

# SUNSHINE CAPITAL LIMITED

## 22<sup>nd</sup> Annual Report (2015-2016)



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# **SUNSHINE CAPITAL LIMITED**

## **CORPORATE INFORMATION**

<b>CIN</b>	:	L74899DL1994PLC060154
<b>BOARD OF DIRECTORS</b>	:	Priti Jain            Managing Director :            Surender Kumar Jain    Director :            Sujan Mal Mehta        Director :            Anil Prakash            Director
<b>COMPANY SECRETARY</b>	:	Megha Bansal
<b>STATUTORY AUDITORS</b>	:	Anil Kumar Chartered Accountant BA-52/B, Janakpuri, New Delhi-110058
<b>REGISTRAR AND TRANSFER AGENT</b>	:	Skyline Financial Services Pvt Ltd. D-153 A, 1 <sup>st</sup> Floor, Okhla Industrial Area, Phase- I, New Delhi- 110020
<b>BANKERS</b>	:	ICICI Bank Connaught Place, New Delhi-110001 IDBI Bank Punjabi Bagh, New Delhi- 110026
<b>REGISTERED OFFICE</b>	:	209, Bhanot Plaza II, 3 D. B. Gupta Road, New Delhi 110055.
<b>CORPORATE OFFICE</b>	:	16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005
<b>EMAIL</b>	:	sunshinecapital95@gmail.com
<b>INVESTORS HELPDESK &amp; EMAIL</b>	:	Megha Bansal sunshinecapital95@gmail.com
<b>WEBSITE</b>	:	www.sunshinecapital.in
<b>CONTACT NO</b>	:	011-23582393, 91-9891709895

# SUNSHINE CAPITAL LIMITED

Regd. Office: 209, BHANOT PLAZA II, 3 D. B. GUPTA ROAD NEW DELHI 110055

CIN: L74899DL1994PLC060154

E-mail Id: sunshinecapital95@gmail.com

Website: www.sunshinecapital.in

Ph. No.: 011-23582393, 91-9891709895

## NOTICE

Notice is hereby given that the 22<sup>nd</sup> Annual General Meeting of the Company will be held on **Wednesday, the 28<sup>th</sup> Day of September, 2016** at **01.00 P.M.** at 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005 to transact the following businesses:

### Ordinary business:

1. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

“**RESOLVED THAT** the Audited Balance Sheet as at 31<sup>st</sup> March, 2016 and Statement of Profit and Loss for the year ended on that date, together with the Directors’ Report and Auditors’ Report thereon as presented to the meeting, be and the same are hereby approved and adopted.”

2. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

“**RESOLVED THAT** Mr. Surender Kumar Jain (DIN: 00530035), Director of the Company, retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company.”

3. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

**“RESOLVED THAT** pursuant to provisions to Section 139 of the Companies Act, 2013 and other applicable provisions if any of the act and the Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Anil Kumar, Chartered Accountant, New Delhi, having Membership No. 86223, be and is hereby re-appointed as Statutory Auditor of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting on such remuneration as may be fixed in this behalf by the Board of Directors of the Company.”

**By Order of the Board of Directors  
For Sunshine Capital Limited**

**Place: New Delhi  
Date: 01.09.2016**

**Megha Bansal  
Company Secretary  
M. NO.: A36741**

## Notes:

- (i) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE AT A POLL INSTEAD OF HIMSELF/HERSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETE AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN (10) % OF THE TOTAL SHARE CAPITAL OF THE COMPANY.
- (ii) Corporate Members intending to send their respective authorized representative are requested to send a duly certified copy of the Board/ Governing Body resolution authorizing such representative to attend and vote at the Annual General Meeting.
- (iii) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (iv) Pursuant to the provisions of Section 91 of the Companies Act, 2013 and SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from **22<sup>nd</sup> September, 2016** to **28<sup>th</sup> September, 2016** (both days inclusive).
- (v) Details under Regulation 27 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking appointment at the Annual General Meeting, forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment.

- (vi) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members who are holding shares in physical forms are requested to notify changes in their respective address/ Bank Mandate/ National Electronic Clearing Service (NECS) details, if any, to Company' s Registrar i.e Skyline Financial Services Pvt Ltd., D-153 A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020. Beneficial owners holding shares in electronic form are requested to intimate change in address/ Bank Mandate/ National Electronic Clearing Service (NECS) details, if any, to their respective Depository Participants (DP). Members are requested to register/ update their e-mail addresses with the Registrar in case of shares held in physical form and with their respective Depository Participants in case shares are held in electronic form.
- (vii) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar.
- (viii) Members may also note that the Notice of the 22<sup>nd</sup> Annual General Meeting and the Annual Report for the financial year 2015-16 will also be available on the Company' s website [www.sunshinecapital.in](http://www.sunshinecapital.in) for download. The physical copies of the aforesaid documents will also be available at the Company' s Registered Office in New Delhi for inspection during normal business hours on all working days.

- (ix) Electronic copy of the Annual Report for financial year 2015-16 along with the Notice of the 22<sup>nd</sup> Annual General Meeting of the Company (including Attendance Slip and Proxy Form) is being sent to all the members whose email IDs are registered with the Registrar/Depository Participants(s) unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2015-16 along with Notice of the 22<sup>nd</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent by other permissible modes.
- (x) Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by any permissible mode free of cost. For any communication, the shareholders may also send requests to the Company' s investor email id: sunshinecapital95@gmail.com
- (xi) Pursuant to the provisions of Section 72 of the Companies Act 2013, the member(s) holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in demat form may contact their respective Depository Participant for availing this facility.
- (xii) All documents referred to in the Notice are open for inspection at the registered office of the Company during normal business hours on all working days.
- (xiii) The Register of Director and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and Register of Contracts or Arrangements in which directors are interested under section 189 will be made available for inspection by members of the Company at the meeting.



## Voting through electronics means:

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time the Company is pleased to provide members facility to exercise their right to vote at the 22<sup>nd</sup> Annual General Meeting (AGM) by electronic means and the **business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ( "remote e-voting" ) will be provided by National Securities Depository Limited (NSDL).**

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or [www.sunshinecapital.in](http://www.sunshinecapital.in)

The facility for voting through Poling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.

The procedure to login to e-Voting website is given below:

1. Open the attached PDF file “e-Voting.pdf” giving your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as password, which contains your “User ID” and “Password for e-voting”. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
3. Click on “Shareholder - Login” .
4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
6. Home page of remote “e-Voting” opens. Click on e-Voting: Active Voting Cycles.
7. Select **EVEN (E-Voting Event Number)** of Sunshine Capital Limited. Members can cast their vote online from **25<sup>th</sup> September, 2016 (9:00 am)** till **27<sup>th</sup> September, 2016 (5:00 pm)**.
8. Now you are ready for “e-Voting” as “Cast Vote” page opens.
9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” , when prompted.

10. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail [tripathiaстик@gmail.com](mailto:tripathiaстик@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

**General instructions:**

- a. The e-voting period commences on **25<sup>th</sup> September, 2016 (9:00 am)** till **27<sup>th</sup> September (5:00 pm)**. During this period shareholders of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **21<sup>st</sup> September, 2016** may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- c. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- d. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

- e. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the **cut-off date of 21<sup>st</sup> September, 2016.**
- f. M/s Astik Tripathi & Associates, Company Secretaries (COP No. 10384) has been appointed by the Company to act as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- g. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- h. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer' s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- i. The results declared along with the Scrutinizer' s Report shall be placed on the Company' s website viz., [www.sunshinecapital.in](http://www.sunshinecapital.in) and on the website of NSDL on or before **Friday, 30<sup>th</sup> September, 2016.**

All the documents referred to in the accompanying Notice will be available for inspection at the Registered Office of the Company during business hours on all working days up to date of declaration of the result of the 22<sup>nd</sup> Annual General Meeting of the Company.

### Other information:

- Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- Please note that if you have opened 3-in-1 account with ICICI Group i.e. bank account and demat account with ICICI Bank Limited and trading account with ICICI Securities Limited, you can access e-Voting website of NSDL through their website viz., [www.icicidirect.com](http://www.icicidirect.com) for the purpose of casting your votes electronically by using your existing user ID and password used for accessing the website [www.icicidirect.com](http://www.icicidirect.com). Please note that in case you are not able to login through the ICICI direct website, you can also access the e-Voting system of NSDL by using your existing user ID and password for the e-voting system of NSDL.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.

**MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.**

**By Order of the Board of Directors  
For Sunshine Capital Limited**

**Place: New Delhi  
Date: 01.09.2016**

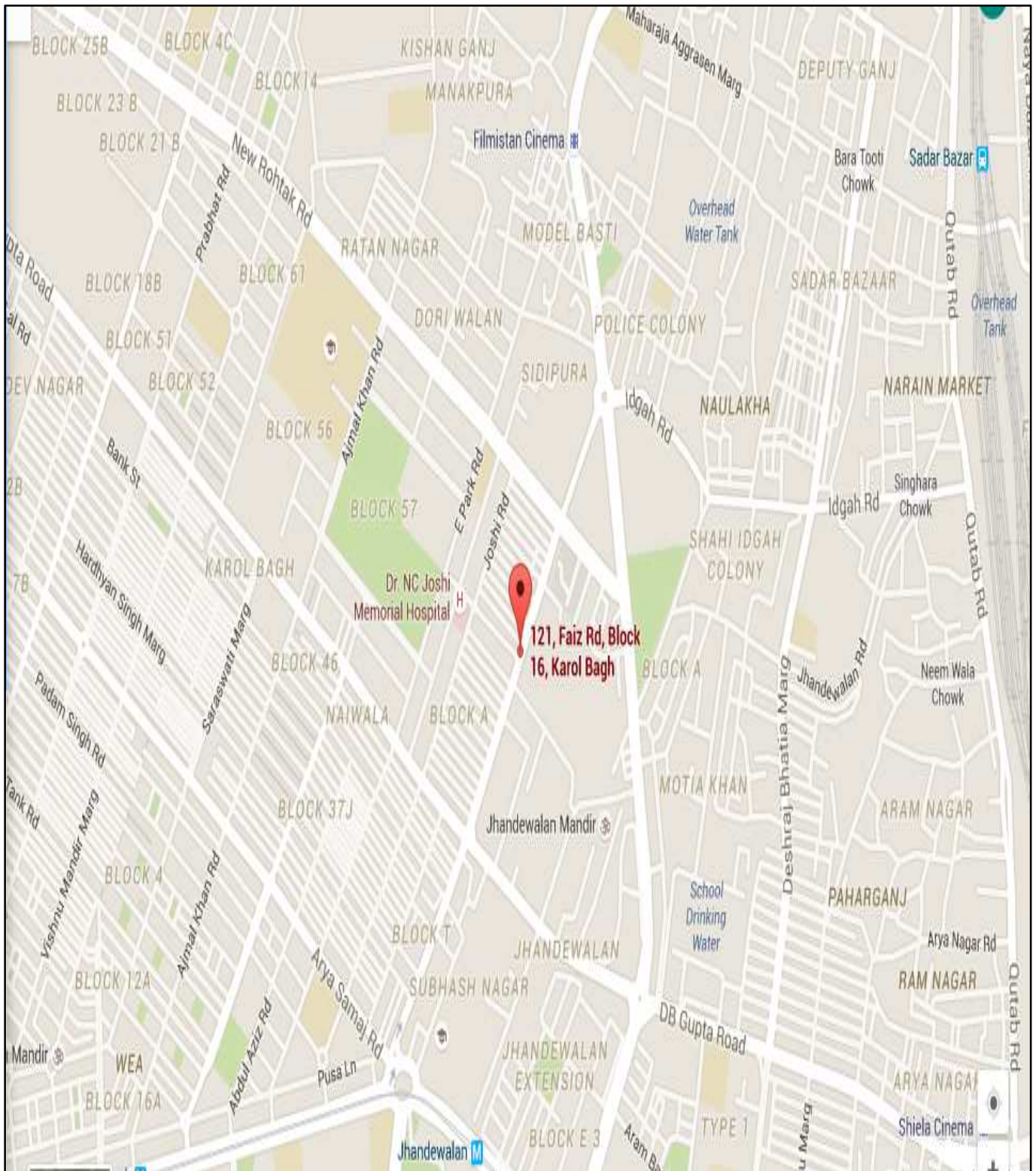
**Megha Bansal  
Company Secretary  
M. NO.: A36741**

## Details of Directors Retiring by Rotation and Seeking Re-Appointment

{In Pursuance of Regulation 27 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

Particulars	Date of Appointment	Qualifications	Expertise in specific Functional areas	Director of other Companies (excluding foreign Companies)
Mr. Surender Kumar Jain	01/03/1997	Post Graduate	Finance Sector	1. EURO ASIA LABORATORIES LIMITED 2. RKG FINVEST LIMITED 3. SITAL LEASING AND FINANCE LTD 4. SHRI NIWAS LEASING AND FINANCE LIMITED 5. SRI AMARNATH FINANCE LIMITED 6. TRANSNATIONAL GROWTH FUND LTD

Here we are given below the route map for the purpose of company's AGM venue:



# DIRECTOR'S REPORT



To  
The Members  
Sunshine Capital Limited

The Directors have pleasure in submitting their Annual Report on the business and operations of the Company alongwith the Audited Financial Statement for the financial year ended 31<sup>st</sup> March, 2016.

## FINANCIAL HIGHLIGHTS

Financial Results of the Company for the year under review along with the figures for previous year are as follows:

(IN ₹)

Particulars	31 <sup>st</sup> March, 2016	31 <sup>st</sup> March, 2015
Total Revenue	99,77,029	1,19,25,159
Profit before Tax	51,87,524	48,75,902
Current Tax	(16,08,252)	(15,26,660)
MAT Credit Entitlement	--	--
Earlier Year tax	--	(90)
Deferred Tax	(36,376)	27,266
Net Profit after Tax	35,42,896	33,76,418
Earning per Equity Shares	--	--
Basic	0.27	0.26
Diluted	0.27	0.26



### **OPERATIONAL PERFORMANCE:**

During the financial year 2015-16, the Company has recorded revenue of ₹ 99,77,029/-. The Company has earned net profit of ₹ 35,42,896/- during the year as compared to profit ₹ 33,76,418/- in the last year. The Directors are optimistic about future performance of the Company.

