



SUNSHINE CAPITAL LTD.

(AN ISO 9001 : 2000 CERTIFIED COMPANY)
CIN : L65993DL1994PLC060154

Mob. : +91-9891709895

+91-8800446397

Ph. : +91-11-23582393

Regd. Office :

209, Bhanot Plaza - II

3, D. B. Gupta Road

Paharganj, New Delhi - 110055

E-mail : sunshinedl@rediffmail.com

sunshinecapital95@gmail.com

Website : sunshinecapital.in

Date: 15.10.2018

To,
The Head –Listing & Compliances
Bombay Stock Exchange Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai- 400001

Sub: Submission of Annual Report (including Notice of AGM) under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the Financial Year 2017-18. (Scrip Code: 539574)

Dear Sir,

With reference to the above mentioned subject, please find enclosed herewith the Annual Report (including AGM Notice) as per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 for the Financial Year 2017-18.

You are requested to take the above on your records and acknowledge the same.

For Sunshine Capital Limited


Anil Prakash
(Director)

DIN: 05187809

Encl: a/a

SUNSHINE **CAPITAL LIMITED**

24th Annual Report **(2017-18)**



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CORPORATE INFORMATION

CIN

L65993DL1994PLC060154

BOARD OF DIRECTORS

Priti Jain, Managing Director
Surender Kumar Jain, Director
Sujan Mal Mehta, Independent Director
Anil Prakash, Independent Director

COMPANY SECRETARY

Ms. Megha Bansal

STATUTORY AUDITORS

Deepak Rajesh & Associates
Chartered Accountant
BA-52/B, Janakpuri, New Delhi-110058

SECRETARIAL AUDITOR

Abhishek Sharma & Associates
(Practicing Company Secretaries)
First Floor, House No. 451, Ward-11
Near Gulshan Depo, Panipat,
Haryana- 132103

INTERNAL AUDITOR

Ms. Kajal

BOARD COMMITTEES**Audit Committee**

Mr. Sujan Mal Mehta, Chairperson
Mr. Surender Kumar Jain, Member
Mr. Anil Prakash, Member

Nomination & Remuneration Committee

Mr. Sujan Mal Mehta, Chairperson
Mr. Surender Kumar Jain, Member
Mr. Anil Prakash, Member

Risk Management Committee

Mr. Anil Prakash, Chairperson
Mr. Surender Kumar Jain, Member
Mr. Sujan Mal Mehta, Member

Stakeholders Relationship Committee

Mr. Anil Prakash, Chairperson

Mr. Surender Kumar Jain, Member

Mr. Sujan Mal Mehta, Member

Asset Liability Management Committee

Mr. Anil Prakash, Chairperson
Mr. Surender Kumar Jain, Member
Mr. Sujan Mal Mehta, Member

Investment Committee

Mr. Anil Prakash, Chairperson
Mr. Surender Kumar Jain, Member
Mr. Sujan Mal Mehta, Member

**STOCK EXCHANGE(S) WHERE
COMPANY'S SECURITIES ARE
REGISTERED**

BSE Limited

**REGISTRAR AND TRANSFER
AGENT**

Skyline Financial Services Pvt Ltd.
D-153 A, 1st Floor, Phase- I, Okhla Industrial
Area, New Delhi- 110020

BANKERS

ICICI Bank, Connaught Place, New Delhi
IDBI Bank, Punjabi Bagh, New Delhi

REGISTERED OFFICE

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

CORPORATE OFFICE

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

INVESTORS HELPDESK & EMAIL

Megha Bansal
Company Secretary cum Compliance officer
sunshinecapital95@gmail.com

WEBSITE

www.sunshinecapital.in

CONTACT NO

011-23582393

SUNSHINE CAPITAL **LIMITED**

Regd. Office: 209, Bhanot Plaza II, 3 D. B. Gupta Road New Delhi 110055

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

CIN: L74899DL1994PLC060154, **Ph. No.:** 011-23582393

E-mail Id: sunshinecapital95@gmail.com, **Website:** www.sunshinecapital.in

NOTICE

Notice is hereby given that the 24th Annual General Meeting of the Company will be held on Monday, the 24th Day of September, 2018 at 10.00 A.M. at 209, Bhanot Plaza II 3 D.B. Gupta Road, Paharganj New Delhi-110055 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 31st March, 2018 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. SUJAN MAL MEHTA (DIN: 01901945), 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 there under (including any statutory modification(s) or re-enactment thereof for the time being in force appointment M/s Deepak Rajesh & Associates, Chartered Accountants (FRN -028018N), be and is hereby 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.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable Sections, if any of Companies Act, 2013 (“the Act”) read with schedule IV to the Act and the Companies (Appointment and qualification of Directors) Rules, 2014 (‘rules’), including any statutory

modification(s) or any amendments or any substitution or any re-enactment thereof for the time being in force and SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, Ms. RAJNI TANWAR (DIN: 08201251), who was appointed as an Additional Director by the Board on 10th August, 2018, pursuant to Section 161(1) of the Companies Act 2013 & who hold the office up to the date of this Annual General Meeting who is eligible for appointment as a Director pursuant to the Companies Act, 2013, be and is hereby appointed as an Director of the Company subject to the approval of Members in the Annual General meeting.

RESOLVED FURTHER THAT any Director of the company be and is hereby authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution.”

**BY ORDER OF THE BOARD OF DIRECTORS
FOR SUNSHINE CAPITAL LIMITED**

**Date: 25.08.2018
Place: New Delhi**

**SURENDER KUMAR JAIN
DIRECTOR
DIN: 00530035**

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) The Explanatory statement pursuant to the provision of Section 102 of the Companies Act 2013 for material facts related to Special business is annexed herewith.
- (iii) 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.
- (iv) 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.
- (v) 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 **17th September,2018 to 24thSeptember,2018 (both days inclusive).**
- (vi) Details under Regulation 27 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement with the Stock Exchanges 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.
- (vii) 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.

- (viii) 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.
- (ix) Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report for the Financial Year 2017-18 will also be available on the Company's website 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.
- (x) Electronic copy of the Annual Report for financial year 2017-18 along with the Notice of the 24th 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 2017-18 along with Notice of the 24th 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.
- (xi) 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
- (xii) 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.
- (xiii) 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.
- (xiv) 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 24th 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 or 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.

Procedure to Login to E-Voting Website

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of “Two Steps” which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step1 is mentioned below:

How to Log-into NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholders’ section.

3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.

6. If you are unable to retrieve or have not received the “ Initial password” or have forgotten your password:
 - a) Click on “Forgot User Details/Password?”(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password?”If you are holding shares in physical mode) option available on(www.evoting.nsdl.com).
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to “Terms and Conditions” by selecting on the check box.
8. Now, you will have to click on “Login” button.
9. After you click on the “Login” button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle is in active status.
3. Select “EVEN” of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
6. Upon confirmation, the message “Vote cast successfully” will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 1 Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to Fcs.chirag@gmail.com with a copy marked to evoting@nsdl.co.in.
- 2 It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the 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 the [“Forgot User Details/Password?”](#) or [“Physical User Reset Password?”](#) option available on www.evoting.nsdl.com to reset the password.

- 3 In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in.
- 4 The remote e-voting period commenced on 21st September, 2018 at 9.00 a.m. and ends on 23rd September, 2018 at 5.00 p.m. 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 cutoff date 16th September, 2018.

**BY ORDER OF THE BOARD OF DIRECTORS
FOR SUNSHINE CAPITAL LIMITED**

**Date: 25.08.2018
Place: New Delhi**

**SURENDER KUMAR JAIN
DIRECTOR
DIN: 00530035**

EXPLANATORY STATEMENT AS PER SECTION 102 OF COMPANIES ACT, 2013

ITEM NO 4:

Ms. RAJNI TANWAR (DIN: 08201251), was appointed as an Additional Director of the Company by the Board of Director in accordance with the provisions of the Section 161 of the Companies Act, 2013. Pursuant to section 161 of the Companies Act, 2013, the above Director holds office up to the date of ensuing Annual General Meeting.

The Board feels that presence of Ms. RAJNI TANWAR (DIN: 08201251), on the Board would be beneficial to the Company and hence recommend passing the resolution as an Ordinary Resolution.

None of the Directors are concerned or interested, directly or indirectly, except **Ms. RAJNI TANWAR** in the resolution.

Your Directors recommend the resolution for approval.

