

## Report on Corporate Governance

In Accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015) (the 'Listing Regulations') with BSE Limited the Report Containing the Details of Corporate governance Systems and processes at Sharanam Infracore and Trading Limited is as Follows:

### **1 COMPANY PHILOSOPHY:**

We continue to believe that good corporate Governance is essential to achieve long-term corporate goals and to enhance stockholders value. Company is a listed company on the Ahmedabad Stock Exchange Limited and BSE Limited. The Company has complied with in all material respect with the features of corporate governance as specified in the Listing Agreement.

The Sharanam Infracore and Trading Limited is committed to good Corporate Governance in order to all stakeholders - Customers, suppliers, lenders, employees, the shareholders. The detailed report on implementation by the company of the Corporate Governance Code as incorporated in Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out below:

### **2 BOARD OF DIRECTORS:**

#### **2.1 Composition of Board of Directors:**

The Board of Directors as at 31<sup>st</sup> March, 2016 comprises of Five Directors including of Two Executive Directors and Three Non-Executive Independent Directors. The Chairman is a Non-Executive Independent Director. The Independent Directors on the Board are senior, competent and highly respected persons from their receptive fields. The following is the Composition of the Board as at 31<sup>st</sup> March, 2016:

Name of Director	Category	No. of Directorship(s) held in Indian public & private Limited Companies (Excluding this Company)	Committee(s) position (Excluding this Company)	
			Member	Chairman
Mr. Shiv Sharma	Non-Executive - Independent Director, Chairperson	Nil	Nil	Nil
Mr. Ajay Sharma	Non-Executive - Independent Director	Nil	Nil	Nil
Mr. Jitendra	Executive	Nil	Nil	Nil

Parmar	Director			
Mr. Keyur Shah*	Executive Director	Nil	Nil	Nil
Ms. Arpeeta Bhatt**	Non-Executive - Independent Director	1	1	2
Mr. Rohitkumar Parikh***	Executive Director & CEO	Nil	Nil	Nil

\*Resigned on 01/03/2016

\*\*Appointed on 13/04/2015

\*\*\*Appointed on 12/02/2016

## 2.2 Responsibilities of the Board:

The responsibility such as policy formulation, performance review and analysis and control, direction and management of the affairs of the company is vested in the Board of Directors presided over by the Chairman and Managing Director. The Board has delegated some of its powers to the executives of the company. The Board reviews from time to time such delegated powers and their utilization for effective functioning of the Company.

## 2.3 Meetings and Attendance Record of Directors:

The meetings of the Board of Directors are held at periodical intervals and are generally at the Board Room of the Company. The meeting dates are decided well in advance and the agenda and notes on agenda are circulated in advance to the directors. All material information is incorporated in the notes on agenda for facilitating meaningful and focused discussion at the meeting. Where it is not perusable to attach supporting or relevant documents to the agendas, the same is tabled before the meeting. In case of business exigencies or urgency of matters, resolutions are passed by circulation. Senior Management persons are often invited to attend the Board Meetings and provide clarifications as and when required.

During the year under review, the Board met 30 (Thirty) times on the following dates.

13/04/2015	14/04/2015	20/04/2015	22/04/2015	30/05/2015	17/06/2015
23/06/2015	06/07/2015	16/07/2015	25/07/2015	29/07/2015	11/08/2015
13/08/2015	15/09/2015	05/10/2015	21/10/2015	28/10/2015	30/10/2015
04/11/2015	18/12/2015	28/12/2015	05/01/2016	20/01/2016	28/01/2016
10/02/2016	12/02/2016	29/02/2016	01/03/2016	14/03/2016	28/03/2016

### **Extra Ordinary General Meeting:**

No Extra Ordinary General Meeting was held during the year under review.

Attendance of Directors at Meetings of Board of Directors and last AGM:

Name of Director	Category of Directorship	No. of Board Meeting attended
Mr. Shiv Sharma	Non-Executive Independent Director	30
Mr. Ajay Sharma	Non-Executive Independent Director	30
Mr. Keyur Shah*	Executive Director	28
Mr. Jitendra Parmar	Executive Director	30
Ms. Arpeeta Bhatt**	Non-Executive Independent Director	30
Mr. Rohitkumar Parikh***	Executive Director & CEO	5

\*Resigned on 01/03/2016

\*\*Appointed on 13/04/2015

\*\*\*Appointed on 12/02/2016

- **Pecuniary relationship or transactions of non-executive Directors:**

The non-executive Directors have not entered into any such transactions.

