMATERIALISATION OF SHARES/APPOINTMENT OF RTA

The Company has entered into necessary arrangement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to enable the shareholders to dematerialize their shareholding in the Company for which they may contact the Depository Participant of the above Depository. The Company's ISIN No. is INE687W01010.

The Company has appointed M/s Alankit Assignments Limited, New Delhi as its Registrar and Share Transfer Agent (RTA) for providing services in respect of transfer and dematerialization of securities of the Company with NSDL/CDSL.

### 27. COMPLIANCE WITH APPLICABLE SECRETARIAL STANDARD

The Company has complied with the applicable Secretarial Standards, SS-1 on Meetings of the Board of Directors and SS-2 on General Meetings issued by the Institute of Company Secretaries of India.

### 28. ACKNOWLEDGMENT

Your Directors thank Customers, Vendors, Employees and all the Stakeholders for their continued support to your Company.

FOR AND ON BEHALF OF THE BOARD

**K N KHANDELWAL**  
(CHAIRMAN)

Place: Kanpur  
Date: 10.08.2019



# KHANDELWAL EXTRACTIONS LIMITED

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2019

Annexure - I

[Pursuant to Section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Khandelwal Extractions Ltd.  
51/47, Naya Ganj  
Kanpur 208001.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Khandelwal Extractions Ltd. (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Khandelwal Extractions Ltd. for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- (1) The Companies Act, 2013 (the Act) and the rules made there under;
- (2) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (3) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (4) Foreign Exchange Management Act, 1999 and the rules and regulations made there under.
- (5) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable during the Audit Period)
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable during the Audit Period).
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable during the Audit Period).
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with clients;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable during the Audit Period)
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable during the Audit Period)
- (6) I further report that reliance has been placed on the management representation by Company during for compliances and systems and mechanisms formed by the Company on compliance with other laws; there is no specific Law applicable to the Company:

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement (LODR) entered into by the Company with the Bombay Stock Exchange Limited. Shares of the Company are listed at Bombay Stock Exchange Limited. For transfer of shares to suspense account as per clause 39 of LODR Regulations, letters have been issued to the concerned shareholders for claiming the shares and the matter for transfer of said shares in compliance of the aforesaid regulation is in process.

(UP Stock Exchange ceased to be a recognized Stock Exchange in June 2015. Listing Agreement with said Exchange also ceased).

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I have relied on the information and representation made by the Company and its Officers for systems and mechanism formed by the Company for

compliances under other applicable Acts, Laws, and Regulations to the Company.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Director and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee(s) of the Board, as the case may be.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no other events having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc. except the following:

The Company closed its plant and manufacturing operations during the year; Obtained members consent for sale, lease or otherwise dispose off the whole or substantially the whole of undertaking of the Company in Annual General Meeting of September 2018;

Steps to find suitable buyer in process.

Signature

**Banthia And Company**

**G. K. Banthia (Prop.)**

ACS No.:4933; C P No.:1405

Place : Kanpur

Date : May 29, 2019

This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report.

## Annexure A

To,  
The Members  
Khandelwal Extractions Ltd.  
51/47, Naya Ganj  
Kanpur 208001.

Our report of even date is to be read along with this letter.

1. It is the responsibility of the management of the company to maintain secretarial record, devise proper systems to ensure compliance with the provisions of all the applicable laws and to ensure that the systems are adequate and operate effectively.
2. Our responsibility is to express an opinion on these secretarial records based on our audit.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of finance records and Books of Accounts of the company.
5. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

### Disclaimer:

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Signature:

**Banthia And Company**

**(G.K.Banthia Prop.)**

Practising Company Secretary  
Membership ACS 4933;  
C.P.No.1405

Place: Kanpur

Date : May 29, 2019

# KHANDELWAL EXTRACTIONS LIMITED

**Annexure - II**

## FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN

**As on financial year ended on 31.03.2019**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:			
1	CIN	L24241UP1981PLC005282	
2	Registration Date	24.04.1981	
3	Name of the Company	M/s KHANDELWAL EXTRACTIONS LIMITED	
4	Category/Sub-category of the Company		
5	Address of the Registered office & contact details	51/47, NAYAGANJ, KANPUR-208001	
6	Whether listed company	LISTED (BSE)	
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	ALANKIT ASSIGNMENTS LIMITED, 1E/13, ALANKIT HEIGHTS, JHANEWALAN EXTENSION, NEW DELHI-110055 PH:011-42541234/23541234	

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)-SOLVENT EXTRACTIONS PLANT

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	RICE BRAN OIL		33.07
2	DEOILED RICE BRAN		66.93
			100.00

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -NIL

## IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

### (i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	251,100	74,900	326,000	38.35%	326,000	1,600	327,600	38.54%	0.19%
b) Central Govt			-	-			-	-	-
c) State Govt(s)			-	-			-	-	-
d) Bodies Corp.			-	-			-	-	-
e) Banks / FI			-	-			-	-	-
f) Any other			-	-			-	-	-
<b>Sub Total (A) (1)</b>	251,100	74,900	326,000	38.35%	326,000	1,600	327,600	38.54%	0.19%
<b>(2) Foreign</b>									
a) NRI Individuals			-	-			-	-	-
b) Other Individuals			-	-			-	-	-
c) Bodies Corp.			-	-			-	-	-
d) Any other			-	-			-	-	-
<b>Sub Total (A) (2)</b>	-	-	-	-	-	-	-	-	-
<b>TOTAL (A)</b>	251,100	74,900	326,000	38.35%	326,000	1,600	327,600	38.54%	0.19%
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds			-	-			-	-	-
b) Banks / FI			-	-			-	-	-
c) Central Govt			-	-			-	-	-
d) State Govt(s)			-	-			-	-	-
e) Venture Capital Funds			-	-			-	-	-
f) Insurance Companies			-	-			-	-	-
g) FIs			-	-			-	-	-
h) Foreign Venture Capital Funds			-	-			-	-	-
i) Others (specify)			-	-			-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-