

SUPERSPACE INFRASTRUCTURE LIMITED

(Formerly, Surabhi Chemicals & Investments Ltd)

ANNUAL REPORT 2015-2016

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Bahadur Singh Kathoria
Mr. Amit Kumar
Ms. Anita Lalwani
Mr. Devi Lal Saini

COMPANY SECRETARY

Ms. Nisha Chopra

AUDITORS

M/s. Ramanand & Associates
Chartered Accountants
6/C, Ground Floor, Ostwal Park Bldg.No.4
Opp. Jesal Park Jain Temple, Bhayandar (East),
Dist.Thane-401 105, Maharashtra

BANKERS

AXIS Bank

REGISTERED OFFICE

LG-24, Silver Plaza Complex,
Opp. Rupali Cinema, Palanpur Patia,
Rander Road, Surat – 395005, Gujarat.
Website: www.scil.net.in
Email: info@scil.net.in

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Maheshwari Datamatics Pvt. Ltd.
6, Mangoe Lane, 2nd Floor,
Kolkata - 700001, West Bengal
Ph:-033 2243 5809 / 5029, Fax: 033 2248 4787
Email : mdpl@cal.vsnl.net.in,
mdpldc@yahoo.com

31ST ANNUAL GENERAL MEETING

DATE & TIME

Tuesday, 27th September 2016, at 11:30 A.M.

VENUE

Lords Plaza, Delhi Gate, Ring Road,
Surat-395003, Gujarat.

BOOK CLOSURE

20th September, 2016 to 27th September, 2016
(Both days inclusive)

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DIRECTOR'S REPORT

TO THE MEMBERS
SUPERSPACE INFRASTRUCTURE LIMITED
(Formerly, Surabhi Chemicals & Investments Ltd)

The Directors hereby present their Thirty First Annual Report on the business and operations of the Company and the financial statements for the year ended 31st March, 2016.

FINANCIAL HIGHLIGHTS/PERFORMANCE OF THE COMPANY

(Rs. in Lakhs)

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
Total Income	119.64	325.40
Total Expenditure	35.28	243.01
Profit before Tax	84.36	82.39
Tax Expense	27.60	25.47
Profit for the period	56.76	56.91
Brought forward from previous year	379.26	322.34
Surplus carried to Balance Sheet	436.02	379.26

COMPANY PERFORMANCE

The Company's revenue during the year is Rs. 119.64 Lakhs, as compared to Rs. 325.40 Lakhs in the previous year. The Company's profit before tax is Rs. 84.36 Lakhs during the year, as compared to Rs. 82.39 Lakhs in the previous year. The Company earned a net profit of Rs. 56.76 Lakhs, as against a net profit of Rs. 56.91 Lakhs in the previous year.

DIVIDEND

In order to maintain a healthy capital adequacy ratio to support long term growth of Company, Directors has not recommended any Dividend for the Financial Year 2015-16.

TRANSFER TO RESERVES

The Company has not transferred any amount out of the profit earned to reserve account during the year under review. The entire profit earned during the year under review is proposed to be retained in the Statement of Profit and Loss.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There have been no material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial year relate and the date of this report.

SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

There were no significant material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and its operations in future.

ADEQUACY OF INTERNAL CONTROLS

The Company's Internal Control Systems are commensurate with the nature, size and complexity of its business and ensure proper safeguarding of assets, maintaining proper accounting record and providing reliable financial information.

The Directors have laid down internal financial controls to be followed by the Company and such policies and procedures have been adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting record and the timely preparation of reliable financial information.

An external independent firm carries out the internal audit of the Company operations and reports its findings to the Audit Committee on a regular basis. Internal Risk and Control function also evaluates organisational risk along with controls required for mitigating those risks. Internal Audit provides assurance on functioning and quality of internal controls along with adequacy and effectiveness through periodic reporting.

The Company has a Code of Business Conduct for all employees and a clearly articulated and internalized delegation of financial authority. These authority levels are periodically reviewed by management and modifications, if any, are submitted to the Audit Committee and Board for approval. The Company also takes prompt action on any violations of the Code of Business Conduct by its employees.

The Audit Committee reviews the effectiveness of the internal control system and also invites senior management personnel to provide updates on operating effectiveness and controls from time to time. A CEO/CFO Certificate signed by the Managing Director of the Company confirms the existence and effectiveness of internal controls and reiterates their responsibilities to report deficiencies to the Audit Committee. The Audit Committee also reviews the Risk management framework periodically and ensures it is updated and relevant.

During the year under review, the Internal Financial Control Audit was carried out by the Statutory Auditors, the Report of which is forming part of this Annual Report.

DEPOSITS

During the year under review, the Company has not accepted any deposit within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

STATUTORY AUDITORS

M/s. Ramanand & Associates, Chartered Accountants, (Firm Registration No.-117776W) Statutory Auditors of the Company, hold office till the conclusion of the Annual General Meeting of the Company to be held for the financial year 2016-17, and are eligible for re-appointment. They have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark or disclaimer.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had

appointed Ms. Kavita Raju Joshi, Practising Company Secretary to undertake the Secretarial Audit of the Company for a consecutive term of three financial years starting from 2015-16 to 2017-18. The Secretarial Audit Report is given as "Annexure-A" forming part of this Report.

DETAILS OF SUBSIDIARY/ JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any subsidiary/joint ventures/associate companies.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2016 was Rs. 21,63,10,000/- divided into 21,63,10,000 Equity Shares of Re. 1/- each. During the year under review, the Company has not issued any shares.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return is prepared in Form MGT-9 as per the provisions of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 and the same is annexed as "Annexure-B" to this Report.

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

a) Particulars of Conservation of Energy, Technology Absorption

The Provisions of Section 134(m) of the Act relating to conservation of energy and technology absorption do not apply to this Company as the Company has not carried out any manufacturing activities.

b) Foreign Exchange Earnings and Outgo

During the year under review there was no foreign exchange outgo nor was any foreign exchange earned.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

a) Declaration by Independent Directors

All the Independent Directors have given a declaration that they meet the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 read with the rules made there under and as per SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. In the opinion of the Board, they fulfil the conditions of Independence as specified in the Act and the rules made there under.

b) Familiarisation Programme

The Independent Directors are familiarised with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. On appointment, the Independent Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The Director is also informed in brief the various compliances required from him/her as a Director. The Director is also explained in detail the various compliances required from him/her as a Director under the various provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015. The details of familiarisation programme are available on the Company's website www.scil.net.in.

c) Non-Independent Director

In accordance with the provisions of Companies Act, 2013, Mr. Bahadur Singh Kathoria (DIN: 00534273), Managing Director of the Company, is liable to retire by rotation and

being eligible, offers himself for re-appointment. The Board recommends his appointment with a view to avail his valuable advices and wise counsel.

A brief profile of the above Director seeking appointment/re-appointment required as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is given in the Notice forming part of the Annual Report.

d) Changes in Directorship during the year

During the year under review Ms. Anita Lalwani (DIN: 07144758) & Mr. Amit Kumar (DIN: 07423774) were appointed as Additional Non-Executive Independent Director of the Company with effect from 13th February, 2016.

Mr. Pushpit Jain (DIN: 06695970) was appointed as Additional Non-Executive Director of the Company with effect from 25th May, 2015. Further Mr. Pushpit Jain (DIN: 06695970) resigned from the Directorship of the Company with effect from 29th April, 2016. The Board places on record their appreciation for the valuable services rendered by Mr. Pushpit Jain (DIN: 06695970) during his tenure.

Ms. Bina Agarwal (DIN: 05124687) resigned from the Directorship of the Company with effect from 25th May, 2015. The Board places on record their appreciation for the valuable services rendered by Ms. Bina Agarwal (DIN: 05124687) during her tenure.

Ms. Neha Agarwal (DIN: 06686208) resigned from the Directorship of the Company with effect from 18th June, 2015. The Board places on record their appreciation for the valuable services rendered by Ms. Neha Agarwal (DIN: 06686208) during her tenure.

e) Key Managerial Personnel

Mr. Bahadur Singh Kathoria (DIN: 00534273) was appointed as Managing Director of the Company at the Board Meeting held on 25th May, 2015, further approved by the members of the Company at the last Annual General Meeting held on 22nd September, 2015.

Mr. Suresh Kumar Agarwal (DIN: 01359767) resigned from the Managing Directorship of the Company with effect from 25th May, 2015. The Board places on record their appreciation for valuable services rendered by Mr. Suresh Kumar Agarwal (DIN: 01359767) during his tenure as Managing Director of the Company.

Ms. Leena Kumawat resigned from the post of Whole Time Secretary of the Company with effect from 14th November, 2015. The Board places on record their appreciation for the valuable services rendered by Ms. Leena Kumawat during her tenure as Secretary of the Company.

Ms. Nisha Chopra was appointed as Whole Time Company Secretary with effect from 29th April, 2016.

ANNUAL EVALUATION OF BOARD'S PERFORMANCE

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and the SEBI Listing Regulations, evaluation of all Board members is done on an annual basis. The evaluation is done by the Board, Nomination and Remuneration Committee and Independent Directors with specific focus on the performance and effective functioning of the Board and Individual Directors. Such performance evaluation process was formulated in consultation with the

Nomination and Remuneration Committee and approved by the Board. The performance evaluation, thus, included the following:

a) Criteria for evaluation of Board of Directors as a Whole

- The frequency of meetings;
- The length of meetings;
- The number of committees and their roles;
- The flow of information to board members and between board members;
- The quality and quantity of information;
- The disclosure of information to the stakeholders.

b) Criteria for evaluation of the Individual Directors

- Ability to contribute and monitor corporate governance practices;
- Ability to contribute by introducing best practices to address top management issues;
- Participation in long term strategic planning;
- Commitment to the fulfilment of Director obligations and fiduciary responsibilities;
- Guiding strategy;
- Monitoring management performance and development;
- Statutory compliance & Corporate Governance;
- Attendance and contribution at Board/Committee meetings;
- Time spent by each of the member; and
- Core competencies.

The Directors expressed their satisfaction over the evaluation process and results thereof.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

During the financial year ended 31st March, 2016, ten Board Meetings were held on 15th April 2015, 25th May 2015, 30th May 2015, 18th June 2015, 14th August 2015, 29th August 2015, 14th November 2015, 13th February 2016, 22nd March 2016 and 28th March 2016. The maximum time gap between any two meetings was less than four months as stipulated under SEBI (LODR) Regulations, 2015. Details of Board meetings held during the financial year have been furnished in the Corporate Governance Report forming part of this Annual Report.

MEETINGS OF INDEPENDENT DIRECTOR

During the year under review, a separate meeting of Independent Directors was held on 22nd March 2016, wherein the performance of the non-independent directors and the Board as a whole was reviewed. The Independent Directors at their meeting also assessed the quality, quantity and timeliness of flow of information between the Company management and the Board of Directors of the Company.

COMMITTEES OF THE BOARD

The Company has constituted/re-constituted various Board level committees in accordance with the requirements of Companies Act, 2013. Details of all the above Committees along with the composition and meetings held during the year under review are provided in the report on Corporate Governance forming part of this report.

AUDIT COMMITTEE

The composition and terms of reference of the Audit Committee has been furnished in the Corporate Governance Report forming part of this Annual Report. There have been no instances where the Board has not accepted the recommendations of the Audit Committee.

NOMINATION AND REMUNERATION COMMITTEE

The composition and terms of reference of the Nomination and Remuneration Committee has been furnished in the Corporate Governance Report.

STAKEHOLDER RELATIONSHIP COMMITTEE

The composition and terms of reference of the Stakeholders Relationship Committee has been furnished in the Corporate Governance Report forming part of this Annual Report.

POLICY ON DIRECTORS APPOINTMENT & REMUNERATION

A Nomination and Remuneration Policy has been formulated pursuant to the provisions of Section 178 and other applicable provisions of the Companies Act, 2013 and Rules thereto stating therein the Company's policy on Directors appointment and remuneration by the Nomination and Remuneration Committee was approved by the Board of Directors. The said policy is appended as "Annexure- C" to this Report.

The said policy may also be referred to, at the Company's official website at www.scil.net.in.