#### **2.4 Details of Directors seeking re-appointment at the ensuing Annual General Meeting:**

As per the provisions of the Companies Act, 2013, two third of the directors of a company should be retiring directors, of which one third of such directors are required to retire every year and if eligible, they qualify for re-appointment.

Mr. Shiv Sharma retires by rotation at the ensuing Annual General Meeting and offers himself for re-appointment.

#### **Profile of Mr. Shiv Sharma, Director being appointed u/s 152(6) of the Companies Act, 2013**

Name	Shiv Sharma
Date of Birth	03/02/1982
Date of Appointment	12/03/2003
No. of shares held in the company	NIL
Directorship in other company	No

#### **2.5 Details of Directors who are as Chairman and Directors in other Public Companies:**

None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees (as specified in Regulation 27(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 across all the companies in which he is a director. The necessary disclosure regarding Directorship and Committee position have been made by the Directors who are on the Board of the Company as on 31<sup>st</sup> March, 2016 and the same is reproduced herein below:

Sr. No.	Name of Director	No of Directorship in other Listed Companies (Excluding This Company)	No. of Committees positions held as Chairman on other public Companies (Excluding This Company)	No. of Committees positions held as member in other public Company (Excluding This Company)
1	Mr. Shiv Sharma	Nil	Nil	Nil
2	Mr. Ajay Sharma	Nil	Nil	Nil
3	Mr. Keyur Shah*	Nil	Nil	Nil
4	Mr. Jitendra Parmar	Nil	Nil	Nil
5	Ms. Arpeeta Bhatt**	1	2	1
6	Mr. Rohitkumar Parikh***	Nil	Nil	Nil

\*Resigned on 01/03/2016

\*\*Appointed on 13/04/2015

\*\*\*Appointed on 12/02/2016

#### **Independent Directors' Meeting:**

During the year under review, the Independent Directors met on 26<sup>th</sup> March, 2016, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the Meeting.

#### **Information Placed Before Board Of Directors:**

The Company has complied with Part A of Schedule II of SEBI (LODR) Regulation 2015 read with regulation 17(7) of the said regulations with regard to information being placed before the Board of Directors.

#### **Familiarisation Programme for Independent Directors:**

On appointment of an individual as Independent Director, the Company issues a formal Letter of Appointment to the concerned director, setting out in detail, the terms of appointment, duties and responsibilities. Each newly appointed Independent Director is taken through a formal familiarisation program. The programme also provides awareness of the Independent Directors on their roles, rights, responsibilities towards the Company. Further, the Familiarisation programme also provides information relating to the financial performance of the

Company and budget and control process of the Company. This policy is displayed on <http://www.sharanaminfra.co.in/documents/policies/01.pdf>

#### **Evaluation of the Board's Performance:**

During the year, the Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, including the Chairman of the Board. The exercise was carried out through a structured evaluation process covering various aspects of the Boards functioning such as composition of the Board & committees, experience & competencies, performance of specific duties & obligations, governance issues etc. Separate exercise was carried out to evaluate the performance of individual Directors including the Board Chairman who were evaluated on parameters such as attendance, contribution at the meetings and otherwise, independent judgment, safeguarding of minority shareholders interest etc.

The evaluation of the Independent Directors was carried out by the entire Board and that of the Chairman and the Non-Independent Directors were carried out by the Independent Directors.

The Directors were satisfied with the evaluation results, which reflected the overall engagement of the Board and its Committees with the Company.

#### **Code of Conduct for Directors and Senior Management Personnel:**

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has laid down a Code of Conduct for all Board Members and Senior Management Personnel of the Company. The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Chairman & Managing Director of the Company has given a declaration to the Company that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code. The Code has been posted on the Company's website <http://www.sharanaminfra.co.in/documents/Others/cocbod.pdf>

#### **Prevention of Insider Trading:**

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulation, 2015 ("The PIT Regulations"). The PIT regulations has come into effect from May 15, 2015 and replaced the earlier Regulations. The object of the PIT Regulation is to curb the practice of insider trading in the securities of a listed company.

The company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by insiders' ("the code") in accordance with the requirements of the PIT regulations.

The Code is applicable to promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company Secretary is the Compliance Officer for monitoring adherence to the said Regulations.

