

KANORIA SUGAR AND GENERAL MANUFACTURING COMPANY LIMITED

Regd. Office: Captainganj, Distt Kushi Nagar,

Uttar Pradesh -274301

Phone: 05567-252043

CIN: U15420UP1991PLC107319

Boards' Report

To

The Members,

Kanoria Sugar And General Manufacturing Company Limited

P.O Captainganj, Distt Kushi Nagar ,

Uttar Pradesh 274301

On behalf of the Board of Directors, it is our pleasure to present the 27th Annual Report on the business and operations of the Company together with the Audited Statement of Accounts of **Kanoria Sugar and General Manufacturing Company Limited** ("the Company") for the financial year ended March 31st, 2018.

FINANCIAL HIGHLIGHTS

During the year under review, performance of the Company as under:-

(Rupees in Lakhs)

PARTICULARS	Year Ended 31st March 2018	Year Ended 31st March 2017
Total Turnover including other Income	16132.26	14670.52
Profit/(Loss) before taxation before exceptional items	(2717.29)	(621.19)
Exceptional Items (net)	Nil	(1266.58)
Profit/(Loss) before taxation after exceptional items	(2717.29)	(1887.77)
Less: Tax Expense	Nil	Nil
Profit/(Loss) after tax	(2717.29)	(1887.77)
Transfer to Molasses storage and maintenance reserve	4.45	2.93
Profit/ (Loss) for the year	(2721.74)	(1890.70)
Add: Balance B/F from the previous year	(8986.84)	(7096.14)
Balance Profit/(Loss) C/F to the next year	(11708.58)	(8986.84)

The consolidated performance of the group as per consolidated financial statements is as under:

(Rupees in Lakhs)

PARTICULARS	Year Ended 31st March 2018	Year Ended 31st March 2017
Total Turnover including other Income	16132.30	14670.52
Profit/(Loss) before taxation before exceptional	(2718.21)	(622.07)
Exceptional Items (net)	(Nil)	(1266.58)
Profit/(Loss) before taxation after exceptional	(2718.21)	(1888.65)
Less: Tax Expense	Nil	Nil
Profit/(Loss) after tax	(2718.21)	(1888.65)
Transfer to Molasses storage and maintenance reserve	4.45	2.93
Profit/ (Loss) for the year	(2722.66)	(1891.58)
Add: Balance B/F from the previous year	(9006.39)	(7114.81)
Balance Profit/(Loss) C/F to the next year	(11729.05)	(9006.39)

STATE OF AFFAIRS & FUTURE OUTLOOK

Review of Operations/Performance

The operational data of the company for the accounting year 2017-18 and 2016-17 are provided as under:

Particulars	Season 2017-18	Season 2016-17	Accounting Year ended 31.03.18	Accounting Year ended 31.03.17
Sugar Cane Crushed (In lac qtls)	52.52	35.35	50.43	35.35
Sugar Produced (In lac qtls)	5.52	3.43	5.18*	3.43*
Recovery %	10.51	9.71	10.28	9.70
Production of A.C.P.P (In M.T)	Nil	53.372	Nil	53.372

* Including 1020 quintals brown sugar during the year (Previous year 5040 quintals)

The Company crushed 49% more cane in crushing season 2017-18 than of last year crushing season 2016-17, Recovery rate of season 2017-18 is 0.80% more than that of the last year. The company achieved highest ever recovery in the crushing season. Even after such an excellent operational performance, the Company has incurred loss of Rs 27.23 Crores in the financial year 2017-18.

In A.C Pressure Pipe Division production also declined due to non-receipt of orders from various state governments.



Industry scenario and outlook

The sugar season 2017-18 commenced with a carryover stock of around 4 million tonnes. Sugar production for the season was initially estimated at 26 million tonnes but revised multiple times at the industrial and ministerial levels. Finally, the country was estimated to have produced 32 million tonnes of sugar in sugar season 2017-18.

Sugar production for the 2017-18 season surpassed the previous record of 28.3 million tonnes by end March. This disproportionately higher production was attributed to the sowing of superior cane varieties and higher yields across cane producing states. Consequently, Maharashtra was estimated to have produced 10.7 million tonnes of sugar compared to 4.2 million tonnes in the last season.

The higher price of sugarcane with respect to other cash crops has always induced farmers to plant more cane, and this will continue to hold true.

The market probably had anticipated this higher production well in advance. Subsequently, sugar prices began to erode from the beginning of the 2017-18 season and continued unabated following every upward production revision. Consequently, ex-factory sugar prices dropped from Rs 36/- per kg to lower than Rs 26/- per kg in Uttar Pradesh. The industry is in a precarious situation where the current sugar realization is insufficient to cover raw material procurement costs.

Against this backdrop, the Central Government has announced measures like increasing import duties, removal of export duties, imposition of stock holding limits and the MIEQ scheme in order to export 2 million metric tonnes of sugar. However, these steps have not managed to revive sugar prices, thus far, making a more proactive governmental interventions necessary to save the industry.