WHISTLE BLOWER POLICY/VIGIL MECHANISM

The Board has adopted a Whistle Blower Policy to maintain highest standards of professionalism, honesty, integrity, ethical behaviour and to provide a vigil mechanism for Directors/Employees to voice concern in a responsible and effective manner regarding unethical matters involving serious malpractice, abuse or wrongdoing within the organisation. The Company affirms that during the year no personnel have been denied access to the Audit Committee.

The Whistle Blower Policy is available on the Company's official website at www.scil.net.in.

PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company as an organization is committed to provide a healthy environment to all employees and thus does not tolerate any discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013.

No complaints were received during the financial year 2015-2016.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

In terms of Section 186 of the Companies Act, 2013 and Rules framed there under, details of the Loans given and Investments made by the Company during the year have been disclosed in the Notes to Audited Standalone Financial Statements.

The Company has not given any guarantee or provided security during the year under review.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

A Related Party Policy has been devised by the Board of Directors for determining the materiality of transactions with related parties and dealings with them. The said policy may be referred to, at the Company's official website at www.scil.net.in.

There are no contracts or arrangements entered into by the Company during the year with Related Parties referred to in Section 188 (1) of the Companies Act, 2013. There are no materially significant related party transactions made by the Company with promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

Directors draw attention of the members to Note No. 17 to the financial statement which set out related party disclosures.

DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES:

A statement containing the details of the Remuneration of Directors, Key Managerial Personnel (KMP) and Employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given as "Annexure-D" forming part of this Report.

The Company have no employee drawing a remuneration of Rs. 60,00,000/- (Rupees Sixty Lakhs) per annum or part thereof in terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CORPORATE GOVERNANCE

Pursuant to the provisions of Regulations 34 read with point C & E of Schedule V of SEBI (LODR) Regulations, 2015, a report on Corporate Governance is given as "Annexure-E" for the financial year ended 31st March, 2016 along with the Certificate on its Compliance is forming part of this Annual Report.

MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis is given as "Annexure-F" forms an integral part of this report and gives details of the overall industry structure, economic developments, performance and state of affairs of the Company's various businesses, internal controls and their adequacy, risk management systems and other material developments during the financial year 2015-16.

RISK AND MITIGATING STEPS

The Company has identified various risks faced by the Company from different areas. Appropriate structures are present so that risks are inherently monitored and controlled inter alia through strict quality assurance measures.

The Company has adequate internal control system and procedures to combat risks. The risk management procedure is reviewed by the Audit Committee and Board of Directors on a quarterly basis at the time of review of quarterly financial results of the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) & 134(5) of the Companies Act, 2013, the Directors of the Company confirm that:

- in the preparation of the annual accounts for the financial year ended 31st March, 2016, the applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- 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 as at 31st March, 2016 and of the profit & loss of the Company for the Financial Year ended 31st March, 2016;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records for the year ended 31st March, 2016, in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the directors had prepared the annual accounts on a 'going concern' basis;
- the internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and operating effectively during the year; and
- proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

The Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

The Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

**On behalf of the Board
Bahadur Singh Kathoria**

**Place: Mumbai
Date: 30th May, 2016**

**Managing Director
DIN: 00534273**

**FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2016**

*[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,
Superspace Infrastructure Limited
(Formerly, Surabhi Chemicals and Investments Ltd)
LG-24, Silver Plaza Complex, Opp. Rupali Cinema
Palanpur Patia, Rander Road, Surat-395005, Gujarat**

I have conducted the **Secretarial Audit** of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Superspace Infrastructure Limited (CIN: L70200GJ1985PLC013256) ("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 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, and authorized representatives during the conduct of Secretarial Audit, the explanations and clarifications given to me and the representations made by the Management, I hereby report that in my opinion the Company has, during the audit period covering the financial year ended 31st March, 2016 generally 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 made available to me and maintained by the Company for the financial year ended **31st March, 2016** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
In spite of efforts made, the Company was not able to appoint Chief Financial Officer as Key Managerial Personnel under Section 203 of the Companies Act, 2013 read with Rule 8 of Companies (Appointment & Remuneration of Managerial personnel) Rules, 2014 of the Companies Act, 2013.
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 to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(not applicable to the Company during the Audit period)**
5. The following Regulations and Guidelines (as amended from time to time) prescribed under the Securities and Exchange Board of India Act, 1992:-
 - 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, 1992 and 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 and amendments from time to time; **(not applicable to the Company during the Audit period)**
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(not applicable to the Company during the Audit period)**
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(not applicable to the Company during the Audit period)**
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(not applicable to the Company during the Audit period)**
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **(not applicable to the Company during the Audit period)**

I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has substantially complied with the general laws applicable to the Company. Based on the information, explanations and management representation, the Company has substantially complied with the Tax laws applicable to the Company.

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

- i. Secretarial Standard on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India (ICSI) effective from 1st July, 2015.
- ii. The Listing Agreements entered into by the Company with BSE Limited (BSE) read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. 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 was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent generally 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. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 no events occurred which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, etc.

Date: 30th May, 2016
Place: Mumbai

Kavita Raju Joshi
Practicing Company Secretary
Membership No. 22387
CP No. 8893

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

'Annexure A'

To,
The Members,
Superspace Infrastructure Limited
(Formerly, Surabhi Chemicals and Investments Ltd)
LG-24, Silver Plaza Complex, Opp. Rupali Cinema
Palanpur Patia, Rander Road, Surat-395005, Gujarat

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

1. Maintenance of Secretarial Records is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial Records based on my Audit.
2. I have followed the audit practices and processes as were appropriated 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. I believe that the processes and practices, we followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of Financial Records and Books of Accounts of the Company.
4. Wherever required, I have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
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.

Date: 30th May, 2016
Place: Mumbai

Kavita Raju Joshi
Practicing Company Secretary
Membership No. 22387
CP No. 8893

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on Financial Year ended on 31.03.2016

**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	L70200GJ1985PLC013256
ii	Registration Date	4-Apr-85
iii	Name of the Company	Superspace Infrastructure Limited (Formerly Surabhi Chemicals & Investments Ltd.)
iv	Category/Sub-category of the Company	Public Company/Limited by Shares
v	Address of the Registered office & contact details	LG-24 Silver Plaza Complex, Opp Rupali Cinema, Palanpur Patia, Rander Road, Surat-395005, Gujarat, Email: info@scil.net.in
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Maheshwari Datamatics Pvt Ltd 6 Mangoe Lane, 2nd Floor, Kolkata-700 001, Phone-033 22435029/22482248

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Interest on Loan	659	100.00

III) Particulars of Holding, Subsidiary & Associate Companies

SINo	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	NIL	NIL	NIL	NIL	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 01/Apr/2015]				No. of Shares held at the end of the year [as on 31/Mar/2016]				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	5000000	0	5000000	2.3115	5000000	0	5000000	2.3115	0.0000
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp.	432750	0	432750	0.2001	432750	0	432750	0.2001	0.0000
e) Banks/Fi									
f) Any other									
Sub-total (A)(1)	5432750	0	5432750	2.5116	5432750	0	5432750	2.5116	0.0000
(2) Foreign									
a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other									
Sub-total (A)(2)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	5432750	0	5432750	2.5116	5432750	0	5432750	2.5116	0.0000
B. Public Shareholding									
1. Institutions									
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)									
Alternate Investment Funds									
Foreign Portfolio Investors									
Provident Funds / Pension Funds									
Qualified Foreign Investor									
Sub-total(B)(1):-	0	0	0	0.0000	0	0	0	0.0000	0.0000

Category of Shareholders	No. of Shares held at the beginning of the year [as on 01/Apr/2015]				No. of Shares held at the end of the year [as on 31/Mar/2016]				% Change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
2 Non-Institutions									
a) Bodies Corp.									
i) Indian	53510388	3880650	57391038	26.5318	52738147	3880650	56618797	26.1748	-1.3456
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	18855078	4092300	22947378	10.6086	18962023	3902300	22864323	10.5702	-0.3619
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	122838834	7700000	130538834	60.3480	123432534	7540000	130972534	60.5485	0.3322
c) Others (Specify)									
Non Resident Indians									
Qualified Foreign Investor									
Custodian of Enemy Property									
Foreign Nationals									
Clearing Members	0	0	0	0.0000	421596	0	421596	0.1949	100.0000
Trusts									
Foreign Bodies-D R									
Foreign Portfolio Investors									
NBFCs registered with RBI									
Employee Trusts									
Domestic Corporate Unclaimed Shares Account									
Sub-total(B)(2):-	195204300	15672950	210877250	97.4884	195554300	15322950	210877250	97.4884	0.0000
Total Public Shareholding (B)=(B)(1)+ (B)(2)	195204300	15672950	210877250	97.4884	195554300	15322950	210877250	97.4884	0.0000
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	200637050	15672950	216310000	100.0000	200987050	15322950	216310000	100.0000	0.0000

ii) Shareholding of Promoters

Sl. No	Shareholder's Name	Shareholding at the beginning of the year [As on 01/Apr/2015]			Shareholding at the end of the year [As on 31/Mar/2016]			% 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	
1	Bishnu Dutt Goenka	2800000	1.2944	0.0000	2800000	1.2944	0.0000	0.0000
2	Bina Agarwal	2200000	1.0171	0.0000	2200000	1.0171	0.0000	0.0000
3	Mahadhan Vincom Private Limited	432750	0.2001	0.0000	432750	0.2001	0.0000	0.0000
	Total	5432750	2.5116	0.0000	5432750	2.5116	0.0000	0.0000

iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name	Shareholding at the beginning [01/Apr/15]/ end of the year [31/Mar/16]		Cumulative Shareholding during the year [01/Apr/15 to 31/Mar/16]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	MAHADHANVINCOM PRIVATE LIMITED 4/1/2015 3/31/2016	432750 432750	0.2001 0.2001	432750	0.2001
2	BINA AGARWAL 4/1/2015 3/31/2016	2200000 2200000	1.0171 1.0171	2200000	1.0171
3	BISHNU DUTT GOENKA 4/1/2015 3/31/2016	2800000 2800000	1.2944 1.2944	2800000	1.2944

iv) Shareholding Pattern of top ten Shareholders
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name	Shareholding at the beginning [01/Apr/15]/ end of the year [31/Mar/16]		Cumulative Shareholding during the year [01/Apr/15 to 31/Mar/16]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	GIRIDHAN INFRABUILD PRIVATE LIMITED 4/1/2015 3/31/2016	3492550 3492550	1.6146 1.6146	3492550	1.6146
2	NITAN RAMPRAKASH CHHATWAL 4/1/2015 3/31/2016	10104514 10104514	4.6713 4.6713	10104514	4.6713
3	ARYANRAJ PROPERTIES PRIVATE LIMITED . 4/1/2015 3/31/2016	3556501 3556501	1.6442 1.6442	3556501	1.6442
4	SANJAY SINGAL HUF 4/1/2015 3/31/2016	10000000 10000000	4.6230 4.6230	10000000	4.6230
5	NARESHKUMAR BISHESHWARLAL AGRAWAL 4/1/2015 3/31/2016	2853000 2853000	1.3189 1.3189	2853000	1.3189
6	GOPALBABU AGARWAL 4/1/2015 3/31/2016	5000000 5000000	2.3115 2.3115	5000000	2.3115
7	AARTI SINGAL 4/1/2015 3/31/2016	10000000 10000000	4.6230 4.6230	10000000	4.6230
8	PRAMOD KUMAR 4/1/2015 3/31/2016	5000000 5000000	2.3115 2.3115	5000000	2.3115

Sl. No.	Name	Shareholding at the beginning [01/Apr/15]/ end of the year [31/Mar/16]		Cumulative Shareholding during the year [01/Apr/15 to 31/Mar/16]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
9	SANJAY SINGAL 4/1/2015 3/31/2016	10000000 10000000	4.6230 4.6230	10000000	4.6230
10	ANIKET SINGAL 4/1/2015 3/31/2016	9824000 9824000	4.5416 4.5416	9824000	4.5416

* Not in the list of Top 10 shareholders as on 01/04/2015 The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31/03/2016.