### **SUBSIDIARY COMPANIES:**

The Company does not have any subsidiary company.

### **DIVIDEND:**

As the company kept the profits for investment in better projects it regret not to recommend any dividend. But the directors are hopeful better result in ensuring future.

### **DEPOSITS:**

During the year, the Company has not invited/accepted any deposits under Companies Act, 2013.

### **INTERNAL CONTROL SYSTEM:**

The company has in place well defined and adequate internal controls commensurate with the size of the company and same were operating throughout the year. The company has in-house internal audit functions

### **SHARE CAPITAL:**

The paid up share capital as on 31<sup>st</sup> March, 2016 was ₹ 13,02,09,000/- and Authorised Share Capital of ₹ 13,11,00,000/-. The company has neither issued shares with differential rights as to dividend, voting or otherwise nor issued shares (including sweat equity shares) to the employees or directors of the company, under any scheme.

There has been no change in the equity share capital of the Company during the year.

No disclosure is required under Section 67(3) of the Act, in respect of voting rights not exercised directly by the employees of the company as the provisions of the said section are not applicable.

#### **TRANSFER TO STATUTORY RESERVES:**

During the year under review Company has transferred ₹ 7,30,548/- to the Statutory Reserves Fund from the profits of the Company in accordance with the provision of Section 45IC of the Reserve Bank of India.

#### **NO. OF BOARD MEETINGS HELD:**

The Board of Directors duly meets Ten (10) times during the financial year from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016. The dates on which meetings were held are as follows:

1<sup>st</sup> April 2015, 21<sup>st</sup> May 2015, 29<sup>th</sup> May 2015, 10<sup>th</sup> August 2015, 31<sup>st</sup> August 2015, 3<sup>rd</sup> November 2015, 28<sup>th</sup> December 2015, 30<sup>th</sup> January 2016, 18<sup>th</sup> February 2016, 14<sup>th</sup> March, 2016.

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

##### **A. DIRECTOR RETIRE BY ROTATION:**

Mr. Surender Kumar Jain (DIN: 00530035), Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board of Directors recommends their re-appointment.

##### **B. DECLARATION BY INDEPENDENT DIRECTORS:**

The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation.

The Independent Directors have submitted their disclosure to the board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of the

Companies Act, 2013 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration, Stakeholders Relationship Committee and Risk Management Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

### **KEY MANAGERIAL PERSONNEL:**

The Following employees were designated as whole time key managerial personnel during the year under review:

- (i) Mrs. Priti Jain, Managing Director
- (ii) Ms. Megha Bansal, Company Secretary

### **DIRECTORS' RESPONSIBILITY STATEMENT:**

In accordance with the provision of Section 134(5) of the Companies Act, 2013 the Board confirms and submits the Director's Responsibility Statement:

- in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;

- The Directors have taken proper & sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for prevention & detecting fraud & other irregularities;
- The Directors have prepared the accounts for the year ended 31<sup>st</sup> March, 2016 on a going concern basis.
- The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- The directors had devised proper system to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

### **AUDITORS:**

#### **A. STATUTORY AUDITOR:**

Mr. Anil Kumar, Chartered Accountant, had re- appointed as the Statutory Auditor of the company pursuant to the provisions of Section 139, 142 of the Companies act, 2013 and other applicable provisions, if any, to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting, on such remuneration to be decided by the Board of Directors of the Company

In this regard, written consent have submitted by Statutory Auditor for their eligibility and qualification to be re- appointed as Statutory Auditors of the company in terms of Section 139 of the Companies act, 2013 and also satisfy the criteria provided in section 141 of the Companies Act, 2013.

### **AUDITORS' REPORT:**

The Auditors' Report is annexed herewith marked as **Annexure III** and forms part of the Annual Report.

### **AUDITORS' OBSERVATIONS:**

The observation made by auditor with reference to notes to account are self explanatory and need no comments.

### **B. SECRETARIAL AUDIT AND THE APPOINTMENT OF THE SECRETARIAL AUDITORS:**

The Company has appointed Ms. Shazan Ali partner of M/s SAS & Associates having C.P. No. 9354 to hold the office of the Secretarial Auditors and to conduct the Secretarial Audit and the Secretarial Audit Report is annexed herewith marked as **Annexure I** to this report in Form No MR-3.

There is a qualification in the report that Company did not appoint Chief Financial Officer during the audit period. The Management clarified that, it is in the search of suitable candidate for the post of Chief Financial Officer.

### **C. APPOINTMENT OF INTERNAL AUDITOR:**

The Company has appointed Mr. Deepak Tyagi as an Internal Auditor of the Company for the financial year 2015-16. Mr. Deepak Tyagi placed the internal audit report to the Company which is self explanatory and need no comments.

### **EXTRACT OF THE ANNUAL RETURN:**

The Extract of the Annual Return for the financial year 2015-16 is being attached with the Directors report in Form No MGT-9 marked as **Annexure II**.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of Loans, Guarantees and Investment covered under the provisions of section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

## **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The particulars of contracts or arrangements with related parties for the financial year 2015-16 is annexed herewith to this report in Form No AOC -2.

## **LISTING OF SHARES:**

The Company has got listed 1,30,20,900 equity shares of ₹ 10/- each on Bombay Stock Exchange Limited (BSE) with effect from 20<sup>th</sup> January, 2016.

Also, Equity Shares of the Company are listed at the Jaipur Stock Exchange and Delhi Stock Exchange Limited, but as per SEBI circular no. WTM/RKA /MRD/20/2015 dated 23<sup>rd</sup> March, 2015; and SEBI circular no. WTM/PS/45/MRD/DSA/NOV/2014 dated 19<sup>th</sup> November 2014; JSE and DSE have been derecognized as Stock Exchange respectively.

## **ENHANCING SHAREHOLDER VALUE:**

Our Company firmly believes that its success in the market place and a good reputation is among the primary determination of value to the shareholders.

## **MATERIAL CHANGES AND COMMITMENTS**

Except as disclosed elsewhere in the Report, there have been no material changes and commitments made between the end of the financial year of the company and the date of this report.

## **SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the company.

### **DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM:**

In pursuant to the provision of Section 177 (9) & (10) of the Companies Act, 2013, The Company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of the company' s code of conduct or ethics policy. The Whistle Blower Policy is available on the website of the Company [www.sunshinecapital.in](http://www.sunshinecapital.in)

### **DEMATERILISATION OF SHARES:**

The Company has connectivity with NSDL & CDSL for dematerialization of its equity shares. The ISIN **INE974F01017** has been allotted for the Company. Therefore, the investors may keep their shareholding in the electronic mode with their Depository Participants. 63.01% of the Company' s Paid-up Share Capital is in dematerialized form as on 31st March, 2016 and balance 36.99% is in physical form.

### **CORPORATE GOVERNANCE:**

As per Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance together with the Auditors Certificate regarding the compliance of conditions of Corporate Governance forms part of the Annual Report.

### **MANAGEMENT DISCUSSION ANALYSIS REPORT:**

The Management Discussion and Analysis Report for the year under review, as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is presented in a separate section which forms part of the Annual Report.

### **HEALTH, SAFETY AND ENVIRONMENT PROTECTION:**

The Company has complied with all the applicable environmental law and labour laws. The Company has been complying with the relevant laws and has been taking all necessary measures to protect the environment and maximize worker protection and safety.

### **SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The policy is available on the website of the company i.e. [www.sunshinecapital.in](http://www.sunshinecapital.in)

The following is a summary of sexual harassment complaints received and disposed off during the year 2015-16.

- No of complaints received : 0
- No of complaints disposed off : N.A.

### **DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY:**

The assets of the Company are adequately insured against the loss of fire, riot, earthquake, terrorism, loss of profits, etc other risks which considered necessary by the management. The Company has been addressing the various risks impacting the Company and policy of the Company on risk management is provided elsewhere in this Annual Report in Management Discussion and Analysis.

### **PARTICULARS OF EMPLOYEES:**

None of the employee was drawing in excess of the limits by the Companies Act, 2013 and rules made there under which needs to be disclosed in the directors report.



**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:**

The Company does not fall under any of the industries covered by the Companies (Accounts) Rules, 2014. Hence, the requirements of disclosure in relation to the conservation of energy, technology absorption, foreign exchange earnings & outgo are not applicable to it.

	Particulars	Current Year 2015-16	Previous Year 2014-15
A	Conservation of Energy	Nil	Nil
B	Technology Absorption	Nil	Nil
C	Foreign Exchange Earnings & Outgo	Nil	Nil

**RBI GUIDELINES:**

The Company continues to fulfill all the norms and standards laid down by the Reserve Bank of India for the Non Banking Financial Company.

**NBFC REGISTRATION:**

The company has been registered with Reserve Bank of India as Non Banking Finance Company Vide Registration No. B-14.01266 on dated 25<sup>th</sup> September 1998.

**CREDIT RATING:**

The Directors of the Company are also happy to report that the Company gets its membership Certificate from all four CICs i.e., Credit Information Bureau (India) Limited (CIBIL), Equifax Credit Information Services Private Limited (ECIS), Experian Credit Information Company of India Pvt Ltd, CRIF High Mark Credit Information Services Pvt Ltd. A sound rating/upgrade in a challenged business environment speaks volumes about the Company's performance and its systems & processes.

### **EXPOSURE TO REAL ESTATE:**

The following are details of loan provided to the Companies engaged in real estate business during the financial year 2015-16:

<b>S. No.</b>	<b>Name of Companies</b>	<b>Amount (in ₹)</b>
1.	Sunworld Developers Pvt. Ltd.	13,85,082/-
2.	Sunworld Residnecy Pvt. Ltd.	1,44,836/-
3.	Sunworld City Pvt. Ltd.	76,229/-
4.	Vishal Infrabuild Ltd.	1,47,87,629/-

The policy is available on the website of the company i.e. [www.sunshinecapital.in](http://www.sunshinecapital.in)

### **CAPITAL FUND TO RISK WEIGHTED ASSETS:**

Percentages to capital funds to risk weighted assets/exposures are as follows:

<b>Particulars</b>	<b>(in %)</b>
Tier-I Capital	100.56
Tier-II Capital	0.21
<b>Total</b>	<b>100.77</b>

### **NON-BANKING FINANCIAL COMPANIES AUDITORS REPORT (RBI) DIRECTIONS, 1998:**

Pursuant to the Non-Banking Financial Companies Auditor's Report (Reserves Bank) directions, 1998, a report from the Statutory Auditors to the board of directors has been received by your company. This report has certified that the company has complied with all the directions and prudential norms as prescribed under the RBI Act, 1934.

## **CAUTIONARY STATEMENT**

Statements in the Board's Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable Securities Laws and Regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the company's operations include changes in Government Regulations, tax laws, economic developments within the country and other factors such as litigation and industrial relations.

## **ACKNOWLEDGEMENT:**

The Directors are thankful to the Bankers, Customers, Dealers and Vendors for their valuable support and assistance.

The Directors wish to place on record their appreciation of the commendable work done, dedication and sincerity by all the employees of the Company at all levels during the year under review.

The Company will make every effort to meet the aspirations of its shareholders and wish to sincerely thank them for their whole hearted co-operation and support at all times.

**For and on behalf of the Board of Directors  
For Sunshine Capital Limited**

**Place: New Delhi  
Date: 26.05.2016**

**Priti Jain  
Managing Director  
DIN: 00537234**

**Surender Kumar Jain  
Director  
DIN: 00530035**

## Form No. AOC-2

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

*Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.*

*1. Details of contracts or arrangements or transactions not at arm's length basis*

*(a) Name(s) of the related party and nature of relationship: NIL*

*(b) Nature of contracts/arrangements/transactions: NIL*

*(c) Duration of the contracts / arrangements/transactions: NIL*

*(d) Salient terms of the contracts or arrangements or transactions including the value: NIL*

*(e) Justification for entering into such contracts or arrangements or transactions: NIL*

*(f) Date of approval by the Board: NIL*

*(g) Amount paid as advances: NIL*

*(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: NIL*

*2. Details of material contracts or arrangement or transactions at arm's length basis*

*(a) Name(s) of the related party and nature of relationship: NIL*

*(b) Nature of contracts/arrangements/transactions: NIL*

*(c) Duration of the contracts / arrangements/transactions: NIL*

*(d) Salient terms of the contracts or arrangements or transactions including the value: NIL*

*(e) Date(s) of approval by the Board: NIL*

*(f) Amount paid as advances, if any: NIL*

# **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**



## **ECONOMIC OUTLOOK:**

The long-term fundamentals of the Indian economy continue to be strong due to rising incomes and large investments. These growth drivers are expected to sustain over a long period of time. At the same time, there are some concerns due to uncertain global economic environment and slow recovery in developed markets.

## **COMPANY OVERVIEW:**

The company is engaged in financial services and investment activities where the outlook of the business seems to be encouraging over and above we have been diversified into different businesses ranging from third party product distributions (lowest balance sheet risk) to originating unsecured personal loans, corporate loans (highest balance sheet risk). We believe that we are well placed to leverage on the growth opportunities in the economy.

## **FINANCIAL PERFORMANCE:**

The Company has achieved a turnover of ₹ 99,77,029/- during the year with net profitability of ₹ 35,42,896/-. The company's income from operations primarily includes income from trading and distributions of financial products such as Interest income from Inter-Corporate Loan and Long Term Investments.