Future Prospects

Production in Sugar Season 2018-19 is expected to be at 35 Mn. Tonne and with opening stock of 10 Mn Tonne and domestic consumption at 25 Mn Tonne, the closing stock will be more than 20 Mn Tonne, without significant exports. The only solution is a direct linkage, through a formula, to determine the sugar cane price as per revenue realized from sale of sugar and / or by products. In the absence of implementation of linkage formula the sugar companies will continue to incur losses because of higher cane price and low sugar price.



CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the year under review.

DIVIDEND

On account of the losses reported by the Company during the current year, consequently, no dividend was recommended for the financial year ended 31st March, 2018.

RESERVES

The Board of Directors of the Company does not recommend any amount to be carried to the General Reserves. However, the Company has transferred Rs. 4.45 lacs to Molasses Storage & Maintenance Reserve.

EXTRACT OF ANNUAL RETURN

Pursuant to the provision of section 134(3)(a) and section 92, read with Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9, for the Financial Year 2017-18 has been enclosed with this report as **Annexure I**.

NUMBER OF BOARD MEETINGS

The Boards of Directors met “**Five (5)**” times in respect of which notices were given and the proceedings were recorded and signed in the Minutes Books maintained for the purpose. The gap between any two meetings has been less than four months.

The details of the Board Meetings and Committee Meetings along with attendance details of the directors held in the financial year ended 31st March 2018 have been annexed herewith as **Annexure II**.

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

There was no loan, guarantee and investment made by the Company under section 186 of the Companies Act, 2013 during the financial year ended on 31st March, 2018. However, the details of existing investments under the provisions of section 186 of the Companies Act, 2013 are given in the note no. 11 & 14 of the Financial Statements.

PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH THE RELATED PARTY

This is to share that Related Party Transactions that were entered during the financial year were on an arm’s length basis and were in the ordinary course of business.

Further to share that the Company has not entered into any transactions falling within the purview of Section 188 of the Companies Act, 2013.



The Company had neither entered any material contract or arrangement with related parties which took place at arms' length price nor entered contract or arrangement not at arms' length price, therefore, the details in Form AOC-2 were not required.

HUMAN RESOURCE DEVELOPMENT AND TRAINING

Your Company accords prime focus on developing the skill and knowledge of our employees and personnel. Employee in your organisation come from various socio-cultural backgrounds and therefore integrating them into a coherent team is our prime objective. Your Company also imparts soft skills, leadership skills and technical knowledge to all employees based on a scientific assessment of their aptitudes and competencies. The Directors hereby wish to place on record their appreciation of the dedicated, committed and high quality services rendered by all employees of the Company.

EXPLANATION TO AUDITOR'S REMARKS

The Observation made in the Auditors Report stated below;

1, The Auditor's Report draws attention of qualified opinion of Auditors Report 5 (I) and 5 (II) regarding erosion of net worth and recalling of loans by Punjab National Bank and Canara Bank. The company is in the process of submitting re-structuring proposal to its bankers and SDF for revival of the company.

MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company. However, the Bank account of the Company maintained with Punjab National Bank has been declared as NPA in the month of April 2018.

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014 is given as per **Annexure III** and forms part of the this Report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

During the year under review, none of the Company has become or ceased to be Company's subsidiaries, joint ventures or associate companies.



However, Nandit Investment Company Limited and Reliance Steel Limited are subsidiaries of the Company. The detail of the Subsidiary Companies in Form AOC-1 is given in **Annexure IV**.

RISK MANAGEMENT

The Company has adopted the systems and procedures, to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the Company's business.

The Company's management systems, organizational structures, processes, standards, code of conduct, Internal Control and Internal Audit methodologies and processes that governs how the Company conducts the business of the Company and manages associated risks.

DETAILS OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

There following changes have been made to the Board of Directors during the year:

S.No	Name	Designation	Appointment or Resignation	Effective Date
1.	J. C. Bansal	Whole-Time Director	Resignation	15.12.2017
2.	Fanindra Biswal	Whole-Time Director	Appointment	29.12.2017

Director liable to Retire by Rotation: In pursuance of the provisions of the Act and the Articles of Association of the Company, Mr. S.K. Kanoria of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible have offered themselves for re-appointment.

The present composition of the Board is as follows:

- | | |
|---------------------------|----------------------|
| 1. Mr. S.K. Kanoria | Managing Director |
| 2. Mr. R.P. Singhal | Independent Director |
| 3. Mr. Fanindra Biswal | Whole-Time Director |
| 4. Mr.Arvind Prakash Garg | Nominee Director |
| 5. Mr. Narendra Wali | Whole-Time Director |

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

There are no significant material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of the Company and its future operations.

PNB & Canara Bank have classified account of the company as NPA in their books.

PNB has issued notice u/s 13 (2) of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 for repayment of balance outstanding of Rs 66.57 crores and Canara Bank has filed case in DRT for recovery of its dues amounting to Rs 15.59 crores. The company is in the process of submitting restructuring proposal to PNB and Canara Bank and is hopeful that proposal will be accepted by the Bankers.

STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has in place adequate internal financial controls with reference to financial statements and the Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records. During the year, such controls were tested and no reportable material weakness in the design or operation were observed.

DEPOSITS

During the year under review, the Company has not accepted any deposits within the meaning of Sections 2(31) and 73 of the Companies Act, 2013, and the Rules framed there under and any re-enactments thereof, and as such no amount of principal or interest was outstanding as of the Balance Sheet date.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declarations from Mr. R.P. Singhal, independent Director of the Company confirming that they meet the criteria of independence as laid down in section 149(6) of the Companies Act, 2013.

DISCLOSURES RELATED TO COMMITTEES AND POLICIES

Audit Committee

The composition of Audit Committee as on 31st March 2018 is as follows:

1. Mr. S.K. Kanoria, Managing Director
2. Mr. Narendra Wali, Director
3. Mr. R.P. Singhal, Independent Director

Nomination and Remuneration Committee

The Nomination and Remuneration Committee as on 31st March 2018 is as follows:



- 1.Mr. S.K. Kanoria, Managing Director
- 2.Mr. Narendra Wali , Director
- 3.Mr. R.P. Singhal, Independent Director

The policy formulated by the Nomination and Remuneration Committee is annexed herewith in **Annexure V**.

Stakeholders Relationship Committee

The composition of Stakeholders Relationship Committee as on 31st March 2018 is as follows:

1. Mr. S.K. Kanoria, Managing Director
2. Mr. Narendra Wali , Director
3. Mr. R.P. Singhal, Independent Director

Vigil Mechanism / Whistle Blower Policy

The Board has, pursuant to the provisions of Section 178(9) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014, framed "Vigil Mechanism (Whistle Blower) Policy" ("the Policy") to deal with instances of fraud and mismanagement, if any. The Whistle Blower Policy has been approved by the Board and has been placed on the website of the Company.

This vigil mechanism of the Company is overseen by the Audit Committee and provides adequate safeguard against victimization of employees and directors who avail the vigil mechanism and also provide direct access to the Chairperson of the Audit Committee in exceptional circumstances.

DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION PROHIBITION & REDRESSAL) ACT, 2013

No cases of sexual harassment and discriminatory employment were reported during the financial year ended 31st March, 2018.

PARTICULARS OF EMPLOYEES

The provisions of Rule 5(2) & (3) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 requiring statement of particulars of top ten employees of the company in terms of remuneration drawn in given in **Annexure VI**. There are no employees in the company who are in receipt of remuneration as mentioned in Rule 5(2) (i) , (ii) and (iii) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.



AUDITORS AND AUDITORS' REPORT

Auditor

M/s M.L. Garg & Co., Chartered Accountants, New Delhi (Firm Registration No. 001604N) were appointed as the Statutory Auditors to hold office upto the conclusion of the 31st Annual General Meeting, subject to ratification by members at every annual general meeting.

However, as per Companies (Amendment) Act, 2017, the proviso to sub rule (7) of Rule 3 of Companies (Audit and Auditors) Rules, 2014 pertaining to ratification of Auditor has been omitted. The omission implies that the requirement of ratification of appointment of Auditor in every annual general meeting (AGM) has been removed. Therefore, in the up-coming Annual General Meeting, the Company is not required to ratify appointment of M/s M.L. Garg & Co, the Auditors of the Company for the financial year ended 31st March 2018.

Internal Auditors

Pursuant to Section 138 of the Companies Act, 2013, and the rules and regulations made there under, **M/s. Agiwal & Associates**, Chartered Accountants, were appointed as Internal Auditor of the Company by the Board in their Meeting held on 28th August, 2015 to conduct the internal audit of the functions and activities of the Company and to perform the duties as mentioned under the provisions of the Act and the rules and regulations made there under if any, and any other duties assigned to them by the Board from time to time.

Cost Auditor

The Board had appointed **M/s Mahendra Singh & Co.**, Cost Accountants, as Cost Auditors for conducting the audit of cost records of the Company for the financial year 2017-18 and necessary application for their appointment was filed by the Company with the Ministry of Corporate Affairs.

The Company shall submit the Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

The Board has re-appointed **M/s. Mahendra Singh & Co.**, Cost Accountants, as Cost Auditors to conduct Cost Audit for the financial year 2018-19 and their remuneration has also been recommended for the ratification and approval of the Shareholders.

DIRECTORS' RESPONSIBILITY STATEMENT

Director's Responsibility Statement as required under Section 134(5) of the Companies Act, 2013, your director state that:



a) In the preparation of the Annual Accounts, the applicable accounting standard had been followed along with proper explanation relating to material departures, if any;

b) The Directors had 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 31st March, 2018 and of the Profit and Loss of the company for the year ending on the date.

c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 and Rules and Regulations made there under, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

d) The Directors had prepared the Annual Account for the financial year ended March 31, 2018 on a going concern basis.

e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

f) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

ACKNOWLEDGEMENT

The Board places on record its deep appreciation to officers, staff and workmen and acknowledges the assistance received from various Banks & Financial institutions, Government agencies and professionals in different discipline.