Ceased to be in the list of Top 10 shareholders as on 31/03/2016. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01/04/2015.

v) Shareholding of Directors and Key Managerial Personnel

Sl. No.	Name	Shareholding at the beginning [01/Apr/15]/ end of the year [31/Mar/16]		Cumulative Shareholding during the year [01/Apr/15 to 31/Mar/16]	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company

V **Indebtedness**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebted -ness
Indebtness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
Additions	-	-	-	-
Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI) Remuneration of Directors And Key Managerial Personnel

A. Remuneration To Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Suresh Kumar Agarwal	Bahadur Singh Kathoria	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act 1961.	27,000.00	153,000.00	180,000.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2	Stock option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	as % of profit	-	-	-
	others (specify)	-	-	-
5	Others, please specify	-	-	-
	Total (A)	27,000.00	153,000.00	180,000.00
	Ceiling as per the Act			928,008.00

B. Remuneration to other directors:

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Pushpit Jain	Ms. Anita Lalwani	Mr. Amit Kumar	Mr. Devi Lal Saini	
1	Independent Directors					
	(a) Fee for attending board committee meetings	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c) Others, please specify	-	-	-	-	-
	Total (1)	-	-	-	-	-
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings	-	-	-	-	-
	(b) Commission	-	-	-	-	-
	(c) Others, please specify.	-	-	-	-	-
	Total (2)	-	-	-	-	-
	Total (B)=(1+2)	-	-	-	-	-
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act.	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	-	82,134.00	-	82,134.00
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission as % of profit others, specify	- -	- -	- -	- -
5	Others, please specify	-	-	-	-
	Total	-	82,134.00	-	82,134.00

VII) Penalties/Punishment/Compounding 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
B. Directors/Other Officers in Default					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

NOMINATION & REMUNERATION POLICY

1. **PREAMBLE**

The Board of Directors of SUPERSPACE INFRASTRUCTURE LIMITED (“the Company”) had constituted a Nomination and Remuneration Committee consisting of three (3) Directors, of which two directors are Independent Directors.

2. **OBJECTIVE**

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 under the Listing Agreement. The key objectives of the Committee would be:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.
- d) To provide to Key Managerial Personnel and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company’s operations.
- e) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- f) To devise a policy on Board diversity
- g) To develop a succession plan for the Board and to regularly review the plan.

3. **DEFINITIONS**

- a) **“Act”** means the Companies Act, 2013 and Rules framed there under, as amended from time to time.
- b) **“Board”** means Board of Directors of the Company.
- c) **“Directors”** mean Directors of the Company.
- d) **“Key Managerial Personnel”** means
 - i. Chief Executive Officer or the Managing Director or the Manager;
 - ii. Whole-time director;
 - iii. Chief Financial Officer;
 - iv. Company Secretary; and
 - v. Such other officer as may be prescribed.
- e) **“Senior Management”** means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

- f) “Independent Director”:-** As provided under Clause 49 of the Listing Agreement and under Section 149(6) of the Companies Act, 2013. ‘Independent Director’ shall mean a non-executive director, other than a managing director or a whole-time director or a nominee director of the Company:
- i. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - ii. a) who is or was not a promoter of the company or its holding, subsidiary or associate company; -
b) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
 - iii. who has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
 - iv. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year; -
 - v. who, neither himself nor any of his relatives-
 - a) holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - b) is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of –
 - a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
 - c) holds together with his relatives two per cent. or more of the total voting power of the company; or
 - d) is a Chief Executive or director, by whatever name called, of any non-profit organisation that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company; or
 - e) who possesses such other qualifications as may be prescribed.

4. ROLE OF COMMITTEE

a) Matters to be dealt with, perused and recommended to the Board by the Nomination and Remuneration Committee

The Committee shall:

- i. Formulate the criteria for determining qualifications, positive attributes and independence of a director.
- ii. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
- iii. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

b) Policy for appointment and removal of Director, KMP and Senior Management

i. Appointment criteria and qualifications

- The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- A person should possess adequate qualification, 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.
- The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

ii. Term / Tenure

- **Managing Director/Whole-time Director:** The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Whole Time Director 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.
- **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.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act and Listing Agreement, from time to time.

iii. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly). The following criteria are to be followed for reviewing the director's performance:

- a. Accomplishment of the organization's mission, objectives and strategic results for which the Executive Director is responsible.
- b. Ensuring that the Board is well informed on issues affecting the continuing relevance of the mission and the performance and reputation of the Company.
- c. Adequacy of processes which monitor business performance, Board member interaction with management, adequacy of Board knowledge, adequacy of business strategy, Board being informed, evaluation process for executives and Director.
- d. Appropriateness of balance and mix of skills, size of Board, contribution of individual Board members, adequacy of performance feedback to Board members, adequacy of procedures dealing with inadequate performance by a Board member.
- e. Board's effectiveness in use of time, whether Board allowed sufficient opportunity to adequately assess management performance.
- f. Working relationship between chairman and chief executive officer, segregation of duties between Board and management, ability of Directors to express views to each other and to management in a constructive manner, adequacy of Board discussions and management of divergent views.

The evaluation will take annually as per the requirement of law and Listing Agreement. The performance evaluation will typically address activities, events and accomplishments that took place during the most recently completed fiscal year.

iv. Removal

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations there under, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

v. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

c) Policy relating to the Remuneration for the Director, KMP and Senior Management Personnel

i. General:

- The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- The remuneration and commission to be paid to the Whole-time Director, KMP and Senior Management Personnel shall be in accordance with the percentage / slabs / conditions laid down in the Articles of Association of the Company and as per the provisions of the Act.
- Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director, KMP and Senior Management Personnel.
- Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees 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. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

ii. Remuneration to Director, KMP and Senior Management Personnel:

➤ **Fixed pay:**

The Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup 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/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

➤ **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Director, KMP and Senior

Management Personnel in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

➤ **Provisions for excess remuneration:**

If any Director, KMP and Senior Management Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act 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. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

iii. Remuneration to Non- Executive / Independent Director:

➤ **Remuneration / Commission:**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Articles of Association of the Company and the Act.

➤ **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 Rupees One Lac per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

➤ **Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

➤ **Stock Options:**

An Independent Director shall not be entitled to any stock option of the Company.

5. MEMBERSHIP

- a) The Committee shall consist of a minimum 3 directors, majority of them being independent.
- b) Minimum two (2) members, one of which must be an Independent Director, shall constitute a quorum for the Committee meeting.
- c) Membership of the Committee shall be disclosed in the Annual Report.
- d) Term of the Committee shall be continued unless terminated by the Board of Directors.

6. CHAIRPERSON

- a) Chairperson of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not be a Chairman of the Committee.

- c) In the absence of the Chairperson, the members of the Committee present at the meeting shall choose one amongst them to act as Chairperson.
- d) Chairman of the Nomination and Remuneration Committee meeting could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

7. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

8. COMMITTEE MEMBERS' INTERESTS

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

9. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

10. VOTING

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

11. NOMINATION DUTIES

The duties of the Committee in relation to nomination matters include:

- a) Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- b) Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- c) Identifying and recommending Directors who are to be put forward for retirement by rotation.
- d) Determining the appropriate size, diversity and composition of the Board;
- e) Setting a formal and transparent procedure for selecting new Directors for appointment to the Board;
- f) Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- g) Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- h) Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination

of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.

- i) Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- j) Recommend any necessary changes to the Board; and
- k) Considering any other matters, as may be requested by the Board.

12. REMUNERATION DUTIES

The duties of the Committee in relation to remuneration matters include:

- a) To consider and determine the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate.
- b) To approve the remuneration of the Senior Management including key managerial personnel of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- c) To delegate any of its powers to one or more of its members or the Secretary of the Committee.
- d) To consider any other matters as may be requested by the Board.
- e) Professional indemnity and liability insurance for Directors and senior management.

13. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the Committee at the subsequent meeting. Minutes of the Committee meetings will be tabled at the subsequent Board and Committee meeting.

14. AMENDMENT(S)/MODIFICATION(S)

The Nomination and Remuneration Committee will review and may amend/modify this policy from time to time.

“ANNEXURE-D”

Statement of particulars as per Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- (i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Sl. No	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Mr Bahadur Singh Kathoria (Managing Director)	2.55
2.	Mr Suresh Kumar Agarwal (Managing Director)	0.45
3.	Ms. Bina Agarwal (Non-Executive Director)	NIL
4.	Ms. Neha Agarwal (Independent Director)	NIL
5.	Mr. Devi Lal Saini (Independent Director)	NIL
6.	Mr. Pushpit Jain (Independent Director)	NIL
7.	Mr. Amit Kumar (Independent Director)	NIL
8.	Ms. Anita Lalwani (Independent Director)	NIL

Notes:

1. Mr. Bahadur Singh Kathoria (DIN: 00534273) was appointed as a Managing Director of the Company by the Board at their meeting held on 25th May, 2015.
2. Mr. Suresh Kumar Agarwal (DIN: 01359767) resigned from the post of Managing Director of the Company with effect from 25th May 2015.

- (ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the financial year 2015-16:

Sl. No	Name of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Mr Bahadur Singh Kathoria (Managing Director)	NIL
2.	Mr Suresh Kumar Agarwal (Managing Director)	NIL
3.	Ms. Bina Agarwal (Non-Executive Director)	NIL
4.	Ms. Neha Agarwal (Independent Director)	NIL
5.	Mr. Devi Lal Saini (Independent Director)	NIL
6.	Mr. Pushpit Jain (Independent Director)	NIL
7.	Mr. Amit Kumar (Independent Director)	NIL
8.	Ms. Anita Lalwani (Independent Director)	NIL
9.	Ms Leena Kumawat (Company Secretary)	NIL

Notes:

1. There was no increase in the remuneration of Directors, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager in the Financial Year 2015-16 in comparison to Financial Year 2014-15.

(iii) The percentage of increase in the median remuneration of employees in the financial year: 191.44 %

(iv) The number of permanent employees on the rolls of the Company: 8 (Eight)

(v) The explanation on the relationship between average increase in remuneration and Company performance:

None of the Director's Remuneration was increased in the Financial Year 2015-16.

(vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Sl. No.	Remuneration of Key Managerial Personnel	Performance of the Company for the year ended 31 st March, 2016
1	The remuneration of Key Managerial Personnel was not increased	Total Income of the Company decreased from Rs. 325.40 Lakhs to Rs. 119.64 Lakhs for the financial year 2015-16 and net profit also decreased from Rs. 56.91 Lakhs to Rs. 56.76 Lakhs.

(vii) a) **Variations in the Market Capitalisation of the Company:** The Market Capitalisation as on 06th January, 2015 was Rs. 215012.14 Lakhs. After that the trading in the Equity Shares of the Company got suspended with effect from 07th January, 2015.

b) **Price Earnings Ratio** of the Company was Rs. 3313.33 both as at 31st March, 2016 and as at 31st March, 2015.

(viii) **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average salary increase of non-managerial employees is 103.13% in the financial year 2015-2016 and there was no increment in the salary of managerial employees.

(ix) **Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company:**

There is no increase in remuneration of any KMP during the last financial year 2015-16 in comparison to Financial Year 2014-15.

(x) **The key parameters for any variable component of remuneration availed by the directors:**

There is no variable component of remuneration availed by the Directors.

(xi) **The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year:**

During the financial year 2015-16, no employees received remuneration in excess of the highest paid Director.

(xii) **Affirmation that the remuneration is as per the remuneration policy of the Company:**

Remuneration paid during the year ended March 31, 2016 is as per the Remuneration Policy of the Company.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY’S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company considers good Corporate Governance is a pre-requisite for meeting the needs and aspirations of its shareholders and other stakeholders in the Company and firmly believes that the same could be achieved by maintaining transparency in its dealings, creating robust policies and practices for key processes and systems with clear accountability, integrity, transparent governance practices and the highest standards of regulatory compliances.

