

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 30, 2023

Dear Sir/Madam,

**SUB.:** Annual Secretarial Compliance Report for the **Financial Year 2022-2023.**

**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 Himanshu S K Gupta & Associates, Practicing Company Secretary for the **Financial Year 2022-2023.**

Thanking you,  
Yours faithfully,

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

---

**HITESHBHAI KANAIYALAL THAKKAR**  
**NON-EXECUTIVE DIRECTOR**  
**DIN: 00610006**

**Enclosure: Annual Secretarial Compliance Report**



# Himanshu S K Gupta & Associates Company Secretaries

## SECRETARIAL COMPLIANCE REPORT OF "KANEL INDUSTRIES LIMITED" FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2023

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, 2023, 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, Himanshu S K Gupta & 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 31<sup>st</sup>, 2023 ("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;



# Himanshu S K Gupta & Associates Company Secretaries

and based on the above examination, We hereby report that, during the Review Period:

- (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.	Compliance Requirement (Regulations/ circulars/guidelines including specific clause)	Regulation / Circular No.	Deviations	Action Taken by	Type of Action	Detailsof Violation	Fine Amount	Observations/ Re- marks of the Prac- ticing Company Secretary	Man- age- ment Re- sponse	Re ma rks
1	Submission of details of voting results to the stock exchange in XBRL mode within 24 hours.	Regulation 44(3) of the SEBI (LODR) Regulations, 2015	Late submission of details of Voting Results of the AGM of the company in XBRL mode	None	NA	Late submission of details of Voting Results of the AGM of the company in XBRL mode	None	The Company has submitted the voting results in XBRL mode after the due time.	The voting results in pdf were submitted timely however due to technical difficulty in XBRL format the same was filed late.	NA

- (b) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No.	Compliance Requirement	Regulation/ CircularNo.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Ob- serva- tions/ Re- marks of the Prac- ticing Com- pany Secre- tary	Man- age- ment Re- sponse	R e- ma rks
---------	------------------------	-------------------------	------------	-----------------	----------------	----------------------	-------------	---	---------------------------	-------------



# Himanshu S K Gupta & Associates Company Secretaries

1.	Non-compliance with requirement to appoint a qualified company secretary as the compliance officer	Regulation 6(1) of SEBI (LODR) Regulations, 2015	The company has not appointed a qualified company secretary as compliance officer of the company.	BSE Ltd.	Fine	The company has not appointed a qualified company secretary as compliance officer of the company since 05.02.2021 to 02.03.2022	Rs. 175820/-.	Out of the total penalty of Rs. 175820/- company has paid the penalty of Rs. 67260/- and rest is still pending due to the Moratorium envisaged against the company due to ongoing CIRP Proceedings.	The company secretary Ms. Ishani Dhupar had resigned w.e.f. 05th February, 2021. However, the company has re-appointed Ms. Ishani Dhupar as the Company Secretary w.e.f. 03rd March 2022.	NA
2.	Default in payment to the financial creditor	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.	Corporate Insolvency Resolution Process	Default in payment to the financial creditor	NA	The Resolution Plan has been filed before the NCLT and the same is yet to be approved.	NA	NA



# Himanshu S K Gupta & Associates Company Secretaries

3.	Non-Compliance under Regulation 17 of SEBI LODR	Regulation 17 of SEBI LODR	We have observed few Non-compliances in the Composition of Board of Directors	NA	NA	The composition of Board of Directors is not as per SEBI (LODR) Regulations, 2015.	NA	We have observed few Non-compliances in the Composition of Board of Directors	Currently, Company is under Corporate Insolvency Resolution Process; Hence the powers of Board of Directors are suspended. However as informed by the Director, He has resigned from the company by which disqualification has occurred before the disqualification and further he has communicated to the company to file the pending returns to remove their disqualification and the filing is already completed by that Company.
----	---	----------------------------	---	----	----	--	----	---	--

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		



# Himanshu S K Gupta & Associates Company Secretaries

	<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	
<b>2.</b>	<b>Other conditions relating to resignation of statutory auditor</b>		
	<p><b>i. Reporting of concerns by Auditor with respect to the listed entity/its material subsidiary to the Audit Committee:</b></p> <p>a. In case of any concern with the management of the listed entity/material subsidiary such as non-availability of information / noncooperation 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><b>ii. Disclaimer in case of non-receipt of information:</b></p>	NA	



# Himanshu S K Gupta & Associates

## Company Secretaries

	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.	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.	<b>Secretarial Standards:</b> 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.	Yes	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.
2.	<b>Adoption and timely updation of the Policies:</b> 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.



# Himanshu S K Gupta & Associates

## Company Secretaries

3.	<b>Maintenance and disclosures on Website:</b> 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.	<b>Disqualification of Director:</b> 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 of the company.
5.	<b>Details related to Subsidiaries of listed entities have been examined w.r.t:</b> 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.	<b>Preservation of Documents:</b> 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.	<b>Performance Evaluation:</b> The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	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 company are suspended. Further Mr. Prashant Bhartkumar Patel has been appointed as Resolution Professional of the company by the Committee of Creditors vide their resolution dated 07 <sup>th</sup> 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.





# Himanshu S K Gupta & Associates

## Company Secretaries

8.	<b>Related Party Transactions:</b> (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.	<b>Disclosure of events or information:</b> 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.	<b>Prohibition of Insider Trading:</b> 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.	<b>Actions taken by SEBI or Stock Exchange(s), if any:</b> 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.	<b>Additional Non-compliances, if any:</b> 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.



# Himanshu S K Gupta & Associates Company Secretaries

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:** 30<sup>th</sup> May, 2023

**For, Himanshu SK Gupta & Associates  
Company Secretaries**

Gupta  
Himanshu  
Surendrakumar  
umar  
Digitally signed  
by Gupta  
Himanshu  
Surendrakumar  
Date:  
2023.05.30  
21:23:48 +05'30'

**Himanshu Gupta**

**Proprietor**

**FCS No.: 12183, C.P. No.: 22596**

**Peer Review No.: 1943/2022**

**UDIN: F012183E000431021**