The company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulation, 2015. This Code is displayed on the Company's website viz. <http://www.sharanaminfra.co.in/documents/policies/05.pdf>

## COMMITTEES OF THE BOARD

The Company had Three Board Committees. These are

- a) Audit Committee
- b) Nomination and Remuneration Committee
- c) Stakeholders' Relationship Committee  
(Share Transfer & Shareholders/Investor Grievance Committee)

All the decisions pertaining to the constitution of the Committees, appointment of members and fixing of terms of reference for the Committee is taken by the Board of Directors. Details of the role and composition of these Committees are provided below:

### a) Audit Committee:

The Audit committee constituted by the Board of directors as per the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013, comprises of three members viz.

The Audit Committee continued working under Chairmanship of Shri Shiv Sharma with Shri Ajay Sharma and Shri Jitendra Parmar as co-members. During the year, the Audit Committee met on four occasions with full attendance of all the members.

The composition of the Audit Committee as at March 31, 2016 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Board Meetings held on			
		30-05-2015	13-08-2015	30-10-2015	12-02-2016
Shiv Sharma	Chairman	Yes	Yes	Yes	Yes
Ajay Sharma	Member	Yes	Yes	Yes	Yes
Jitendra Parmar	Member	Yes	Yes	Yes	Yes

The Audit Committee of the Board of Directors of the Company, Inter-aila, provides assurance to the Board on the adequacy of the internal control systems and financial disclosures.

The audit committee while reviewing the Annual Financial Accounts ensures compliance of the Accounting Standard (AS) issued by the Institute of Chartered Accountants of India.

**Brief description of terms of reference:**

The scope of activities of the Audit Committee includes the following:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment and removal of external auditor, fixation of audit fees and also approval for payment of any other Consultancy services provided by the statutory auditor.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
  - a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions;
  - g) Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;

9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with 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;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Explanation (i): The term "related party transactions" shall have the same meaning as provided in Regulation 18(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Executive summary of the Audit Committee Meetings are placed before the immediate next Board Meetings held after the Audit Committee for deliberations and the full minutes of the same are placed before the following Board Meeting for records. The Board of Directors, regularly apprised on the recommendations of the Audit Committee, further, at the beginning of the financial year, the Committee discuss the plan for the internal audit and statutory audit.

Dates of the Audit Committee Meetings are fixed in advance and agenda is circulated to the Directors at least seven days before the meeting.

As required under Regulation 18(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Audit Committee had reviewed the following information:

- Management Discussion and analysis of financial condition and results of operations.
- Statement of significant related party transactions submitted by management.

- Management letters/letters of internal controls, weaknesses issued by the Statutory Auditors.
- Internal Auditors Reports relating to internal control weaknesses; and
- The Appointment, removal and terms of remuneration of the internal auditors.

The Audit Committee has the following powers:

- a) To investigate any activity within its terms of reference.
- b) To seek any information from any employee.
- c) To obtain outside legal and professional advice.
- d) To secure attendance of outsiders with relevant expertise, if it considers it necessary.

The Audit Committee invites such of the executives as it considers appropriate (Particularly the head of the finance function) representatives of the statutory Auditors. The Company Secretary acts as the Secretary to the Audit Committee.

The previous Annual General Meeting of the Company was held on September 30, 2015 and was attended by Mr. Shiv Sharma, Chairman of the Audit Committee.

**b) Nomination and Remuneration Committee:**

The Remuneration Committee reviewing the overall compensation policy, service agreements and other employments and other employment conditions of Managing / Whole time Directors and Managing Director:

**Details of Remuneration of Executive / Non-Executive Directors for the financial year ended 31<sup>st</sup> March, 2016**

Name	Executive / Non-Executive	Salary	Bonus	Sitting Fees	Contribution to PF	Perquisites	Total
Mr. Shiv Sharma	Non-Executive Director	-	-	-	-	-	-
Mr. Ajay Sharma	Non-Executive Director	-	-	-	-	-	-
Mr. Jitendra Parmar	Executive Director	-	-	-	-	-	-
Ms. Arpeeta Bhatt	Non-Executive Director	-	-	5,000	-	-	5,000
Mr. Rohitkumar Parikh	Executive Director	-	-	5,000	-	-	5,000

**The Composition of Nomination and Remuneration committee is as under;**

<b>Name of the Committee Members</b>	<b>Category</b>	<b>Position</b>
Mr. Ajay Sharma	Non-Executive Independent Director	Chairman
Mr. Shiv Sharma	Non-Executive Independent Director	Member
Mr. Jitendra Parmar	Executive Director	Member

Remuneration Committee constituted for the purpose of considering remuneration of executive and non-executive directors.