## **FUTURE OUTLOOK:**

The future outlook of the Company is very prospective and it urges to diversify the various areas related to financial markets. Besides continuing aggressively in the existing growth areas, there are certain specific initiatives that we would like to highlight which the company would be undertaking in the financial year 2015-16. The Company is effectively putting together a growth strategy in the area of Debt Syndication, Private Placement, Corporate/Personal Loan, Advisory Services, Arranger and Distributions of Mutual Fund & Liaison for Financial Products.

## **OPPORTUNITIES & THREATS:**

### **Opportunities**

- Increase in Income levels will aid greater penetration of financial products
- Positive regulatory reforms
- Increase in corporate growth & risk appetite
- Greater efficiency in debt market operations which will also help greater penetration
- Increased securitization
- Focus on selling new product/services

### **Threats**

- Inflation could trigger increase in consumer price inflation, which would dampen growth
- Increased competition in both local & overseas markets
- Unfavorable economic development
- Market risk arising from changes in the value of financial instruments as a result of changes in market variables like interest rate and exchange rates

## **RISK MANAGEMENT:**

The company operates in the Financial Services Sector, which is affected by variety factors linked to economic development in India and globally which, in turn, also affected global fund flows. Any economic event across the globe can have direct or indirect impact on your company. To mitigate this, Company has diversified its revenue stream across multiple verticals. Your Company's risk management system is a comprehensive and integrated framework comprising structured reporting and stringent controls. Through its approach it strives to identify opportunities that enhance organizational values while managing or mitigating risks that can adversely impact the company's future performance. Within the organization, every decision taken is after weighing the pros and cons of such a decision making taking note of the risk attributable.

## **HUMAN RESOURCE:**

The Company keeps developing its organizational structure consistently over time. Efforts are made to follow excellent Human Resource practices. Adequate efforts of the staff and management personnel are directed on imparting continuous training to improve the management practices. The objective of your Company is to create a workplace where every person can achieve his or her full potential. The employees are encouraged to put in their best. Lot of hard work is put in to ensure that new and innovative ideas are given due consideration to achieve the short and long term objectives of your company.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The Company's well defined organization structure, documented policy guidelines, predefined authority levels, and an extensive system of internal controls ensure optimal utilization and protection of resources, IT security, accurate reporting of financial transactions and compliance with applicable laws and regulations. The Internal Control systems are guided to ensure that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are authorized, recorded, and reported correctly. The Company has an exhaustive budgetary control system. Actual performance is reviewed with reference to the budget

by the management on an ongoing basis. The Company's internal auditors review business processes and controls. The Audit Committee of the Board then discusses significant findings and corrective measures initiated.

**CAUTIONARY STATEMENT:**

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be "FORWARD LOOKING" within the meaning of applicable Laws and Regulations. Actual results may differ materially from those expressed herein, important factors that could influence the Company's operations include domestic economic Conditions affecting demand, supply, price conditions, and change in Government's regulations, tax regimes, other statutes and other factors such as industrial relations.

**MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATION FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED:**

The employees are satisfied and having good relationship with the Management.

**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 director. I confirm that the Company has in respect of the financial Year ended 31<sup>st</sup> March, 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.



# **CORPORATE GOVERNANCE REPORT FOR THE YEAR 2015-16**

**{As required under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}**



Corporate governance is a term that refers broadly to the rules, processes, or laws by which businesses are operated, regulated, and controlled. The term can refer to internal factors defined by the officers, stockholders or constitution of a corporation, as well as to external forces such as consumer groups, clients, and government regulations. The Corporate Governance is a key element in enhancing investor confidence, promoting competitiveness and ultimately improving economic growth.

The objective of Corporate Governance is “Enhancement of long term shareholders value and ensuring the protection of rights of the shareholders” and your company reiterates its commitment to good Corporate Governance.

## **COMPANY’ S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company policy on Corporate Governance rests on the pillars of transparency, accountability, integrity, equity and environment responsibility in all facets of its operations. Good Corporate

Governance therefore, embodies both enterprise (performance) and accountability (conformance).

Independent directors are appointed not merely to fulfill the listing requirement but for their diverse skills, experience and external objectivity that they bring to effectively perform their role to provide strategic direction and guidance and provide constructive support to management by asking the right questions and generating quality debates and discussions on major decisions.

## **MEETINGS:**

### **1. BOARD OF DIRECTORS MEETINGS:**

The Board of Directors duly met ten (10) times during the financial year from 1<sup>st</sup> April, 2015 to 31<sup>st</sup> March, 2016. The dates on which meetings were held are as follows:

1<sup>st</sup> April 2015, 21<sup>st</sup> May 2015, 29<sup>th</sup> May 2015, 10<sup>th</sup> August 2015, 31<sup>st</sup> August 2015, 3<sup>rd</sup> November 2015, 28<sup>th</sup> December 2015, 30<sup>th</sup> January 2016, 18<sup>th</sup> February 2016, 14<sup>th</sup> March, 2016.

The periodicity between two Board Meetings was within the maximum time gap as prescribed in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015/ Companies Act, 2013.

The composition of the Board of Directors, their attendance at Board Meetings and last Annual General Meeting is as under:

Name of the Director	Designation	Category	Number of Board Meetings during the year		Attendance of Last AGM
			Held	Attended	
Mrs. Priti Jain	Managing Director	Executive & Non Independent	10	10	Yes
Mr. Surender Kumar Jain	Director	Non-Executive & Non Independent	10	10	Yes
Mr. Sujan Mal Mehta	Director	Non-Executive & Independent	10	10	Yes
Mr. Anil Prakash	Director	Non-Executive & Independent	10	10	Yes
Mrs. Rajni	Director	Non-Executive & Independent	10	10	Yes

## **Information provided to the Board:**

The Board of the Company is presented with all information under the following heads, whenever applicable and materially significant. These are surmised either as part of the agenda will in advance of the Board Meetings or are tabled in the course of the Board Meetings. This, inter-alia, include:

- Annual operating plans of businesses, capital budgets, updates.
- Quarterly results of the Company and its operating divisions or business segments.
- Information on recruitment and remuneration of senior officers just below the Board level, including appointment or removal of Chief Financial Officer and the Company Secretary.
- Materially important litigations, show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents.
- Any material default in financial obligations to and by the Company or substantial non-payment for services rendered by the Company.
- Details of any joint venture or collaboration agreement or new client win.
- Any issue, which involves possible public liability claims of substantial nature, including any judgment or order, which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
- Transactions had involved substantial payments towards good-will, brand equity, or intellectual property.
- Significant development in the human resources front.
- Sale of material, nature of investments, subsidiaries, assets which is not in the normal course of business.
- Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement.
- Quarterly update on the return from deployment of surplus funds.
- Non-compliance of any regulatory or statutory provisions or listing requirements as well as shareholder services as non-payment of dividend and delays in share transfer.

- Significant labour problems and their proposed solutions. Any significant development in Human Resources /Industrial Relations front like signing of wage agreement, implementation of Voluntary Retirement Scheme etc.
- Company has policy for the familiarization programme for Independent Director which is available on website of the company i.e. [www.sunshinecapital.in](http://www.sunshinecapital.in)

## **2. INDEPENDENT DIRECTORS MEETING:**

One Meeting of Independent Directors was held on 7<sup>th</sup> March, 2016 during the financial year ended March 31<sup>st</sup>, 2016.

The meeting shall:

- Review the performance of non-independent directors and the Board as a whole ;
- Review the performance of Chairperson of the company, taking into account the views of executive directors and non executive directors and;
- Assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

## **FAMILIARIZATION PROGRAMME FOR DIRECTORS**

At the time of appointing a director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected by him/her as a director of company. The chairman and Managing Director also have a one to one discussion with the newly appointed director to familiarize him/her with the company operations.

## **PERFORMANCE EVALUATION OF NON-EXECUTIVE AND INDEPENDENT DIRECTORS:**

The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, Industry and administration. Their presence on the Board is advantageous and fruitful in taking business decision.

### **3. COMMITTEES MEETINGS:**

The Board has Six Committees namely:

- A. Audit Committee
- B. Nomination & Remuneration Committee
- C. Stakeholders' Relationship Committee
- D. Risk Management Committee
- E. Asset Liability Management Committee and
- F. Investment Committee

#### **A. AUDIT COMMITTEE:**

The Audit Committee comprises three members out of which two including Chairman of the Committee are Independent Director. During the Year Four (4) Audit Committee Meetings were convened and held.

#### **Objectives of Audit Committee:**

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting progress with a view to ensuring accurate timely and proper disclosures and transparency, integrity and quality of financial reporting. The Committee oversees the work carried out by the management, internal auditors on the financial reporting process and the safeguards employed by them.

### **Brief description of the terms of reference:**

- Overview of the Company' s financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position.
- Recommending the appointment, re-appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing the financial statements and draft audit report, including quarterly / half yearly financial information.
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on:
  - ❖ Any changes in accounting policies and practices;
  - ❖ Major accounting entries based on exercise of judgment by management;
  - ❖ Qualifications in draft audit report;
  - ❖ Significant adjustments arising out of audit;
  - ❖ Compliance with accounting standard;
  - ❖ Compliance with stock exchange and legal requirements concerning financial statements;
  - ❖ Any related party transactions as per Accounting Standard 18.
  - ❖ Reviewing the Company' s financial and risk management policies.
  - ❖ Disclosure of contingent liabilities.
  - ❖ Reviewing with the management, external and internal auditors and the adequacy of internal control systems.
  - ❖ Discussion with internal auditors of any significant findings and follow-up thereon.
  - ❖ 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.
  - ❖ Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - ❖ Reviewing compliances as regards the Company' s Whistle Blower Policy.

- **Mandatory review of 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 control weaknesses issued by Statutory Auditors and;
  - ❖ Appointment, removal and terms of remuneration of Internal Auditor.

#### **Meetings of the Committee:**

The Committee met 4 (Four) times on 29<sup>th</sup> May, 2015, 10<sup>th</sup> August, 2015, 3<sup>rd</sup> November, 2015 & 30<sup>th</sup> January, 2016 during the financial year ended March 31, 2016.

The Minutes of the Meetings of the Audit Committee are discussed and taken note by the board of directors.

The Statutory Auditor, Internal Auditor and Executive Directors/ Chief Financial Officer are invited to the meeting as and when required.

#### **Composition of the Audit Committee and Their Attendance at the Meeting:**

Name of Members	Category/ Designation	No. of Meetings	
		Held	Attended
Mrs. Rajni	Chairperson	4	4
Mr. Surender Kumar Jain	Member	4	4
Mr. Anil Prakash	Member	4	4

#### **Powers of Audit Committee:**

The audit committee shall have the following powers, which includes the following:

- To investigate any activity within its terms of reference.
- To seek information from any employee.

- To obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant with relevant expertise, if it considers necessary.

**Review of Information by Audit committee:**

The Audit Committee shall mandatorily review the following information:

- Management Discussion and analysis of financial condition and results of operations;
- Statement of related party transactions (As defined by Audit Committee), submitted by Management;
- Management letters / letters of internal control weakness issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses; and
- The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

**B. NOMINATION & REMUNERATION COMMITTEE:**

The Nomination & Remuneration Committee comprises three members out of which two including Chairman of the Committee are Independent Director. During the Year Two (2) Nomination & Remuneration Committee Meetings were convened and held.

**Scope of the Committee:**

The terms of reference of the remuneration committee in brief pertain to inter-alia, determining the Companies policy on and approve specific remuneration packages for executive director (s)/Manager under the Companies Act, 2013 after taking in to account the financial position of the Company, trend in the industry, appointees qualification, experience, past performance, interest of the Company and members.



### **Meetings of the Committee:**

The Committee met 2 times on 31<sup>st</sup> August, 2015 & 17<sup>th</sup> February, 2016 during the financial year ended March 31, 2016.

The Minutes of the Meetings of the Nomination & Remuneration Committee are discussed and taken note by the board of directors.

### **Composition of the Nomination & Remuneration Committee and their attendance at the meeting:**

Name of Members	Category/ Designation	No. of Meetings	
		Held	Attended
Mrs. Rajni	Chairperson	2	2
Mr. Surender Kumar Jain	Member	2	2
Mr. Anil Prakash	Member	2	2

### **C. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Stakeholders' Relationship Committee comprises three members of which two including Chairman of the Committee are Independent Director. During the Year Two (2) Stakeholders' Relationship Committee Meetings were convened and held.

### **Scope of the Committee:**

The scope of the Stakeholders' Relationship Committee is to review and address the grievance of the shareholders in respect of share transfers, transmission, non-receipt of annual report, non-receipt of dividend etc, and other related activities. In addition, the Committee also looks into matters which can facilitate better investor' s services and relations.

### **Meetings of the Committee:**

The Committee met 2 times on 21<sup>st</sup> May, 2015 and 3<sup>rd</sup> November, 2015 during the financial year ended March 31, 2016.

The Minutes of the Meetings of the Stakeholders' Relationship Committee are discussed and taken note by the board of directors.  
**Composition of the Stakeholders' Relationship Committee and their attendance at the meeting:**

Name of Members	Category/ Designation	No. of Meetings	
		Held	Attended
Mr. Anil Prakash	Chairman	2	2
Mr. Surender Kumar Jain	Member	2	2
Mrs. Rajni	Member	2	2

**Compliance Officer:**

<b>NAME OF THE COMPLIANCE OFFICER</b>	Ms. Megha Bansal
<b>CONTACT DETAILS</b>	209, Bhanot Plaza II, 3 D B Gupta Road, New Delhi-110055
<b>E- MAIL ID</b>	sunshinecapital95@gmail

**D. RISK MANAGEMENT COMMITTEE:**

The Risk Management Committee comprises three members out of which two including Chairman of the Committee are Independent Director. During the Year Two (2) Risk Management Committee Meetings were convened and held.

