

Registered Office :
203, Abhijeet - 1,
Mithakhali Six Roads,
Ellisbridge, Ahmedabad-380006.
Ph. : + 91-79-26423365/66
Fax : +91-79-26423367
E-mail : koeil@yahoo.com
Website : www.kanel.in
CIN : L15140GJ1992PLCO17024



KANEL INDUSTRIES LTD.

To,
The Corporate Relationship Department
The Bombay Stock Exchange Limited,
P. J. Towers, Dalal Street, Fort,
Mumbai - 400 001

May 22, 2024

Dear Sir/Madam,

SUB.: Annual Secretarial Compliance Report for the **Financial Year 2023-2024.**

REF: Kanel Industries Limited (Scrip Code: 500236)

With regard to the captioned subject and in accordance with Regulation 24A of SEBI (Listing obligation and Disclosure requirements) Regulations 2015, Please find enclosed herewith Annual Secretarial Compliance Report, issued by a practicing Company Secretary based on a check of the compliance by our company with the applicable SEBI Regulations and circulars/guidelines issued there under.

Accordingly, we are attaching herewith the Annual Secretarial Compliance Report of the company issued by Malay Desai & Associates, Practicing Company Secretary for the **Financial Year 2023-2024.**

Thanking you,
Yours faithfully,

FOR, KANEL INDUSTRIES LIMITED
(A company under Corporate Insolvency Resolution Process
by NCLT, Ahmedabad Bench)

PRASHANT
BHARATKUM
AR PATEL

Digitally signed by
PRASHANT
BHARATKUMAR PATEL
Date: 2024.05.22
11:52:47 +05'30'

PRASHANT BHARATBHAI PATEL
RESOLUTION PROFESSIONAL
IBBI REGISTRATION NO.: IBBI/IPA-002/IP- No. 0827/2019-2020/12627

Enclosure: Annual Secretarial Compliance Report



**SECRETARIAL COMPLIANCE REPORT OF
"KANEL INDUSTRIES LIMITED"
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2024**

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by M/s Kanel Industries Limited (hereinafter referred as '**the listed entity**'), having its Registered Office at 203/Abhijeet Buildings near Mithakhali 6 Road Elliss bridge Ahmedabad 380006 Gujarat Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that in our opinion, the listed entity has, during the review period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the listed entity has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We, Malay Desai & Associates have examined:

- (a) all the documents and records made available to us and explanation provided by the listed entity
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the financial year ended March 31st, 2024 ("**Review Period**") in respect of compliance with the provisions of:
 - (a) the Securities and Exchange Board of India Act, 1992 ("**SEBI Act**") and the Regulations, circulars, guidelines issued thereunder; and
 - (b) the Securities Contracts (Regulation) Act, 1956 ("**SCRA**"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("**SEBI**");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; [**not attracted during the period under review**]
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; [**not attracted during the period under review**]
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; [**not attracted during the period under review**]
- (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; [**not attracted during the period under review**]
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
and circulars/ guidelines issued thereunder;
and based on the above examination, We hereby report that, during the Review Period:






1. (a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:

Sr. No.	Relevant Provision for Compliance Requirement	Observation
01	Regulation 6(1) of SEBI (LODR) Regulations, 2015	The company has not appointed a qualified company secretary as compliance officer of the company.
02	Section 7 of Insolvency and Bankruptcy Code, 2016 (Default in payment to the financial creditor)	The Resolution Plan given by M/s Ardent Ventures LLP has been approved by the CoC and the same has been filed before the Hon'ble Tribunal for its approval.
03	Non- Compliance under Regulation 17 of SEBI LODR	The composition of Board of Directors is not as per SEBI (LODR) Regulations, 2015.
04	Appointment of Internal Auditor	Non-compliance in the appointment of internal auditor has been occurred as specified under the provisions of Section 138 of the Companies Act, 2013

2. Compliances related to resignation of statutory auditors from listed entities and their material subsidiaries as per SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019:

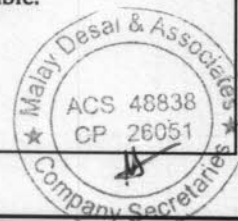
Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/ Remarks by PCS*
1.	Compliances with the following conditions while appointing/re-appointing an auditor		
	<p>If the auditor has resigned within 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter; or</p> <p>If the auditor has resigned after 45 days from the end of a quarter of a financial year, the auditor before such resignation, has issued the limited review/ audit report for such quarter as well as the next quarter; or</p> <p>If the auditor has signed the limited review/ audit report for the first three quarters of a financial year, the auditor before such resignation, has issued the limited review/ audit report for the last quarter of such financial year as well as the audit report for such financial year.</p>	NA	
2.	Other conditions relating to resignation of statutory auditor		
	<p>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</p> <p>a. In case of any concern with the management of the</p>	NA	