By order of the Board of Directors
For **Kanoria Sugar and General Manufacturing Company Limited**

Date: 21st September 2018
Place: New Delhi

Sanjay Kumar Kanoria
(Managing Director)
DIN: 00067203

Narendra Wali
(Whole time Director)
DIN: 07419331



FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2018

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:

i	CIN	U15420UP1991PLC107319
ii	Registration Date	17-09-1991
iii	Name of the Company	Kanoria Sugar and General Manufacturing Company Limited
iv	Category of the Company	1. Public Company
	Sub-Category of the Company	1. Limited by shares
v	REGISTERED OFFICE ADDRESS OF COMPANY AND CONTACT DETAILS	
	Address	P.o. Captaingunj, Distt Kushinagar, Uttar Pradesh Mumbai
	Town/ City	Captaingunj
	State	Uttar Pradesh
	Pincode	274301
	Country Name	India
	Country Code	IN
	Telephone(With STD Area Code Number)	
	Emai Address	sugar@kanoria.org
	Website	www.kanoria.org
	Address for correspondence	Corp. Office: A-9A, Green Park Main, New Delhi-110016
vi	Whether listed company	No
vii	Name and Address of the Registrar & Transfer Agent (RTA):-	
	Registrar & Transfer Agent (RTA):-	Beetel Financial & Computer Services (P) Ltd.
	Address:	Beetel House, 3rd Floor, 99 Madnagir, BH-Local Shopping Complex, Near
	Town/ city:	Delhi
	State:	Delhi
	Pin Code	110062
	Telephone (With STD Area Code Number)	011-29961281, 29961282 & 29961283
	Fax number	29961284
	Email Address:	beetelrta@gmail.com

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1	Sugar Production	10721	95.46%

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABL E SECTION
1	Nandit Investments Company Limited	U99999MH1977PL C061304	Subsidiary	97.28	2(87)
2	Reliance Steels Limited	U99999MH1973PL C062467	Subsidiary	100	2(87)

IV.SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	-	54,754	54,754	0.90%	-	54,754	54,754	0.90%	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.or State Govt.	-	-	-	-	-	-	-	-	-
c) Bodies Corporates	-	56,01,248	56,01,248	92.08%	-	56,01,248	56,01,248	92.08%	-
d) Bank/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	-	56,56,002	56,56,002	92.98%	-	56,56,002	56,56,002	92.98%	-
(2) Foreign									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	-	56,56,002	56,56,002	92.98%	-	56,56,002	56,56,002	92.98%	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	15,925	15,925	0.26%	-	15,925	15,925	0.26%	-
b) Banks/FI	-	14,625	14,625	0.24%	-	14,625	14,625	0.24%	-
c) Central govt	-	-	-	-	-	-	-	-	-
d) State Govt.	-	24,400	24,400	0.40%	-	24,400	24,400	0.40%	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)(1):	-	54,950	54,950	0.90%	-	54,950	54,950	0.90%	-
(2) Non Institutions									
a) Bodies corporates	-	13,679	13,679	0.22%	-	13,679	13,679	0.22%	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	-	3,58,388	3,58,388	5.89%	-	3,58,388	3,58,388	5.89%	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 2 lakhs	-	-	-	-	-	-	-	0.00%	-
c) Others (specify)- NRIs	-	12	12	-	-	12	12	-	-
SUB TOTAL (B)(2):	-	3,72,079	3,72,079	6.11%	-	3,72,079	3,72,079	6.11%	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	-	4,27,029	4,27,029	7.01%	-	4,27,029	4,27,029	7.01%	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	60,83,031	60,83,031	99.99%	-	60,83,031	60,83,031	99.99%	-

(ii) Shareholding of Promoters:-

S.No	Name of Shareholders	Shareholding at the Beginning of the Year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	% change in shareholding during the year
1	Alok Fintrade Pvt. Ltd.	13,65,499	22.45%	-	13,65,499	22.45%	-	-
2	B. S. Traders Pvt. Ltd.	14,65,992	24.10%	-	14,65,992	24.10%	-	-
3	Ganga Projects Pvt. Ltd.	14,69,757	24.16%	-	14,69,757	24.16%	-	-
4	Landmark Dealers Pvt. Ltd.	13,00,000	21.37%	-	13,00,000	21.37%	-	-
5	Sanjay Kumar Kanoria	50	0.00%	-	50	0.00%	-	-
6	Murlidhar Kanoria	25,064	0.41%	-	25,064	0.41%	-	-
7	Priyadarshinee Kanoria	29,640	0.49%	-	29,640	0.49%	-	-

(iii) Change in Promoters' Shareholding

S.No	Name of Shareholders	Shareholding at the		Changes during the year		Cumulative Shareholding		Shareholding at the end of
		No. of Shares	% of total shares of	Date of change in shareholding	Changes during the	No. of shares	% of total shares of	
No Change								