**Scope of the Committee:**

The Committee constituted to understand and assess various kinds of risks associated with the running of business and suggesting/implementing ways and means for eliminating/minimizing risks to the business of the Company and periodic review of the management control procedures/tools used to mitigate such risks.

### Meetings of the Committee:

The Committee met 2 times on 29<sup>th</sup> May, 2015 and 28<sup>th</sup> December, 2015 during the financial year ended March 31, 2016.

The Minutes of the Meetings of the Risk Management Committee are discussed and taken note by the board of directors.

### Composition of Risk Management Committee and their attendance at the meeting:

Name of Members	Category/ Designation	No. of Meetings	
		Held	Attended
Mr. Anil Prakash	Chairman	2	2
Mr. Surender Kumar Jain	Member	2	2
Mrs. Rajni	Member	2	2

### E. ASSET LIABILITY MANAGEMENT COMMITTEE:

The Asset Liability Management Committee of the Board was comprises of three members. During the Year Four (4) Asset Liability Management Committee Meetings were convened and held.

The Asset Liability Management Committee of the Board has been entrusted with the following responsibilities: -

- To ensure proper funding and capital planning, management of market risks, profit planning, forecasting and analyzing interest rate movements etc.

### Meetings of the Committee:

The Committee met 4 times on 30<sup>th</sup> May, 2015, 12<sup>th</sup> August, 2015, 3<sup>rd</sup> November 2015 and 30<sup>th</sup> January, 2016 during the financial year ended March 31, 2016.

The Minutes of the Meetings of the Asset Liability Management Committee are discussed and taken note by the board of directors.

**Composition of Asset Liability Management Committee and their attendance at the meeting:**

Name of Members	Category/ Designation	No. of Meetings	
		Held	Attended
Mr. Anil Prakash	Chairman	4	4
Mr. Surender Kumar Jain	Member	4	4
Mrs. Priti jain	Member	4	4

**F. INVESTMENT COMMITTEE:**

The Investment Committee of the Board was comprises of three members. During the Year Four (4) Investment Committee meetings were convened and held.

The Investment Committee of the Board has been entrusted with the following responsibilities:

- To keep check on sale and purchase of the investment of the company.
- Approve Personal and Business Loan.
- Approve the opening and operating of Letters of Credit, Buyers Credit, Forex facility etc.

**Meetings of the Committee:**

The Committee met 4 times on 17th April, 2015, 25th August 2015, 17th December, 2015 and 21st March, 2016 during the financial year ended March 31, 2016.

The Minutes of the Meetings of the Investment Committee are discussed and taken note by the board of directors.

**Composition of Investment Committee and their attendance at the meeting**

Name of Members	Category/ Designation	No. of Meetings	
		Held	Attended
Mr. Anil Prakash	Chairman	4	4
Mr. Surender Kumar Jain	Member	4	4
Mrs. Priti jain	Member	4	4

#### **4. SHARE HOLDERS MEETING:**

There is only one Share Holder Meeting (Annual General Meeting) held on 30<sup>th</sup> September, 2015.

#### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY:**

The Board has approved the Whistle Blower Policy, a mechanism for employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The mechanism also provide for adequate safeguards against victimization of employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases.

During the year under review no personnel has been denied access to the audit committee.

The Company has adopted a formal Vigil Mechanism/ Whistle-blower policy. The approved policy is available on the Company's website [www.sunshinecapital.in](http://www.sunshinecapital.in)

#### **PERFORMANCE EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders' Relationship Committee and Risk Management Committee. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**STATEMENT INDICATING THE MANNER IN WHICH FORMAL ANNUAL EVALUATION HAS BEEN MADE BY THE BOARD OF ITS OWN PERFORMANCE AND THAT OF ITS COMMITTEES AND INDIVIDUAL DIRECTORS:**

- Nomination and Remuneration Committee of the Board had prepared and sent through its Chairman draft parameterized feedback forms for evaluation of the Board, Independent Directors and Chairman.
- Independent Directors at a meeting without anyone from the non independent directors and management, considered/evaluated the Board's performance, performance of the Chairman and other non-independent Directors.
- The Board subsequently evaluated performance of the Board, the Committees and Independent Directors (without participation of the relevant director).

**SUBSIDIARY COMPANY:**

The company does not have any Subsidiary company.

**GENERAL BODY MEETING:**

**Annual General Meeting held during the previous financial year:**

<b>Year</b>	<b>Date</b>	<b>Venue</b>	<b>Time</b>
2015	30.09.2015	16/121-122, Jain Bhawan First Floor, Faiz Road, Karol Bagh, New Delhi - 110005	11:00 A.M.
2014	05.09.2014	209, Bhanot Plaza-II, 3, D.B. Gupta Road New Delhi-110055.	03:00 P.M.
2013	06.06.2013	209, Bhanot Plaza-II, 3, D.B. Gupta Road New Delhi-110055.	10:00 A. M.

## **MANAGEMENT:**

### **A. Management Discussion and Analysis**

A statement of management Discussion and Analysis is appearing elsewhere in this Annual report in terms of requirement of the Code of Corporate Governance.

### **B. Disclosure of material transactions**

Pursuant to Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, senior management members have given disclosures to the Board that there are no material, financial and commercial transactions where they had (or were deemed to have had) personal interest that might have been in potential conflict with the interest of the Company.

## **APPOINTMENT/REAPPOINTMENT OF DIRECTORS:**

Mr. Surender Kumar Jain retires from Board by rotation this year and, being eligible, has offered his candidature for re-appointment. Their candidature has been recommended by the remuneration and nomination committee to the Board, which in turn has recommended the same for approval of the shareholders.

## **MEANS OF COMMUNICATIONS:**

- A. The Unaudited/ Audited Financial Results have been published in a Hindi National Newspaper and an English National Newspaper. The results were sent to the Stock Exchanges on quarterly basis. Details of publication of Financial Results are given below:

<b>Period</b>	<b>Name of Newspaper</b>
Audited Financial Results for the year ended 31.03.2016	Dainik Rashtriya Ujala (Hindi News Paper) and Indian Horizon (English News Paper)
Unaudited Financial Results for the Quarter ended on 31.12.2015	Naya India (Hindi News Paper) and Indian Horizon (English News Paper)
Unaudited Financial Results for the Quarter ended on 30.09.2015	Naya India (Hindi News Paper) and Financial Chronicle (English News Paper)
Unaudited Financial Results for the Quarter ended on 30.06.2015	Mahalaxmi Bhagyodai (Hindi News Paper) and Money Maker (English News Paper)

The audited yearly / unaudited quarterly results of the Company are also displayed on the website of the Company at [www.sunshinecapital.in](http://www.sunshinecapital.in) as per the requirements of the Regulation 46 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the website of the Company is regularly updated.

B. Half yearly results are not sent to the shareholders. Annual Report and Financial Statements are sent to all the shareholders at their email addresses registered with the Company/RTA.

## **DISCLOSURES:**

### **A. Related Party Transactions:**

There have been no materially significant related party transactions with the Company's promoters, directors, management or their relatives which may have a potential conflict with the interests of the Company. Members may refer to Disclosures of transactions with related parties i.e. Promoters, Directors, Relatives, or Management made in the Balance Sheet in Notes to the Accounts. Also the Related party Transaction Policy of the Company is available on the website of the Company i.e. [www.sunshinecapital.in](http://www.sunshinecapital.in)

### **B. Accounting Standards:**

The Company has followed the Accounting Standards laid down by the Companies Act, 2013.

### **C. Compliance with Regulations:**

The Company has complied fully with the requirements of the regulatory authorities on capital markets. There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor has any penalty been imposed on the Company by the stock exchanges, SEBI or any other statutory authority.



#### **D. Auditors Certificate on Corporate Governance:**

The Statutory Auditors of the Company have furnished the requisite Certificate to the Board of Directors as required by Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### **E. Secretarial Audit:**

A qualified practicing Company Secretary carried out secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The secretarial audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

#### **F. Prohibition of Insider Trading:**

In compliance with the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has constituted a comprehensive Code of Conduct for its Senior Management, Staff, and relevant business associates. The code lays down guidelines, which advise them on procedure to be followed and disclosures to be made while dealing with the Shares of the Company.

#### **G. Code Of Conduct:**

In terms of Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel of the Company. The same has been posted on the Company's website i.e. [www.sunshinecapital.in](http://www.sunshinecapital.in) The Declaration by the Chairman and Managing Director of the Company forms part of this Report.

The Chairman & Managing Director of the Company has given the certification on financial reporting and internal controls to the Board in terms of Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Chairman & Managing Director also gives quarterly certification on financial results while placing the financial results before the Board in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**DECLARATION OF COMPLIANCE OF THE CODE OF CONDUCT IN TERMS OF SCHEDULE V OF SEBI  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

I hereby confirm that all the Board Members and senior management personnel of the company have affirmed their compliance of the “Code of Conduct for Members of the Board and Senior Management” for the year ended 31st March 2016 in term of the Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

**For and on behalf of the Board of Directors  
For Sunshine Capital Limited**

**Place: New Delhi  
Date: 26.05.2016**

**Priti Jain  
Managing Director  
DIN: 00537234**

## **GENERAL SHAREHOLDERS INFORMATION:**

### **A. 22<sup>nd</sup> Annual General Meeting:**

**Date** : 28<sup>th</sup> September, 2016  
**Time** : 01.00 P.M.  
**Venue** : 16/121-122, Jain Bhawan, Faiz Road  
Karol Bagh, New Delhi-110005

### **B. Date of Book Closure:**

The Company's Register of Members and Share Transfer Books will remain close from **22<sup>nd</sup> August, 2016 to 28<sup>th</sup> September, 2016** (both days inclusive)

### **C. Financial Year:**

1<sup>st</sup> April to 31<sup>st</sup> March

### **D. Registered Office:**

209, Bhanot Plaza-II, 3, D.B. Gupta Road, New Delhi-110055

### **E. Corporate Office:**

16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005

### **F. Stock Exchanges:**

Shares of the Company are listed on Bombay Stock Exchange Limited (BSE), Delhi Stock Exchange Limited (DSE) and Jaipur Stock Exchange Limited (JSE) out of which Delhi Stock Exchange Limited (DSE) and Jaipur Stock Exchange Limited (JSE) are derecognized.

### **G. Market Price Data:**

There has been no trading in DSE, JSE & BSE during the year 2015-16.

## **H. Scrip Code**

The Scrip Code on BSE is 539574.

## **I. Registrar and Share Transfer Agents:**

Skyline Financial Services Pvt Ltd., D-153 A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020, is the Registrar and Share Transfer Agents of the Company.

## **J. Share Transfer System:**

- The Share Transfer Committee meets as often as possible to approve transfers and related matters as may be required by the Registrars and share Transfer Agents.
- All matters connected with the share transfer, dividends and other matters are being handled by the RTA located at the address mentioned elsewhere in this report.
- Shares lodged for transfers are normally processed within ten days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within seven days. Grievances received from investors and other miscellaneous correspondence relating to change of address, mandates, etc.
- Certificates are being obtained and submitted to Stock Exchanges, on half-yearly basis, from a Company Secretary-in-practice towards due compliance of share transfer formalities by the Company within the due dates, in terms of Regulation 7(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with Stock Exchanges.
- Certificates have also been received from a Company Secretary-in-practice and submitted to the Stock Exchanges, on a quarterly basis, for timely dematerialization of shares of the Company and for reconciliation of the share capital of the Company, as required under SEBI (Depositories and Participants) Regulations, 1996.

- The Company has designated the following e-mail IDs, namely [www.sunshinecapital.in](http://www.sunshinecapital.in) for the purpose of registering complaints, if any, by the investors and expeditious redressal of their grievances.
- Shareholders are, therefore, requested to correspond with the RTA for transfer / transmission of shares, change of address and queries pertaining to their shareholding, dividend, etc., at their address given in this report [www.sunshinecapital.in](http://www.sunshinecapital.in)

#### K. Dematerialization of Shares:

The shares of the Company are permitted for trading on dematerialized form only. The Company's shares are available for trading in the depository system of both NSDL and CDSL. As on March 31, 2016, 63.01% of the share capital of the Company stands dematerialized and balance 36.99% is in the physical form. The ISIN with NSDL and CDSL is INE974F01017.

#### L. Shareholding Pattern as on March 31, 2016:

Category	No. of shareholders	No. of Shares (Face value of Rs. 10/- each)	No. of shares in demat form	% of shareholding
Promoters	4	716200	716200	5.50
Body Corporate	29	5278950	2395900	40.54
NRI/OCBs/Clearing Members/Trust	0	0	0	0
Bank/Financial Institutions	0	0	0	0
Indian Public	573	7023550	5807950	53.94
HUF	2	2200	1200	0.02
<b>Total</b>	<b>608</b>	<b>13020900</b>	<b>8921250</b>	<b>100</b>

**M. Distribution Schedule of Shareholding as on March 31, 2016:**

Shareholding of Nominal Value		No. of Shareholder	% of Shareholder	No of Shares held	% of Shareholding
(Rs.)	(Rs.)				
Upto	5000	215	35.36	101200	0.78
5001	10000	279	45.89	268100	2.06
10001	20000	13	2.14	21900	0.17
20001	30000	5	0.82	13000	0.10
30001	40000	4	0.66	15400	0.12
40001	50000	4	0.66	18700	0.14
50001	100000	15	2.47	120050	0.92
100001	ABOVE	73	12.01	12462550	95.71
<b>TOTAL</b>		<b>608</b>	<b>100</b>	<b>13020900</b>	<b>100</b>

**N. Address for Correspondence:**

The shareholders may address their communication/ suggestion/ grievances/ queries to the Company' s registered office or our Share Transfer Agent:

Skyline Financial Services Pvt Ltd  
D-153 A, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase-I, NewDelhi-110020  
Tel No: 011-26812682  
Fax No: 011-26812683  
Website: [www.skylinerta.com](http://www.skylinerta.com)  
E-mail: [viren@skylinerta.com](mailto:viren@skylinerta.com)

The Question relating to share and requests for transactions such as transfer, transmission and nomination facilities, change of address, may please be taken up with the Registrar and Transfer Agent at above given address.