During the year under review, the three Nomination and Remuneration committee meeting were held during Financial Year 2015-16. The dates on which the said meetings were held as follows:

13-08-2015	30-10-2015	12-02-2016
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**Non- Executive Director**

The Company has paid to Ms. Arpeeta Bhatt sitting fees of Rs. 5,000/- p.a.

**Remuneration Policy**

Payment of remuneration to the Managing/Whole Time Director is governed by the respective Agreements executed between them and the company. These agreements were approved by the Board and the Shareholders. Their Remuneration structure comprises salary, perquisites and allowances.

**Terms of reference of the Committee inter alia, include the following:**

**Nomination of Directors / Key Managerial Personnel / Senior Management\***

1. To evaluate and recommend the composition of the Board of Directors;
2. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down by the Committee;
3. Consider and recommend to the Board appointment and removal of directors, other persons in senior management and key managerial personnel (KMP);
4. Determining processes for evaluating the effectiveness of individual directors and the Board as a whole and evaluating the performance of individual Directors;
5. To administer and supervise Employee Stock Options Schemes (ESOS) including framing of policies related to ESOS and reviewing grant of ESOS;
6. Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
7. To review HR Policies and Initiatives.

**Remuneration of Directors / Key Managerial Personnel / Senior Management\*/ other Employees**

1. Evolve the principles, criteria and basis of Remuneration policy and recommend to the Board a policy relating to the remuneration for all the Directors, KMP, Senior Management and other employees of the Company and to review the same from time to time.
2. The Committee shall, while formulating the policy, ensure the following :
  - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - (c) Remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

\* Senior Management for the above purpose shall mean personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

## **NOMINATION & REMUNERATION POLICY:**

### **1) Purpose of this Policy:**

The company has adopted this Policy on appointment and remuneration of the Directors, Key Managerial Personnel and Senior Management (the "Policy") as required by the provisions of Section 178 of the Companies Act, 2013 (the "Act") and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The purpose of this Policy is to establish and govern the procedure applicable:

The purpose of this Policy is to establish and govern the procedure applicable:

- a) To evaluate the performance of the members of the Board.
- b) To ensure that remuneration to Directors, KMP and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- c) To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

The Committee should ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully and the relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

### **2) Definitions:**

“Independent Director means a director referred to in Section 149(6) of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.”

“Key Managerial Personnel” (the “KMP”) shall mean “Key Managerial Personnel” as defined in Section 2(51) of the Act.

“Nomination and Remuneration Committee, by whatever name called, shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.”

“Remuneration”, means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

“Senior Management” mean personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the Executive Directors, including all functional heads.

Words and expressions used and not defined in this Policy, but defined in the Act or any rules framed under the Act or the Securities and Exchange Board of India Act, 1992 and Rules and Regulations framed there under or in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 or the Accounting Standards shall have the meanings assigned to them in these regulations.

### **3) Composition of the Committee:**

The composition of the Committee is / shall be in compliance with the Act, Rules made there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time and Mentioned as above.

### **4) Role of the Committee:**

The Committee shall:

- a) Formulate the criteria for determining qualifications, positive attributes and independence of a Director;
- b) 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;
- c) Lay down the evaluation criteria for performance evaluation of Independent Director and the Board;
- d) Recommend to the Board, appointment, remuneration and removal of Director, KMP and Senior Management;
- e) To devise a Policy on Board diversity.

## **5) Criteria for Determining the followings:-**

### **5.1 Qualifications for appointment of Directors (including Independent Directors):**

- a) Persons of eminence, standing and knowledge with significant achievements in business, professions and/or public service;
- b) Their financial or business literacy/skills;
- c) Their textile industry experience;
- d) Other appropriate qualification/experience to meet the objectives of the Company;
- e) As per the applicable provisions of Companies Act, 2013, Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Committee shall have discretion to consider and fix any other criteria or norms for selection of the most suitable candidate/s.

### **5.2 Positive attributes of Directors (including Independent Directors):**

- Directors are to demonstrate integrity, credibility, trustworthiness, ability to handle conflict constructively and the willingness to address issues proactively;
- Actively update their knowledge and skills with the latest developments in the railway/heavy engineering/infrastructure industry, market conditions and applicable legal provisions;
- Willingness to devote sufficient time and attention to the Company's business and discharge their responsibilities;
- To assist in bringing independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- Ability to develop a good working relationship with other Board members and contribute to the Board's working relationship with the senior management of the Company;
- To act within their authority, assist in protecting the legitimate interests of the Company, its shareholders and employees;
- Independent Directors to meet the requirements of the Companies Act, 2013 read with the Rules made there under and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.