(iv) Shareholding Pattern of Top ten Shareholders (other than Directors, Promoters and Holders of GDR and ADRs)

S.No	Name of Shareholders	Shareholding at the beginning of the year		Changes during the year		Cumulative Shareholding during the year		Shareholding at the end of the year
		No. of shares at the Beginning of the year	% of total shares of the company	Date of change in shareholding	Changes during the year	No. of shares	% of total shares of the company	
1	Govt of Mysore	24,400	0.40%	-	-	24,400	0.40%	24,400
2	Stock Holding Corporation of India Ltd	12,375	0.20%	-	-	12,375	0.20%	12,375
3	Mr. Ganeshdas Jhunjhunwala	11,275	0.19%	-	-	11,275	0.19%	11,275
4	Canara Bank	7,500	0.12%	-	-	7,500	0.12%	7,500
5	Vijay Kumar Jhunjhunwala	5,775	0.09%	-	-	5,775	0.09%	5,775
6	Ms. Geeta Devi Jhunjhunwala	5,500	0.09%	-	-	5,500	0.09%	5,500
7	Canbank Financial Services Ltd	4,325	0.07%	-	-	4,325	0.07%	4,325
8	Mr. Ramchandra Sahu	3,850	0.06%	-	-	3,850	0.06%	3,850
9	Mr. Radhe Shyam Kejriwal	3,600	0.06%	-	-	3,600	0.06%	3,600
10	SBI Capital Markets Limited	3,525	0.06%	-	-	3,525	0.06%	3,525

(v) Shareholding of Directors & KMP

S.No	Name of Director and KMP	Shareholding at the beginning of the year		Changes during the year		Cumulative Shareholding during the year		Shareholding at the end of the year
		No. of Shares	% of total shares of the company	Date of change in shareholding	Changes during the year	No. of shares	% of total shares of the company	
1	Sanjay Kumar Kanoria	50	0.00%	-	-	50	0.00%	50

V INDEBTEDNESS		Amt. in lacs			
Indebtedness of the Company including interest outstanding/accrued but not due for payment					
		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year					
i) Principal Amount		9,750.60	2,645.87	-	12,396.47
ii) Interest due but not paid		-	-	-	-
iii) Interest accrued but not due		-	-	-	-
Total (i+ii+iii)		9,750.60	2,645.87	-	12,396.47
Change in Indebtedness during the financial year					
Additions		612.60	117.82	-	730.42
Reduction		-	-	-	-
Net Change		612.60	117.82	-	730.42
Indebtedness at the end of the financial year					
i) Principal Amount		10,363.20	2,763.69	-	13,126.89
ii) Interest due but not paid		-	-	-	-
iii) Interest accrued but not due		-	-	-	-
Total (i+ii+iii)		10,363.20	2,763.69	-	13,126.89

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Amt. in lacs

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager				Total Amount
1	Gross salary	S.K. Kanoria Managing Director	J.C. Bansal Whole Time Director	Finindra Biswal Whole Time Director	Narendra Wali Whole Time Director	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	Nil	Nil	Nil	7.68	7.68
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil	Nil
2	Stock option	Nil	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4	Commission as % of profit others (specify)	Nil	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	Nil	Nil	Nil	Nil	Nil
	Ceiling as per the Act	60 lacs				

B. Remuneration to other directors:

		Amt. in INR		
Sl.No	Particulars of Remuneration	Name of the Directors		Total Amount
1	Independent Directors*	R. P. Singhal		
	(a) Fee for attending board committee meetings	37500		37500
	(b) Commission	Nil		Nil
	(c) Others, please specify	Nil		Nil
	Total (1)	37500		37500
2	Other Non Executive Directors	NA		Nil
	(a) Fee for attending board committee meetings	Nil		Nil
	(b) Commission	Nil		Nil
	(c) Others, please specify.	Nil		Nil
	Total (2)	Nil		Nil
	Total (B)=(1+2)	Nil		Nil
	Total Managerial Remuneration	37500		37500
	Overall Cieling as per the Act.			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S.No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1	Gross Salary				Nil
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	Nil	Nil	Nil	Nil
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission as % of profit others, specify	Nil	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil	Nil
	Total	Nil	Nil	Nil	Nil

VII PENALTIES/PUNISHMENT/COMPPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

By order of the Board of Directors
For Kanoria Sugar and General Manufacturing Company Limited

Date: 21st August, 2018
 Place: New Delhi.