## **CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members  
**Sunshine Capital Limited**

I have examined all relevant records of Sunshine Capital Limited ( 'the Company' ) for the purpose of certifying of the conditions of Corporate Governance under Regulation of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement with Stock Exchanges for the financial year ended 31st March, 2016. I have obtained all the information and explanations, which are to the best of my knowledge and belief, were necessary for the purposes of certification.

The compliance of the condition of Corporate Governance is responsibility of the management. My Examination has been limited to a review of the procedure and implementations thereof. This certificate is neither an assurance for the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

On the basis of my examination of the records produced explanations and information furnished, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the above mentioned Listing Agreement.

**Anil Kumar**  
**Chartered Accountant**  
**M. No. 86223**

**Date: 26.05.2016**  
**Place: New Delhi**

## CEO/CFO/MD CERTIFICATION

I, Priti Jain, Managing Director of Sunshine Capital Limited, to the best of my knowledge and belief hereby certify that:-

- (a) I have reviewed the financial statements and the cash flow statements for the year ended 31-03-2016 and that the best of my knowledge and belief:-
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - (ii) 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.
- (b) There are to the best of my knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or violate the company's Code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee deficiencies in the design and operations of such internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit Committee:
  - (i) Significant changes in the internal control over financial reporting during the year under reference.
  - (ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements and
  - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- (e) I further declare that the board members and senior managerial personnel have affirmed compliance with the code of conduct under Regulation of the SEBI (Listing Obligations and Disclosure Requirement) Regulations' 2015, for the Current Year.

**For and on behalf of the Board of Directors  
For Sunshine Capital Limited**

**Place: New Delhi  
Date: 26.05.2016**

**Priti Jain  
Managing Director  
DIN: 00537234**



**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31.03.2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31.03.2016**

To,  
The Members,  
SUNSHINE CAPITAL LIMITED  
209 Bhanot Plaza II 3 D B Gupta Road  
New Delhi 110055

Date of Incorporation: 11/07/1994  
Authorized Share Capital: 131100000.00  
Paid up Share Capital: 130209000.00

We have conducted the secretarial audit of the compliance of applicable statutory provisions SUNSHINE CAPITAL LIMITED hereinafter referred to as ( "the company" ).Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the SUNSHINE CAPITAL LIMITED 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, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st Day of March, 2016 ( 'Audit Period' ) 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by SUNSHINE CAPITAL LIMITED ( 'The Company') for the financial year ended on 31st Day of March, 2016 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ( 'SCRA' ) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: (Not applicable to the company during the audit period)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ( 'SEBI Act' ): -
  - 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;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

As per the information furnished before us, We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Listing Agreements entered into by the Company with Stock Exchange(s),

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. Company has not complied with the provisions of Section 203 (iii) of Companies Act, 2013 for appointment of Chief Financial Officer during the audit period.

**We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. 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 is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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 however, Company does not have proof of payment of sitting fee to the directors.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We 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.

Place: Delhi

SAS and Associates

Date: 26.05.2016

Shazan Ali

Partner

ACS No. 25996

C P No.: 9354

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

## Annexure- A

To,  
The Members,  
SUNSHINE CAPITAL LIMITED  
209 Bhanot Plaza II 3 D B Gupta Road  
New Delhi 110055

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

- i. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- ii. We have followed the audit practices and process as were appropriate 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. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
- iii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
- iv. Where ever required, we have obtained the management representations about the compliance of laws, rules and regulations and happening of events etc.
- v. The Compliance of provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedure on test basis.
- vi. The Secretarial Audit report is neither an assurance as to the future viability nor of the efficacy of the effectiveness with which the management has conducted the affairs of the Company.

Place: Delhi  
Date: 26.05.2016

SAS and Associates

Shazan Ali  
Partner  
ACS No. 25996  
C P No.: 9354

**Form No. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on 31/03/2016

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	L74899DL1994PLC060154
ii.	REGISTRATION DATE	11/07/1994
iii.	NAME OF COMPANY	SUNSHINE CAPITAL LIMITED
iv.	CATEGORY OF COMPANY	Having Share Capital
v.	SUB-CATEGORY OF COMPANY	Indian Non-Government Company
vi.	ADDRESS OF COMPANY	209 Bhanot Plaza II, 3 D B Gupta Road, New Delhi- 110055
vii.	LISTED/UNLISTED	Listed
viii.	NAME & ADDRESS OF RTA	Skyline Services Private Limited D-153/A 1st Floor, Okhla Industrial area, Phase-1, New Delhi- 110020

**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:-

Sl. No	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1	Other Financial Services- Dealing in shares and securities	0649	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL**

S. N.	NAME AND ADDRESS OF THE COMPANY	CIN/ GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	%OF SHARES HELD	APPLICABLE SECTION
NIL					

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity )

##### i. Category-wise share Holding

	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
(1) <b>Indian</b>									
a) Individual/ HUF	716200	-	716200	5.50	716200	-	716200	5.50	0
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
<b>Total shareholding of Promoter (A)</b>	<b>716200</b>	<b>-</b>	<b>716200</b>	<b>5.50</b>	<b>716200</b>	<b>-</b>	<b>716200</b>	<b>5.50</b>	<b>0</b>
<b>B. Public Shareholding</b>									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-

<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	2395900	2883050	5278950	40.54	2395900	2883050	5278950	40.54	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh/ 2 lakh	43950	497700	541650	4.16	113950	566200	680150	5.22	1.06
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh/ 2 lakh	5049000	1434100	6483100	49.79	4979000	4911500	6345600	48.73	(01.06)
c) Others (specify)	-	-	-	-	-	-	-	-	-
HUF	-	1000	1000	0.01	-	-	-	-	(0.01)
<b>Sub-total (B)(2):-</b>	7488850	4815850	12304700	94.50	7488850	8360750	12304700	94.50	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	7488850	4815850	12304700	94.50	7488850	8360750	12304700	94.50	0.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	8205050	4815850	13020900	100.00	8205050	8360750	13020900	100.00	0.00

## ii. Shareholding of Promoters

Shareholder' s Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
Priti Jain	2,73,320	2.10	-	2,73,720	2.10	-	No
Babita Jain	2,54,000	1.95	-	2,54,000	1.95	-	No
Virendra Kumar Jain	300	0.00	-	300	0.00	-	No
Surender Kumar Jain	1,88,180	1.45	-	1,88,180	1.45	-	No

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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	7,16,200	5.50	7,16,200	5.50
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-		
At the End of the year	7,16,200	5.50	7,16,200	5.50



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

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	2613720	20.07	2613720	20.07
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
At the End of the year (or on the date of separation, if separated during the year)	2613720	20.07	2613720	20.07

**v. Shareholding of Directors and Key Managerial Personnel:**

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	566900	04.35	566900	04.35
Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
At the End of the year	566900	04.35	566900	04.35

## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

## VI. REMUNARATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to managing Director, Whole -time Directors and / or Manager:

Sl. No	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		----	----	----	----	
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income -tax Act,1961 (b) Value of perquisites u/s 17(2) Income tax Act, 1961 (c) Profit in lieu of salary under section 17(3) Income tax Act,1961	-	-	-	-	-

2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission - As % of profit - others, Specify...	-	-	-	-	-
5.	Others, please specify	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

#### B. Remunerations to others Director

	Particulars of Remuneration	Name of Director				Total Amount
		-----	-----	-----	-----	
	1. Independent Directors • Fee for attending board committee meetings • Commission • Others, Please specify	Rajni	-	-	-	Rs. 5000/- P.M.
	<b>Total (1)</b>	-	-	-	-	-
	2. Other Non - Executive Directors • Fee for attending board committee meetings • Commission • 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	-	Megha Bansal	-	Rs. 21000/- P.M
	(b) Value of perquisites u/s 17(2) Income tax Act, 1961	-	-	-	-
	(c) Profit in lieu of salary under section 17(3) Income tax Act,1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - As % of profit - Others specify.....	-	-	-	-
5.	Others, Please specify	-	-	-	-
	<b>Total</b>	-	-	-	Rs. 21000/- P.M

**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)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**B. DIRECTORS**

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**C. OTHER OFFICERS IN DEFAULT**

Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board of Directors  
For Sunshine Capital Limited

Place: New Delhi  
Date: 26.05.2016

Priti Jain  
Managing Director  
DIN: 00537234

Megha Bansal  
Company Secretary  
M. No. A36741

## Independent Auditor' s Report

To the Members of  
**SUNSHINE CAPITAL LIMITED**

### **Report on the Financial Statements**

I have audited the accompanying financial statements of M/s SUNSHINE CAPITAL LIMITED ( "the Company" ) which comprise the Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management' s Responsibility for the Financial Statements**

The Company' s Management is responsible for the matters in section 134(5) of the Companies Act, 2013 (the Act) with respect to preparation of these 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 the Companies Act, 2013 read with rule 7 of Companies (Accounts) Amendment Rules, 2015. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the act for the safeguarding of Assets of the company and for preventing and detecting the frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimated that are reasonable and prudent and design, implementation and maintenance of internal financial control, 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**

My responsibility is to express an opinion on these financial statements based on my audit. I have taken into account the provisions of the act, the accounting and Auditing standards and matter which are required to be included in the audit report under the provision of the act and the rules made thereunder. I conducted my audit in accordance with the Standards on Auditing specified under section 143 (10) of the act. Those Standards require that I 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 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 control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the financial statements.

#### **Opinion**

In my opinion and to the best of my information and according to the explanations given to me, the financial statements read together with NOTES thereon, subject to Note No. 24, regarding non provision of diminution in the value of Non Current Investment to the tune of ₹ 25.03 Crores (Previous Year 12.00 Crore) by virtue of which profit of the company has been overstated by ₹ 25.03 Crores. Further, as per AS-2, the inventories are to be valued at cost or market value whichever is less. There is non provision for shortfall in value of inventories to the tune of ₹ 19.17 Crore by virtue of which profit of the company has been overstated by ₹ 19.17 Crore, 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:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016:
- (b) In the case of the Statement of Profit and Loss, of the Profit for the year ended on that date:
- (c) In the case of the Cash Flow Statement, of the Cash Outflows 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 Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in the "Annexure A" statement on the matters Specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, I report that:
- a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of my audit;
  - b) in my opinion proper books of account as required by law have been kept by the Company so far as appears from my examination of those book;
  - c) the Balance Sheet, Statement of Profit and Loss, and cash flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In my opinion, the aforesaid Financial Statements, comply with the Accounting Standards specified under section 133 of the act, read with 7 of Companies (Accounts) Amendment Rules, 2015.
  - e) on the basis of written representations received from the directors as on 31st March, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of section 164(2) of the act.
  - f) with respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my 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 my opinion and to the best of my information and according to the explanations given to me:
    - (i) the Company has disclosed the impact of pending litigations on its financial position in its Financial Statement as referred to in note no. 27 (a), (b) and (c) to the financial statement..
    - (ii) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company

**CA. ANIL KUMAR**  
**(Chartered Accountant)**  
**M.No. 086223**

**Place: New Delhi**  
**Date: 26.05.2016**



## **"ANNEXURE A" TO THE AUDITOR' S REPORT**

The Annexure referred to in my report of even date to the members of M/s SUNSHINE CAPITAL LIMITED as at and for the year ended 31st March, 2016, I report that:

### **1. Fixed Assets:**

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- b) As explained to me, all the fixed assets have been physically verified by the management in a phased periodical manner, which in my opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.

### **2. Inventories:**

- a) The inventories have been physically verified during the year by the management. In my opinion, the frequency of verification is reasonable.
- b) In my opinion and according to the information and explanations given to me, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventories. As per the information and explanation given to me, no material discrepancies were noticed on physical verification.

### **3. Secured or unsecured Loans**

The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. So Further provisions of clause do not apply.

4. The company has complied with the provision of section 185 & 186 in respect of loans, investments, guarantees, and security.

5. In my opinion and according to the Information & Explanation given to me, The Company has not accepted deposits under the provisions of sections 73 to 76 are not applicable or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.

6. I have been informed that the maintenance of cost records has not been prescribed by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

7. Statutory Dues:

a) According to the records of the Company, undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to me, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable.

b) According to the information and explanations given to me, there is a pending tax demands of which information given below:

(In ₹)

ACT	Appeal pending Before	Assessment year	Amount of demand
Income Tax Act	ITAT	2008-09	35,33,80,053/-
Income Tax Act	CIT (A)	2008-09	33,99,00,000/-
Income Tax Act	ITAT	2009-10	5,14,66,300/-

8. Since the company has not taken any loan or borrowing from a financial institution, bank, Government or dues to debenture holders hence the default in repayment of dues to banks, financial institutions, and Government does not arise.

9. In my opinion and according to the Information & Explanation given to me, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans so the clause is not applicable for the company.

10. Based on the procedure performed and the information and explanation given to me, I report that no fraud on or by the company has been noticed or reported during the year, nor I have been informed of such cases by the management.
11. In my opinion and according to the information and Explanation given to me, the company has not paid or provided managerial remuneration.
12. The company is not a Nidhi company hence the provision related to the Nidhi Company is not applicable.
13. The company has not any related party transaction.
14. The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
15. The company has not entered into any non-cash transactions with directors or persons connected with him.
16. The Company having Certificate of Registration No. B-14.01266 issued on 25.09.1998 by Reserve Bank of India, New Delhi under Section 45 IA of the RBI Act, 1934

**CA. ANIL KUMAR**  
**(Chartered Accountant)**  
**M.No. 086223**

**Place: New Delhi**  
**Date: 26.05.2016**

## **“Annexure - B” to the Auditors’ Report**

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

I have audited the internal financial controls over financial reporting of M/s SUNSHINE CAPITAL LIMITED ( “the Company” ) as of 31 March 2016 in conjunction with my 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 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 Companies Act, 2013.