### **5.3 Independence Standards:**

The following would be the independence review procedure and criteria to assist the Committee to evaluate the independence of Directors for recommending to the Board for appointment. A Director is independent if the Board affirmatively determines that the Director does not have a direct or indirect material relationship with the Company, including its affiliates or any member of senior management. "Affiliate" shall mean any company or

other entity that controls, is controlled by, or is under common control with the Company.

Also, the candidate shall be evaluated based on the criteria provided under the applicable laws including Companies Act, 2013 read with Rules thereon and the SEBI (LODR) regulations, 2015. In addition to applying these guidelines, the Board will consider all relevant facts and circumstances in making its determination relating to a director's independence.

### **Independence Review Procedures:**

#### **1. Annual Review:**

The director's independence for the independent director will be determined by the Board on an annual basis upon the declaration made by such Director as per the provisions of the Companies Act, 2013 read with Rules thereon and the SEBI (LODR) regulations, 2015.

#### **2. Individual Director's Independence Determinations:**

If a director nominee is considered for appointment to the Board between Annual General Meetings, a determination of independence, upon the recommendation of the Committee, shall be made by the Board prior to such appointment.

All determinations of independence shall be made on a case-by-case basis for each director after consideration of all the relevant facts and circumstances and the standards set forth herein. The Board reserves the right to determine that any director is not independent even if he or she satisfies the criteria set forth by the provisions of the Companies Act, 2013 read with Rules there on and the SEBI (LODR) regulations, 2015.

#### **3. Notice of Change of Independent Status:**

Each director has an affirmative obligation to inform the Board of any change in circumstances that may put his or her independence at issue.

### **5.4 Criteria for appointment of KMP/Senior Management:**

- To possess the required qualifications, experience, skills & expertise to effectively discharge their duties and responsibilities;
- To practice and encourage professionalism and transparent working environment;
- To build teams and carry the team members along for achieving the goals/objectives and corporate mission;
- To adhere strictly to code of conduct

### **5.5 Term:**

The Term of the Directors including Managing / Whole time Director / Independent Director shall be governed as per the provisions of the Act and Rules made there under and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

Whereas the term of the KMP (other than the Managing / Whole-time Director) and Senior Management shall be governed by the prevailing HR policies of the Company.

#### **5.6 Evaluation:**

The Committee shall carry out evaluation of performance of every Director.

The Committee shall identify evaluation criteria which will evaluate Directors based on knowledge to perform the role, time and level of participation, performance of duties, level of oversight, professional conduct and independence. The appointment / re-appointment / continuation of Directors on the Board shall be subject to the outcome of the yearly evaluation process.

#### **5.7 Removal:**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, Rules and Regulations there under and / or for any disciplinary reasons and subject to such applicable Acts, Rules and Regulations and the Company's prevailing HR policies, the Committee may recommend, to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management.

#### **6) Remuneration of Managing / Whole-time Director, KMP and Senior Management:**

The remuneration / compensation / commission, etc., as the case may be, to the Managing / Whole time Director will be governed by the relevant provisions of the Companies Act, 2013 and applicable Rules and Regulations and will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission, etc., as the case may be, shall be subject to the prior / post approval of the shareholders of the Company and Central Government, wherever required. Further, the Chairman & Managing Director of the Company is authorised to decide the remuneration of KMP (other than Managing / Whole time Director) and Senior Management based on the standard market practice and prevailing HR policies of the Company.

#### **7) Remuneration to Non-executive / Independent Director:**

The remuneration / commission / sitting fees, as the case may be, to the Non-Executive / Independent Director, shall be in accordance with the provisions of

the Act and the Rules made there under for the time being in force or as may be decided by the Committee / Board / shareholders.

An Independent Director shall not be entitled to any stock option of the Company unless otherwise permitted in terms of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

In compliance with Section 178 of the Companies Act, 2013, the Board has renamed the existing "Remuneration Committee" as the "Nomination and Remuneration Committee".