2. BOARD OF DIRECTORS

a) Composition

The composition of the Board of Directors is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As at 31st March, 2016, the Board consisted of five members comprising:

- One Chairman & Managing Director
- Four Non-Executive Independent Director

The composition and category of the Board are as follows:

Sl No.	Name	Designation	Category
1	Mr. Bahadur Singh Kathoria	Chairman & Managing Director	Executive Director
2	Mr. Devi Lal Saini	Director	Non-Executive Independent
3	Mr. Pushpit Jain	Director	Non-Executive Independent
4	Mr. Amit Kumar	Additional Director	Non-Executive Independent
5	Ms. Anita Lalwani	Additional Director	Non-Executive Independent

Notes:

1. Mr. Bahadur Singh Kathoria (DIN: 00534273) was appointed as a Managing Director of the Company by the Board at their meeting held on 25th May, 2015.
2. Ms. Anita Lalwani (DIN: 07144758) & Mr. Amit Kumar (DIN: 07423774) were appointed as Additional Non-Executive Independent Director of the Company with effect from 13th February, 2016.
3. Mr. Pushpit Jain (DIN: 06695970) was appointed as Additional Non-Executive Director of the Company with effect from 25th May, 2015. Further Mr. Pushpit Jain (DIN: 06695970) resigned from the Directorship of the Company with effect from 29th April, 2016.
4. Mr. Suresh Kumar Agarwal (DIN: 01359767) resigned from the post of Managing Director of the Company with effect from 25th May 2015.
5. Ms. Bina Agarwal (DIN: 05124687) resigned from the Directorship of the Company with effect from 25th May, 2015.
6. Ms. Neha Agarwal (DIN: 06686208) resigned from the Directorship of the Company with effect from 18th June, 2015.

This appropriate composition of the Board of Directors enables in maintaining the independence of the Board and separates its functions of governance and management. Over a period of time, the Board has fostered a culture of leadership to sustain the Company's growth with a long-term vision and ingenious policy to improve the degree of Corporate Governance.

b) Board Meetings & Procedure

The Board ensures that the Company's reporting and disclosure practices meet the highest standards of Corporate Governance and that the business practices followed by the Company are oriented towards meeting obligations towards various stakeholders and enhancing shareholders value.

The Board meets at regular intervals to discuss and decide on, inter alia, Company's business policies and strategies. Meetings are governed by a structured agenda. The Board members, in consultation with the Chairman, may bring up any matter for the consideration of the Board. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions. Agenda papers are generally circulated at least seven days prior to the Board meeting.

c) Number and dates of Board Meetings held during the year

During the financial year ended 31st March, 2016 ten Board Meetings were held. Details of board meetings held during the financial year and the number of directors present are listed below:

Sl No	Date of Board Meeting	Total strength of the Board	No. of directors present
1.	15 th April, 2015	4	4
2.	25 th May, 2015	6	6
3.	30 th May, 2015	4	4
4.	18 th June, 2015	4	4
5.	14 th August, 2015	3	3
6.	29 th August, 2015	3	3
7.	14 th November, 2015	3	3
8.	13 th February, 2016	5	5
9.	22 nd March, 2016	5	4
10.	28 th March, 2016	5	5

The maximum time gap between any two meetings was less than four months as stipulated under Clause 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Attendance at aforesaid Board Meetings, at the last Annual General Meeting and the number of Directorships and Committee Chairmanship/Memberships in other Companies of each of the Directors as on 31st March, 2016 are below:

Name of Director	Board Meeting attended during the year	Attendance at the last AGM	Number of Directorships and Committee Membership/Chairmanship as on 31 st March, 2016		
			Other Directorship#	Committee Membership##	Committee Chairmanship
Mr. Bahadur Singh Kathoria	8	Yes	1	2	-
Mr. Devi Lal Saini	10	Yes	-	-	2
Mr. Pushpit Jain	9	Yes	-	2	-
Mr. Amit Kumar	3	No	-	-	-
Ms. Anita Lalwani	3	No	2	-	-

Notes

1. Mr. Bahadur Singh Kathoria (DIN: 00534273) was appointed as a Managing Director of the Company by the Board at their meeting held on 25th May, 2015.
 2. Ms. Anita Lalwani (DIN: 07144758) & Mr. Amit Kumar (DIN: 07423774) were appointed as Additional Non-Executive Independent Director of the Company with effect from 13th February, 2016.
 3. Mr. Pushpit Jain (DIN: 06695970) was appointed as Additional Non-Executive Director of the Company with effect from 25th May, 2015. Further Mr. Pushpit Jain (DIN: 06695970) resigned from the Directorship of the Company with effect from 29th April, 2016.
 4. Mr. Suresh Kumar Agarwal (DIN: 01359767) resigned from the post of Managing Director of the Company with effect from 25th May 2015.
 5. Ms. Bina Agarwal (DIN: 05124687) resigned from the Directorship of the Company with effect from 25th May, 2015.
 6. Ms. Neha Agarwal (DIN: 06686208) resigned from the Directorship of the Company with effect from 18th June, 2015.
- # Excluding Private Limited Companies and Companies under section 8 of the Companies Act, 2013.
- ## Includes only membership of Audit Committee and Stakeholders Relationship/ Grievance Committee as per SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

None of the Directors on the Board is a Member of more than 10 Board-level Committees or Chairman of more than 5 such Committees as specified in SEBI (Listing Obligations and Disclosure Requirement) Regulation, 2015, across all the Companies in which he/she is a Director.

None of the other Directors is acting as Independent Director in more than seven listed companies.

None of the Directors are related inter-se.

d) Information placed before Board of Directors

The Company has complied with Part-A of Schedule –II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 17(7) of the said regulations with regard to information being placed before the Board of Directors.

e) Meeting of Independent Directors

During the Financial year ended 31st March, 2016, one meeting of Independent Directors was held on 22nd March, 2016 which was attended by all the Independent Directors of the Company, to discuss, inter-alia:

- Evaluation of the performance of the Non-Independent Directors and Board of Directors as a whole;
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to perform its duties effectively and reasonably.

3. COMMITTEES OF THE BOARD

The Board Committees have been constituted to review/deal with specific areas and activities, relevant Committee is meant for. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles including roles mandated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which are to be performed by the members of the Board as a part of good governance practice. The minutes of the meeting of all the Committees are placed before the Board for review.

A. AUDIT COMMITTEE

Composition

As on 31st March, 2016, the Committee consists of 3 Directors, all endowed with years of experience in the field of operations, finance and accounts. The Committee comprises of:

Sl No	Name	Category	Designation
1.	Mr. Devi Lal Saini	Non-Executive Independent Director	Chairman
2.	Mr. Pushpit Jain	Non-Executive Independent Director	Member
3.	Mr. Bhadur Singh Kathoria	Managing Director	Member

The Chairman of the Audit Committee is an Independent Director and the Secretary of the Company acts as the Secretary to the Committee.

The Committee's composition and its terms of reference meet the requirements of Section 177 of the Companies Act, 2013 and SEBI (listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee is empowered, pursuant to its terms of reference *inter-alia*, to:

- Investigate any activity within its terms of reference
- Seek information from any employee
- Obtain outside legal or other professional advice
- Secure attendance of outsiders with relevant expertise, if it considers necessary
- Have full access to information contained in the records of the Company

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia performs the following functions:

1. Overseeing the Company's financial reporting process and the disclosure of its information to ensure that the financial statements are correct, sufficient and credible;
2. Recommending to the Board, the appointment, reappointment and, if required, the replacement or removal of the statutory auditor, fixing of audit fees and approving payments for any other service;
3. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report as per Sec 134(3)(c) of the Companies Act, 2013;
 - Changes, if any, in the accounting policies and practices and the reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Compliance with the Listing Regulations and other legal requirements relating to financial statements;
 - Disclosure of any related party transactions; and
 - Qualifications in the draft audit report, if any.
4. Examination of financial statements and the Auditors' report thereon.
5. Reviewing with the management quarterly, half-yearly, nine months and annual financial statements, before submission to the Board for approval;
6. Reviewing and monitoring the auditors' independence and performance, and effectiveness of audit process.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
8. Formulating in consultation with the Internal Auditor, the scope, functioning, periodicity and methodology for conducting the internal audit;
9. Discussion with the internal auditors on internal audit reports relating to internal control weaknesses and any other significant findings and follow-up thereon;
10. Evaluating the internal financial controls and risk management policies system of the Company;
11. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
12. To review the functioning of the Whistle Blower Mechanism.
13. Any other matter referred to by the Board of Directors.

Meetings and Attendance during the year

The Audit Committee held Four (4) Meetings during the Financial Year 2015-16, the dates of the meeting being 30th May 2015, 14th August 2015, 14th November 2015 & 13th February 2016. The maximum gap between any two Meetings of the Audit Committee held during the year was not more than 120 days.

The attendance of the Members at the above Audit Committee meetings was as follows:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Pushpit Jain	4	4
Mr. Devi Lal Saini	4	4
Mr. Bahadur Singh Kathoria	4	4

Notes:

1. Mr. Bahadur Singh Kathoria (DIN: 00534273) was appointed as a Managing Director of the Company by the Board at their meeting held on 25th May, 2015.
2. Mr. Pushpit Jain (DIN: 06695970) was appointed as Additional Non-Executive Director of the Company with effect from 25th May, 2015. Further Mr. Pushpit Jain (DIN: 06695970) resigned from the Directorship of the Company with effect from 29th April, 2016.

B. NOMINATION & REMUNERATION COMMITTEE

The role of the Nomination and Remuneration Committee is governed by its Charter and its composition is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

Composition

As on 31st March, 2016, the Committee comprises of:

Sl No	Name	Category	Designation
1	Mr. Devi Lal Saini	Non-Executive Independent Director	Chairman
2	Mr. Pushpit Jain	Non-Executive Independent Director	Member
3	Ms. Anita Lalwani	Non-Executive Independent Director	Member

Notes:

1. Ms. Anita Lalwani (DIN: 07144758) was appointed as Additional Non-Executive Independent Director of the Company with effect from 13th February, 2016.
2. Mr. Pushpit Jain (DIN: 06695970) was appointed as Additional Non-Executive Director of the Company with effect from 25th May, 2015. Further Mr. Pushpit Jain (DIN: 06695970) resigned from the Directorship of the Company with effect from 29th April, 2016.

The composition and the terms of reference of the Committee meet with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and provisions of Section 178 of the Companies Act, 2013 including rules framed there under.

Terms of reference of the Committee, inter alia, includes the following:

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Formulate a criteria for determining qualifications, positive attributes and independence of a director;
- Carry out the evaluation of every director's performance and formulate criteria for evaluation of Independent Directors, Board/Committees of Board and review the term of appointment of Independent Directors on the basis of the report of performance evaluation of Independent Directors;
- Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Devise a policy on Board Diversity;
- Undertake any other matters as the Board may decide from time to time.

Meetings and attendance during the year

During the financial year ended 31st March, 2016, two meetings of the Committee was held on 21st May, 2015 & 05th February, 2016.

The attendance of the members of the above Committee was as follows:

Name of the Member	No. of meetings held	No. of meeting attended
Mr. Devi Lal Saini	2	2
Ms. Bina Agarwal	2	1
Ms. Neha Agarwal	2	1
Mr. Pushpit Jain	2	1
Ms. Anita Lalwani	2	-
Mr. Bahadur Singh Kathoria	2	1

Notes:

1. Mr. Bahadur Singh Kathoria (DIN: 00534273) was appointed as a Managing Director of the Company by the Board at their meeting held on 25th May, 2015.
2. Ms. Anita Lalwani (DIN: 07144758) was appointed as Additional Non-Executive Independent Director of the Company with effect from 13th February, 2016.
3. Mr. Pushpit Jain (DIN: 06695970) was appointed as Additional Non-Executive Director of the Company with effect from 25th May, 2015. Further Mr. Pushpit Jain (DIN: 06695970) resigned from the Directorship of the Company with effect from 29th April, 2016.
4. Ms. Bina Agarwal (DIN: 05124687) resigned from the Directorship of the Company with effect from 25th May, 2015.
5. Ms. Neha Agarwal (DIN: 06686208) resigned from the Directorship of the Company with effect from 18th June, 2015.

Remuneration Policy

The success of the organization in achieving good performance and good governing practices depends on its ability to attract and retain individual with requisite knowledge and excellence as executive and non-executive directors.

The Remuneration Policy of the Company is attached as “Annexure-C” to the Board’s Report.