#### **Auditors’ Responsibility**

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note” ) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, 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 Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 my 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**CA. ANIL KUMAR**  
**(Chartered Accountant)**  
**M.No. 086223**

**Place: New Delhi**  
**Date: 26.05.2016**

## AUDITORS' REPORT

(Under RBI Act)

To,  
The Board of Directors  
**M/s Sunshine Capital Limited**  
209, Bhanot Plaza-II,  
3. D.B. Gupta Road, Paharganj  
New Delhi -110055

I have audited the Balance Sheet of M/s Sunshine Capital Limited, ( 'the Company' ) as at 31st March 2016 and the Statement of Profit and loss for the year ended on that date, both annexed thereto.

As required by the "Non-Banking Financial Companies Auditors Report (Reserve Bank of India) Directions 2008" dated September 18, 2008 issued in term of Sub Section (1A) of Section 45MA of RBI Act, 1934, our responsibility is to report on the matter specified in paragraphs 3 and 4 of the said Direction and now we report, on the matter to the extent applicable to the company, as hereunder:

- a) The company has obtained a certificate of registration (COR) from the Reserve Bank of India vide Registration No. B - 14.01266, issued on 25<sup>th</sup> September, 1998, the company is non-deposit accepting NDSI-NBFC.
- b) The company is entitled to continuing to undertake the business of Non Banking Finance Institution." In terms of its assets /income pattern criteria set by RBI vide its circular No. DNBS.PD.CC.No.85/03.02.089/2006-07 dated Dec 6, 2006).
- c) The Board of Directors of the company has passed a resolution for the non acceptance of any public deposits.
- d) The company has not accepted any public deposits during the financial year ended 31.03.2016.
- e) The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of " "Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015".

- f) The Company has complied with the Capital adequacy, capital funds, risk assets/exposures and risk asset ratio as disclose in the return submitted to the bank in form of NBS\_7, has been correctly arrived at such ratio in compliance with the minimum CRAR prescribed by the bank.
- g) The company has furnished the annual statement of capital funds, risks assets/exposures and risk assets ratio (NBS\_7) within the stipulated time to Reserve Bank of India.
- h) The company has no branches during the financial year ended 31.03.2016.

**ANIL KUMAR**  
**(Chartered Accountant)**  
**Membership No: 086223**

**DATE: 26.05.2016**  
**PLACE: NEW DELHI**



# SUNSHINE CAPITAL LIMITED

## BALANCE SHEET AS AT 31-03-2016

(IN ₹)

PARTICULARS	NOTE NO.	AS AT 31ST MARCH, 2016	AS AT 31ST MARCH, 2015
<b>I EQUITY AND LIABILITIES</b>			
<b>1 Shareholders Funds</b>			
(A) Share Capital	1	13,02,09,000	13,02,09,000
(B) Reserves And Surplus	2	92,07,43,097	91,72,00,201
<b>2 Non Current Liabilities</b>			
(A) Long Term Provisions	3	21,69,959	20,96,492
<b>3 Current Liabilities</b>			
(A) Other Current Liabilities	4	1,39,200	42,236
(B) Short Term Provisions	5	16,08,252	15,26,660
<b>TOTAL</b>		<b>1,05,48,69,508</b>	<b>1,05,10,74,589</b>
<b>II ASSETS</b>			
<b>1 Non-Current Assets</b>			
(A) Fixed Assets			
(i) Tangible Assets	6	3,43,25,497	3,44,15,348
(B) Non-Current Investments	7	20,14,734	24,08,14,734
(C) Deferred Tax Assets	8	2,74,898	3,11,273
(D) Long-Term Loans And Advances	9	15,63,81,595	15,21,72,226
<b>2 Current Assets</b>			
(A) Current investment	10	60,96,84,000	60,96,84,000
(B) Stock In Trade	11	24,08,87,758	8,38,257
(C) Cash And Cash Equivalent	12	30,57,115	42,62,351
(D) Short-Term Loans And Advances	13	82,43,911	85,76,398
<b>TOTAL</b>		<b>1,05,48,69,508</b>	<b>1,05,10,74,589</b>

Schedules referred to above and notes attached there to form an integral part of Balance Sheet

In Terms Of My Report Of Even Date Annexed

FOR SUNSHINE CAPITAL LIMITED

CA. ANIL KUMAR  
(Chartered Accountant)  
M. NO. 86223

SURENDRA KUMAR JAIN  
(Director)  
DIN: 00530035

PRITI JAIN  
(Managing Director)  
DIN : 0537234

Place: New Delhi  
Date: 26.05.2016

MEGHA BANSAL  
(Company Secretary)  
M. No. A36741

# SUNSHINE CAPITAL LIMITED

## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-03-2016

(IN ₹)

PARTICULARS	NOTE NO.	CURRENT PERIOD 2015-16	PREVIOUS PERIOD 2014-15
Revenue From Operations	14	99,54,423	1,16,92,437
Other Income	15	22,606	2,32,722
<b>Total Revenue</b>		<b>99,77,029</b>	<b>1,19,25,159</b>
Cost of Trading Goods	16	24,03,96,489	-
Change in Stock In Trade	17	(24,00,49,501)	-
Employee Benefits Expenses	18	8,86,177	7,79,973
Depreciation And Amortization Expenses	6	1,26,116	5,32,775
Other Expenses	19	33,56,757	57,32,429
<b>Total Expenses</b>		<b>47,16,038</b>	<b>70,45,177</b>
<b>Profit After Depreciation</b>		<b>52,60,991</b>	<b>48,79,982</b>
Less: Contingent Provision For Standard Assets	20	73,467	4,080
<b>Profit Before Tax</b>		<b>51,87,524</b>	<b>48,75,902</b>
<b>Tax Expense</b>			
Current Tax		(16,08,252)	(15,26,660)
Earliar Years Tax		-	(90)
Deferred Tax		(36,376)	27,266
<b>Profit (Loss) For The Period</b>		<b>35,42,896</b>	<b>33,76,418</b>
Earning Per Equity Share			
Basic		0.27	0.26
Diluted		0.27	0.26

*Schedules referred to above and notes attached there to form an integral part of the Statement of Profit & Loss*

In Terms Of My Report Of Even Date Annexed

FOR SUNSHINE CAPITAL LIMITED

CA. ANIL KUMAR  
(Chartered Accountant)  
M. NO. 086223

SURENDRA KUMAR JAIN  
(Director)  
DIN: 00530035

PRITI JAIN  
(Managing Director)  
DIN : 0537234

Place: New Delhi  
Date: 26.05.2016

MEGHA BANSAL  
(Company Secretary)  
M. No. A36741

# SUNSHINE CAPITAL LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2016

(₹ In Lacs)

	PARTICULARS	2015-16	2014-15
<b>A.</b>	<b>CASH FLOWS FROM OPERATION ACTIVITIES :</b>		
	Net Profit Before Tax And Extraordinary Items	35.43	33.76
	<b>Adjustments For :</b>		
	Depreciation	1.26	5.33
	Profit on sale of fixed asset	-	(1.90)
	Contingent provision for Standard assets	0.73	0.04
	Provision for Taxation	16.45	14.99
	Operating Profit Before Working Capital Changes	53.87	52.23
	<b>Adjustments For :</b>		
	Decrease In Current Assets	(9.17)	(1.48)
	Increase/ decrease In Current Liabilities	0.97	(0.31)
	Cash Generated From Operations	45.67	50.45
	Direct Tax Paid	(15.27)	(12.06)
	<b>Net Cash From Operating Activities</b>	<b>30.40</b>	<b>38.38</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed assets	(0.36)	(0.19)
	Sale of Fixed Assets	-	9.73
	<b>Net Cash Used In Investment Activities</b>	<b>(0.36)</b>	<b>9.54</b>
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	Loans & Advances given	(42.09)	(16.32)
	<b>Net Cash From In Financing Activities</b>	<b>(42.09)</b>	<b>(16.32)</b>
	<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(12.05)</b>	<b>31.60</b>
	CASH & CASH EQUIVALENTS (Opening Balance)	42.62	11.02
	<b>CASH &amp; CASH EQUIVALENTS (Closing Balance)</b>	<b>30.57</b>	<b>42.62</b>

NOTE : NEGATIVE FIGURES HAVE BEEN SHOWN IN BRACKETS.

In Terms Of My Report Of Even Date Annexed

FOR SUNSHINE CAPITAL LIMITED

CA. ANIL KUMAR  
(Chartered Accountant)  
M. NO. 086223

SURENDRA KUMAR JAIN  
(Director)  
DIN: 00530035

PRITI JAIN  
(Managing Director)  
DIN : 0537234

Place: New Delhi  
Date: 26.05.2016

MEGHA BANSAL  
(Company Secretary)  
M. No. A36741

## Notes to Financial Statements

### NOTE 1. SHARE CAPITAL

IN ₹

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
<b>Authorised Share Capital</b>		
13,110,000 Equity Share (Previous year 13,110,000) of ₹ 10 /- each	13,11,00,000	13,11,00,000
	13,11,00,000	13,11,00,000
<b>Issued, Subscribed &amp; Paid up Share Capital</b>		
Shares at the end of the Accounting Period 13,020,900 ( Previous Year 13,020,900) Equity Shares of ₹10/- Each	13,02,09,000	13,02,09,000
<b>Total</b>	13,02,09,000	13,02,09,000

- 1.1 The company has only one class of equity Shares having Par Value of ₹ 10 per Share. All these Shares have Same right & preferences with respect to payment of dividend, repayment of Capital & Voting.
- 1.2 There is no Shareholders' having more than 5% Shares of the share capital.
- 1.3 The reconciliation of the number of Shares outstanding is set out Below:

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
<b>Equity Shares at the beginning of the year</b>	1,30,20,900	1,30,20,900
Add : Issued during the year	-	-
<b>Equity Shares at the end of the Year</b>	1,30,20,900	1,30,20,900

## Notes to Financial Statements

### NOTE 2: RESERVES & SURPLUS

IN ₹

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
<b><u>Reserve Under Section 45(IC)</u></b>		
At The Beginning Of The Accounting Period	52,48,277	45,78,429
Additions During The Year	7,30,548	6,69,848
At The End Of The Accounting Period	59,78,825	52,48,277
<b><u>Securities Premium Account</u></b>		
At The Beginning Of The Accounting Period	90,00,00,000	90,00,00,000
Additions During The Year	-	-
At The End Of The Accounting Period	90,00,00,000	90,00,00,000
<b><u>Surplus in Statement of Profit And Loss</u></b>		
At The Beginning Of The Accounting Period	1,19,51,924	92,50,994
Additions During The Year	35,42,896	33,76,418
(Balance In Statement Of Profit & Loss)		
<u>Transfer To Reserves</u>		
Fixed assets written off	-	(5,640)
Reserve U/S 45(IC)	(7,30,548)	(6,69,848)
At The End Of The Accounting Period	1,47,64,272	1,19,51,924
<b>Grand Total</b>	<b>92,07,43,097</b>	<b>91,72,00,201</b>

### NON CURRENT LIABILITIES

#### NOTE: 3 LONG TERM PROVISION

IN ₹

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
Provision for Standard Assets	3,77,658	3,04,191
Provision for Loss Assets	17,92,301	17,92,301
<b>Total</b>	<b>21,69,959</b>	<b>20,96,492</b>

## Notes to Financial Statements

### CURRENT LIABILITIES:

#### NOTE 4 : OTHER CURRENT LIABILITIES

IN ₹

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
Expenses Payable	1,39,200	42,236
<b>Total</b>	<b>1,39,200</b>	<b>42,236</b>

#### NOTE 5 : SHORT TERM PROVISION

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
Provision for Taxation	16,08,252	15,26,660
<b>Total</b>	<b>16,08,252</b>	<b>15,26,660</b>

### NON CURRENT ASSETS

#### NOTE 7: NON CURRENT INVESTMENT

IN ₹

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
<b>Quoted Equity Shares</b>		
0 Alstone Textiles (India) Limited of (375000) ₹ 10 /-each	-	15,00,00,000
0 Sri Amarnath Finance Limited of ₹ (1480000) 10 /-each	-	8,88,00,000
Investment in Jewellery	20,14,734	20,14,734
<b>Total</b>	<b>20,14,734</b>	<b>24,08,14,734</b>

* Aggregate Market Value of the Quoted Shares	-	11,87,78,464
* Aggregate Value of Quoted Shares	-	23,88,00,000
* Market Value of the Jewellery	32,75,376	28,37,268

## Notes to the Financial Statement

Note : 6 Fixed Asset

IN ₹

Sr. No	Particulars	Gross Block				Depreciation				Net Block		
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Adjustment	Value at the end	MOV as on 31.03.2016	MOV as on 31.03.2015
I	<b>Tangible Assets</b>											
	1 Land	3,35,74,535	-	-	3,35,74,535	-	-	-	-	-	3,35,74,535	3,35,74,535
	2 Vehicles	-	-	-	-	-	-	-	-	-	-	0
	3 Office Equipment	1,30,964	36,265	-	1,67,229	1,12,903	28,864	-	-	1,41,767	25,462	18,061
	4 Plant & Machinery	1,95,651	-	-	1,95,651	1,65,468	9,173	-	-	1,74,641	21,010	30,183
	5 Furniture & fixture	17,26,818	-	-	17,26,818	9,34,249	88,079	-	-	10,22,328	7,04,490	7,92,569
	<b>SUB TOTAL</b>	<b>3,56,27,968</b>	<b>36,265</b>	<b>-</b>	<b>3,56,64,233</b>	<b>12,12,620</b>	<b>1,26,116</b>	<b>-</b>	<b>-</b>	<b>13,38,736</b>	<b>3,43,25,497</b>	<b>3,44,15,348</b>
	<b>Total (Current Year)</b>	<b>3,56,27,968</b>	<b>36,265</b>	<b>-</b>	<b>3,56,64,233</b>	<b>12,12,620</b>	<b>1,26,116</b>	<b>-</b>	<b>-</b>	<b>13,38,736</b>	<b>3,43,25,497</b>	<b>3,44,15,348</b>
	<b>(Previous Year)</b>	<b>3,84,18,562</b>	<b>18,750</b>	<b>28,09,344</b>	<b>3,56,27,968</b>	<b>27,00,561</b>	<b>5,32,775</b>	<b>7,82,988</b>	<b>12,37,728</b>	<b>12,12,620</b>	<b>3,44,15,348</b>	<b>3,57,18,002</b>