The terms of reference of the Committee inter alia, include the following:

- Succession planning of the Board of Directors and Senior Management Employees;
- Identifying and selection of candidates for appointment as Directors / Independent Directors based on certain laid down criteria;
- Identifying potential individuals for appointment as Key Managerial Personnel and to other Senior Management positions;
- Formulate and review from time to time the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration;
- Review the performance of the Board of Directors and Senior Management Employees based on certain criteria as approved by the Board.

The composition of the Remuneration Committee as at March 31, 2016 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Board Meetings held on		
		13-08-2015	30-10-2015	12-02-2016
Shiv Sharma	Chairman	Yes	Yes	Yes
Ajay Sharma	Member	Yes	Yes	Yes
Jitendra Parmar	Member	Yes	Yes	Yes

**c) Share Transfer & Shareholders'/Investor Grievance Committee:**

In compliance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement, the Board has renamed the existing "Shareholders'/Investors' Grievance Committee" as the "Stakeholders' Relationship Committee".

The terms of reference of the Committee are:

- transfer/transmission of shares/debentures and such other securities as may be issued by the Company from time to time;
- issue of duplicate share certificates for shares/debentures and other securities reported lost, defaced or destroyed, as per the laid down procedure;
- issue new certificates against subdivision of shares, renewal, split or consolidation of share certificates / certificates relating to other securities;
- issue and allot right shares / bonus shares pursuant to a Rights Issue / Bonus Issue made by the Company, subject to such approvals as may be required;
- to grant Employee Stock Options pursuant to approved Employees' Stock Option Scheme(s), if any, and to allot shares pursuant to options exercised;
- to issue and allot debentures, bonds and other securities, subject to such approvals as may be required;
- to approve and monitor dematerialization of shares / debentures / other securities and all matters incidental or related thereto;
- to authorize the Company Secretary and Head Compliance / other Officers of the Share Department to attend to matters relating to non-receipt of annual reports, notices, non-receipt of declared dividend / interest, change of address for correspondence etc. and to monitor action taken;
- monitoring expeditious redressal of investors / stakeholders grievances;
- all other matters incidental or related to shares, debenture

The composition of the Stakeholders' Relationship Committee as at March 31, 2016 and details of the Members participation at the Meetings of the Committee are as under:

Name of Director	Category	Attendance at the Board Meetings held on		
		13-08-2015	30-10-2015	12-02-2016
Shiv Sharma	Chairman	Yes	Yes	Yes
Ajay Sharma	Member	Yes	Yes	Yes
Jitendra Parmar	Member	Yes	Yes	Yes

Complaints Status: 01.04.2015 to 31.03.2016

- Number of complaints received so far : 2
- Number of complaints solved : 2
- Number of pending complaints : NIL

#### **Independent Directors' Meeting**

During the year under review, the Independent Directors met on March 26, 2016, inter alia, to discuss:

- Evaluation of the performance of Non-independent Directors and the Board of Directors as a whole.
- Evaluation of the performance of the chairman of the Company, taking into account the views of the Executive and Non-executive directors.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the Independent Directors were present at the Meeting.

**d. Corporate Social Responsibility (CSR) Committee - (Constituted in 2013) - Mandatory Committee**

Since, the company has not achieved criteria as mentioned in turnover criteria as mentioned in Schedule VII of the Companies Act, 2013. Hence, no CSR committee has been constituted during the year.

**3 Disclosures:**

**(a) Materially Significant related party transactions**

There was no transaction of material nature with any of the related party, which is in conflict with the interest of the company.

**(b)** During the last three Years, there were no penalties, strictures imposed by either SEBI or stock Exchange or any statutory authority for non-Compliance of any matter related to the capital market

**4 Share Transfer System:**

All the transfers are received and processed by share Transfer agents and are approved by share transfer committee. Share Transfer requests received in physical form are registered within 30 days and demat requests are confirmed within 15 days.