Sanjay Kumar Kanoria
 (Managing Director)
DIN: 00067203

Narendra Wali
 (Whole time Director)
DIN: 07419331

ANNEXURE II**DETAIL OF BOARD MEETINGS:**

S. No	Date Of Board Meeting	Director Present	Designation
1.	30 th June, 2017	Mr. S. K. Kanoria Mr. R.P. Singhal Mr. NarendraWali	Managing Director Independent Director Whole-Time Director
2.	10 th August, 2017	Mr. S. K. Kanoria Mr. R.P. Singhal Mr. NarendraWali	Managing Director Independent Director Whole-Time Director
3.	01 st November, 2017	Mr. S. K. Kanoria Mr. R.P. Singhal Mr. NarendraWali	Managing Director Independent Director Whole-Time Director
4.	29 th December, 2017	Mr. S. K. Kanoria Mr. R.P. Singhal Mr. NarendraWali	Managing Director Independent Director Whole-Time Director
5.	26 th March, 2018	Mr. S. K. Kanoria Mr. R.P. Singhal Mr. NarendraWali	Managing Director Independent Director Whole-Time Director

By order of the Board of Directors
For **Kanoria Sugar and General Manufacturing Company Limited**

Date: 21st August, 2018

Place: New Delhi.

Sanjay Kumar Kanoria
(Managing Director)
DIN: 00067203

Narendra Wali
(Whole time Director)
DIN:07419331



DETAIL OF COMMITTEE MEETINGS:

Nomination & Remuneration Committee

S. No	Date of Committee Meeting	Committee Member Present	Designation
1.	29 th December, 2017	Mr. S. K. Kanoria Mr. R.P. Singhal	Managing Director Independent Director

Audit Committee

S. No	Date of Committee Meeting	Committee Member Present	Designation
1.	30 th June, 2017	Mr. R.P. Singhal Mr. S. K. Kanoria Mr. J.C. Bansal	Independent Director Managing Director Whole-Time Director

Stakeholder Grievance Committee

S. No	Date of Committee Meeting	Committee Member Present	Designation
1.	30 th June, 2017	Mr. R.P. Singhal Mr. S. K. Kanoria Mr. J.C. Bansal	Independent Director Managing Director Whole-Time Director

By order of the Board of Directors
For **Kanoria Sugar and General Manufacturing Company Limited**

Date: 21st August, 2018
Place: New Delhi.

Sanjay Kumar Kanoria
(Managing Director)
DIN: 00067203

Narendra Wali
(Whole time Director)
DIN:07419331



ANNEXURE III

Information as per Section 134 of the Companies Act, 2013, read with the Companies (Account) Rules, 2014 and forming part of the Directors' Report for the period from 1st April 2017 to 31st March, 2018:

A	Conservation of Energy	The operational activity of the company does not involve large energy consumption. In any case, conservation of energy is considered to be a priority and therefore ensuring minimum consumption by way of better energy conservation programs, training/ awareness of the employees, layout of machines and prompt upkeep is a continuous exercise. The detail is given as per the Annexure.	
	(A) Steps taken to impact on conservation		
	(B) Steps taken for utilization of alternate sources of energy		
	(C) Capital investment on the conservation equipments		
B	Technology Absorption	The Company is taking care of latest development and advancements in technology and all steps are being taken to adopt the same. The details are given as per Annexure.	
	(A) Technology Absorption		
	(B) Benefits derived		
	(C) Expenditure or Research & Development, if any		
	(D) Details of technology imported, if any year of import		
	(E) Whether imported technology fully absorbed		
	(F) Areas where absorption of imported technology has not taken place if any		
C	Foreign Exchange	For the period from 1-04-2017 to 31-03-2018	For the period from 1-04-2016 to 31-03-2017
	Out Go	Nil	Nil
	Earning	Nil	Nil

h

Form for disclosure of particulars with respect of conservation of energy

A. POWER AND FUEL CONSUMPTION		<u>2017-18</u>	<u>2016-17</u>
1	Electricity		
a)	i) Purchased (A C Pipe unit):		
	Unit (Lac / KWH)	0.77	0.91
	Total Amount (Rs. Lacs)	10.48	55.78
	Rate / unit (Rs)	13.69	61.28
	ii) Purchased (Sugar Unit):		
	Unit (Lac / KWH)	3.15	2.77
	Total Amount (Rs. Lacs)	31.72	29.55
	Rate / unit (Rs)	10.07	10.66
b)	Own Generation		
	i) For Sugar Unit:		
	Through Diesel Generation		
	Unit (Lac / KWH)	2.36	2.51
	Unit per Ltr. Of diesel oil	3.15	2.86
	Cost / Unit (Rs)	17.87	18.77
	Through steam/turbine generation		
	Unit (Lac / KWH)	92.17	76.56
	Unit (KWH) per ton Bagasse	63.45	72.58
	ii) For A.C.Unit:		
	Through Diesel Generation		
	Unit (Lac / KWH)		
	Unit per Ltr. Of diesel oil		
	Cost / Unit (Rs)		
2	Other / Internal Generation		
a)	Firewood/ wheat husk etc.		
	Quantity (tonnes)	71.63	92.99
	Total Cost (Rs. Lacs)	1.91	8.09
	Rate / Unit (Rs)	2662.99	2752.98
b)	Bagasse own		
	Quantity/ (tonnes)	145190	105516



RESEARCH AND DEVELOPMENT (R & D)

1- Specific areas in which R & D carried out by the company:

Changing in boiling scheme, Steam economy steps taken, energy saving equipments installed to reduce power & steam consumption.