In Terms Of My Report Of Even Date Annexed

FOR SUNSHINE CAPITAL LIMITED

CA. ANIL KUMAR  
(Chartered Accountant)  
M. NO. 86223

SURENDRA KUMAR JAIN  
(Director)  
DIN: 00530035

PRITI JAIN  
(Managing Director)  
DIN : 0537234

Place: New Delhi  
Date: 26.05.2016

MEGHA BANSAL  
(Company Secretary)  
M. No. A36741

## Notes to Financial Statements

### NOTE 8 : DEFERRED TAX ASSETS (NET)

IN ₹

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
Opening Balance	3,11,273	2,84,007
Created During the Year	-	27,266
Reversed During the Year	(36,376)	-
<b>Closing Balance</b>	<b>2,74,898</b>	<b>3,11,273</b>

### NOTE :9 LONG TERM LOAN & ADVANCES

IN ₹

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
<b>Unsecured Loan</b>		
Loans at agreement values less installment received (include overdue Amount)		
Standard Assets	12,58,86,084	12,16,76,715
Doubtful Assets (NPA)	17,92,301	17,92,301
<b>Capital Advance</b>		
Advance Against Property	2,87,03,210	2,87,03,210
<b>Total</b>	<b>15,63,81,595</b>	<b>15,21,72,226</b>

### NOTE :10 CURRENT INVESTMENT

IN ₹

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
<b>Unquoted Equity Shares</b>		
150000 Aquarius Fincap & Credits Pvt. Ltd. of ₹10 each	15,02,25,000	15,02,25,000
153000 Microland Developers Pvt. Ltd. of ₹10 each	15,31,53,000	15,31,53,000
153000 NKS Holdings Pvt. Ltd. of ₹10 each	15,31,53,000	15,31,53,000
153000 Solomon Holdings Pvt. Ltd. of ₹10 each	15,31,53,000	15,31,53,000
<b>Total</b>	<b>60,96,84,000</b>	<b>60,96,84,000</b>

\* Fair Value of the Unquoted Shares

55,10,61,014

68,14,62,686



## Notes to Financial Statements

### NOTE : 11 STOCK IN TRADE

IN ₹

As per Annexure 'a' Attached

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
Stock in Trade ( Quoted security)	24,08,87,758	8,38,257
<b>Total</b>	<b>24,08,87,758</b>	<b>8,38,257</b>

\* Market value of Quoted Shares 15,58,044 20,26,997

### NOTE : 12 CASH & CASH EQUIVALENTS

IN ₹

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
Cash in Hand	7,36,266	5,95,940
Bank balance with Current Account	23,20,849	36,66,411
<b>Total</b>	<b>30,57,115</b>	<b>42,62,351</b>

### NOTE : 13 SHORT TERM LOAN & ADVANCES

IN ₹

PARTICULARS	AS AT 31ST MARCH 2016	AS AT 31ST MARCH 2015
Receivable from Revenue Authority	82,43,911	85,76,398
Advance for booking of property	-	-
<b>Total</b>	<b>82,43,911</b>	<b>85,76,398</b>

### NOTE : 14 REVENUE FROM OPERATION

IN ₹

PARTICULARS	CURRENT PERIOD 2015-16	PREVIOUS PERIOD 2014-15
Sale of Shares	15,86,858	-
Interest On Loan	83,67,565	1,16,92,437
<b>Total</b>	<b>99,54,423</b>	<b>1,16,92,437</b>

## Notes to Financial Statements

NOTE : 15 OTHER INCOME

IN ₹

PARTICULARS	CURRENT PERIOD 2015-16	PREVIOUS PERIOD 2014-15
Dividend Income	22,606	21,958
Other Income	-	20,752
Profit on sale of Fixed Assets	-	1,90,012
<b>Total</b>	<b>22,606</b>	<b>2,32,722</b>

NOTE : 16 COST OF TRADING GOODS

IN ₹

PARTICULARS	CURRENT PERIOD 2015-16	PREVIOUS PERIOD 2014-15
Purchases of Trading goods	15,83,939	-
Transferred from Investments	23,88,00,000	-
Trading Expenses	12,550	-
<b>Total</b>	<b>24,03,96,489</b>	<b>-</b>

NOTE : 17 CHANGE IN STOCK IN TRADE

IN ₹

PARTICULARS	CURRENT PERIOD 2015-16	PREVIOUS PERIOD 2014-15
Balance at the beginning of the year	8,38,257	8,38,257
Balance at the Closing of the year	24,08,87,758	8,38,257
<b>Total</b>	<b>(24,00,49,501)</b>	<b>-</b>

NOTE : 18 EMPLOYEE BENEFITS EXPENSES

IN ₹

PARTICULARS	CURRENT PERIOD 2015-16	PREVIOUS PERIOD 2014-15
Salary Expenses	8,52,722	7,64,368
Staff Welfare Expenses	33,455	15,605
<b>Total</b>	<b>8,86,177</b>	<b>7,79,973</b>

## Notes to Financial Statements

### NOTE : 19 OTHER EXPENSES

IN ₹

PARTICULARS	CURRENT PERIOD 2015-16	PREVIOUS PERIOD 2014-15
Advertisement Expenses	75,178	92,818
Annual Charges For Credit Rating	13,729	20,225
Audit Remuneration	13,680	11,236
Business Promotion	17,016	3,43,273
Bank Charges	7,721	1,943
Board meeting expenses	30,785	-
Festival expenses	25,705	-
Trading Expenses	-	10,779
Conveyance Expenses	76,640	88,641
Director Remuneration expenses	-	24,00,000
Director Sitting Fees	55,000	-
Interest on TDS	61,421	762
Legal & Professional charges	1,31,309	8,75,599
Listing Compliance Charges	26,46,090	7,60,789
General Expenses	35,630	22,924
Postal Charges	21,002	12,617
Printing & Stationery	53,237	75,761
Rent	-	6,60,000
Repair & Maintenance	75,219	2,96,123
Secretarial & Filing Fees Expenses	5,900	13,800
Telephone Exp.	11,495	18,139
Tour & Travels Expenses	-	27,000
<b>Total</b>	<b>33,56,757</b>	<b>57,32,429</b>

### NOTE : 20 PROVISIONS

IN ₹

PARTICULARS	CURRENT PERIOD 2015-16	PREVIOUS PERIOD 2014-15
Provision on Standard Assets	73,467	4,080
Provision on doubtful Assets	-	-
<b>Total</b>	<b>73,467</b>	<b>4,080</b>

## Annexure 'A'

IN ₹

## Detail of Closing Stock in Trade

PARTICULARS	QTY	AS AT	QTY	AS AT
		31ST MARCH 2016		31ST MARCH 2015
ACC Ltd.	10	4,820.00	150	72,307.50
Alok Industries Ltd.	1200	17,868.00	1200	17,868.00
Alstome Textiles India Ltd.	375000	15,00,00,000.00	-	-
Andhra Bank Ltd.	100	5,503.56	899	49,476.58
Ashok Leyland Ltd.	20	549.30	200	5,492.73
Bank Of Maharashtra	100	2,331.00	1300	30,303.00
Balmer Lawrie & Co. Ltd.	19	2,525.27	19	2,525.27
Indian oil Corporation Ltd.	182	37,281.00	182	37,281.00
Ceat Ltd.	10	355.90	1000	35,590.00
Container Corporation of India Ltd.	2	1,282.47	30	19,236.82
DCM Financial Services Ltd.	1000	19,256.43	1000	19,256.43
Deepak Fertilizers & Petrochemicals Corporation Ltd.	50	2,680.67	300	16,083.55
Dhampur Sugar Mills Ltd.	20	1,388.73	20	1,388.73
Escorts Finance Ltd.	200	13,656.93	200	13,656.93
Finolex Industries Ltd.	20	600.40	400	12,008.00
HDIL	500	45,340.00	500	45,340.00
IDFC LIMITED	1000	1,58,252.01	-	-
IDFC Bank Limited	1000			
Himachal Futuristic Comm. Ltd.	2000	32,080.00	2000	32,080.00
ICICI Bank Ltd.	20	2,532.27	150	18,992.00
IFCI Ltd.	1000	39,656.75	500	27,112.65
Insilco Ltd.	500	18,230.71	500	18,230.71
K. M .Sugar Mills Ltd.	7500	48,121.98	7500	48,121.98
LML Ltd.	1000	16,951.00	500	12,811.18
Manglore Chemical Ltd.	-	-	200	8,973.00
Noesis Industries limited	100	6,559.00	100	6,558.83
Multi Commodity Exchange India Limited	800	9,03,403.65	-	-
NHPC Ltd.	2000	54,170.00	1000	35,190.00
Omaxe Ltd.	125	13,604.00	125	13,604.00
ONGC Ltd.	-	-	200	31,343.00
Pavitra Bhumi Pvt. Ltd.	2400	24,000.00	2400	24,000.00
Pennar Alluminium Company Ltd.	10000	5,682.50	10000	5,684.21
PMC Fincorp Limited	100	196.51	-	-
Reliance Power Ltd.	500	77,308.01	320	69,279.26
Rural Electrification Corp. Ltd.	-	-	200	17,504.00
Sangotri Construction Ltd.	6000	12,000.00	6000	12,000.00
Sri Amarnath Finance Ltd.	1480000	8,88,00,000.00	-	-
Tata Motors Ltd.	24	10,800.00	274	8,654.00
Tata Steel Ltd.	-	-	50	9,125.50
Uniroyal Marine Ltd.	500	1,050.00	500	1,050.00
Unitech Ltd.	1000	32,139.00	1000	32,139.46
United Spirits Limited	100	3,73,178.00	-	-
Venus Sugar Ltd.	500	22,207.00	500	22,207.00
Vijaya Bank Ltd.	-	-	200	5,781.50
Zee Media Corporations limited	4000	80,196.00	-	-
<b>TOTAL</b>		<b>24,08,87,758</b>		<b>8,38,257</b>

## **Note 21: SIGNIFICANT ACCOUNTING POLICIES**

### **a) Basis for Preparation of Accounts:**

The financial Statement have been prepared inconformity with generally accepted accounting principle to comply in all material respect with the notified accounting standards ( 'AS' ) under Companies (Accounting Standards) Amendment Rules, 2016, the relevant provisions of the companies Act, 2013 ( 'the Act' ) and the guidelines issued by the Reserve Bank of India (RBI) as applicable to an Non - Banking Finance Company ( 'NBFC' ). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the company and are consistent with those used in the previous year. The company adopts accrual system of accounting unless otherwise stated.

Based on the nature of its activities, the Company has determined its operating cycle as 12 months for the purpose of classification of its Assets and Liabilities as current and non current

### **b) Use of estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management' s best knowledge of current events and actions, actual results could differ from these estimates. Any revisions to the accounting estimates are recognized prospectively in the current and future years

### **c) Fixed Assets:**

Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

Intangible Assets expected to provide future enduring economic benefits are carried at cost less accumulated amortization and impairment losses, if any. Cost comprises of purchase price and directly attributable expenditure on making the asset ready for its intended use.

**d) Depreciation & Impairment of Assets:**

Depreciation on fixed assets is provided on Written down Value method, over the useful lives and in the manner prescribed in Schedule II to the Companies Act, 2013.

**e) Statutory/ Special reserve**

The Company creates Statutory / Special Reserve every year twenty per cent of its net profit every year as disclosed in the profit and loss account and before any dividend is declared.

**f) Investment:**

Long-term investments are stated at cost. Provision of diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. As in case of Sunshine Capital Limited such decline is presumed to be temporary hence no provision has been created.

**g) Loan Income:**

- a. In respect of loan agreements, the income is accrued by applying the implicit rate in the transaction on declining balance on the amount financed for the period of the agreement.
- b. Dividend income on investments is accounted for as and when the right to receive the same is established.
- c. No income is recognized in respect of Non-Performing assets, if any, as per the prudential norms for income recognition introduced for Non Banking Financial Corporation by Reserve Bank of India vide its notification DFC.No.119/DG/ (SPT)-98 date 31-01-1998 and revised notification no. DNBS.192/DG (VL)-2007 dated 22/02/2007.

**h) Employee Benefits**

Company do not follow the provision of the accounting Standard-15 "Employee benefits" as the company do not have employee more than 10 personnel' s. So it is the policy of the company that any kind of provision mentioned in the AS -15 will not be entertained. And the company does not make provision for gratuity also.

In case the company' s employee limits goes beyond the prescribed limits then AS-15 for Employee benefits will be taken into consideration.

**i) Provisioning of Assets:**

The Company makes provision for Standard and Non-Performing Assets as per the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms Reserve Bank) Directions, 2007, as amended from time to time. The Company also makes additional provision towards loan assets, to the extent considered necessary, based on the management's best estimate.

Loan assets which as per the management are not likely to be recovered are considered as bad debts and written off.

Provisions on standards assets are made as per the notification DNBS.PD.CC.No. 002/03.10.001/2014-15 DATED NOV 10, 2014 issued by Reserve Bank of India.