Details of Remuneration to all Directors:

The details of remuneration paid to the Directors for the year ended 31st March, 2016 are as under:-

Name	Designation	Salary	Perquisites	Sitting Fees	Total
Suresh Kumar Agarwal	Managing Director	27,000	-	-	27,000
Bahadur Singh Kathoria	Managing Director	1,53,000	-	-	1,53,000
Bina Agarwal	Non-Executive Director	-	-	-	-
Neha Agarwal	Non-Executive Independent Director	-	-	-	-
Devi Lal Saini	Non-Executive Independent Director	-	-	-	-
Pushpit Jain	Non-Executive Independent Director	-	-	-	-
Amit Kumar	Non-Executive Independent Director	-	-	-	-
Anita Lalwani	Non-Executive Independent Director	-	-	-	-

Disclosure pursuant to Part-II, Section-II, 3rd Provision, Point No-IV of Schedule-V under Section 196 and 197 of all the Directors

- i. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc of all the Directors- As stated above
- ii. Details of fixed component and performance linked incentives along with performance criteria- Nil
- iii. Service Contracts, notice period, severance fees- Not Applicable
- iv. Stock options details, if any and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable- Not Applicable

None of the Non-Executive Director of the Company holds shares of the Company as on 31st March, 2016.

Performance Evaluation of Board, its Committees and Directors

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board of Directors has carried out an annual evaluation of its own performance and that of its Committees and Individual Directors.

The performance of the Board and Individual Directors was evaluated by the Board seeking inputs from all the Directors. The performance of the Committees was evaluated by the Board seeking inputs from the Committee members. The Nomination and Remuneration Committee reviewed the performance of the Individual Directors.

A separate meeting of Independent Directors was also held to review the performance of the Board, Non-Independent Directors and Chairman of the Company taking into account the views of Executive Directors and Non-Executive Directors.

The criteria for performance evaluation of the Board include aspects like Board composition and structure, effectiveness of Board processes, information and functioning, etc. The criteria for performance evaluation of committees of the Board include aspects like composition of committees, effectiveness of committee meetings, etc. The criteria for performance evaluation of the Individual Directors include aspects like contribution to the Board and Committee Meetings, professional conduct, roles and functions, etc. In addition, the performance of Chairman is also evaluated on the key aspects of his roles and responsibilities.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition of the Stakeholder Relationship Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

The Committee met 4 (four) times during the financial year 2015-16 on 30th May 2015, 14th August 2015, 14th November 2015 and 13th February 2016. The constitution of the Stakeholders Relationship Committee of the Board of Directors of the Company comprises of:

Sl No	Name	Category	Designation
1	Mr. Devi Lal Saini	Non-Executive Independent Director	Chairman
2	Mr. Pushpit Jain	Non-Executive Independent Director	Member
3	Mr. Bahadur Singh Kathoria	Managing Director	Member

Notes:

1. Mr. Bahadur Singh Kathoria (DIN: 00534273) was appointed as a Managing Director of the Company by the Board at their meeting held on 25th May, 2015.
2. Mr. Pushpit Jain (DIN: 06695970) was appointed as Additional Non-Executive Director of the Company with effect from 25th May, 2015. Further Mr. Pushpit Jain (DIN: 06695970) resigned from the Directorship of the Company with effect from 29th April, 2016.

Meetings and Attendance during the year

The Committee held Four (4) Meetings during the Financial Year 2015-16, the dates of the meeting being 30th May 2015, 14th August 2015, 14th November 2015 & 13th February 2016.

The attendance of the Members at the above Committee meetings was as follows:

Name of the Member	No. of meetings held	No. of meetings attended
Mr. Pushpit Jain	4	4
Mr. Devi Lal Saini	4	4
Mr. Bahadur Singh Kathoria	4	4

Notes:

1. Mr. Bahadur Singh Kathoria (DIN: 00534273) was appointed as a Managing Director of the Company by the Board at their meeting held on 25th May, 2015.
2. Mr. Pushpit Jain (DIN: 06695970) was appointed as Additional Non-Executive Director of the Company with effect from 25th May, 2015. Further Mr. Pushpit Jain (DIN: 06695970) resigned from the Directorship of the Company with effect from 29th April, 2016.

4. GENERAL BODY MEETINGS

- a) Details of last three AGM and the summary of Special Resolutions passed therein are as under:

Year	Location	Date	Time	Special Resolutions Passed
2014-15	Lords Plaza, Delhi Gate, Ring Road, Surat-395003, Gujarat.	22.09.2015	11:30 am	Nil
2013-14	Lords Plaza, Delhi Gate, Ring Road, Surat-395003, Gujarat.	25.09.2014	01:00pm	Nil
2012-13	Lords Plaza, Delhi Gate, Ring Road, Surat-395003, Gujarat.	18.09.2013	11:00 am	Nil

No special resolutions were passed in the last year through postal ballot.

There is no proposal as on date to pass any special resolution through postal ballot.

5. DISCLOSURES

1. There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. The policy on related party transactions has been placed on the Company's website www.scil.net.in.
2. The Company has generally complied with the requirements of the Stock Exchanges/ SEBI and statutory authorities on all matters during the last three years. No penalty or strictures were imposed on the Company by these authorities.
3. Quarterly/Half-Yearly /Yearly Reports on compliance of mandatory and non-mandatory requirements in the prescribed format have been submitted to the Stock Exchanges where the shares of the Company are listed within the stipulated time. The Company has complied with all mandatory requirements to the extent applicable to the Company.
4. The Managing Director have certified to the Board in accordance with Part B of Schedule II to the Listing Regulations pertaining to CEO/CFO certification for the Financial Year ended 31st March, 2016.

5. The Company has a well defined risk management framework in place. The Company periodically places before the audit committee and the Board, the key risks and the risk assessment and mitigation procedures followed by the Company.
6. The Board has adopted a Whistle Blower Policy to maintain highest standards of professionalism, honesty, integrity, ethical behaviour and to provide a vigil mechanism for Directors/Employees to voice concern in a responsible and effective manner regarding unethical matters involving serious malpractice, abuse or wrongdoing within the organisation. The Company affirms that during the year no personnel have been denied access to the Audit Committee.

The Whistle Blower Policy is available on the website of the Company www.scil.net.in

7. The Company has laid down a Code of Conduct for the members of the Board as well as for the employees of the Company. The Code has also been posted on the website of the Company – www.scil.net.in. The Managing Director has confirmed and declared that all members of the Board and Senior Management have affirmed compliance with the Code of Conduct as per the requirements of the Regulation 26(3) of Listing Regulations, 2015.
8. The Financial Statements for the Financial year 2015-16 have been prepared in accordance with the applicable accounting principles in India, the mandatory Accounting Standards ('AS') as prescribed under Section 133 and other applicable provisions of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, the guidelines issued by the Securities and Exchange Board of India to the relevant extent. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

The Company has no subsidiary and hence there is no need to frame any policy for determining 'material' subsidiary.

The Company is not dealing in commodity and hence disclosure relating to commodity price risks and commodity hedging activities are not applicable.

9. Management Discussion and Analysis Report: This forms part of the Directors Report as "Annexure-F".

6. MEANS OF COMMUNICATION

1. The quarterly, half-yearly and yearly financial results of the Company as per the statutory requirements of the SEBI (LODR) Regulations, 2015 are published within the stipulated time as per the regulations in the leading newspapers i.e. Financial Express (all India edition) and Mumbai Lakshadeep.
2. The financial results are also filed electronically with BSE Limited and is also submitted to The Ahmedabad Stock Exchange Limited and posted on the website of the Company.
3. The results are also displayed on the Company's website www.scil.net.in shortly after its submission to Stock Exchange.
4. During the year under review, the Company did not make any presentation to institutional investors or to analysts.
5. Comprehensive information about the Company, its business and operations can be viewed on the Company's website at www.scil.net.in. The "Investor" tab on the website of the Company gives information relating to financial results, Annual Reports, Shareholding Pattern, etc.

7. GENERAL SHAREHOLDER INFORMATION

- i) The Thirty First (31st) Annual General Meeting will be held at Lords Plaza, Delhi Gate, Ring Road, Surat-395003, Gujarat on Tuesday 27th September, 2016 at 11:30 am
- ii) Financial Calendar (Tentative and subject to change)

Period	Approval of Quarterly Results
For the Quarter ended June 30, 2016	Second week of August 2016
For the half year ended September 30, 2016	Second week of November 2016
For the Quarter ended December 31, 2016	Second week of February 2017
For the Financial Year ended March 31, 2017	Last week of May, 2017

- iii) Book Closure period: Tuesday 20th September 2016 to Tuesday 27th September 2016.
- iv) Listing on Stock Exchanges: The Company's Equity Shares are listed on
- BSE Limited (BSE)
 - Ahmedabad Stock Exchange Limited

The annual listing fees for Equity Shares have been paid to the aforesaid Stock Exchanges for the Financial Year 2016-17.

- v) Stock Code:

- BSE Limited	512311
- Ahmedabad Stock Exchange Limited	58200

8. MARKET PRICE DATA

Year/Month	BSE (in Rs.)		SENSEX (in Rs.)	
	High	Low	High	Low
April, 2015	-	-	29094.61	26897.54
May, 2015	-	-	28071.16	26423.99
June, 2015	-	-	27968.75	26307.07
July, 2015	-	-	28578.33	27416.39
August, 2015	-	-	28417.59	25298.42
September, 2015	-	-	26471.82	24833.54
October, 2015	-	-	27618.14	26168.71
November, 2015	-	-	26824.30	25451.42
December, 2015	-	-	26256.42	24867.73
January, 2016	-	-	26197.27	23839.76
February, 2016	-	-	25002.32	22494.61
March, 2016	-	-	25479.62	23133.18

The trading in the Equity Shares of the Company is suspended with effect from 07th January, 2015 as a result of which data is not available.

9. REGISTRAR & SHARE TRANSFER AGENT

M/s Maheshwari Datamatics Pvt Ltd
 6, Mangoe Lane, 2nd Floor, Kolkata -700001
 Tel No.: 033- 2243 5809/2243 5029
 Fax No.: 033- 2248 4787
 Email Id: mdpl@cal.vsnl.net.in
mdpdc@yahoo.com

10. SHARE TRANSFER SYSTEM

Requests for dematerialisation and transfer for shares in physical form are processed by the Registrar and Share Transfer Agent and approved by the Stakeholder Relationship Committee. The Share transfer process is reviewed by the said Committee.

11. DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2016**Distribution of Shareholding**

Range of Shares	No. of Shareholders	No. of Shares
1-500	48	3339
501-1000	3	2609
1001-2000	5	8200
2001-3000	1	3000
3001-4000	5	19100
4001-5000	9	43268
5001-10000	80	670525
10001 and above	959	215559959
Total	1110	216310000

Shareholding Pattern as on March 31, 2016

Category of Shareholders	No. of Shareholders	Total No. of Shares held	% of total Capital
Promoters	3	5432750	2.51
Bodies Corporate	197	56618797	26.18
Resident Individual	904	153836857	71.12
Others	6	421596	0.19
Total	1110	216310000	100.00

12. DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company's shares are compulsorily traded in dematerialised form and are available for trading on both the depositories, viz. National Securities Depository Limited (NSDL) & Central Depository Services (India) Limited (CDSL).

As on March 31, 2016, 20,09,87,050 shares representing 92.92% of the total equity share capital of the Company were held in dematerialized form. The International Securities

Identification Number (ISIN) of the Company, as allotted by NSDL and CDSL is INE401F01037.

Electronic Form with NSDL : 120011367

Electronic Form with CDSL : 80975683

Physical : 15322950

13. OUTSTANDING GDRS/ADRS/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND LIKELY TO IMPACT ON EQUITY: Not applicable

14. ADDRESS FOR CORRESPONDENCE

• **Superspace Infrastructure Ltd**

Registered Office:

LG-24, Silver Plaza Complex, Opp Rupali Cinema
Palanpur Patia, Rander Road, Surat-395005, Gujarat

Corporate Office:

711/7, A-wing Neelkanth Business Park, Kirol Village
Near Bus Depot, Vidyavihar (W),
Mumbai-400086, Maharashtra
Email: info@scil.net.in
Website: www.scil.net.in

• **M/s Maheshwari Datamatics Pvt Ltd**

Registrar & Share Transfer Agent

6, Mangoe Lane, 2nd Floor, Kolkata -700001
Tel No.: 033- 2243 5809/ 2243 5029
Fax No.: 033- 2242 4787
Email Id: mdpl@cal.vsnl.net.in
mdpldc@yahoo.com

15. CODE OF BUSINESS CONDUCT AND ETHICS FOR DIRECTORS AND SENIOR MANAGEMENT

The Company has laid down a Code of Conduct for the members of the Board as well as for the employees of the Company. The Code has also been posted on the website of the Company – www.scil.net.in.