**BY ORDER OF THE BOARD OF DIRECTORS
FOR SUNSHINE CAPITAL LIMITED**

**Date: 25.08.2018
Place: New Delhi**

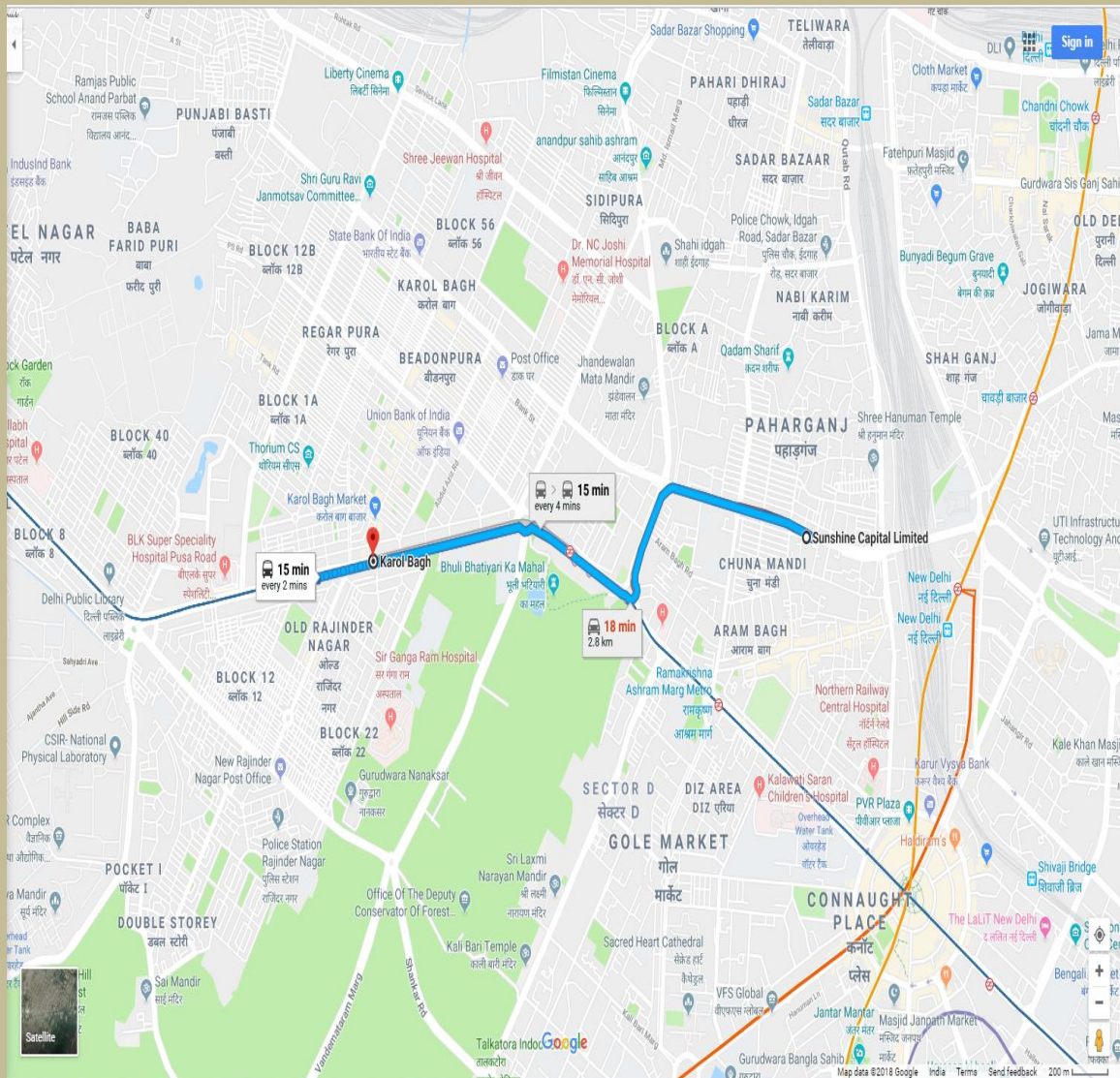
**SURENDER KUMAR JAIN
DIRECTOR
DIN: 00530035**

DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT

**In Pursuance of Regulation 36 (3) of SEBI (Listing Obligations and
Disclosure Requirements) Regulations, 2015**

Name of director	Mr. Sujan Mal Mehta
Nationality	Indian
Date of Appointment	05/04/2012
Qualifications	Post Graduate
Number of Shares held in the Company	NIL
Expertise in specific Functional areas	Financial Sector
Director of other Companies (excluding foreign Companies)	• Kallinugger And Khoreel Tea Co. Ltd • Barduar Tea & Timber Co Ltd • C Batia & Co. Pvt Ltd • Sital Leasing And Finance Limited • Sri Amarnath Finance Limited • Transnational Growth Fund Limited • RKG Finvest Limited • ECHT Finance Limited • Jaipur Investment Limited
Relationship between Director Inter se	NA

ROUTE MAP



DIRECTOR'S REPORT

To
The Members
Sunshine Capital Limited

The Directors have pleasure in submitting their 24th Annual Report on the business and operations of the Company along with the Audited Financial Statement for the financial year ended 31st March, 2018.

1. FINANCIAL SUMMARY HIGHLIGHTS:

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

(IN INR)

PARTICULARS	31 ST MARCH, 2018	31 ST MARCH, 2017
Total Income	20,65,337	1,18,65,702
Profit/(Loss) before tax	2,69,476	64,31,035
Current Tax	(1,37,858)	(19,83,601)
MAT Credit		
Deferred Tax	(10,594)	(26,047)
Profit/(Loss) after tax	1,21,024	44,21,387

2. STATE OF COMPANY AFFAIRS:

During the financial year 2017-18, the Company has recorded Revenue of INR 20,65,337/-. The Company has earned Net Profit of INR 1,21,024/- during the year as compared to Profit of INR 44,21,387/- in the last year. The Directors are optimistic about future performance of the Company.

3. WEB ADDRESS OF ANNUAL RETURN

The Web Address where Annual Return of the Company for the Financial Year 2017-18 referred in sub-section (3) of Section 92 has been placed is mentioned below:

www.sunshinecapital.in

4. CHANGE IN NATURE OF BUSINESS:

There was no change in the nature of business of company.

5. SUBSIDIARY / ASSOCIATE/ JOINT- VENTURE COMPANIES:

The Company does not have any subsidiary / Associate/ Joint- Venture company.

6. SHARE CAPITAL:

The Authorized Share Capital of the Company as on 31st March, 2018 was INR 13,11,00,000/- and Paid up Share Capital as on 31st March, 2018 was INR 13,02,09,000/- and. There was no change in share capital of the company during the year.

7. 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 ensuing future.

8. TRANSFER TO STATUTORY RESERVES:

During the year under review Company has transferred INR 68,58,396/- to the Statutory Reserves Fund from the profits of the Company in accordance with the provision of Section 45-IC of the Reserve Bank of India.

9. NON-ACCEPTANCE OF PUBLIC DEPOSITS:

The Company has not invited/accepted any public deposits or any fixed deposits during the financial year 2017-18. Hence, there are no defaults in repayment of amount of principal and interest as on the date of balance sheet.

10. 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.

11. 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 25th September 1998

12. NON-BANKING FINANCIAL COMPANIES AUDITORS REPORT (RBI) DIRECTIONS, 2016:

Pursuant to the Non-Banking Financial Companies' Auditor's Report (Reserves Bank) directions, 2016, 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.

13. BOARD MEETINGS HELD DURING THE YEAR:

The Board of Directors duly met Six (6)Times during the Financial Year from 1st April, 2017 to 31st March, 2018. The dates on which meetings were held are as follows:

27th May 2017, 11th August 2017, 15th September 2017, 10th November 2017, 27th December 2017, 10th February 2018.

BOARD OF DIRECTORS:

A. Re-Appointment of Directors

Mr. Sujan Mal Mehta, Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. The Board of Directors recommends their re-appointment.

B. Declaration by Independent Directors

The Independent directors have submitted their disclosure to the Board that they fulfil all the requirements as to qualify for their appointment as an Independent Director under the provisions of Section 149(6) of the Companies Act, 2013 as well as SEBI (Listing Obligation and Disclosures Requirement) Regulations, 2015. The policy of regularization is also available on company website.

C. Key Managerial Personnel

The following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed there under:

1. Ms. Priti Jain, Managing Director
2. Ms. Megha Bansal, Company Secretary

There was no change in Key Managerial Personnel composition during the year under review.

D. Board 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 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.

14. 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 31st March, 2018 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.

15. 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.

16. INTERNAL FINANCIAL 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 Function.

17. 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.

18. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of contracts or arrangements with Related Parties for the Financial Year 2017-18 is annexed herewith to the Financial Statements in Form No AOC -2.

19. 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 under Annexure I.

20. 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 Auditor's Certificate regarding the compliance of conditions of Corporate Governance forms part of the Annual Report and attached under Annexure II.

21. AUDITORS:

A. Statutory Auditor

To Appoint M/s Deepak Rajesh & Associates, Chartered Accountants (FRN -028018N), in place of retiring Auditor Mr. Anil Kumar, Chartered Accountant, as the Statutory Auditors of the company pursuant to the provisions of Section 139 to 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 Auditors for their eligibility and qualification to be 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.

(i) *Statutory Auditor's Report*

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

(ii) *Statutory Auditor's Observations*

The observations made by Statutory Auditor with reference to notes to account are self explanatory and need no comments.

B. Secretarial Auditor

The Company has appointed M/s Abhishek Sharma & Associates, Company Secretaries to hold the office of the Secretarial Auditors and to conduct the Secretarial Audit.

(i) *Secretarial Auditor's Report*

The Secretarial Audit Report is annexed herewith marked as Annexure- IV to this report in Form No. MR-3.

(ii) *Secretarial Auditor's Observations*

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. Internal Auditor:

The Company has appointed Ms. Kajal as an Internal Auditor of the Company for the F.Y. 2017-18.

(i) *Internal Auditor's Report*

Ms. Kajal placed the internal audit report to the Company.

(ii) *Internal Auditor's Observations*

Internal audit report self explanatory and need no comments.

22. MAINTENANCE OF COST RECORDS

Maintenance of Cost Audit Records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 is not applicable to the Company and accordingly such accounts and records are not required to be made and maintained.

Also Cost Audit is not applicable to the Company.

23. ENHANCING SHAREHOLDER VALUE:

Your Company firmly believes that its success in the market place and a good reputation is among the primary determination of value to the shareholders. For this purpose, the Management has listed its shares on MSEI Limited having nationwide trading platform.

24. EXTRACT OF THE ANNUAL RETURN:

The Extract of the Annual Return for the financial year 2017-18 is being attached with the Directors report in Form No MGT-9 marked as Annexure V.

25. PARTICULARS OF EMPLOYEES:

Disclosure under the provisions of Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

The information required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of managerial personnel) Rules, 2014 as amended, has been furnished herein below.

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

Sr. No.	Name of Director/KMP and Designation	% increase/decrease (-) in Remuneration in the Financial Year 2017-18	Ratio of Remuneration of each Director / to Median Remuneration of Employees
1.	Ms. Priti Jain, Managing Director	NIL	NIL
2.	Mr. Surender Kumar Jain, Director	NIL	NIL
3.	Ms. Megha Bansal Company Secretary	NIL	-

Note: No sitting fees paid to Independent Directors and Non-executive director and hence not included in the above table.

1. % ~~increase~~/decrease in the Median Remuneration of Employees in the Financial Year 2017-18 is -89.74%.
2. The Median Remuneration of employees of the Company during the financial year was INR 10,500/-.
3. There were Total 3 Permanent Employees on the rolls of Company as on March 31, 2018.

Remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other 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.

26. 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. 67.33% and balance 32.67% is in physical form of the Company's Paid-up Share Capital is in dematerialized form as on 31st March, 2018.

27. CREDIT RATING:

The Directors of the Company are pleased to report that the Company is registered with all four RBI Authorized CIC's Companies i.e. TransUnion CIBIL Limited (Formerly: Credit Information Bureau (India) Limited). 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.

28. EXPOSURE TO REAL ESTATE:

During the year Co. has NIL exposure to Real estate.

29. CAPITAL FUND TO RISK WEIGHTED ASSETS:

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

PARTICULARS	(IN %)
Tier-I Capital	100.34
Tier-II Capital	0.18
Total	100.65

30. 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.

31. HUMAN RESOURCES

People remain the most valuable asset of your Company. Your Company follows a policy of building strong teams of talented professionals. Your Company continues to build on its capabilities in getting the right talent to support different products and geographies and is taking effective steps to retain the talent. It has built an open, transparent and meritocratic culture to nurture this asset.

The Company recognizes people as its most valuable asset and The Company has kept a sharp focus on Employee Engagement. The Company's Human Resources is commensurate with the size, nature and operations of the Company.

32. DISCLOSURE OF FRAUDS IN THE BOARD'S REPORT UNDER SECTION 143 OF THE COMPANIES ACT, 2013

During the year under review, your Directors do not observe any transactions which could result in a fraud. Your Directors hereby declares that the Company has not been encountered with any fraud or fraudulent activity during the Financial Year 2017-2018.