	<p>listed entity/material subsidiary such as non-availability of information / noncooperation</p> <p>by the management which has hampered the audit process, the auditor has approached the Chairman of the Audit Committee of the listed entity and the Audit Committee shall receive such concern directly and immediately without specifically waiting for the quarterly Audit Committee meetings.</p> <p>b. In case the auditor proposes to resign, all concerns with respect to the proposed resignation, along with relevant documents has been brought to the notice of the Audit Committee. In cases where the proposed resignation is due to non-receipt of information / explanation from the company, the auditor has informed the Audit Committee the details of information/explanation sought and not provided by the management, as applicable.</p> <p>c. The Audit Committee / Board of Directors, as the case may be, deliberated on the matter on receipt of such information from the auditor relating to the proposal to resign as mentioned above and communicate its views to the management and the auditor.</p> <p>ii. Disclaimer in case of non-receipt of information:</p> <p>a. The auditor has provided an appropriate disclaimer in its audit report, which is in accordance with the Standards of Auditing as specified by ICAI / NFRA, in case where the listed entity/ its material subsidiary has not provided information as required by the auditor.</p>	NA	
3.	The listed entity / its material subsidiary has obtained information from the Auditor upon resignation, in the format as specified in Annexure- A in SEBI Circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019.	NA	

3. We hereby report that, during the review period the compliance status of the listed entity is appended as below:

Sr. No.	Particulars	Compliance Status (Yes/No/NA)	Observations/Remarks by PCS*
1.	<p>Secretarial Standards:</p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118 (10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	<p>The company has complied with the Secretarial Standards (SS) issued by Institute of Company Secretaries India (ICSI), as notified by the Central Government under section 118 (10) of the Companies Act, 2013 and mandatorily applicable.</p>





2.	Adoption and timely updation of the Policies: All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and have been reviewed & updated on time, as per the regulations/circulars/guidelines issued by SEBI	Yes	The company has adopted and timely updated all the applicable policies under SEBI Regulations. All the policies are in conformity with the SEBI Regulations and have been reviewed & updated.
3.	Maintenance and disclosures on Website: The Listed entity is maintaining a functional website Timely dissemination of the documents/information under a separate section on the website Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/section of the website	Yes	The listed company has maintained a functional website and has timely disseminated the information.
4.	Disqualification of Director: None of the Director(s) of the Company is/ are disqualified under Section 164 of Companies Act, 2013 as confirmed by the listed entity.	No	As per Section 164 of Companies Act, 2013 Mr. Dhiren Kanaiyalal Thakkar, Managing Director of the company has been disqualified to act as director till 01.12.2023
5.	Details related to Subsidiaries of listed entities have been examined w.r.t: a) Identification of material subsidiary companies b) Disclosure requirement of material as well as other subsidiaries	NA	The listed entity does not have any subsidiaries or material subsidiaries.
6.	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	The listed entity is preserving, maintaining and disposing records as prescribed under SEBI Regulations.
7.	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of	No	The meeting of the Board of Directors, committee meetings and meeting of Independent Directors of the company were not held as the company is undergoing Corporate Insolvency Resolution Process under Hon'ble NCLT, Ahmedabad Bench and the powers of the Board of Directors of the



	every financial year/during the financial year as prescribed in SEBI Regulations.		company are suspended. Further Mr. Prashant Bharkumar Patel has been appointed as Resolution Professional of the company by the Committee of Creditors vide their resolution dated 07 th January, 2022. The Resolution plan provided by M/s Ardent Ventures LLP has been approved by the CoC and the same has been filed before the Hon'ble Tribunal for its approval.
8.	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all related party transactions; or (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes	The company has complied with Regulation 23 of the SEBI (LODR) Regulations, 2015. It has obtained prior approval of Audit Committee for all the related party transactions.
9.	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.	Yes	The listed entity has provided all the required disclosures under Regulation 30 read with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder.
10.	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	The company has maintained a Structured Digital Database for handling the UPSI.
11.	Actions taken by SEBI or Stock Exchange(s), if any: No action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder except as provided under separate paragraph herein.	NA	NA
12.	Additional Non-compliances, if any: No additional non-compliance observed for any SEBI regulation/circular/guidance note etc.	No	Ms. Ishani Dhupar, who was the company secretary and the compliance officer of the company has resigned with effect from 03.03.2023 and till the date of this report, the company has not appointed any qualified company secretary as compliance officer of the company.



Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

Place: Ahmedabad

Date: 22.05.2024

**For, Malay Desai & Associates
Company Secretary**

MDesai
**Malay Desai
Proprietor
Membership No: A48838
COP: 26051
Peer Review: 3213/2023**

UDIN: A048838F000418757