The Managing Director has confirmed and declared that all members of the Board and Senior Management have affirmed compliance with the Code of Conduct as per the requirements of the Regulation 26(3) of Listing Regulations, 2015 and the same has been published in this Report.

On Behalf of Board of Directors

Bahadur Singh Kathoria
Managing Director
DIN: 00534273

Place: Mumbai
Date: 30th May, 2016

CEO / CFO CERTIFICATE

To,
The Board of Directors
M/s. Superspace Infrastructure Limited
(Formerly, Surabhi Chemicals and Investments Ltd)

- 1) I have reviewed financial statements and the cash flow statement of M/s Superspace Infrastructure Limited for the year ended 31st March, 2016 and to the best of my knowledge and belief:
 - a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- 3) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting and I have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of such internal control, if any, of which I am aware and the steps have been taken or propose to rectify these deficiencies.
- 4) I have indicated to the Auditors and the Audit Committee:
 - a. that there are no significant changes in internal control over financial reporting during the year;
 - b. that there are no significant changes in accounting policies during the year;
 - c. that there are no instances of significant fraud of which I have become aware.

Place: Mumbai
Date: 30th May, 2016

Bahadur Singh Kathoria
Managing Director
DIN: 00534273

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR
MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These codes are available on the Company's website www.scil.net.in.

I confirm that the Company has in respect of the year ended March 31, 2016, received from the Senior Management Team of the Company and the members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

On Behalf of Board of Directors

Place: Mumbai
Date: 30th May, 2016

Bahadur Singh Kathoria
Managing Director
DIN: 00534273

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members

M/s Superspace Infrastructure Ltd

(Formerly, Surabhi Chemicals & Investments Limited)

- 1) I have examined the compliance of conditions of Corporate Governance by M/s Superspace Infrastructure Ltd ("**the company**") for the year ended 31st March, 2016 as stipulated in:
 - Clause 49 (excluding Clause 49(VII)(E)) of the Listing Agreements of the Company with the Stock Exchanges for the period from April 1, 2015 to November 30, 2015.
 - Clause 49 (VII)(E) of the Listing Agreements of the Company with Stock Exchanges for the period from April 1, 2015 to September 01, 2015
 - Regulation 23(4) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("the listing regulations") for the period from September 2, 2015 to March 31, 2016 and
 - Regulations 17 to 27 (excluding Regulation 23(4)) and clauses (b) to (i) of regulation 46(2) and paragraphs C,D and E of Schedule V of the Listing Regulations for the period from December 1, 2015 to March 31, 2016.
- 2) The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
- 3) In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the Management, I certify that the Company has complied, in all material respect, with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement or SEBI Regulations, 2015, for the respective periods of applicability as specified under Paragraph 1 above, during the year ended March 31, 2016
- 4) I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Kavita Raju Joshi
Practicing Company Secretary
Membership No. 22387
CP No. 8893

Place: Mumbai
Date: 30th May, 2016

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

The global macroeconomic landscape is currently moving through a rough and uncertain terrain characterized by weak growth and sluggish economy. The situation has been exacerbated by declining prices of a number of commodities, with reduction in crude oil prices being the most visible of them, turbulent financial markets, and volatile exchange rates. These conditions reflect extreme risk-aversion behaviour of global investors, thus putting many, and in particular, commodities exporting economies under considerable stress. Even in these trying and uncertain circumstances, India's growth story has largely remained positive on the strength of domestic absorption, and the country has registered a robust and steady pace of economic growth in 2015-16 as it did in 2014-15. Additionally, its other macroeconomic parameters like inflation, fiscal deficit and current account balance have exhibited distinct signs of improvement. India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF). The improvement in India's economic fundamentals has accelerated in the year 2015 with the combined impact of strong government reforms, RBI's inflation focus supported by benign global commodity prices.

The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2011-12) prices 2015-16 is Rs. 113.5 trillion (US\$ 1.668 trillion), as against Rs. 105.5 trillion (US\$ 1.55 trillion) in 2014-15, registering a growth rate of 7.6 per cent. The economic activities which witnessed significant growth were 'financing, insurance, real estate and business services' at 11.5 per cent and 'trade, hotels, transport, communication services' at 10.7 per cent.

Given the fact that the government is committed to carrying the reform process forward, aided by the prevailing macroeconomic stability, it appears that conditions do exist for raising the economy's growth momentum and achieving growth rates of 8 per cent or higher in the next couple of years. According to IMF World Economic Outlook Update (January 2016), Indian economy is expected to grow at 7- 7.75 per cent during FY 2016-17, despite the uncertainties in the global market. The Economic Survey 2015-16 had forecasted that the Indian economy will be growing by more than 7 per cent for the third successive year 2016-17 and can start growing at 8 per cent or more in next two years. India's resilience and current levels of reasonably strong growth should, thus, be appreciated in the light of its increasing contribution to global growth.

INDUSTRY OVERVIEW

Infrastructure development reflects the health of the economy of any nation because infrastructure is directly proportional to the development and growth of the country. Being a rapidly growing nation, India has always given higher importance to the infrastructure sector and it has received considerable attention from the government as well as private players. Indian infrastructure sector mainly includes development of roads, airports, shipping and ports which have contributed greatly to the economy of India over the last decade. A large focus has always been given on execution of associated projects via Public Private Partnerships (PPPs), fiscal incentives, tariff policies, budgetary allocations and participation of private companies.

The construction industry is the second largest industry in India after agriculture. It accounts for about 11 percent of India as GDP. It makes significant contribution to the national economy and is valued at Rs. 7812 billion (USD 126 billion), employing more than 35 million people. About 100 per cent FDI is permitted through the automatic route for townships, cities and infrastructure development. The sector accounts for second highest FDI flow into the country. The government has, thus, eased some of its FDI restrictions for the investors recently. An investment worth Rs. 62 trillion (USD 1,000 billion) is projected for the sector until 2017, 40 per cent of which would be funded by the private sector. At present, India has an urban and rural housing shortage of 18.8 million units and 48 million respectively. The Government of India launched Housing for All by 2022 scheme in June 2015 to provide a home for all Indians, thus presenting a significant opportunity for the Company in the sector.

Construction is an essential part of any country's infrastructure and industrial development, with its backward and forward linkages with various other industries like cement, steel, bricks etc. catalyses employment generation in the country. There are mainly three segments in the construction industry like real estate construction which includes residential and commercial construction; infrastructure building which includes roads, railways, power etc; and industrial construction that consists of oil and gas refineries, pipelines, textiles etc.

This sector is highly responsible for propelling India's overall development and enjoys intense focus from Government for initiating policies that would ensure time-bound creation of world class infrastructure in the country. The governments around the world are infusing money in this sector to generate demands for goods and services by creating jobs through higher spending into physical and social infrastructure. Likewise, the Indian government on its part is not lagging behind on this score and has taken concrete steps to revive the sector to regain its past glory. Indian infrastructure sector is well poised to take a big leap and it provides several opportunities for private players in this sector.

OVERVIEW OF THE COMPANY

The Company is integrated real estate Company poised in developing residential, commercial, retail and other projects. We undertake customized infrastructure projects as well. We also indulge ourselves in to trading of residential and commercial unit and also provide our consultancies for real estate projects. The company engages in the development, sale and lease of commercial, residential and retail and industrial properties.

The Company believes that by pursuing Innovative business modes, the businesses can be transformed to create sustainable benefits for all and long term value for our stakeholders. The year has not been very good for the Company.

We executed transactions with transparency imbibing knowledge keeping our commitment by building partnerships with our clients and that synchronizes our work with our core values. Our approach is object oriented and therefore, we work with core purposes of providing solutions.

OPPORTUNITIES

It is an acknowledged fact that construction has the potential to drive and revive manufacturing in any economy. The construction sectors contribution to GDP in India has stayed fairly constant at around 7-8% for the last few years. These factors along with strong backward and forward linkages of the sector with other manufacturing industries, make this sector a natural priority sector for the government. The Government of India is taking every possible initiative to boost the infrastructure sector liberalising foreign direct investment (FDI) rules in realty and construction

sector, allocation of substantial fund in the fiscal budget, focus on affordable housing, brings tremendous opportunities in this sector.

Fuelled by urbanization, globalization, need for urgent infrastructure growth in various sectors and developing “megacities,” construction in emerging markets is expected to double within a decade and will become a Rs. 415 trillion (USD 6.7 trillion) business by 2020, accounting for some 55 per cent of global construction output, according to the “Global Construction 2020” report published by Global Construction Perspectives and Oxford Economics.

THREATS, RISKS AND CONCERNS

Construction industry is highly risk prone, with complex and dynamic project environments creating an atmosphere of high uncertainty and risk. The industry is vulnerable to various technical, socio-political and business risks starting from tendering which constitutes one of the most risk effected area in the construction business. The track record to cope with these risks has not been very good in construction industry. As a result, the people working in the industry bear various failures, such as, failure of abiding by quality and operational requirements, cost overruns and uncertain delays in project completion. In light of this, it can be said that an effective systems of risk assessment and management for construction industry remains a challenging task for the industry practitioners. Risks and uncertainties inherent in the construction industry are more than other industries. The process of tendering, planning, executing and maintaining all project activities is complex and time-consuming. The whole process requires a myriad of people with diverse skill sets and the co-ordination of a vast amount of complex and interrelated activities. The situation is made complex by many external factors. Risk in the construction industry is perceived to be a combination of activities, which adversely affect the project objectives of time, cost, scope and quality. Some risks in construction processes can be easily predicted or readily identified; still some can be totally unforeseen. Construction risks can be related to technical, management, logistical, or socio-political aspects or can be related to natural disasters. In the domain of project management, some of the critical effects of risks are failure to achieve operational requirements and the required quality, non completion of the project within stipulated time and estimated cost.

Some of the key issues plaguing the sector are: land acquisition and environmental clearance, lack of coordination between various Government agencies, inappropriate structuring of the projects, particularly of demarcation of risks and rewards between Government and private sector, lack of a proper dispute resolution mechanism between private players and Government agencies, debt burden of infrastructure developers, as a consequence of execution delays and irrational bidding. A number of firms have had their debt recast by corporate debt restructuring cell made by lending banks. The order inflows for large infrastructure firms have declined over the past 1-2 years. The appetite of infrastructure developers for new projects has significantly reduced. This has resulted in very lukewarm response to bids from the government agencies like National Highway Authority of India in the public-private partnership route. Banks are also being cautious in lending to infrastructure sectors, where exposure limits have already been reached.

RISK MANAGEMENT

Risk management constitutes identification, assessment and setting preference for risk mitigation. This may include an improved way of using the materials and resources in an order to minimize the hazards that may arise along with monitoring and controlling the unfortunate events that may occur. Risk may arise due to uncertainty in financial market, accidents, failures in the project, natural calamities, legal issues, risk associated with credit etc. The characteristics of each project keeps on changing which make it difficult to be imitated. This requires unique skills to manage

and accomplish the process. The objective of the risk management process is to have a view from the perspective of different participants of the project. In construction, risk usually refers to the factors that may hamper the objective of the project regarding time, cost and quality. Identification of the risk that can be faced at a later stage is important for the contractor to get alert and prepare in advance for the uncertainties that may arise.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

In any industry, the process and internal control systems play a critical role in the health of the Company. The Company has set up internal control procedures commensurate with its size and nature of the business to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly, applicable statutes and corporate policies are duly complied with. The Audit Committee also seeks the views of statutory auditors on the adequacy of the internal control systems in the Company. Internal audit is conducted to access the adequacy of our internal control procedures and processes, and their reports are reviewed by the audit committee of the Board. Policy and process corrections are undertaken based on inputs from the internal auditors. The prime objective of such audits is to test the adequacy and effectiveness of the internal controls lay down by management and to suggest improvements.