**5 Dematerialization of shares and liquidity:**

Details of Registrar and Share Transfer agent of the Company for dematerialization of shares:

**M/s. MCS Share Transfer Agent Ltd.**  
12/1/15, Manohar Pukur Road, Kolkata - 700026  
Tele. No. : 033 - 40724051  
Fax No. : 033 - 40724050  
E-mail : [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com)

**Ahmedabad office**

201, Shatdal Complex, Opp. Bata Show Room,  
Ashram Road, Ahmedabad - 380 009  
Tele. No.: 079 26580461 / 62 / 63  
E-mail : mcssta@rediffmail.com,  
mcsahmd@gmail.com

**6 Annual General Meeting:**

<b>Day, date and time</b>	Thursday, 29 <sup>th</sup> September, 2016 at 11:00 A. M.
<b>Venue</b>	C-309, Ganesh Meridian, Opp. Gujarat High Court, S. G. Highway, Ahmedabad- 380060

**7 Book Closure Date :** Wednesday, September 21, 2016 to Thursday, September 29, 2016 (both days inclusive)

**MEANS OF COMMUNICATIONS:**

The half Yearly and quarterly results of the Company were not published in any newspaper but regularly forwarded to the Bombay Stock Exchange where the Company's shares are listed. The Company has not considered it necessary to circulate half yearly results at the residence of shareholders as there is no significant up and down in the activities of the company having material impact on the shareholders interest.

The Company's financial results and official news releases are displayed on the Company's website i.e. [http: www.sharanaminfra.co.in](http://www.sharanaminfra.co.in)

Further the Company has not made any presentation to any financial institutional investors/analysts or banks during the year.

a. **Stock Code:** BSE 539584,

b. **Demat ISIN number:** INE104S01022

c. **Market price data:** High / Low of Monthly Market Price of the Companies Equity Shares traded on Bombay Stock Exchange during the financial year 2015-16:

The Company has no data to report in this segment.

d. **Registered and Transfer Agent:** The Company has appointed M/s MCS Share Transfer Agent Ltd., Mumbai as the common agency both in respect of demat shares:

<b>Year of AGM</b>	<b>Date of the AGM</b>	<b>Time</b>	<b>Place of AGM Held</b>	<b>Special Resolutions Passed</b>
2013	27/09/2013	11:00	# 584, Parkash Bhawan, Opp. Old DMC, Civil Lines, Ludhiana - 141001	No
2014	30/09/2014	11:00	# 584, Parkash Bhawan, Opp. Old DMC, Civil Lines, Ludhiana - 141001	No

2015	22/07/2015	11:00	# Shop No.4, Second Floor, Indra Market, Opp. Panna Singh Pakore Wala, Gill Road, Ludhiana - 141003	Yes
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e. Share Transfer System: All the transfers are received and processed by the Registrar & Share Transfer Agent of the Company and approved by share transfer committee.

**Dividend Payment Date** : Not Applicable

**Detail of last three Annual General Meeting:**

Details for Special Resolution had passed in last AGM:

**2015**

1. Appointment of Mr. Keyur Shah as Regular Director of the Company.
2. Appointment of Mr. Jitendrakumar Parmar and Ms. Arpeetaben Bhatt as Regular Director of the Company
3. Appointment of Mr. Keyur Shah as Managing Director of the Company
4. Change of name of the Company from "Skyhigh Projects Limited" To "Sharanam Infraproject And Trading Limited"
5. Shifting of Registered Office of the company from the State Punjab to the State of Gujarat
6. Sub-division of One Equity Share of the Company of Face Value of Rs 10/- each to 10 Equity Shares of Rs. 1/- each
7. Reclassification of Authorised Equity Share Capital and Consequent Alteration of Memorandum of Association
8. Adoption of new articles of association of the company containing regulation in conformity with Companies Act, 2013

**2014**

No Special Resolution was passed.

**2013**

No Special Resolution was passed.

**Distribution of Shareholding as on March 31, 2016:**

Category	Number of	Percentage	Number	Percentage
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	Shareholders	(%)	of Shares	(%)
1- 500	3845	75.54	10727700	21.45
501-1000	776	15.24	6394000	12.79
1001- 2000	312	6.13	5104000	10.21
2001- 3000	23	0.45	603000	1.21
3001- 4000	42	0.82	1589000	3.18
4001- 5000	22	0.43	1033000	2.07
5001- 10000	28	0.55	2017300	4.03
10001 and above	43	0.84	22533000	45.07
<b>TOTAL</b>	<b>5091</b>	<b>100.00</b>	<b>50001000</b>	<b>100.00</b>

**Shareholding pattern as on 31<sup>st</sup> March, 2016:**

Sr. No.	Category	No of Shares held	Percentage (%) of shareholding
1.	Promoters, Directors & their Relatives	3520000	7.04%
2.	NRI/OCBs	0	0.00%
3.	Banks/Financial Institutions/Mutual Funds	0	0.00%
4.	Corporate Bodies	5403000	10.81%
5.	Others	41078000	82.15%
	<b>Total</b>	<b>50001000</b>	<b>100.00</b>

- Listing on Stock Exchanges:**
1. BSE Limited  
Phiroze jeejeebhoy Towers,  
Dalal Street, Mumbai - 400023
  2. The Stock Exchange - Ahmedabad  
Kamdhenu Complex, opp. Sahajanand  
Complex, Panjarapole, Ambawadi,  
Ahmedabad -380015.