2- Benefits derived as a result of the above R & D:

Increase in bagasse saving & best capacity utilization.

3- Future plan of action:

(a) Reduction in manpower.

(b) Further reduction in steam and power consumption & increase in capacity.

(c) Production of best quality sugar.

(d) Improvement in efficiency.

(e) Reduction in sugar losses.

(f) Co-generation scheme

4- Expenditure on R & D:

Expenditure on R & D terms part of the manufacturing costs and is not accounted separately.

TECHNOLGY ABSORPTION, ADAPTATION AND INNOVATION

Water circulation and its reuse system is made to reduce use of underground water. Hot condensate water cooling and its reuse is introduced. At Mill, Roller design is changed to increase efficiency of Milling resulting improvement in recovery.

ETP Plant is modified and system made for use of treated water for agriculture, Dual media filter, carbon filter and Online monitoring system is installed for continuous measurement of data for taking immediate/corrective steps. At boilers, MDC is removed and Wet Scrubbers installed.

By order of the Board of Directors

For **Kanoria Sugar and General Manufacturing Company Limited**

Date: 21st August 2018

Place: New Delhi.

Sanjay Kumar Kanoria
(Managing Director)
DIN: 00067203

Narendra Wali
(Whole time Director)
DIN:07419331



Annexure IV

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

S. No.	Name of the Subsidiary Company	Reporting Period	Capital	Reserves	Total Assets	Total Liab.	Investments	Turnover	Profit/(Loss) before taxation	Provision for Taxation	Profit/(Loss) after taxation	Proposed Dividend	% of Shareholding
1	Nandit Investments Company Limited	2017-18	13,235,000	(1403784)	11879746	48530	-	-	(46039)	-	(46039)	-	97.28%
2	Reliance Steels Limited	2017-18	12,400,000	(643001)	11803986	46987	1350000	-	(45955)	-	(45955)	-	100%

1. Names of subsidiaries which are yet to commence operations.- NIL

2. Names of subsidiaries which have been liquidated or sold during the year- NIL

By order of the Board of Directors

For Kanoria Sugar and General Manufacturing Company Limited

Date: 21st August, 2018

Place: New Delhi

Sanjay Kumar Kanoria
(Managing Director)
DIN: 00067203

Narendra Wali
(Whole time Director)
DIN: 07419331



ANNEXURE V

NOMINATION AND REMUNERATION POLICY

1. Preamble

The Board of Directors (the "Board") of Kanoria Sugar And General Manufacturing Company Limited (the "Company"), has adopted the following policy and procedures with regard to Nomination and Remuneration of Directors, Key Managerial Personnel (KMP) and Senior Management and other employees of the Company. The Nomination and Remuneration Committee will review and recommend to the Board for any amendments from time to time.

2. Purpose

This policy is framed as per requirement of Sections 178 and other applicable provisions of the Companies Act, 2013 ("Act") read with rules and regulations made thereunder, and intended to have a Board with diverse background and experience in areas that are relevant for the Company, to ensure the proper appointment and fairness in the remuneration process of the Directors, Key Managerial Personnel (KMP) and Senior Management and other employees of the Company and at the same time to attract and retain the best suitable talent on the Board of the Company.

3. Applicability

This policy is applicable to all Directors, Key Managerial Personnel (KMP), and Senior Management team and other employees of the Company.

4. Objectives

This policy is framed with the following objectives:

- I. To guide the Board in relation to the appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- II. To evaluate the performance of members of the Board and provide necessary report to the Board for further evaluation.
- III. To attract, retain and motivate the Senior Management including its Key Managerial Personnel, evaluation of their performance and provide necessary report to the Board for further evaluation.
- IV. The relationship of remuneration with performance is clear and meets appropriate performance benchmarks.

V. To recommend the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

VI. To promote and develop a high performance workforce in line with the Company strategy.

VII. To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Director (Executive & Non- Executive/ Independent/Nominee) and persons who may be appointed in Senior Management, Key Managerial Personnel and determine their remuneration.

VIII. To determine the remuneration based on the Company's size and financial position and practices in the industry.

5. Definition

I. "**Act**" means Companies Act, 2013 and rules framed thereunder as amended from time to time.

II. "**Board of Directors**" or **Board**, in relation to the company, means the collective body of the Directors of the Company.

III. "**Committee**" means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

IV. "**Company**" means "**Kanoria Sugar And General Manufacturing Company Limited**".

V. "**Managerial Personnel**" means Managerial Personnel or Persons, appointed under section 196 and other applicable provisions of the Companies Act, 2013.