HUMAN RESOURCES:

Human Resource is one of the most important key to success of any Company. The Company business critically depends on quality of manpower. The Company possesses unique challenges to the Human Resource function. The HR function of the Company has been structured and aligned in line with the business needs and requirements. The Company business is managed by a team of competent and passionate leaders, capable of enhancing the company standing in the competitive market. The Company employees have a defining role in significantly accelerating its growth and transformation, thereby enhancing its position as one of the largest corporate houses. The Company has a structured recruitment process; the focus is on recruiting people who have the right mindset for working, supported by structured training programmes and internal growth opportunities. The Company consistently invests efforts in training and developing its employees, which in turn leads to sustained growth.

CAUTIONARY STATEMENT

Statements in the Management Discussion and Analysis report concerning our future growth prospects are forward looking statements, which are subject to a number of risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated in such forward-looking statements. Neither our company, nor our Directors, nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after this date or to reflect the occurrence of underlying events even if the underlying assumptions do not come to fruition.

INDEPENDENT AUDITOR'S REPORT

To
The Members of
SUPERSPACE INFRASTRUCTURE LIMITED
(Formerly, Surabhi Chemicals & Investments Ltd)
Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Superspace Infrastructure Limited ("the Company")**, which comprise the Balance Sheet as at **31st March 2016**, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor

considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March 2016**, and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the **Companies (Auditor's Report) Order, 2016** ("the Order") issued by the Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure A**", a statement on the matters Specified in the paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - e) On the basis of written representations received from the directors as on March 31, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**", and
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in

our opinion and to the best of our information and according to the explanations given to us :

- i. There is no pending litigation of the Company.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There was no amount required to be transferred, to the Investor Education and Protection Fund by the Company.

For Ramanand & Associates
Chartered Accountants
Firm Registration No. : 117776W

CA Ramanand Gupta
Partner
Place: Mumbai
Date: May 30th, 2016

ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

With reference to the Annexure A referred to in paragraph 1 in Report on Other Legal & Regulatory Requirement of the Independent Auditor's Report to the members of the company on the standalone financial statements for the year ended March 31, 2016, we report that:

- i (a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals. We have been informed that no material discrepancies were noticed on such physical verification.
(c) The Company does not have any immovable property.
- ii In our opinion and according to the information and explanation given to us, since, the company does not hold any inventories, therefore the provisions of clause is not applicable.
- iii According to the information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnership or other parties covered in the Register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3 (iii)(a),(b)and (c) of the order are not applicable to the company and hence not commented upon.
- iv According to the information and explanation given to us, the company has complied with the provisions of section 185 & 186 of the Act.
- v According to the information and explanation given to us, the company has not accepted any deposits from the public in accordance with the provisions of sections 73 to 76 or any relevant provisions of the Act and the rules frame there under.
- vi The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act.
- vii (a) According to the information and explanations given to us, and on the basis of our examination of the records of the company, amounts deducted /accrued in the books of account in respect of undisputed statutory dues, including Provident Fund ,

Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs ,Duty of Excise, Value Added Tax and any other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax and any other material statutory dues were in arrears, as at 31st March, 2016 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues which have not been deposited by the company on account of disputes.
- viii According to the information and explanation given to us, and based on our examination of records, the company has not availed of any loans from any financial institution or banks and has not issued any debentures.
- ix The company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year.
- x According to the information and explanation given to us, no material fraud on the company by its officers and employees or fraud by the company has been noticed or reported during the course of our audit.
- xi According to the information and explanations given to us and based on the examination of the records of the company, the company has paid /provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- xii According to the information and explanations given to us, in our opinion the Company is not a Nidhi Company as prescribed under Section 406 of the Act.
- xiii According to the information and explanations given to us and based on our examination of records of the company transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, were applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv According to the information and explanations given to us, and based on our examination of records of the company, the company has not made preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv According to the information and explanations given to us, and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them.
- xvi According to the information and explanations given to us, and in our opinion the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Ramanand & Associates
Chartered Accountants
Firm Registration No. : 117776W

CA Ramanand Gupta
Partner
Place: Mumbai
Date: May 30th, 2016

ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SUPERSPACE INFRASTRUCTURE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Superspace Infrastructure Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the

preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- i. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- iii. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Ramanand & Associates
Chartered Accountants
Firm Registration No. : 117776W

CA Ramanand Gupta
Partner
Place: Mumbai
Date: May 30th, 2016

SUPERSPACE INFRASTRUCTURE LTD
(Formerly, Surabhi Chemicals & Investments Ltd)

Balance Sheet as at 31st March, 2016

	Note	As at 31st March, 2016 (Rs)	As at 31st March, 2015 (Rs)
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	2163,10,000	2163,10,000
Reserves and Surplus	3	1157,93,549	1101,17,515
		<u>3321,03,549</u>	<u>3264,27,515</u>
Non-Current Liabilities			
Deferred Tax Liability (Net)		-	35,162
		-	<u>35,162</u>
Current Liabilities			
Other Current Liabilities	4	231,20,489	71,03,368
Short-Term Provisions	5	61,00,040	60,91,804
		<u>292,20,529</u>	<u>131,95,172</u>
TOTAL		<u>3613,24,078</u>	<u>3396,57,848</u>
ASSETS			
Non-Current Assets			
Fixed Assets	6	4,46,242	8,85,105
Deffered Tax Assets(Net)		8,056	-
Long Term Loans and Advances	7	3526,46,202	3298,15,914
		<u>3531,00,500</u>	<u>3307,01,019</u>
Current Assets			
Cash and Cash Balances	8	12,77,182	19,84,358
Short Term Loans and Advances	9	63,84,036	69,42,119
Other Current Assets	10	5,62,360	30,351
		<u>82,23,578</u>	<u>89,56,829</u>
TOTAL		<u>3613,24,078</u>	<u>3396,57,848</u>
Significant Accounting Policies :	1		
Notes on Financial Statements :	2-25		

The accompanying notes are an integral part of Financial Statements

In terms of our report of even date

For RAMANAND & ASSOCIATES
Chartered Accountants
(FRN No: 117776W)

On behalf of the Board of Directors

CA RAMANAND GUPTA
Partner
Membership No: 103975
Place : Mumbai
Date : 30th May, 2016

B.S. Kathoria
Managing Director

Amit Kumar
Director
Nisha Chopra
Company Secretary

SUPERSPACE INFRASTRUCTURE LTD
(Formerly, Surabhi Chemicals & Investments Ltd)
Statement of Profit and Loss Account for the year ended 31st March, 2016

	Note	Year ended 31st March, 2016 (Rs)	Year ended 31st March, 2015 (Rs)
Income			
Revenue from Operations	11	-	142,34,694
Other Income	12	119,64,568	183,04,997
Total Income		119,64,568	325,39,691
Expense			
Operational Expenses	13	-	135,56,851
Employees Benefit Expenses	14	8,96,259	5,64,675
Finance Cost	15	55,026	13,994
Depreciation and Amortisation Expense		4,38,863	1,41,370
Other Expenses	16	21,37,987	100,24,096
Total Expenses		35,28,135	243,00,986
Profit Before Tax		84,36,433	82,38,705
Tax expense			
Current Tax		26,48,400	25,16,910
Tax of Earlier Years		1,55,217	-
Deferred Tax		43,218	30,399
Profit for the year		56,76,034	56,91,396
Earnings per share (of Re 1/- each)			
Computed on the basis of total profit from continuing operations			
Basic		0.03	0.03
Diluted		0.03	0.03
Significant Accounting Policies :	1		
Notes on Financial Statements :	2-25		

The accompanying notes are an integral part of Financial Statements

In terms of our report of even date

For RAMANAND & ASSOCIATES
Chartered Accountants
(FRN No: 117776W)

On behalf of the Board of Directors

CA RAMANAND GUPTA
Partner
Membership No: 103975
Place : Mumbai
Date : 30th May, 2016

B.S. Katoria
Managing Director

Amit Kumar
Director
Nisha Chopra
Company Secretary

SUPERSPACE INFRASTRUCTURE LTD**(Formerly Surabhi Chemicals & Investments Ltd)****Cash Flow Statement for the year ended 31st March 2016****(Amount Rs)**

PARTICULARS	Year ended 31st March 2016	Year ended 31st March 2015
A Cash Flow from Operating Activities :		
Net Profit before tax, Prior Period and Extraordinary Items :	84,36,433	82,38,705
Adjustments for :		
Depreciation	4,38,863	1,41,370
Dividend Income	-	-
Net Gain / (Loss) on sale of investments	-	-
Net Gain / (Loss) on sale of fixed assets	-	-
Income Tax Refund	-	-
Adjustments to the carrying amount of investments	-	-
Depository Charges	-	-
Listing Fees	-	-
Registration Expenses	-	-
Loss on Sale of Mutual Funds	-	-
Operating Profit before Changes in Operating Assets	88,75,296	83,80,075
Adjustments for net change in Working Capital		
Short Term Loans and Advances	5,58,083	(31,76,344)
Long Term Loans and Advances	(228,30,288)	(101,62,702)
Other Current Assets	(5,32,009)	2,50,767
Other Current Liabilities	142,62,580	67,54,765
Short Term Provisions	-	-
Cash Flow before Prior Period and Extraordinary Items	3,33,662	20,46,561
Net Income tax Paid and Refunds	10,40,840	-
Net Cash Flow from Operating Activities —(A)	(7,07,178)	20,46,561
B Cash Flow from Investing Activities :		
Current Investments not considered as Cash & Cash Equivalents	-	-
Proceeds from sale of Current Investments	-	-
Proceeds from sale of Long Term Investments	-	-
Sale Proceeds of Fixed Assets	-	-
Purchase of Fixed Assets	-	(9,25,121)
Dividend Income	-	-
Net Cash Flow from Investing Activities — (B)	-	(9,25,121)

PARTICULARS	(Amount Rs)	
	Year ended 31st March 2016	Year ended 31st March 2015
C Cash Flow from Financing Activities :		
Repayment of Short Term Borrowings	-	-
Issue of Share Capital	-	-
Securities Premium	-	-
Issue Expenses	-	-
Short Term Borrowings	-	-
Dividend Paid	-	-
Tax on Dividend	-	-
Repayment of Long Term Borrowings	-	-
Listing Fees, Depository Charges, Registration Expenses	-	-
Net Cash Flow from Financing Activities —(C)	-	-
Net Increase in Cash and Cash Equivalents (A)+(B)+(C)	(7,07,174)	11,21,440
Cash & Cash Equivalents at the beginning of the period	19,84,358	8,62,920
Cash & Cash Equivalents at the end of the period	12,77,182	19,84,358
Cash in Hand	1,93,957	3,18,837
Balances with Banks	10,83,225	16,65,521
Total	12,77,182	19,84,358

In terms of our report of even date

For RAMANAND & ASSOCIATES
Chartered Accountants
(FRN No: 117776W)

On behalf of the Board of Directors

CA RAMANAND GUPTA
Partner
Membership No: 103975
Place : Mumbai
Date : 30th May, 2016

B.S. Kathoria
Managing Director

Amit Kumar
Director
Nisha Chopra
Company Secretary

SUPERSPACE INFRASTRUCTURE LTD
(Formerly, SURABHI CHEMICALS & INVESTMENTS LTD)

Notes: Forming Part of the Financial Statements:

1 Significant Accounting Policies:

1.1 Basis of Accounting:

The Financial Statements are prepared under the historical cost convention, on accrual basis of accounting, in accordance with the generally accepted accounting principles in India and the applicable Accounting Standards referred to under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014.

1.2 Use of Estimates:

The preparation of Financial Statements requires use of estimates and assumptions to be made that affect the reported amount of assets, liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between the actual results and estimates are recognized in the period in which the results are known / materialized.

1.3 Fixed Assets

Fixed Assets are stated at cost inclusive of installation and attributable expenses less accumulated depreciation/ amortization thereon and impairment losses, if any.