**Investor Correspondence:** For the convenience of our investor, the company has designated an exclusive e-mail id i.e., [investors@sharanaminfra.co.in](mailto:investors@sharanaminfra.co.in) and [sharanaminfraandtrading@gmail.com](mailto:sharanaminfraandtrading@gmail.com) All investors are requested to avail this facility.

**Compliance Officer:** **Dhanesh Shah**

**Address for Correspondence:** **Sharanam Infracore and Trading Limited**  
C-309, Ganesh Meridian,  
Opp. Gujarat High Court,  
S. G. Highway,

Ahmedabad- 380060  
E-mail id: [sharanaminfraandtrading@gmail.com](mailto:sharanaminfraandtrading@gmail.com)  
Website: [www.sharnaminfra.co.in](http://www.sharnaminfra.co.in)

**Registrar and Transfer Agent of the Company:**

**M/s. MCS Share Transfer Agent Ltd.**  
12/1/15, Manohar Pukur Road, Kolkata - 700026  
Tele. No. : 033 - 40724051  
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Ashram Road, Ahmedabad - 380 009  
Tele. No.: 079 26580461 / 62 / 63  
E-mail: [mcssta@rediffmail.com](mailto:mcssta@rediffmail.com) and [mcsahmd@gmail.com](mailto:mcsahmd@gmail.com)

**Financial Calendar:**

1<sup>st</sup> quarterly results - Second week of August, 2015  
2<sup>nd</sup> quarterly results - Last week of October, 2015  
3<sup>rd</sup> quarterly results - Second week of February, 2016  
4<sup>th</sup> quarterly results - Second week of May, 2016

**Top 10 Shareholders as on 31st March, 2016 (Other than Promoters):**

Sr. No.	Name	Shareholding	% of Holding
1	RP Advisors Pvt Ltd	2420000	4.84%
2	Skyhigh Hotels Limited	2559000	4.00%
3	Ashok Thapar	875000	1.75%
4	Kusum Thapar	604000	1.21%
5	Kamal Sheth	499000	1.00%
6	Kirtipal	499000	1.00%
7	Kewal Goyal	499000	1.00%
8	L Agarwal	499000	1.00%
9	V K Garg	499000	1.00%
10	S. Manuja	499000	1.00%

**Whistle Blower Policy:**

Recently, the Security & Exchange Board of India has also prescribed the adoption by all listed companies, of a Whistle Blower Policy as a non-mandatory requirement. The company has adopted a Whistle Blower Policy, which affords protection and confidentiality to Whistle blowers. The Audit Committee Chairman is authorized to receive Protected Disclosures under this Policy. The Audit Committee is also authorized to supervise the conduct of investigations of any disclosures made whistle blowers in accordance with policy.

No personnel have been denied access to the Audit Committee. As of March 31, 2016, no Protected Disclosures have been received under this policy.

In pursuance of Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 The Vigil Mechanism/ Whistle Blower Policy has been uploaded on the website of the Company at [www.sharanaminfra.co.in/documents/policies/04.pdf](http://www.sharanaminfra.co.in/documents/policies/04.pdf)

### **Compliance Certificate of the Auditors**

The statutory Auditors have certified that the company has complied with the conditions of corporate governance as stipulated in SEBI (Listing Obligations and Disclosure Requirement), Regulations, 2015 with the Stock Exchange and the same is annexed to the Directors Report and Management Discussion and Analysis.

The Certificate from the statutory Auditors will be sent to the listed stock exchange along with the annual return of the Company.

**For & on behalf of the Board of Director  
Sharanam Infracore and Trading Limited**

**Date: 14/05/2016**

**Place: Ahmedabad**

<b>Sd/-</b>	<b>Sd/-</b>	<b>Sd/-</b>
<b>Shiv Sharma</b>	<b>Ajay Sharma</b>	<b>Jitendra Parmar</b>
<b>Director</b>	<b>Director</b>	<b>Director</b>
<b>DIN: 05100972</b>	<b>DIN: 05100980</b>	<b>DIN: 02097144</b>