33. COMPLIANCE

The Company has complied and continues to comply with all the applicable regulations, circulars and guidelines issued by the Ministry of Corporate Affairs (MCA), Stock Exchange(s), Securities and Exchange Board of India (SEBI) etc.

The Company has complied with all applicable provisions of the Companies Act, 2013, Listing Agreement executed with the Stock Exchange(s), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable rules/regulations/guidelines issued from time to time.

34. SECRETARIAL STANDARDS OF ICSI

Pursuant to the approval by the Central Government to the Secretarial Standards specified by the Institute of Company Secretaries of India on April 10, 2015, the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) came into effect from July 01, 2015. Thereafter, Secretarial Standards were revised with effect from October 01, 2017. The Company is in compliance with the Secretarial Standards.

35. 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

The following is a summary of sexual harassment complaints received and disposed off during the year 2017-18.

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

36. 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 Report.

37. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

38. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

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.

39. 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.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134(3) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished

(A)Conservation of energy:

Steps taken / impact on conservation of energy, with special reference to the following:
Steps taken by the company for utilizing alternate sources of energy including waste generated:**NIL**

(B) Technology absorption:

Efforts, in brief, made towards technology absorption. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc.

The Company has not taken any technical knowhow from anyone and hence not applicable.

In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

The Company has not imported any technology and hence not applicable.

Expenditure incurred on Research and Development: The Company has not incurred any expenditure on research and development.

(c) Foreign Exchange Earnings/ Outgo:

Foreign Exchange Earnings And Outgoings	31st March, 2018	31st March, 2017
Earnings in Foreign Currency (FOB Value of exports)	NIL	NIL
Expenditure in Foreign Currency	NIL	NIL

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**

DATE: 25.08.2018

PLACE: NEW DELHI

Surender Kumar Jain
Director
DIN: 00530035

Rajni Tanwar
Director
DIN: 08201251

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. 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.

B. COMPANY OVERVIEW

The company is engaged in trading in shares, 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.

C. FINANCIAL PERFORMANCE

The Company has incurred a Net Profit of INR 1,21,024/- during the year. The Directors are optimistic about future performance of the Company.

D. 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.

E. RISK MANAGEMENT AND CONCERNS

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.

F. 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.

G. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATION FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

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

H. 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 31st March, 2018, 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.

I. DISCLOSURE OF ACCOUNTING TREATMENT

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 (“the 2013 Act”) and the relevant provisions of the 2013 Act, as applicable. The financial statements have been prepared on going concern basis under the historical cost convention on accrual basis.

The Company has follows to continue with the period of 1st day of April to 31st day of March, each year as its financial year for the purpose of preparation of financial statements under the provisions of Section 2(41) of the Companies Act, 2013.

J. 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.

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2017-18

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

INTRODUCTION:

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

The Board of Company consists of 4 Directors with a fair representation of executive, non-executive, independent directors and women director.

The composition and category of Board during the year as follows:

Name of the Director	Designation	Category
Ms. Priti Jain	Managing Director	Executive & Non Independent
Mr. Surender Kumar Jain	Director	Non-Executive & Non Independent
Mr. Sujan Mal Mehta	Director	Non-Executive & Independent
Mr. Anil Prakash	Director	Non-Executive & Independent

Board of Directors Meetings

The Board of Directors duly met Six(6) times during the financial year from 1st April, 2017 to 31st March, 2018. The dates on which meetings were held are as follows:

27th May 2017, 11th August 2017, 15th September 2017, 10th November 2017, 27th December 2017, 10th February 2018.

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	Number of Board Meetings during the year		Attendance of Last AGM
Ms. Priti Jain	Managing Director	6	6	Yes
Mr. Surender Kumar Jain	Director	6	1	No
Mr. Sujan Mal Mehta	Director	6	6	Yes
Mr. Anil Prakash	Director	6	6	Yes

The Minutes of the Meetings of the Board of Directors are discussed and taken note and bind with Minute's Book.

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 summarised 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.

2. Independent Directors Meeting:

One Meeting of Independent Directors held on 24th March, 2018 during the financial year ended March 31, 2018.

The meeting shall:

- Review the performance of non-independent directors and the Board as a whole ;
- Review the performance of Chairman 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 Independent Director

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.

The Familiarization Programme policy for the directors is given on the website of the company i.e. www.sunshinecapital.in.

3. Committees Meetings:

The Board has Six Committees namely:

- Audit Committee
- Nomination & Remuneration Committee
- Stakeholders Relationship Committee
- Risk Management Committee
- Asset Liability Management Committee
- Investment Committee

A. 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 **27th May, 2017, 11th August, 2017, 10th November, 2017 and 10th February, 2018** during the financial year ended March 31, 2018.

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.

The Composition of the Audit Committee and Their Attendance at the Meeting:

Name of Members	Category/Designation	No. of Meetings	
		Held	Attended
Mr. Sujan Mal Mehta ¹	Chairperson	4	4
Mr. Surender Kumar Jain	Member	4	1
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 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 Four (4) 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 Company's policy on and approve specific remuneration packages for executive director (s)/Manager under the Companies Act, 2013 after taking into 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 Four (4) times on **26th May, 2017, 10th August, 2017 and 9th November, 2017, 9th Feb, 2018** during the financial year ended March 31, 2018.

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

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

Name of Members	Category/ Designation	No. of Meetings	
		Held	Attended
Mr. Sujan Mal Mehta ¹	Chairperson	4	4
Mr. Surender Kumar Jain	Member	4	1
Mr. Anil Prakash	Member	4	4

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 Four (4) 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 four (4) times on **26th May, 2017, 10th August, 2017 and 9th November, 2017, 9th February** during the financial year ended March 31, 2018.

The Minutes of the Meetings of the Stakeholders' Relationship Committee are discussed and taken note by the board of directors.

The 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	4	4
Mr. Surender Kumar Jain	Member	4	1
Mr. Sujan Mal Mehta ¹	Member	4	4

Compliance Officer:

Name of the Compliance Officer	Ms. Megha Bansal
Contact Details	<u>Registered office:</u> 209, Bhanot Plaza II, 3 D B Gupta Road, New Delhi-110055 <u>Corporate office:</u> 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005
E- Mail ID	sunshinecapital95@gmail.com

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 Four (4) 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 Four (4) times on **26th May, 2017 and 10th August, 2017, 9TH Nov, 2017, 9th Feb, 2018** during the financial year ended March 31, 2018.

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

The 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	4	4
Mr. Surender Kumar Jain	Member	4	1
Mr.Sujan Mal Mehta1	Member	4	4

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 capital markets risks, profit planning, forecasting and analyzing interest movements etc.
- The ALCO should actively monitor the company's liquidity profile and should have sufficiently broad representation across major internal functions that can be directly influence the company's liquidity risks profile (e.g. lending, investment, securities, wholesale and retail funding).
- The ALCO should ensure that the risk measurement system adequately identifies and quantifies risk exposure.

Meetings of the Committee:

The Committee met Four (4) times on **26th May, 2017, 10th August, 2017, 9th November, 2017 and 9th February, 2018** during the financial year ended March 31, 2018.

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

The 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	Chairperson	4	4
Mr. Surender Kumar Jain	Member	4	1
Ms. 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 Four (4) times on **26th May, 2017, 10th August, 2017, 9th November, 2017 and 9th February, 2018** during the financial year ended March 31, 2018.

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

The Composition of Investment Committee and their attendance at the meeting as follows:

Name of Members	Category/ Designation	No. of Meetings	
		Held	Attended
Mr. Anil Prakash	Chairperson	4	4
Mr. Surender Kumar Jain	Member	4	1
Mr.Sujan Mal Mehta	Member	4	4

4. **Share Holders Meeting:**

Annual General Meeting of Members held during the three previous financial years as mentioned below:

Year	Date	Venue	Time
2017	25.09.2017	16/121-122 Jain Bhawan ,Faiz Road Karol Bagh, New Delhi – 110005	11.00 A.M
2016	28.09.2016	16/121-122 Jain Bhawan ,Faiz Road Karol Bagh, New Delhi – 110005	1.00 PM.
2015	30.09.2015	16/121-122 Jain Bhawan, Faiz Road Karol Bagh, New Delhi – 110005	11.00 AM.

No Extra Ordinary General Meeting of Members held during the year.

5. **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.

C. ***Presentation to investors***

There was no presentation made to investor in the last year.

SUBSIDIARY/ ASSOCIATE/ JOINT VENTURE COMPANY:

The Company does not have any subsidiary/ Associate/ Joint Venture company.

APPOINTMENT/REAPPOINTMENT OF DIRECTORS:

According to the Companies Act, 2013, at least two- third of the Board should consist of retiring directors. Of these, one- third is required to retire every year and, if eligible, may seek re- appointment by the shareholders.

Accordingly Mr. Sujan Mal Mehta retires from Board by rotation this year and, being eligible, has offered her 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:

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:

PERIOD	NAME OF NEWSPAPER
Audited Financial Results for the year ended 31.03.2018	Naya India (Hindi News Paper) and Top Story (English News Paper)
Unaudited Financial Results for the Quarter ended on 31.12.2017	Naya India (Hindi News Paper) and Millenium Today (English News Paper)
Unaudited Financial Results for the Quarter ended on 30.09.2017	Naya India (Hindi News Paper) and Millenium Today (English News Paper)
Unaudited Financial Results for the Quarter ended on 30.06.2017	Naya India (Hindi News Paper) and Millenium Today (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 as per the requirements of the Regulation 46 (2) of the SEBI Corporate Governance (Listing Obligations and Disclosure Requirement) Regulations 2015 of the Listing Agreement the website of the Company is regularly updated. Half yearly results are not sent to the shareholders. Annual Report and Financial Statements are sent to all the shareholders at their addresses registered with the Company/RTA.

GENERAL BODY MEETING:

a) 24th Annual General Meeting

Date : 24th September, 2018

Time : 10:00 A.M.