VI. "**Policy**" or "**This policy**" means Nomination and Remuneration Policy.

VII. "**Remuneration**" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income Tax Act, 1961.

VIII. "**Independent Director**" means a Director referred to in Section 149 (6) of the Companies Act, 2013.

IX. "**Key Managerial Personnel**" (**KMP**) means

- a. The Chief Executive Officer or the Managing Director or the Manager and in their absence the Whole-time Director;
- b. The Company Secretary and
- c. The Chief Financial Officer



X. **“Senior Management”** means personnel of the company who are members of its core management team excluding Board of Directors.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

6. POLICY

6.1 Appointment of Managerial Personnel, Director, KMP and Senior Management:

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Personnel, Director or KMP or Senior Management and recommend to the Board for his /her appointment.
- b) A person should possess adequate qualifications, expertise and experience for the position he /she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient /satisfactory for the concerned position.
- c) Appointment of Independent Directors is also subject to compliance of provisions of section 149 of the Companies Act, 2013, read with Schedule IV and rules thereunder or any other applicable provisions of the Companies Act, 2013 and the Listing Agreement.

6.2 Term / Tenure

a. Managerial Personnel:

The Company shall appoint or re-appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b. Independent Director:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and Disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.



The maximum tenure of Independent Directors shall also be in accordance with the Companies Act, 2013 and clarifications/ circulars issued by the Ministry of Corporate Affairs/ SEBI, in this regard, from time to time.

6.3 Retirement

Any Director other than the Independent Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company, subject to compliance of the provisions of the Companies Act, 2013.

6.4 Remuneration of Managerial Personnel, KMP and Senior Management:

- a. The level and composition of remuneration to Managerial Personnel, KMP & Senior Management should be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company. The Remuneration / Compensation / Profit linked Incentive etc. to Managerial Personnel, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The Remuneration / Compensation / Profit Linked Incentive etc. to be paid for Managerial Personnel shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b. The remuneration and commission to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.
- c. Managerial Personnel, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- d. If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.
- e. If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.



f. Increments if declared to the existing remuneration / compensation structure shall be recommended by the Committee to the Board which should be within the limits approved by the Shareholders in the case of Managerial Personnel.

g. Where any insurance is taken by the Company on behalf of its Managerial Personnel, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

6.5 Remuneration to Non-Executive / Independent Directors:

a. Remuneration / Profit Linked Commission:

The remuneration / profit linked commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

b. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

c. Limit of Remuneration /Profit Linked Commission:

Remuneration /profit linked Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1%/3% of the net profits of the Company respectively.

d. Stock Options:

Pursuant to the provisions of the Companies Act 2013, Managerial Personnel, KMP, Senior Management and an employee shall be entitled to any Employee Stock Options (ESOPs) of the Company.

7. Monitoring, Evaluation and Removal:

I. Evaluation:

The Committee shall carry out evaluation of performance of every Managerial Personnel, Director, KMP or Senior Management at the time of appointment or re-appointment. The Committee shall identify evaluation criteria based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence.

Framework for performance evaluation of Independent Directors and the Board is as per Annexure to this Policy.



II. Removal:

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Managerial Personnel, Director, KMP or Senior Management subject to the provisions of Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

8. Amendment to the Policy:

The Board of Directors on its own and / or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when deemed fit. In case of any amendment(s), clarification(s), circular(s) etc. issued by the relevant authorities, not being consistent with the provisions laid down under this Policy, then such amendment(s), clarification(s), circular(s) etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), Clarification, circular(s) etc.

9. Disclosure:

The details of this Policy and the evaluation criteria as applicable shall be disclosed in the Annual Report as part of Board's Report therein or alternatively the same may be put up on the Company's website and reference drawn thereto in the Annual Report.

Framework for Performance Evaluation of Independent Directors and the Board

As per the provisions of applicable provisions of Companies Act, 2013, the Nomination and Remuneration Committee (the "Committee") shall lay down the evaluation criteria for performance evaluation of Independent Directors and the Board. The Board is also required to monitor and review Board Evaluation Framework. This Framework shall contain the details of Board's self-evaluation framework (including all Committees of the Board and individual directors).

The Board is committed to assessing its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning. To that end, the Committee shall establish the following processes for evaluation of performance of Independent Director and the Board:

1. Once a year, the Board will conduct a self-evaluation. It is the responsibility of the Chairman of the Board, supported by the Company Secretary of the Company, to organize the evaluation process and act on its outcome;
2. The Committee shall formulate evaluation criteria for the Board and the Independent Directors which shall be broadly based on:
 - 2.1 Knowledge to perform the role;
 - 2.2 Time and level of participation;
 - 2.3 Performance of duties and level of oversight; and
 - 2.4 Professional conduct and independence.



3. The Board / Independent Directors shall be asked to complete the evaluation forms and submit the same to the Chairman.
4. In terms of Section 134 of the Act, the Board's Report should include a statement indicating a manner in which the Board has done formal annual evaluation of its own performance, performance of Committees and individual Directors of the Company.

By order of the Board of Directors

For **Kanoria Sugar and General Manufacturing Company Limited**

Date: 21st August, 2018

Place: New Delhi.

Sanjay Kumar Kanoria

(Managing Director)

DIN: 00067203



Narendra Wali

(Whole time Director)

DIN:07419331