1.4 Depreciation:

Depreciation on fixed assets is provided on written down value method (WDV) at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.

Intangible assets are amortized over their estimated useful life on a straight line basis.

1.5 Revenue Recognition:

Income and expenditure are recognized and accounted on accrual basis as and when they are earned or incurred. Revenue from sales transaction is recognized as and when the significant risk and reward attached to ownership in goods is transferred to the buyer. However leave with wages and bonus is accounted on cash basis.

Prompt payment rebate and overdue charges are determined and accounted for on termination of the contracts.

1.6 Investments

Long Term Investments are stated at cost net of provision against diminution, if any, in carrying cost of investment other than decline of temporary nature. Non Current investments are carried at lower of cost and market price.

1.7 Impairment:

The carrying amounts of assets are reviewed at each balance sheet date for any indication of impairment based on internal/external factors. Where the carrying value exceeds the estimated recoverable amount, provision for impairment is made to adjust the carrying value to the recoverable amount. The recoverable amount is the greater of the assets estimated net realizable value and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using an appropriate discounting rate. If at the Balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to maximum of depreciable historical cost.

1.8 Borrowing Costs:

Borrowing costs attributable to the acquisition or construction of qualifying assets are capitalized as part of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

1.9 Cash Flow Statement:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

1.10 Employee Benefits:

Short term benefits and post employment benefits are accounted in the period during which the services have been rendered.

1.11 Taxation:

Current tax is determined as the amount of tax payable in respect of taxable income for the year computed in accordance with relevant provisions of Income Tax Act, 1961.

In accordance with the guidance note issued by the Institute of Chartered Accountants of India ('ICAI') on accounting for credit available in respect of Minimum Alternate Tax (MAT) under the Income Tax Act, 1961, the Company recognizes MAT credit as an asset only when and to the extent there is convincing evidence that the Company will be liable to pay normal income tax during the specified period.

Deferred tax charge or credit and correspondingly deferred tax liability or asset is recognized using tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. In the event of unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount i.e. reasonable/virtually certain (as the case may be) to be realized.

1.12 Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognized only when there is a present obligation as a result of past events; it is more likely than not that an outflow of resources will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

Contingent Liability is disclosed for (i) Possible obligation which will be confirmed only by future events not wholly within the control of the company or (ii) Present obligations arising from the past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent Assets are not recognized in the financial statements.

1.13 Earnings per Share:

The basic earnings per share are computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the reporting period. Diluted EPS is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity and dilutive equity equivalent shares outstanding during the year, except where the results would be anti-dilutive.

1.14 Segment Reporting:

The generally accepted accounting principles used in the preparation of the financial statements are applied to record revenue and expenditure in individual segments.

Segment revenue and segment results include transfers between business segments. Such transfers are accounted for at the agreed transaction value and such transfers are eliminated in the consolidation of the segments.

Expenses that are directly identifiable to segments are considered for determining the segment result. Expenses, which relate to the company as a whole and are not allocable to segments, are included under unallocated corporate expenses.

Segment assets and liabilities include those directly identifiable with the respective segments. Unallocated corporate assets and liabilities represent the assets and liabilities that relate to the company as a whole and not allocable to any segment.

Note 2 Share capital

Particulars	As at	As at	As at	As at
	31st March, 2016 (No of Shares)	31st March, 2016 (Rs)	31st March, 2015 (No of Shares)	31st March, 2015 (Rs)
(a) Authorised				
Ordinary Shares of Re 1/- each	2200,00,000	2200,00,000	2200,00,000	2200,00,000
	2200,00,000	2200,00,000	2200,00,000	2200,00,000
(b) Issued, Subscribed and Paid up				
Ordinary shares of Re 1/- each fully paid up	2163,10,000	2163,10,000	2163,10,000	2163,10,000
	2163,10,000	2163,10,000	2163,10,000	2163,10,000

Notes:

(A) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period:

Particulars	As at	As at
	31st March 2016 (No of Shares)	31st March 2015 (No of Shares)
Equity Shares at the beginning of the year	2163,10,000	2163,10,000
Equity Shares at the end of the year	2163,10,000	2163,10,000

(B) Details of shares held by each shareholder holding more than 5% shares:

Class of shares/ Name of shareholder	As at 31st March, 2016		As at 31st March, 2015	
	Shares held	% of holding	Shares held	% of holding
Equity shares with voting rights	-	-	-	-

(C) 10557900 Shares were allotted as fully paid up Bonus Shares in the last five years.

(D) 173100 Shares were allotted pursuant to the schemes of amalgamation without being payments received in cash.

(E) Rights , preference and restrictions attached to the Ordinary Shares

The Ordinary Shares of the Company , having par value of Re1/- per share, rank paripasu in all respects including voting rights and entitlement to dividend.

Particulars	As at	
	31st March 2016 (Rs)	31st March 2015 (Rs)

Note - 3 Reserves & Surplus

Capital Reserve

At the Beginning and at the end of the year	87,67,750	87,67,750
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General Reserve

At the Beginning and at the end of the year	153,23,877	153,23,877
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Securities Premium Account

At the Beginning and at the end of the year	481,00,000	481,00,000
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Surplus in Statement of Profit & Loss

At the Beginning of the year	379,25,888	322,34,492
Add Profit for the year	<u>56,76,034</u>	<u>436,01,922</u>
	<u>1157,93,549</u>	<u>56,91,396</u>
		<u>1101,17,515</u>

Note - 4 Other Current Liabilities

Others	228,36,809	64,77,192
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Audit & Legal Fees	1,08,005	1,17,057
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Unpaid Dividend	1,02,375	1,02,375
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Statutory Liabilities	73,300	4,06,744
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	<u>231,20,489</u>	<u>71,03,368</u>
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Note - 5 Short Term Provisions

Provision for Income Tax	61,00,040	60,91,804
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	<u>61,00,040</u>	<u>60,91,804</u>
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SUPERSPACE INFRASTRUCTURE LTD
(FORMERLY, SURABHI CHEMICALS & INVESTMENTS LTD)
NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Particulars	Gross Block		Depreciation		Net Block	
	As on 01.04.2015	As on 31.03.2016	As on 01.04.2015	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
Assets		Additions during the year		Dep. For the Year		
Air Conditioner	60,430	-	3,387	10,340	46,703	57,043
Computer	6,83,950	-	1,22,103	3,59,432	2,02,415	5,61,847
Furniture	2,90,976	-	24,761	69,091	1,97,124	2,66,215
TOTAL	10,35,356	-	1,50,251	4,38,863	4,46,242	8,85,105
Previous Year	1,10,235	9,25,121	8,881	1,41,370	8,85,105	-

Particulars	As at 31st March, 2016 (Rs)	As at 31st March, 2015 (Rs)
Note - 7 Long Term Loans and Advances (Unsecured , Considered Good)		
Advance Against Land	1955,00,000	1330,00,000
Advance Against Property	-	73,00,000
Loans Given	1548,92,374	1862,21,246
Mat Credit Entitlement	22,53,828	32,94,668
	<u>3526,46,202</u>	<u>3298,15,914</u>
Note - 8 Cash and Cash Balances		
Cash in hand	1,93,957	3,18,837
Balance with banks		
- In current account	10,83,225	16,65,521
	<u>12,77,182</u>	<u>19,84,358</u>
Note - 9 Short Term Loans and Advances		
Security Deposit	2,24,000	2,24,000
(Unsecured, considered good)		
Balance with Revenue authorities	61,60,036	67,18,119
	<u>63,84,036</u>	<u>69,42,119</u>
Note - 10 Other Current Assets		
Others	5,62,360	30,351
	<u>5,62,360</u>	<u>30,351</u>
Note - 11 Revenue From Operations		
Operational Income	-	142,34,694
	-	<u>142,34,694</u>
Note - 12 Other Income		
Interest Income	119,64,568	182,95,141
Misc. Income	-	9,856
	<u>119,64,568</u>	<u>183,04,997</u>
Note - 13 Operational Expenses		
Operational Expenses	-	135,56,851
	-	<u>135,56,851</u>

Particulars	As at 31st March,2016 (Rs)	As at 31st March,2015 (Rs)
Note - 14 Employees Benefit Expenses		
Salaries and Bonus	8,96,259	5,64,675
	<u>8,96,259</u>	<u>5,64,675</u>
Note - 15 Finance Cost		
Interest Paid	55,026	13,994
	<u>55,026</u>	<u>13,994</u>
Note - 16 Other Expenses		
Advertisement	13,982	1,03,647
Connectivity Charges	1,77,450	1,23,596
Electricity Charges	21,766	-
General Expenses	28,475	1,72,098
M2M	-	63,89,186
Miscellaneous Expenses	35,045	90,078
Listing fees	2,24,720	1,12,360
Payment to Auditor		
For Audit Fees	91,600	89,888
For Tax Audit Fees	-	33,708
For Internal Audit Fees	15,000	15,000
Postage & Stamps	5,420	37,734
Printing & Stationery	10,605	66,260
Professional and legal fees	10,02,745	24,16,498
Rent , Rates & Taxes	4,56,000	2,36,000
Staff Welfare	18,550	76,150
Telephone Expenses	19,719	13,730
Travelling & Conveyance	16,910	48,163
	<u>21,37,987</u>	<u>100,24,096</u>

17. Related Party Transactions

- a. Name of the related parties in transaction with the company and description of relationship

Key Managerial Personnel:

Mr Suresh Kumar Agarwal — Managing Director *

Mr Bahadur Singh Kathoria — Managing Director*

Ms Leena Kumawat — Company Secretary

*Mr Suresh Kumar Agarwal resigned on 25th May, 2015 and Mr Bahadur Singh Kathoria was appointed on 25th May 2015

- b. Transaction with Related Parties during the Year

Name	Nature of Transactions	Year Ending March 31, 2016	Year Ending March 31, 2015
Mr. Suresh Kumar Agarwal	Remuneration	27,000	1,80,000
Mr. Bahadur Singh Kathoria	Remuneration	1,53,000	—
Ms. Leena Kumawat	Remuneration	82,134	1,26,000

18. Earnings per Share as per Accounting Standard 20:

Particulars	Year Ending March 31, 2016	Year Ending March 31, 2015
Profit after Tax	56,76,034	56,91,396
Weighted average number of Equity Shares used as denominator for calculating EPS	21,63,10,000	21,63,10,000
Basic Earnings Per Share of Re1/- each	0.03	0.03
Potential Dilutive Shares	NIL	NIL
Diluted Earnings Per Share of Re1/- each	0.03	0.03

19. Contingent Liabilities: Nil (Previous Year – Nil)

20. Certain Balances of parties under sundry debtors, creditors, loans and advances are subject to confirmations/reconciliation.

21. There was no expenditure/earning in Foreign Currency during the year.

22. Disclosure pursuant to section 186(4) of the Companies Act,2013

Nature of Facility granted	To whom/ in whose favour granted	Amount outstanding at the year end	Rate	Purpose
Loan	Buildcon Finance Ltd	8,77,00,000	9%	Normal Business
Loan	Meenakshi Holdings Ltd	-	10%	Normal Business
Loan	Riteshwari Trading & Investments Pvt Ltd	2,42,31,000	10%	Normal Business
Loan	Plusjet Finvest Pvt Ltd	1,00,00,000	9%	Normal Business
Loan	Sambhav Resigns Pvt Ltd	—	12%	Normal Business

23. Deferred Tax

Particulars	Year Ending March 31, 2016	Year Ending March 31, 2015
Fixed Asset as per Income Tax Act	4,72,314	7,76,730
Fixed Asset as per Companies Act	4,46,242	8,85,105
Deferred Tax Liability/(Assets)	(8,056)	35,162

24. As informed there are no dues to Micro Small and Medium Enterprises as on 31st March, 2015.

25. The Previous year's figures have been regrouped, reclassified or rearranged wherever necessary.

For RAMANAND & ASSOCIATES
Chartered Accountants
Firm Regn No. 117776W

CA RAMANAND GUPTA
(PARTNER)
Membership No. 103975
Place : Mumbai
Date: May 30th, 2016

For Superspace Infrastructure Limited

B.S. Kathoria
Managing Director

Amit Kumar
Director

Nisha Chopra
Company Secretary