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

b) Date of Book Closure

The Company's Register of Members and Share Transfer Books will remain close from, 17th September, 2018 to 24th September, 2018 (both days inclusive).

c) Financial Year

1st April 2017 to 31st March 2018

d) Dividend:

No dividend is proposed to be declared in AGM or declared in last AGM.

e) Stock Exchanges and Fees:

The Shares of the Company are listed on BSE Limited fees paid on time limit.

f) Scrip Code:

Security ID is SCL and Scrip code on BSE is 539574.

g) Market Price Data:

There has been no trading in BSE during the year 2017-2018.

h) Suspensions Details

There was no suspension of securities took place in last year.

i) Registrar

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 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 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, as required under Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015(f), has designated the following e-mail IDs,

namely sunshinecapital95@gmail.com 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.

k) Registered Office:

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

l) Shareholding Pattern as on March 31, 2018:

Category	No. of Share holders	No. of Shares (Face Value of ` 10/-each)	No. of Shares in Demat Form	% of Share Holding
Promoters	4	716200	716200	5.50
Body Corporate	26	7233400	4909900	55.55
NRI/OCBs/ Clearing Members/ Trust	0	0	0	0
Bank/ Financial Institutions	0	0	0	0
Indian Public	566	5070300	3141100	38.93
HUF	1	1000	0	.02
Total	594	13020900	8765200	100

m) Distribution Schedule of Shareholding as on March 31, 2018:

Shareholding of Nominal Value		No. of Share Holder	% of Share Holder	No. of Shares Held	% of Share Holding
(`)	(`)				
Upto	5000	522	87.43	440700	3.384
5001	10000	10	1.68	70050	5.379
10001	20000	15	2.51	215500	1.655
20001	30000	0	0	0	0
30001	40000	1	0.17	3200	0.245
40001	50000	1	0.17	50000	0.388
50001	100000	6	1.01	464000	3.563.92
100001	ABOVE	42	7.03	11748650	90.240
TOTAL		597	100.0	13020900	100

n) ADR/GDR:

The Company did not issued any ADR or GDR in any previous year as company presently is domestic trading.

o) Commodity Price Risk, Foreign Risk, etc.

As no trading took place in stock exchanges in last year, no question of risk arises. However, company has in place hedging and risk mitigating policies.

p) Plant Location:

The Company is engaged in business of trading of securities, which does not require company to have plant.

q) 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.

Address: D-153 A, 1st Floor, Okhla Industrial Area,

Phase-I, New Delhi-110020,

Tel No: 011-30857575

Fax No: +91 11 30857562

Web: www.skylinerta.com&info@skylinerta.com

<http://www.beetalfinancial.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.

OTHER 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. The policy is also given on the company's website under the head policies.

B. Penalties files by Company in last three years:

No penalty paid by company from last three years to any authorities.

C. Vigil Mechanism/ Whistle Blower Policy:

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 i.e. www.sunshinecapital.in.

D. 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.

E. Accounting Standards:

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

F. 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.

G. 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.

H. 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.

I. Code of Conduct:

In terms of Regulation 27 (2) of the SEBI (Listing Obligations and Disclosure Requirement) 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. The Declaration by the Chairperson and Managing Director of the Company forms part of this Report.

DECLARATION BY THE CHIEF EXECUTIVE OFFICER UNDER REGULATION 34(3) READ WITH SCHEDULE V SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENT) REGULATIONS, 2015 IN REPECT OF COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Members of Board of Directors and senior management personnel of the company have affirmed their compliance with the Code of Conduct of Sunshine Capital Limited, as applicable to them, for the financial year ended 31st March 2018.

**FOR AND ON THE BEHALF OF BOARD OF DIRECTORS
FOR SUNSHINE CAPITAL LIMITED**

**SURENDER KUMAR JAIN
DIRECTOR
DIN: 00530035**

PLACE: NEW DELHI

DATE: 25.08.2018

CEO/CFO/MD/DIRECTOR 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 31-03-2017 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 THE BEHALF OF BOARD OF DIRECTORS
FOR SUNSHINE CAPITAL LIMITED**

**SURENDER KUMAR JAIN
DIRECTOR
DIN: 00530035**

PLACE: NEW DELHI

DATE: 25.08.2018

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, 2018. 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.

M/s Deepak Rajesh & Associates
Chartered Accountant
FRN. 028018N

CA Deepak
Proprietor
M.No. 531291

Date: 25.08.2018
Place: New Delhi

Independent Auditor's Report

To the Members of

SUNSHINE CAPITAL LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **SUNSHINE CAPITAL LIMITED**("the Company") which comprise the Balance Sheet as at **March 31, 2018** and the Statement of Profit and Loss, 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

Our responsibility is to express an opinion on these financial statements based on our audit. We 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 there under. We conducted our audit in accordance with the Standards on Auditing specified under section 143 (10) of the act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements subject to the following:

Interest income reversed amounting to Rs.25.31 Lakhs by virtue of which the Profit of the company has been understated by Rs.25.31 Lakhs.

There is non-provision for diminution in value of inventories to the tune of Rs.19.25 crore by virtue of which profit of the company has been overstated by Rs.19.25 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, 2018;
- (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 Cash Flow Statement, of the cash inflow for the year ended as at March 31, 2018.

Emphasis of matter

We draw attention to the following matters:

- Several loans and advances were given during the year and past years without any proper documentary proof.

Report on other Legal and Regulatory Requirements

- 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, the provisions of this order are applicable on this company, hence we are give the report in the "Annexure- A" statement on the matters Specified in paragraphs 3 and 4 of the Order.
- As required by section 143(3) of the Act, We report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those book;
 - c) The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;

- d) In our opinion, the aforesaid Financial Statement, 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, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018, 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 our separate report in “Annexure B”, and
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (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

FOR M/S DEEPAK RAJESH & ASSOCIATES
CHARTERED ACCOUNTANTS
FRN: 028018N

CA. DEEPAK
(PROPRIETOR)
M. No. 531291

PLACE: ROHTAK
DATE: 26.05.2018

“Annexure A” referred to in paragraph 1 of the section on “Report on other legal and regulatory requirements” of our report of even date

TO THE MEMBERS OF SUNSHINE CAPITAL LIMITED

(i) 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 us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our 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.

(ii) Inventories

- a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- b) In our opinion and according to the information and explanations given to us, 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 us, no material discrepancies were noticed on physical verification.

(iii) Secured or unsecured Loans

The company has granted unsecured loans to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 during the current period. The company has not been regular in receiving the interest from the parties, wherever applicable

- (iv) The company has complied with the provision of section 185 & 186 in respect of loans, investments, guarantees, and security.
- (v) In our opinion and according to the Information & Explanation given to us, 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.
- (vi) We 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.

(vii) 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 us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2018 for a period of more than six months from the date of becoming payable.

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

ACT	Appeal pending Before	Assessment year	Amount of demand (In `)
Income Tax Act	ITAT	2008-09	35,33,80,053/-
Income Tax Act	CIT (A)	2008-09	33,99,00,000/-

- (viii) 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.
- (ix) In our opinion and according to the Information & Explanation given to us, 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.
- (x) Based on the procedure performed and the information and explanation given to us, we report that no fraud on or by the company has been noticed or reported during the year, nor we have been informed of such cases by the management.
- (xi) In our opinion and according to the information and Explanation given to us company has pays or provides managerial remuneration in accordance with the requisite approval mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (xii) The company is not a Nidhi company hence the provision related to the the Nidhi Company is not applicable.
- (xiii) In our opinion and according to the information and Explanation given to us company has complied the provision of related party transaction refer in sections 177 and 188 of Companies Act, 2013, and the detail have been disclosed in the financial statement as required by the applicable Accounting Standard.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) 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

For Deepak Rajesh & Associates
Chartered Accountants
ICAI Firm Registration Number: 028018N

CA Deepak
Proprietor
Membership Number: 531291

Date: 26.05.2018
Place: Rohtak

ANNEXURE-B” REFERRED TO IN PARAGRAPH 2 (f) OF THE SECTION ON “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR REPORT OF EVEN DATE

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

To the Members of **SUNSHINE CAPITAL LIMITED**

We have audited the internal financial controls over financial reporting of **SUNSHINE CAPITAL LIMITED** (“the Company”) as of March 31, 2018 which is based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO 2013 criteria) in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established under the COSO 2013 criteria, which considers 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. 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 the 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.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent 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 we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s

judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 (1) 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 authorizations 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 our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting in COSO 2013 criteria, 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.

For Deepak Rajesh & Associates

Chartered Accountants
ICAI Firm Registration Number: 028018N

CA Deepak
Proprietor
Membership Number: 531291

Date: 26.05.2018
Place : Rohtak

SUNSHINE CAPITAL LIMITED

BALANCE SHEET AS AT 31-03-2018

(IN `)

S.N	PARTICULARS	NOTE NO.	AS AT 31ST MARCH, 2018	AS AT 31ST MARCH, 2017
I	<u>EQUITY AND LIABILITIES</u>			
1	<u>Shareholders Funds</u>			
	(A) Share Capital	2	130,209,000	130,209,000
	(B) Reserves And Surplus	3	925,285,507	925,164,484
	(C) Money Received against share warrants		-	-
2	<u>Share application money pending allotment</u>		-	-
	TOTAL SHAREHOLDER'S FUND		1,055,494,507	1,055,373,484
3	<u>Non-Current Liabilities</u>			
	(A) Long-term Borrowings		-	-
	(B) Deferred Tax Liabilities		-	-
	(C) Other Long-term Liabilities		-	-
	(D) Long term Provisions	4	1,988,765	1,914,801
	TOTAL NON CURRENT LIABILITIES		1,988,765	1,914,801
4	<u>Current Liabilities</u>			
	(A) Short Term Borrowings		-	-
	(B) Trade Payables		-	-
	(i) Total outstanding dues of micro enterprises		-	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises		-	-
	(C) Other Current Liabilities	5	200,545	80,966
	(D) Short- term provisions	6	137,858	1,983,601
	TOTAL CURRENT LIABILITIES		338,403	2,064,567
	TOTAL		1,057,821,675	1,059,352,852
II	<u>ASSETS</u>			
1	<u>Non-Current Assets</u>			
	(A) Fixed Assets	7	34,929,462	35,319,186
	(i) Tangible Assets		-	-
	(ii) Intangible Assets		-	-
	(iii) Capital work-in-progress		-	-
	(iv) Intangible assets under development		-	-
	(B) Non-current Investments	8	2,014,734	2,014,734
	(C) Deferred Tax Assets	9	238,257	248,851
	(D) Long term loans and advances	10	154,747,299	155,495,514
	(E) Other non-current assets		-	-
	TOTAL NON-CURRENT ASSETS		191,929,752	193,078,286
2	<u>Current Assets</u>			
	(A) Current Investments	11	609,684,000	609,684,000
	(B) Inventories	12	247,715,801	247,569,562
	(C) Trade Receivables		-	-
	(D) Cash And Cash Equivalents	13	851,616	448,509
	(E) Short-term loans and advances	14	7,640,506	8,572,495
	(F) Other current assets		-	-
	TOTAL CURRENT ASSETS		865,891,923	866,274,566
	TOTAL		1,057,821,675	1,059,352,852

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

Significant Accounting policies and Notes on Financial

1

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR DEEPAK RAJESH & ASSOCIATES
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 028018N

FOR SUNSHINE CAPITAL LIMITED

CA. DEEPAK
(PROPRIETOR)
M.NO: 531291

PRITI JAIN
(MANAGING DIRECTOR)
DIN: 00537234

SURENDRA KUMAR JAIN
(DIRECTOR)
DIN : 00530035

PLACE : NEW DELHI
DATE : 26.05.2018

SUNSHINE CAPITAL LIMITED**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31-03-2018**