**j) Provision, Contingent Liabilities and Contingent Assets:**

- (i) A provision is recognized when the company has a present obligation as a result of past event and it is probable that outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

In respect of Non-Banking Finance Companies the provision for non-performing assets/investments and contingent provision against standard assets has been made as per prudential norms and Circular No. DNBR (PD) CC.No. 002/ 03.10.001/ 2014-15 dated November 10, 2014 as prescribed by the Reserve Bank of India.

- (ii) Contingent Liabilities are disclosed separately by way of note to financial statement after careful evaluation by the management of the facts and legal aspects of the matter involved in case of :
- a. A present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
  - b. A possible obligation, unless the probability of outflow of resources is remote.

**k) Taxation**

Provision for current tax is made in accordance with and at the rates specified under the Income-Tax Act, 1961, in accordance with Accounting Standard 22 - 'Accounting for taxes on Income', issued by the Institute of Chartered Accountant of India.

**1) Earnings per share:**

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares

**m) Cash and Cash equivalents:**

Cash and cash equivalents in the cash flow statement comprise cash at bank and in hand and highly liquid investments that are readily convertible into known amount of cash.

22. Previous year's figures have been reworked, regrouped, rearranged & reclassified wherever necessary to confirm to the current year presentation.
23. In the opinion of Board of Director, the current assets, loans & advances have a value on realization in the ordinary course of business at least equal to the amount at which these are stated.
24. As per AS-13, all long term investments are to be carried at cost less diminution in the value except for temporary diminution. There is non provision of diminution in the value of Non Current Investment to the tune of ₹ 25.03 Crore (P. Y. 12.00 Crore) by virtue of which profit of the company has been overstated by ₹ 25.03 Crore. Further, As per AS-2 the inventories are to be valued at cost or market value whichever is less. There is non provision for shortfall in value of inventories to the tune of ₹ 19.17 Crore by virtue of which profit of the company has been overstated by ₹ 19.17 Crore.
25. During the year the company has converted its investment in shares under the head of "Non current Investment" of ₹ 23.88 Crore in Inventories as Stock in Trade.
26. Statutory Reserve represents the Reserve Fund created u/s 45-IC of the Reserve Bank of India Act, 1934. An amount of ₹ 730548/-. (Previous Year ₹ 6, 69,848/-) representing 20% of Net Profit is transferred to the fund for the year.



27. Contingent liabilities and pending litigations:

- (a) There is a pending Tax demand of ₹ 35, 33, 80,053/- against the company. The above demand was raised by Department in A.Y. 2008-09 as the company has raised share capital of ₹ 100 crore in A.Y. 2008-09. The same has been added by the Assessing Officer. The Company has filed an appeal with ITAT. The demand of appeal is pending before ITAT till date. The Company is hopeful to get relieved from ITAT.
- (b) There is a pending penalty proceedings by CIT Appeals for the above Capital Addition of ₹ 100 Crore. The amount of penalty demand by the department is of ₹ 33,99,00,000/- .
- (c) There is also a pending Tax demand of ₹ 5,14,66,300/- against the company. The above demand was raised by Department in A.Y. 2009-10. The Company has filed an appeal with ITAT. The demand of appeal is pending before ITAT till date. The Company is hopeful to get relieved from ITAT.

28. Contingent Assets:

The company has filed suit for recovery of amount from Sunderdeep Educational Society. The company has issued a notice in response of the same on 20th December, 2012 to the Sunderdeep Educational Society, 35, Nyay Ganj, Sunder Deep Nagar, NH-24, Ghaziabad-201001 and to Mr. Manoj Kumar Gupta Secretary of Sunder Deep Educational Society for recovery of Principal Amount of ₹ 17,00,000/- along with interest of ₹ 4,01,095/- i.e. a total sum of ₹ 21,01,095/-. The case is pending before Hon' ble High Court and the company is hopeful of recovery.

29. **Related Party Disclosures** : As per Accounting Standard 18 on Related Party disclosures issued by the Institute of Chartered Accountants of India, the nature and volume of transactions of the Company during the year the company do not have any Related Party transactions.

30. **Segment Reporting**: The Company's business activity falls within single primary/secondary business segment viz., Finance Activity. The disclosure requirement of Accounting Standard (AS) - 17 "Segment Reporting" issued by the Institute of Chartered Accountant of India, therefore is not applicable.

31. Information as required by Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Direction, 2007 is Furnished vide Annexure -1 Attached Herewith.

32. The Company has the borrower companies are involved in the business of Real estate. List of the borrowers is given below:

(IN ₹)

SR.No.	Name of the Borrower	Amount As on 31.03.2016
1.	Sunworld City Pvt. Ltd.	76,229
2.	Sunworld Developers Pvt. Ltd.	13,85,082
3.	Sunworld Residency Pvt. Ltd.	1,44,836
4.	Vishal Infrabuild Ltd.	1,47,87,629

33. Provision for Standard and Non-Performing Assets: Provision for non performing assets (NPAs) is made in the financial statements according to the Prudential Norms prescribed by RBI for NBFCs. The Company also makes additional provision towards loan assets, based on the management's best estimate. Additional provision of 0.30% on Standard assets has also been made during the year, as per stipulation of RBI on Standard assets. Company has made provisions for Standard Assets as well as Non-Performing Assets as per the table below:

(IN ₹)

Particulars	2015-16	2014-15
<b>Sub standard Assets</b>	17,92,301.00	17,92,301.00
Total Non-Performing Assets	17,92,301.00	17,92,301.00
Provision already available	0.00	0.00
Additional Provision made during the year	0.00	0.00
Reversed Provision During the Year	0.00	0.00
<b>Total Provision at the end of the Year</b>	<b>17,92,301.00</b>	<b>17,92,301.00</b>
<b>Standard Assets</b>	12,58,86,083.60	121,676,715.00
Provision already available	304,191.00	300,111.00
Additional provision made during the year	73,467.25	4,080.00
<b>Total Provision at the end of the Year</b>	<b>377,658.25</b>	<b>304,191.00</b>

34. Earnings per Share as per "AS- 20" issued by the Institute of Chartered Accountants of India:

(IN ₹)

Particulars	Year ended	Year ended
	March 31, 2016	March 31, 2015
Profit/(Loss) after taxation as per Profit and Loss Account (in Rupees)	3,542,896	3,376,418
Weighted average number of Equity Shares outstanding during the year	13,020,900	13,020,900
Nominal value of Equity shares (in ₹)	10/-	10/-
Basic earnings per share (in ₹)	0.27	0.26
Diluted earnings per share (in ₹)	0.27	0.26

35. The company estimates the deferred tax charted/(credit) using the applicable rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year.

Details of Deferred tax Assets/ (Liabilities) are as follows:-

(IN ₹)

Calculation Of Deferred tax Asset	
WDV as per Companies Act	34,325,497
WDV as per Income Tax	35,215,134
Timing Difference	(889,634)
<b>Deferred Tax Asset</b>	<b>274,898</b>

**36. Micro and Small Scale Business Industries:-**

There are no Micro, Small and Medium Enterprises, to whom the company owes dues which outstanding for more than 45 days as at 31st March, 2016. This information as required to be disclosed under the Micro, Small and Medium Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with company.

**Auditor' S Report Signed in Terms of my Separate Report of even date**

**FOR SUNSHINE CAPITAL LIMITED**

**CA. ANIL KUMAR**  
(Chartered Accountant)  
M. No. 086223

**SURENDRA KUMAR JAIN**  
(Director)  
DIN : 00530035

**PRITI JAIN**  
(Managing Director)  
DIN : 0537234

Place: New Delhi  
Date: 26.05.2016

**MEGHA BANSAL**  
(Company Secretary)  
M. No. A36741



	<p>b) Repossessed Assets</p> <p>(iv) Other Loans counting towards AFC activities</p> <p>a) Loans where assets have been repossessed</p> <p>b) Loans other than (a) above</p>	<p>NIL</p> <p>NIL</p> <p>NIL</p>
(4)	<p><b><u>Break up of Investment:</u></b></p> <p><u>Current Investment:</u></p> <p>1. <u>Quoted:</u></p> <p>(i) Share: (a) Equity</p> <p>(b) preference</p> <p>(ii) Debenture and Bonds</p> <p>(ii) Units of Mutual Funds</p> <p>(v) Government Securities</p> <p>(vi) Others (Please Specify)</p> <p>2. <u>Unquoted:</u></p> <p>(i) Share: (a) Equity</p> <p>(b) preference</p> <p>(ii) Debenture and Bonds</p> <p>(iii) Units of Mutual Funds</p> <p>(iv) Government Securities</p> <p>(v) Others (JEWELLERY)</p> <p><u>Long Term Investment:</u></p> <p>1. <u>Quoted:</u></p> <p>(i) Share: (a) Equity</p> <p>(b) preference</p> <p>(ii) Debenture and Bonds</p> <p>(iii) Units of Mutual Funds</p> <p>(iv) Government Securities</p> <p>(v) Others (Please Specify)</p> <p>2. <u>Unquoted:</u></p> <p>(i) Share: (a) Equity</p> <p>(b) preference</p> <p>(ii) Debenture and Bonds</p> <p>(iii) Units of Mutual Funds</p> <p>(iv) Government Securities</p> <p>(v) Others (Jewellery)</p>	<p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>6096.84</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>2388.00</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>NIL</p> <p>20.14</p>

(5)	<b>Borrower group wise classification of assets financed as in (2) and (3) above:</b> Please see note 2 below			
	<b>Category</b>	<b>Amount of Net of provision</b>		
		<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	1. Related Parties**			
	(a)Subsidiaries	NIL	NIL	NIL
	(b)Companies in the same group	NIL	NIL	NIL
	(c)Other related parties	NIL	NIL	NIL
	2. Other than Related parties	NIL	1545.89	1545.89
	<b>Total</b>	<b>NIL</b>	<b>1545.89</b>	<b>1545.89</b>
(6)	<b>Investor group wise classification of all investments (current and long term) in share and securities (both quoted and unquoted):</b> Please see note 3 below:			
	<b>Category</b>	<b>Market Value / Break up or Fair value of NAV</b>		<b>Book value ( Net of Provision)</b>
	1. Related Parties**			
	(a)Subsidiaries	NIL		NIL
	(b)Companies in the same group	104.34		888.00
	(c)Other related parties	NIL		NIL
	2. Other than Related parties	5877.09		7596.85
	<b>Total</b>	<b>5981.43</b>		<b>8484.85</b>

**\*\* As per Accounting Standard of ICAI (Please see note 3)**

**(7) Other Information:**

<b>Particulars</b>		<b>Amount</b>
(i)	Gross Non Performing Assets	<b>NIL</b>
	(a) Related parties	<b>NIL</b>
	(b)Other than related parties	<b>21.70</b>
(ii)	Net Non Performing assets	<b>NIL</b>
	(a) Related parties	<b>NIL</b>
	(b)Other than related parties	<b>NIL</b>
(iii)	Assets acquired in satisfaction of debt	<b>NIL</b>

**Notes:**

1. As defined in paragraph 2 (1) (xii) of the Non Banking Financial Companies acceptance of public deposits (Reserve Bank) directions, 1998.
2. Provisioning norms shall be applicable as prescribed in Non Banking financial (Non- Deposit Accepting or Holding) companies Prudential Norms (Reserve Bank Directions, 2007).
3. All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investment and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investment and break up / fair value /NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in(4) above.

# SUNSHINE CAPITAL LIMITED

Regd. Office: 209, BHANOT PLAZA II, 3 D. B. GUPTA ROAD NEW DELHI 110055

CIN: L74899DL1994PLC060154

E-mail Id: sunshinecapital95@gmail.com

Website: www.sunshinecapital.in

Ph. No.: 011-23582393, 91-9891709895

## ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Members or their Proxies are entitled to be present at the meeting.

Name and Address of the Member	Folio No.
	Client ID No.
	DP ID No.
	No. of Shares Held

I hereby record my Presence at the 22<sup>nd</sup> Annual General Meeting of the Company being held on **Wednesday, the 28<sup>th</sup> Day of September, 2016** at **01.00 P.M.** at 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005.

Signature of the Shareholder	Signature of the Proxy

- Note:**
1. The copy of Annual Report may please be brought to the Meeting Hall.
  2. Briefcase, Hand Bags etc. are not allowed inside the Meeting Hall.
  3. Please note that no gifts will be distributed at the meeting.



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## Form No. MGT-11

### Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L74899DL1994PLC060154

Name of the company: Sunshine Capital Limited

Registered office: 209 Bhanot Plaza II, 3 D B Gupta Road,  
New Delhi-110055

Name of Member(s) :

Registered address :

E-mail Id :

Folio No/ Client Id:

DP ID :

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name :	Address :
E-mail Id :	Signature :

or failing him

2. Name :	Address :
E-mail Id :	Signature :

or failing him

3. Name :	Address :
E-mail Id :	Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22<sup>nd</sup> Annual general meeting of the company, to be held on the **Wednesday, the 28<sup>th</sup> Day of September, 2016 at 01.00 P.M.** at 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions
<b>Ordinary Business</b>	
1.	Ordinary Resolution for adoption of Audited Financial Statements for the year ended March 31, 2016.
2.	Ordinary Resolution that Mr. Surender Kumar Jain retires by rotation and being eligible for re-appointment, as a Director of the Company.
3.	Ordinary Resolution under Section 139 of the Companies Act, 2013 for re-appointment of Mr. Anil Kumar, Chartered Accountant, as Statutory Auditor of the Company and fixing his remuneration.

Signed this ..... day of..... 20.....

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue  
Stamp

*Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.*

*If undelivered, please return to:*

***Sunshine Capital Limited***

*209 Bhanot Plaza II, 3 D B Gupta  
Road, New Delhi-110055*