(IN `)

PARTICULARS	NOTE NO.	CURRENT PERIOD 2017-2018	PREVIOUS PERIOD 2016-2017
Revenue From Operations	15	2,040,331	11,865,702
Other Income	16	25,006	19,796
Total Revenue		2,065,337	11,885,498
Purchases of Trading goods	17	185,211	6,770,375
Change in Inventories	18	(146,239)	(6,681,804)
Work in progress and Stock in trade		-	-
Employee Benefit expense finance cost	19	262,414	509,810
Depreciation and amortisation expense	7	389,724	216,471
Other Expenses	20	1,030,787	4,894,769
Total Expenses		1,721,897	5,709,621
Profit Before Exceptional and Extraordinary items		343,440	6,175,877
Exceptional Items	21	73,964	(255,158)
Profit Before Extraordinary items		269,476	6,431,035
Extraordinary Items		-	-
Profit Before Tax		269,476	6,431,035
Tax Expense			
Current Tax		(137,858)	(1,983,601)
MAT Credit		-	-
Deferred Tax		(10,594)	(26,047)
Profit/ (Loss) For The Period from continuing operations		121,024	4,421,387
Profit/ (Loss) from Discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit/ (Loss) from Discontinuing operations after tax		-	-
Profit for the Period		121,024	4,421,387
Earning Per Equity Share			
Basic		0.01	0.34
Diluted		0.01	0.34

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

Significant Accounting policies and Notes on Financial

1

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR DEEPAK RAJESH & ASSOCIATE
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 028018N

FOR SUNSHINE CAPITAL LIMITED

CA. DEEPAK
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M.NO: 531291

PRITI JAIN
(MANAGING DIRECTOR)
DIN: 00537234

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(DIRECTOR)
DIN : 00530035

PLACE : NEW DELHI
DATE : 26.05.2018

SUNSHINE CAPITAL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2018

(C In Lacs)

	PARTICULARS	2017-18	2016-17
A.	<u>CASH FLOWS FROM OPERATING ACTIVITIES :</u>		
	Net Profit Before Tax And Extraordinary Items	1.21	44.21
	Adjustments For :		
	Depreciation	3.90	2.16
	Profit on sale of fixed asset	-	-
	Contingent provision for Standard assets	(0.48)	(2.55)
	Provision for loss Assets	1.22	
	Provision for Taxation	1.38	19.84
	Operating Profit Before Working Capital Changes	7.23	63.66
	Adjustments For :		
	Increase/ Decrease In Current Assets	15.45	(70.10)
	Increase/ decrease In Current Liabilities	1.20	(0.58)
	Cash Generated From Operations	23.87	(7.02)
	Direct Tax Paid	(19.84)	(16.08)
	Net Cash From Operating Activities	4.03	(23.11)
B.	<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
	Purchase of Fixed assets	-	(12.10)
	Sale of Fixed Assets	-	-
	Net Cash Used In Investment Activites	-	(12.10)
C.	<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
	Loans & Advances given	-	9.12
	Net Cash From In Financing Activities	-	9.12
	NET INCREASE IN CASH AND CASH EQUIVALENTS	4.03	(26.09)
	CASH & CASH EQUIVALENTS (Opening Balance)	4.49	30.57
	CASH & CASH EQUIVALENTS (Closing Balance)	8.52	4.49

NOTE : NEGATIVE FIGURES HAVE BEEN SHOWN IN BRACKETS.

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR DEEPAK RAJESH & ASSOCIATES FOR SUNSHINE CAPITAL LIMITED
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 028018N

CA. DEEPAK
(PROPRIETOR)
M.NO: 531291

PRITI JAIN
(MANAGING DIRECTOR)
DIN: 00537234

SURENDRA KUMAR JAIN
(DIRECTOR)
DIN: 00530035

PLACE : NEW DELHI
DATE : 26.05.2018

Note 1: 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, 2017, 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 lifes 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.

l) 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.

Notes to Financial Statements

NOTE 2. SHARE CAPITAL

IN `

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Authorised Share Capital		
13,110,000 Equity Share (Previous year 13,110,000) of ` 10/- each	131,100,000	131,100,000
	131,100,000	131,100,000
Issued, Subscribed & Paid up Share Capital		
Shares at the end of the Accounting Period 13,020,900 (Previous Year 13,020,900) Equity Shares of ` 10/- Each	130,209,000	130,209,000
Total	130,209,000	130,209,000

2.1 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.

2.2 The reconciliation of the number of Shares outstanding is set out Below:

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Equity Shares at the beginning of the year	13,020,900	13,020,900
Add : Issued during the year	-	-
Equity Shares at the end of the Year	13,020,900	13,020,900

2.3 Shares In The Company Held By Each Shareholder Holding More Than 5% Shares

Name Of The Shareholders	AS AT 31ST MARCH 2018		AS AT 31ST MARCH 2017	
	% Of Shares held	No. Of Share	% Of Shares held	No. Of Share
VA Realcon Private Limited	14.96	1,948,100	14.96	1,948,000
Reliable Finance Corp. Pvt. Ltd.	7.11	926,000	7.11	926,000

Notes to Financial Statements

NOTE 3: RESERVES & SURPLUS

IN `

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
<u>Reserve Under Section 45(IC)</u>		
At The Beginning Of The Accounting Period	6,817,280.14	5,978,825
Additions During The Year	41,116.21	838,455
At The End Of The Accounting Period	<u>6,858,396</u>	<u>6,817,280</u>
<u>Securities Premium Account</u>		
At The Beginning Of The Accounting Period	900,000,000	900,000,000
Additions During The Year	-	-
At The End Of The Accounting Period	<u>900,000,000</u>	<u>900,000,000</u>
<u>Surplus in Statement of Profit And Loss</u>		
At The Beginning Of The Accounting Period	18,347,203.52	14,764,272
Additions During The Year (Balance In Statement Of Profit & Loss)	121,023.74	4,421,386.78
<u>Transfer To Reserves</u>		
Reserve U/S 45(IC)	(41,116)	(838,455.00)
At The End Of The Accounting Period	<u>18,427,111</u>	<u>18,347,204</u>
Grand Total	925,285,507	925,164,484

NON CURRENT LIABILITIES

NOTE: 4 LONG TERM PROVISION

IN `

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Provision for Standard Assets	74,495	122,500
Provision for Loss Assets	1,914,270	1,792,301
Total	1,988,765	1,914,801

CURRENT LIABILITIES:

NOTE 5 : OTHER CURRENT LIABILITIES

IN `

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Expenses Payable	200,545	80,966
Total	200,545	80,966

Notes to Financial Statements

NOTE 6 : SHORT TERM PROVISION

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Provision for Taxation	137,858	1,983,601
Total	137,858	1,983,601

NON CURRENT ASSETS

NOTE 8 : NON CURRENT INVESTMENT

IN `

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Quoted Equity Shares		
Investment in Jewellery	2,014,734	2,014,734
Total	2,014,734	2,014,734

* Market Value of the Jewellery 3,488,086 3,276,408

NOTE 9 : DEFERRED TAX ASSETS (NET)

IN `

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Opening Balance	248,851	274,898
Created During the Year	-	-
Reversed During the Year	(10,594)	(26,047)
Closing Balance	238,257	248,851

NOTE : 10 LONG TERM LOAN & ADVANCES

IN `

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Unsecured Loan		
Loans at agreement values less installment received (include overdue Amount)	-	-
Standard Assets	18,745,533	35,000,003
Doubtful Assets (NPA)	1,792,301	1,792,301
Capital Advance		
Advance Against Property	134,209,464	118,703,210
Total	154,747,299	155,495,514

Notes to Financial Statements

NOTE : 11 CURRENT INVESTMENT

IN `

PARTICULARS		AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Unquoted Equity Shares			
150000	Aquarius Fincap & Credits Pvt. Ltd. of ` 10 each	150,225,000	150,225,000
153000	Microland Developers Pvt. Ltd. of ` 10 each	153,153,000	153,153,000
153000	NKS Holdings Pvt. Ltd. of ` 10 each	153,153,000	153,153,000
153000	Solomon Holdings Pvt. Ltd. of ` 10 each	153,153,000	153,153,000
Total		609,684,000	609,684,000

* Fair Value of the Unquoted Shares

681,459,300

681,462,330

NOTE : 12 STOCK IN TRADE

IN `

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Stock in Trade (Quoted security) As per Annexure 'A' Attached	247,715,801	247,569,562
Total	247,715,801	247,569,562

* Market value of Quoted Shares

55,373,808

56,450,354

NOTE : 13 CASH & CASH EQUIVALENTS

IN `

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Cash in Hand	509,291	187,210
Bank balance with Current Account	342,325	261,299
Total	851,616	448,509

NOTE : 14 SHORT TERM LOAN & ADVANCES

IN `

PARTICULARS	AS AT 31ST MARCH 2018	AS AT 31ST MARCH 2017
Receivable from Revenue Authority	7,640,506	8,572,495
Advance for booking of property	-	-
Total	7,640,506	8,572,495

Notes to Financial Statements

NOTE : 15 REVENUE FROM OPERATION

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Sale of Shares	37,281.00	111,010
Interest On Loan	2,003,050.39	11,754,692
Total	2,040,331	11,865,702

NOTE : 16 OTHER INCOME

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Dividend Income	25,006	19,796
Total	25,006	19,796

NOTE : 17 COST OF TRADING GOODS

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Purchases of Trading goods	183,520	6,762,000
Trading Expenses	1,691	8,375
Total	185,211	6,770,375

NOTE : 18 CHANGE IN STOCK IN TRADE

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Balance at the beginning of the year	247,569,561.73	240,887,758
Balance at the Closing of the year	247,715,800.57	247,569,562
Total	(146,238.84)	(6,681,804)

NOTE : 19 EMPLOYEE BENEFITS EXPENSES

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Salary Expenses	253,904	474,280.00
Staff Welfare Expenses	8,510	35,529.54
Total	262,414	509,810

Notes to Financial Statements

NOTE : 20 OTHER EXPENSES

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Advertisement Expenses	28,601	22,649.00
AGM Expenses	2,250	2,100.00
Annual Charges For Credit Rating	31,989	34,450.00
Audit Remuneration	13,680	13,680.00
Bank Charges	372	2,713.50
Board meeting expenses	3,000	7,350.00
Bad Debts W/off	-	3,234,923.60
Conveyance Expenses	40,730	67,520.00
Electricity Bill	3,530	-
Festival expenses	1,350	17,450.00
General Expenses	10,140	53,120.00
Interest on Tax	181,980	453,984.29
Legal & Professional charges	171,298	232,574.00
Listing Compliance Charges	392,180	367,550.00
Other Community expenses	2,460	2,500.00
Postal Charges	17,646	24,316.00
Printing & Stationery	42,075	63,801.00
Repair & Maintenance	67,207	176,115.00
Secretarial & Filing Fees Expenses	5,400	4,800.00
Self Assessment Tax	-	98,114.69
Tax Audit Fees	11,800	-
Telephone Exp.	3,099	6,058.00
Trade Mark Expenses	-	9,000.00
Total	1,030,787	4,894,769.08

NOTE : 21 PROVISIONS

IN `

PARTICULARS	CURRENT PERIOD 2017-18	PREVIOUS PERIOD 2016-17
Provision on Standard Assets	(48,005)	(255,158)
Provision on doubtful Assets	121,969	-
Total	73,964	(255,158)

SUNSHINE CAPITAL LIMITED

Fixed Assets As Per Companies Act, 2013

Notes to the Financial Statement

Note : 7 Fixed Asset

IN ₹

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	WDV as on 31.03.2018	WDV as on 31.03.2017
I	Tangible Assets											
1	Land	33,574,535	-	-	33,574,535	-	-	-	-	-	33,574,535	33,574,535
2	Vehicles	1,131,410	-	-	1,131,410	118,102	316,456	-	-	434,558	696,852	1,013,308
3	Office Equipment	206,479	-	-	206,479	167,218	22,357	-	-	189,575	16,904	39,261
4	Plant & Machinery	235,151	-	-	235,151	189,935	12,698	-	-	202,633	32,518	45,216
5	Furniture & fixture	1,726,818	-	-	1,726,818	1,079,952	38,212	-	-	1,118,164	608,654	646,866
	SUB TOTAL	36,874,393	-	-	36,874,393	1,555,207	389,724	-	-	1,944,931	34,929,462	35,319,186
	Total (Current Year)	36,874,393	-	-	36,874,393	1,555,207	389,724	-	-	1,944,931	34,929,462	35,319,186
	(Previous Year)	35,664,233	1,210,160	-	36,874,393	1,338,736	216,471	-	-	1,555,207	35,319,186	34,325,497

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR DEEPAK RAJESH & ASSOCIATES
(CHARTERED ACCOUNTANTS)
FIRM REGN NO: 028018N

FOR SUNSHINE CAPITAL LIMITED

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SURENDRA KUMAR JAIN
(DIRECTOR)
DIN : 00530035

PLACE : NEW DELHI
DATE : 26.05.2018

SUNSHINE CAPITAL LIMITED**SCHEDULE OF FIXED ASSETS AS ON 31.03.2018**

(As Per Income Tax)

Sl.No.	PARTICULARS	DEP. RATE	OPENING WDV AS ON 01.04.2017	ADDITIONS / REVALUATION ON OR BEFORE 30/09/2017	ADDITIONS / REVALUATION AFTER 30/09/2017	SOLD DURING THE YEAR	TOTAL	DEPRECIATION	CLOSING WDV AS ON 31.03.2018
1	Plant & Machinery	15.00%	511,988	-	-	-	511,988	76,798	435,190
2	Furniture & fixtures	10.00%	953,940	-	-	-	953,940	95,394	858,546
3	Computer	40.00%	49,112	-	-	-	49,112	19,645	29,467
5	Land	0.00%	33,574,535	-	-	-	33,574,535	-	33,574,535
6	Vehicles	15.00%	1,046,554	-	-	-	1,046,554	156,983	889,571
	TOTAL		36,136,129	-	-	-	36,136,129	348,820	35,787,309

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR DEEPAK RAJESH & ASSOCIATES

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SURENDRA KUMAR JAIN

(DIRECTOR)

DIN : 00530035

PLACE : NEW DELHI

DATE : 26.05.2018

Annexure 'A'**Detail of Closing Stock in Trade**

S.N	PARTICULARS	QTY	AS AT 31ST MARCH 2018
1	ACC Ltd.	10	4,821
2	Allahabad Bank	500	24,034
3	Alok Industries Ltd.	1200	17,868
4	Alstone Textiles India Ltd. (Formerly know as Shalini Holding Limited)	375000	150,000,000
5	Andhra Bank Ltd.	600	26,075
6	Ashok Leyland Ltd.	20	549
7	Bank Of Maharastra Ltd.	100	2,331
8	Balmer Lawrie & Co. Ltd.	76	2,525
9	Indian oil Corporation Ltd.	728	37,281
10	Ceat Ltd.	10	356
11	Container Corporation of India Ltd.	2	1,282
12	DCM Financial Services Ltd.	1000	19,256
13	Deepak Fertilizers & Petrochemicals Corporation Ltd.	50	2,681
14	Dhampur Sugar Mills Ltd.	20	1,389
15	Escorts Finance Ltd.	200	13,657
16	Finolex Industries Ltd.	20	600
17	HDIL	500	45,340
18	IDFC LIMITED	1000	158,252
18	IDFC Bank Limited	1000	0
19	Himachal Futuristic Comm. Ltd.	2000	32,080
20	ICICI Bank Ltd.	22	2,532
21	IFCI Ltd.	1000	39,657
22	Insilco Ltd.	500	18,230
23	K. M .Sugar Mills Ltd.	7500	48,122
24	LML Ltd.	1000	16,951
25	Noesis Industries limited	100	6,559
26	Multi Commodity Exchange India Limited	800	903,404
27	NHPC Ltd.	2000	54,170
28	Omaxe Ltd.	125	13,604
29	Pavitra Bhumi Pvt. Ltd.	2400	24,000
30	Pennar Alluminium Company Ltd.	10000	5,683
31	PMC Fincorp Limited	100	197
32	Reliance Power Ltd.	500	77,308
33	Sangotri Construction Ltd.	6000	12,000
34	Sri Amarnath Finance Ltd.	1480000	88,800,000
35	Stellar Investment Ltd.	1352400	6,762,000
36	Tata Motors Ltd.	24	10,800
37	Uniroyal Marine Ltd.	500	1,050
38	Unitech Ltd.	1000	32,139
39	United Spirits Limited	100	373,178
40	Venus Sugar Ltd.	500	22,207
41	Punjab National Bank	500	47,742
42	Syndicate Bank	500	28,098
43	Vijay Bank Ltd.	500	25,794
	TOTAL	3,252,107	247,715,801

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-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 ` 19.25 Crore by virtue of which profit of the company has been overstated by ` 19.25 Crore.
25. Statutory Reserve represents the Reserve Fund created u/s 45-IC of the Reserve Bank of India Act, 1934. An amount of ` 41,116/-. (Previous Year ` 8,38,455/-) representing 20% of Net Profit is transferred to the fund for the year.
26. **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/- . But now the matter is pending at ITAT.
27. **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.
28. **Related Party Disclosures :** As per Accounting Standard 18 on Related Party disclosures issued by the Institute of Chartered Accountants of India, following director of company are director in other companies:

SURENDRA KUMAR JAIN	PRITI JAIN	SUJAN LAL MEHTA	ANIL PRAKASH
SITAL LEASING AND FINANCE LTD	SITAL LEASING AND FINANCE LTD	KALLINUGGER AND KHOREEL TEA CO LTD	SITAL LEASING AND FINANCE LTD
SHRI NIWAS LEASING AND FINANCE LIMITED	GREAT BEAR AVIATION PVT LTD	BARDUAR TEA & TIMBER CO LTD	TRANSNATIONAL GROWTH FUND LTD.
SRI AMARNATH FINANCE LIMITED	SRI AMARNATH FINANCE LIMITED	C BATIA & CO PVT LTD	RKG FINVEST LIMITED
TRANSNATIONAL GROWTH FUND LTD	TRANSNATIONAL GROWTH FUND LTD.	SITAL LEASING AND FINANCE LTD	ECHT FINANCE LIMITED
RKG FINVEST LIMITED	RKG FINVEST LIMITED	SRI AMARNATH FINANCE LIMITED	COSMO BUILDTECH PRIVATE LIMITED
EURO ASIA LABORATORIES LIMITED	ECHT FINANCE LIMITED	TRANSNATIONAL GROWTH FUND LTD.	-
-	EURO ASIA LABORATORIES LIMITED	RKG FINVEST LIMITED	-
-	-	ECHT FINANCE LIMITED	-
-	-	JAIPUR INVESTMENT LIMITED	-

29. 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.
30. 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.
31. **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 0.40% 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	2017-18	2016-17
<u>Sub standard Assets</u>		
Total Non-Performing Assets	17,92,301.00	17,92,301.00
Provision already available	17,92,301.00	17,92,301.00
Additional Provision made during the year	1,21,969.00	0.00
Reversed Provision During the Year	0.00	0.00
Total Provision at the end of the Year	19,14,270.00	17,92,301.00
<u>Standard Assets</u>		
Provision already available	1,22,500.01	3,77,658.25
Reversal of provision during the year	(48,005.01)	(255158.24)
Total Provision at the end of the Year	74,495.00	1,22,500.01

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

(In `)		
Particulars	March 31, 2018	March 31, 2017
Profit/(Loss) after taxation as per Profit and Loss Account (In `)	1,21,024/-	44,21,387/-
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 `)	0.01	0.34
Diluted earnings per share (In `)	0.01	0.34

33. 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:-

Calculation Of Deferred tax Asset	
WDV as per Companies Act	3,49,29,462
WDV as per Income Tax	3,57,87,309
Timing Difference	8,57,846
Deferred Tax Asset	2,38,257

34. 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, 2018. 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 OUR SEPARATE REPORT OF
EVEN DATE**

**FOR DEEPAK RAJESH & ASSOCIATES
(CHARTERED ACCOUNTANTS)
FIRM NO. 028018N**

FOR SUNSHINE CAPITAL LIMITED

**CA. DEEPAK
(PROPRIETOR)
M. No. 531291**

**PRITI JAIN
(MANAGING DIRECTOR)
DIN: 00537234**

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

**PLACE: NEW DELHI
Date: 26.05.2018**

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

Form No. MR - 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2018
[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the
Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members of
SUNSHINE CAPITAL LIMITED
CIN: L65993DL1994PLC060154
209, BHANOT PLAZA- II, 3 D.B GUPTA ROAD,
PAHARGANJ, NEW DELHI - 110055

Dear Members,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s SUNSHINE CAPITAL LIMITED (CIN: L65993DL1994PLC060154)**. The secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2018 complied with the statutory provisions listed hereunder subject to observations mentioned in the report and also that the Company has proper Board-processes and compliance-mechanism in place to the extent and in the manner reported hereunder.

I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (a) *The Company has not complied with the provisions of Section 203 of the Companies Act, 2013 for appointment of Chief Financial Officer during the audit period.*
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (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;
- (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; **[Not Applicable]**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **[Not Applicable]**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. **[Not Applicable]**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. **[Not Applicable]**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. **[Not Applicable]**
 - (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. **[Not Applicable]**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **[Not Applicable]**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. **[Not Applicable]**
- (VI) Non Banking Financial (Non – Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 and Non Banking Financial (Non – Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 and other relevant guidelines and Circulars issued by the Reserve Bank of India from time to time.

I have relied on the representations made by the Company its officers for systems and mechanism formed by the Company for Compliances under other applicable Acts, Laws and other applicable Laws and Regulations as applicable to the Company.

I/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) SEBI (LODR) Regulations, 2015 entered into by the Company with Stock Exchanges.

I 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 as on 31st March, 2018.
- On the basis of Minutes of Board Meeting, it is apparent that all the decisions are carried through unanimous consensus and there were no dissenting members' views.
- Based on review of compliance mechanism established by the Company and on the basis of certificate issued by officers of the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- The compliance by the Company of applicable financial laws, like direct and indirect tax laws and financial accounts, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

**For Ahishek Sharma & Associates
(Company Secretaries)**

Place: New Delhi

Date: Abhishek Sharma

(Prop.)

M. No. : 52653

C. P. No. 19453

DATE : 26/05/2018

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 of
SUNSHINE CAPITAL LIMITED
CIN: L65993DL1994PLC060154
209, BHANOT PLAZA, II 3 D.B GUPTA ROAD,
PAHARGANJ, NEW DELHI - 110055

Sub: My Report of even date is to be read along with this letter

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Abhishek Sharma & Associates
(Company Secretaries)

Place: New Delhi
Date: 26/05/2018

Abhishek Sharma
(Prop.)
M. No. : 52653
C. P. No. 19453

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2018

[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	L65993DL1994PLC060154
ii.	Registration Date	11/07/1994
iii.	Name of Company	SUNSHINE CAPITAL LIMITED
iv.	Category of Company	Company limited by Shares
V	Sub-Category of Company	Indian Non-Government Company
vi.	Address of Company	<u>Registered office:</u> 209, Bhanot Plaza II, 3 D B Gupta Road, New Delhi-110055 <u>Corporate office:</u> 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005
vii.	Listed/Unlisted	Listed
viii.	Name &Address of RTA	Skyline Services Private Limited Address: D-153/A 1st Floor, Phase-1, Okhla Industrial area, New Delhi- 110020

II. PRINCIPAL BUSINESS ACTIVIES 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	65993	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S.No.	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 as at 31st March, 2018)

1. Category-Wise Share Holding

Particulars	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	7,16,200	0	7,16,200	5.50	7,16,200	0	7,16,200	5.50	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
Total shareholding of Promoter (A)	7,16,200	0	7,16,200	5.50	7,16,200	0	7,16,200	5.50	0
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0

f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.	0	0	0	0	0	0	0	0	0
i) Indian	4909900	2323500	7233400	55.55	49,09,900	23,23,500	72,33,400	55.55	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	114550	564600	679150	5.22	116550	562600	6,79,150	5.22	0
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	3024550	13,66,600	4391150	33.72	30,24,550	13,66,600	43,91,150	33.72	(15.01)
c) Others (specify)	0	0	0	0	0	0	0	0	0
HUF	0	1000	0	0	0	0	0	0	0
Sub-total (B)(2):-	8049000	4255700	1,23,04,700	94.50	8051000	42,53,700	1,23,04,700	94.50	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	78049000	4255700	1,23,04,700	94.50	80,51,000	42,53,700	1,23,04,700	94.50	0.00
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	8765200	4255700	1,30,20,900	100.00	87,67,200	42,53,700	1,30,20,900	100.00	0.00

2. 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	2,73,720	2.10	0	2,73,720	2.10	0	0
Babita Jain	2,54,000	1.95	0	2,54,000	1.95	0	0
Virendra Kumar Jain	300	0.00	0	300	0.00	0	0
Surender Kumar Jain	1,88,180	1.45	0	1,88,180	1.45	0	0

Change in Promoters' Shareholding:

Particulars	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):	0	0	0	0
At the End of the year	7,16,200	5.50	7,16,200	5.50

3. Shareholding pattern of Top Ten Shareholders (other than Directors, Promoters and Holders of GDRS and ADRS):

Particulars	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	4954000	38.05	4654100	38.05
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):	0	0	0	0
At the End of the year (or on the date of separation, if separated during the year)	4954000	38.05	4954100	38.05

4. Shareholding of Directors and Key Managerial Personnel:

Particulars	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	4.35	566900	4.35
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):	0	0	0	
At the End of the year	566900	4.35	566900	4.35

V. INDEBTEDNESS

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

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

iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. 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	-	-	-	-	-
6.	Total (A)	-	-	-	-	-
7.	Ceiling as per the Act	-	-	-	-	-

B. Remunerations to others Director

Sl. No	Particulars of Remuneration	Name of Director				Total Amount
		-----	-----	-----	-----	
1.	1. Independent Directors • Fee for attending board committee meetings • Commission • Others, Please specify	-	-	-	-	-
2.	Total (1)	-	-	-	-	-
3.	2. Other Non – Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify	-	-	-	-	-
4.	Total (2)	-	-	-	-	-
5.	Total (B) = (1+2)	-	-	-	-	-
6.	Total Managerial Remuneration	-	-	-	-	-
7.	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 (Megha Bansal)	CFO	Total
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income –tax Act,1961	-	12,000/-	-	12,000/-
	(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	-	12,000/-	-	12,000/-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

Indicative List of Balance Sheet Disclosure for NBFCs with Asset Size Rs.500 Crore and Above and Deposit Taking NBFCs as per RBI Guidelines 31.03.2018

1. Minimum Disclosures

At a minimum, the items listed in this Annex should be disclosed in the NTA by all applicable NBFCs. The disclosures listed are intended only to supplement, and not to replace, other disclosure requirements as applicable.

2. Summary of Significant Accounting Policies

NBFCs should disclose the accounting policies regarding key areas of operations at one place along with NTA in their financial statements. A suggestive list includes - Basis of Accounting, Transactions involving Foreign Exchange, Investments - Classification, Valuation, etc, Advances and Provisions thereon, Fixed Assets and Depreciation, Revenue Recognition, Employee Benefits, Provision for Taxation, Net Profit, etc.

3.1 Capital

(Amount in Rs. crore)			
Particulars		Current Year	Previous Year
i)	CRAR (%)	100.65	100.52
ii)	CRAR - Tier I Capital (%)	100.64	100.34
iii)	CRAR - Tier II Capital (%)	0.01	0.18
iv)	Amount of subordinated debt raised as Tier-II capital	-	-
v)	Amount raised by issue of Perpetual Debt Instruments	-	-

3.2 Investments

(Amount in Rs. crore)			
Particulars		Current Year	Previous Year
(1)	Value of Investments	61.17	61.17
i)	Gross Value of Investments		
	(a) In India	61.17	61.17
	(b) Outside India	-	-
ii)	Provisions for Depreciation		
	(a) In India	-	-
	(b) Outside India	-	-
iii)	Net value of Investments		
	(a) In India	-	-
	(b) Outside India	-	-
(2)	Movement of provisions held towards depreciation on investments		
	(i) Opening Balance	-	-
	(ii) Add: Provisions made during the year	-	-
	(iii) Less: Write-off/write-back of excess provisions during the year	-	-
	(iv) Closing balance	-	-

3.3 Derivatives

3.3.1 Forward Rate Agreement / Interest Rate Swap

(Amount in Rs crore)			
Particulars		Current Year	Previous Year
(i)	The notional principal of swap agreements	-	-
(ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	-	-
(iii)	Collateral required by the NBFC upon entering into swaps	-	-
(iv)	Concentration of credit risk arising from the swaps \$	-	-
(v)	The fair value of the swap book @	-	-
Note: Nature and terms of the swaps including information on credit and market risk and the accounting policies adopted for recording the swaps should also be disclosed.			
\$ Examples of concentration could be exposures to particular industries or swaps with highly geared companies.			
@ If the swaps are linked to specific assets, liabilities, or commitments, the fair value would be the estimated amount that the NBFC would receive or pay to terminate the swap agreements as on the balance sheet date.			

3.3.2 Exchange Traded Interest Rate (IR) Derivatives

(Amount in Rs. crore)			
S. No.	Particulars		Amount
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)		
	a)	-	-
	b)	-	-
	c)	-	-
(ii)	Notional principal amount of exchange traded IR derivatives outstanding as on 31st March (instrument-wise)		
	a)	-	
	b)	-	
	c)	-	
(iii)	Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)		
	a)	--	
	b)	-	
	c)	--	
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)		
	a)	-	
	b)	-	
	c)	-	

3.3.3 Disclosures on Risk Exposure in Derivatives

Qualitative Disclosure

NBFCs shall describe their risk management policies pertaining to derivatives with particular reference to the extent to which derivatives are used, the associated risks and business purposes served. The discussion shall also include:

- a) the structure and organization for management of risk in derivatives trading,
- b) the scope and nature of risk measurement, risk reporting and risk monitoring systems,
- c) policies for hedging and / or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges / mitigants, and
- d) accounting policy for recording hedge and non-hedge transactions; recognition of Income, premiums and discounts; valuation of outstanding contracts; provisioning, collateral and credit risk mitigation.

Quantitative Disclosures

(Amount in Rs. crore)				
Sl. No.	Particular		Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)			
	For hedging		-	
(ii)	Marked to Market Positions [1]			
	a)	Asset (+)	-	-
	b)	Liability (-)	-	-
(iii)	Credit Exposure [2]		-	-
(iv)	Unhedged Exposures		-	-

3.4 Disclosures relating to Securitization

3.4.1 The NTA of the originating NBFCs should indicate the outstanding amount of securitized assets as per books of the SPVs sponsored by the NBFC and total amount of exposures retained by the NBFC as on the date of balance sheet to comply with the Minimum Retention Requirements (MRR). These figures should be based on the information duly certified by the SPV's auditors obtained by the originating NBFC from the SPV. These disclosures should be made in the format given below.

S. No.	Particulars		No. / Amount in Rs. crore
1.	No of SPVs sponsored by the NBFC for securitisation transactions*		-
2.	Total amount of securitised assets as per books of the SPVs sponsored		-
3.	Total amount of exposures retained by the NBFC to comply with MRR as on the date of balance sheet		-
	a)	Off-balance sheet exposures	-
		First loss	--
		Others	-
	b)	On-balance sheet exposures	-

		First loss	-
		Others	-
4.	Amount of exposures to securitisation transactions other than MRR		
	a)	Off-balance sheet exposures	-
	i)	Exposure to own securitizations	-
		First loss	-
		Loss	-
	ii)	Exposure to third party securitisations	-
		First loss	-
		Others	-
	b)	On-balance sheet exposures	-
	i)	Exposure to own securitisations	-
		First loss	-
		Others	-
	ii)	Exposure to third party securitisations	-
		First loss	-
		Others	-
*Only the SPVs relating to outstanding securitisation transactions may be reported here			

3.4.2 Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

(Amount in Rs. crore)			
Particulars		Current year	Previous Year
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

3.4.3 Details of Assignment transactions undertaken by NBFCs

(Amount in Rs. crore)			
Particulars		Current year	Previous Year
(i)	No. of accounts	-	-
(ii)	Aggregate value (net of provisions) of accounts sold	-	-
(iii)	Aggregate consideration	-	-
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v)	Aggregate gain / loss over net book value	-	-

3.4.4 Details of non-performing financial assets purchased / sold

NBFCs which purchase non-performing financial assets from other NBFCs shall be required to make the following disclosures in the NTA to their Balance sheets:

A. Details of non-performing financial assets purchased:

(Amount in Rs. crore)				
Particulars			Current year	Previous Year
(1)	(a)	No. of accounts purchased during the year	-	-
	(b)	Aggregate outstanding	-	-
(2)	(a)	Of these, number of accounts restructured during the year	-	-
	(b)	Aggregate outstanding	-	-

B. Details of Non-performing Financial Assets sold:

(Amount in Rs. crore)				
Particulars			Current year	Previous Year
(1)		No. of accounts sold	-	-
(2)		Aggregate outstanding	-	-
(3)		Aggregate consideration received	-	-

3.5 Asset Liability Management Maturity pattern of certain items of Assets and Liabilities (amount in Cr.)

	Up to 30/31 days	Over 1 month upto 2 Month	Over 2 month s upto 3 month s	Over 3 month & up to 6 month	Over 6 Month & up to 1 year	Over 1 year & up to 3 years	Over 3 years & up to 5 years	Over 5 years	Tot al
Deposits	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	2.05	-	2.05
Investments	-	-	-	-	-	-	-	61.17	61.17
Borrowings	-	-	-	-	-	-	-	-	-
Foreign Currency assets	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-

3.6 Exposures**3.6.1 Exposure to Real Estate Sector**

(Amount in Rs. crore)				
Category			Current Year	Previous Year
a)	Direct Exposure			
	(i)	Residential Mortgages -		
		Lending fully secured by mortgages on residential property that is or will be	-	-

		occupied by the borrower or that is rented		
	(ii)	Commercial Real Estate –		
		Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based limits	-	-
	(iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures –	-	-
	a.	Residential	-	-
	b.	Commercial Real Estate	-	-
Total Exposure to Real Estate Sector			-	-

3.6.2 Exposure to Capital Market

3.6.3

(Amount in Rs. crore)				
Particulars			Current Year	Previous Year
(i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;		-	-
(ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;		-	-
(iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;		-	-
(iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;		-	-
(v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;		-	-
(vi)	loans sanctioned to corporate against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;		-	-
(vii)	bridge loans to companies against expected equity flows / issues;		-	-
(viii)	all exposures to Venture Capital Funds (both registered and unregistered)		-	-

3.6.3 Details of financing of parent company products: NIL

3.6.4 Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC

The NBFC should make appropriate disclosure in the NTA to the annual financial statements in respect of the exposures where the NBFC had exceeded the prudential exposure limits during the year. The sanctioned limit or entire outstanding, whichever is high, shall be reckoned for exposure limit.

3.6.5 Unsecured Advances

- a) For determining the amount of unsecured advances the rights, licenses, authorizations, etc., charged to the NBFCs as collateral in respect of projects (including infrastructure projects) financed by them, should not be reckoned as tangible security. Hence such advances shall be reckoned as unsecured.
- b) NBFCs should also disclose the total amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. has been taken as also the estimated value of such intangible collateral. The disclosure may be made under a separate head in NTA. This would differentiate such loans from other entirely unsecured loans.

4. Miscellaneous

4.1 Registration obtained from other financial sector regulators

A. BSE Registration No.: INE974F0101

4.2 Disclosure of Penalties imposed by RBI and other regulators

Consistent with the international best practices in disclosure of penalties imposed by the regulators, placing the details of the levy of penalty on the NBFC in public domain will be in the interests of the investors and depositors. Further, strictures or directions on the basis of inspection reports or other adverse findings should also be placed in the public domain. The penalties should also be disclosed in the NTA. - **None**

4.3 Related Party Transactions

- a) Details of all material transactions with related parties shall be disclosed in the annual report - **Disclosed**
- b) The company shall disclose the policy on dealing with Related Party Transactions on its website and also in the Annual Report. - **Disclosed**

4.4 Ratings assigned by credit rating agencies and migration of ratings during the year – Disclosed in the Annual Report.

4.5 Remuneration of Directors

All pecuniary relationship or transactions of the non-executive director's vis-à-vis the company shall be disclosed in the Annual Report- **Disclosed.**

4.6 Management

As part of the directors' report or as an addition thereto, a Management Discussion and Analysis report should form part of the Annual Report to the shareholders. This

Management Discussion & Analysis should include discussion on the following matters within the limits set by the company's competitive position:

- a) Industry structure and developments.
- b) Opportunities and Threats.
- c) Segment-wise or product-wise performance.
- d) Outlook
- e) Risks and concerns.
- f) Internal control systems and their adequacy.
- g) Discussion on financial performance with respect to operational performance.
- h) Material developments in Human Resources / Industrial Relations front, including number of people employed.

4.7 Net Profit or Loss for the period, prior period items and changes in accounting policies

Since the format of the profit and loss account of NBFCs does not specifically provide for disclosure of the impact of prior period items on the current year's profit and loss, such disclosures, wherever warranted, may be made in the NTA.

4.8 Revenue Recognition

An enterprise should also disclose the circumstances in which revenue recognition has been postponed pending the resolution of significant uncertainties.

4.9 Accounting Standard 21 -Consolidated Financial Statements (CFS)

NBFCs may be guided by general clarifications issued by ICAI from time to time. A parent company, presenting the CFS, should consolidate the financial statements of all subsidiaries - domestic as well as foreign. The reasons for not consolidating a subsidiary should be disclosed in the CFS. The responsibility of determining whether a particular entity should be included or not for consolidation would be that of the Management of the parent entity. In case, its Statutory Auditors are of the opinion that an entity, which ought to have been consolidated, has been omitted, they should incorporate their comments in this regard in the "Auditors Report".

5. Additional Disclosures

5.1 Provisions and Contingencies

To facilitate easy reading of the financial statements and to make the information on all Provisions and Contingencies available at one place, NBFCs are required to disclose in the NTA the following information:

(Amount in Rs. crore)		
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Profit and Loss Account	Current Year	Previous Year
Provisions for depreciation on Investment	-	-
Provision towards NPA	-	-
Provision made towards Income tax	0.01	0.20
Other Provision and Contingencies (with details)	0.19	0.18
Provision for Standard Assets	0.01	0.01

5.2 Draw Down from Reserves

Suitable disclosures are to be made regarding any draw down of reserves in the NTA.

5.3 Concentration of Deposits, Advances, Exposures and NPAs

5.3.1 Concentration of Deposits (for deposit taking NBFCs)

(Amount in Rs. crore)	
Total Deposits of twenty largest depositors	NA
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	NA

5.3.2 Concentration of Advances

(Amount in Rs. crore)	
Total Advances to twenty largest borrowers	2.05
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	100%

5.3.3 Concentration of Exposures

(Amount in Rs. crore)	
Total Exposure to twenty largest borrowers / customers	-
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	-

5.3.4 Concentration of NPAs

(Amount in Rs. crore)

Total Exposure to top four NPA accounts NA

5.3.5 Sector-wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector
1.	Agriculture & allied activities	NA
2.	MSME	NA
3.	Corporate borrowers	NA
4.	Services	NA
2.	Unsecured personal loans	NA
3.	Auto loans	NA
4.	Other personal loans	NA

5.4 Movement of NPAs

(Amount in Rs. crore)			
Particulars		Current Year	Previous Year
(i)	Net NPAs to Net Advances (%)	-	-
(ii)	Movement of NPAs (Gross)	-	-
	(a) Opening balance	-	-

	(b)	Additions during the year	-	-
	(c)	Reductions during the year-	-	-
	(d)	Closing balance	-	-
(iii)	Movement of Net NPAs			
	(a)	Opening balance	-	-
	(b)	Additions during the year	-	-
	(c)	Reductions during the year	-	-
	(d)	Closing balance	-	-
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)			
	(a)	Opening balance	-	-
	(b)	Provisions made during the year	-	-
	(c)	Write-off / write-back of excess provisions	-	-
	(d)	Closing balance	-	-

5.5 Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

Name of the Joint Venture/ Subsidiary	Other Partner in the JV	Country	Total Assets
NONE			

5.6 Off-balance Sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

Name of the SPV sponsored	
Domestic	Overseas
NONE	

6. Disclosure of Complaints

6.1 Customer Complaints

(a)	No. of complaints pending at the beginning of the year	NONE
(b)	No. of complaints received during the year	
(c)	No. of complaints redressed during the year	
(d)	No. of complaints pending at the end of the year	

SUNSHINE CAPITAL **LIMITED**

Regd. Office: 209, Bhanot Plaza II, 3 D. B. Gupta Road, Paharganj New Delhi 110055
Corporate Office: 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005
CIN: L65993DL1994PLC060154, **Ph. No.:** 011-23582393
E-mail Id: sunshinecapital95@gmail.com, **Website:** www.sunshinecapital.in

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 24th Annual General Meeting of the Company being held on **Monday, the 24th Day of September, 2018 at 10.00 A.M.** at 209 Bhanot Plaza II 3 D B Gupta Road New Delhi-110055.

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.

SUNSHINE CAPITAL **LIMITED**

Regd. Office: 209, Bhanot Plaza II, 3 D. B. Gupta Road New Delhi 110055

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

CIN: L74899DL1994PLC060154, **Ph. No.:** 011-23582393

E-mail Id: sunshinecapital95@gmail.com, **Website:** www.sunshinecapital.in

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: L65993DL1994PLC060154

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 24th Annual general meeting of the company, to be held on the **Monday, the 24th Day of September, 2018 at 10.00 A.M.** at 209 Bhanot Plaza II 3 D.B Gupta Road, Paharganj, New Delhi - 110055 and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	Resolutions
Ordinary Business	
1.	Ordinary Resolution for approval and adoption of Audited Financial Statements as at 31 st March, 2018 and Statement of Profit and Loss for the year ended on that date, together with the Director's Report and Auditor's Report.
2.	Ordinary Resolution for re- appointment of Mr. Sujan Mal Mehta (DIN: 01901945), who is liable to retire by rotation as Director of the Company and being eligible for re-appointment.
3.	Ordinary Resolution for the appointment M/s Deepak Rajesh & Associates, Chartered Accountants (FRN -028018N), as Statutory Auditor of the company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the company on such remuneration as may be fixed in this behalf by the Board of Directors of the Company.
Special Business	
4	Ordinary Resolution for Regularization of Ms. RAJNI TANWAR (DIN: 08201251), as an Additional Director of the Company.

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.