

# **SUNSHINE CAPITAL LIMITED**



## **28<sup>th</sup> Annual Report (2021-22)**

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# **COMPANY** **INFORMATION**

**CIN:** L65993DL1994PLC060154

## **BOARD OF DIRECTORS**

Mr. Surendra Kumar Jain, Managing Director  
Ms. Rajni Tanwar, Woman Director  
Ms. Rekha Bhandari, Woman Director  
Mr. Sujan Mal Mehta, Independent Director  
Mr. Anil Prakash, Independent Director  
Ms. Sangeeta, Chief Financial Officer

## **STATUTORY AUDITORS**

M/s MAK & Co.  
(Chartered Accountants)  
111/2, Bhagwan Nagar Ashram,  
Near Gurudwara Bangla Sahib,  
New Delhi-110014

## **SECRETARIAL AUDITOR**

ACS Parul Agrawal  
(Practicing Company Secretaries)  
8/2, 3rd Floor West Patel Nagar-110008

## **SCRUTINIZER**

ACS Parul Agrawal  
(Practicing Company Secretaries)  
8/2, 3rd Floor West Patel Nagar-110008

## **INTERNAL AUDITOR**

Mr. Sudhish Kumar Verma

## **BOARD COMMITTEES**

### **Audit Committee**

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

### **Nomination & Remuneration Committee**

Mr. Anil Prakash, Chairperson  
Ms. Rajni Tanwar, Member  
Mr. Sujan Mal Mehta, Member

### **Risk Management Committee**

Mr. Anil Prakash, Chairperson  
Mr. Sujan Mal Mehta, Member  
Ms. Rajni Tanwar, Member

## **CFO**

Ms. Sangeeta

## **Stakeholders Relationship Committee**

Mr. Anil Prakash, Chairperson  
Mr. Sujan Mal Mehta, Member  
Ms. Rajni Tanwar, Member

## **Asset Liability Management Committee**

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

## **Investment Committee**

Mr. Anil Prakash, Chairperson  
Mr. Surendra 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, 1<sup>st</sup> Floor, Okhla Industrial Area,  
Phase- I, New Delhi- 110020

## **BANKERS**

ICICI Bank, Connaught Place, New Delhi  
AU Small Finance Bank, New Delhi  
Punjab National Bank, 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**

Surendra kumar Jain  
Managing Director  
sunshinecapital95@gmail.com

## **WEBSITE**

www.sunshinecapital.in

## **CONTACT NO**

011-23582393

# SUNSHINE CAPITAL LIMITED

CIN: L65993DL1994PLC060154

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

Corp. Off: 16/121-122, Jain Bhawan, Faiz Road, W.E.A Karol Bagh, New Delhi 110005

Email Id: [sunshinecapital95@gmail.com](mailto:sunshinecapital95@gmail.com), Contact: 9891709895

Website: [www.sunshinecapital.in](http://www.sunshinecapital.in)

## NOTICE

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting of the Company will be held on Thursday, 29<sup>th</sup> September 2022 at **02.00 P.M. IST** through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”) to transact the following businesses:

### ORDINARY BUSINESS

#### **1. Approval of Financial Results, Director’s & Auditor’s Report**

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 134 of the Companies Act, 2013, the Financial Statements containing the Balance Sheet, Statement of Profit and Loss Account, Cash Flow Statements, Notes & Schedules appended thereto for the Financial Year ended 31<sup>st</sup> March, 2022, together with the Directors’ Report and Auditors’ Report thereon be and are hereby received, considered and adopted.”

#### **2. Retire by rotation as per Section 152(6) of Companies Act, 2013**

To consider and if thought fit, to pass with or without modification, the following resolution as an **Ordinary Resolution**:

To appoint a director in place of **Mr. Surendra Kumar Jain, Managing Director (DIN: 00530035)**, who retires by rotation and being eligible offers himself for re-appointment in this regard to consider and if thought fit, to pass the following resolution as an Ordinary Resolution.

“**RESOLVED THAT** of **Mr. Surendra Kumar Jain, Managing Director (DIN: 00530035)** of who retires by rotation in terms of Section 152 of the Companies Act, 2013 and being eligible be and is hereby re-appointed as the Director of the Company whose office shall be liable to retirement by rotation.”

#### **3. APPOINTMENT OF M/S TIWARI & MISHRA, CHARTERED ACCOUNTANTS, (FIRM REGISTRATION NO. 018393N), AS STATUTORY AUDITORS OF THE COMPANY**

To consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:



**“RESOLVED THAT**, pursuant to Section 139, 142 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and pursuant to the recommendation made by the Audit Committee and Board of Directors, M/S Tiwari & Mishra , Chartered Accountants, (Firm Registration No. 018393N) allotted by The Institute of Chartered Accountants of India (ICAI) be and are hereby appointed as the Statutory Auditors of the Company, who shall hold office from the conclusion of this 28<sup>th</sup> Annual General Meeting for a term of consecutive five years till conclusion of the 33<sup>th</sup> Annual General Meeting and that the Board be and is hereby authorized to fix such remuneration as may be determined by the Audit Committee in addition to reimbursement of all out-of-pocket expenses as may be incurred in connection with the statutory audit of the Company.”

**“RESOLVED FURTHER THAT** any of the director of the company, be and is hereby severally authorized to do and perform all necessary acts, deeds and things including incidental matters in connection with the above including execution, signing and filing of any forms, returns and documents with the concerned authorities.”

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

**Date: 01.09.2022  
Place: New Delhi**

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

# **NOTES**

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporate is entitled to appoint authorized representatives to attend the EGM/AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system will be provided by NSDL.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at [www.sunshinecapital.in](http://www.sunshinecapital.in). The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).

7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

**THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER: -**

*The remote e-voting period begins on 26<sup>th</sup> day of September 2022 at 09:00 A.M. and ends on 28<sup>th</sup> day of September 2022 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e., 22<sup>nd</sup> September 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 22<sup>nd</sup> September 2022.*

**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: Access to NSDL e-Voting system**

**A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the “ <b>Beneficial Owner</b> ” icon under “ <b>Login</b> ” which is available under ‘ <b>IDeAS</b> ’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “ <b>Access to e-Voting</b> ” under e-Voting services and you will be able to see e-Voting page. Click on company name or <b>e-Voting service provider i.e., NSDL</b> and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> . Select “ <b>Register Online for IDeAS Portal</b> ” or click at

	<p><a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <ol style="list-style-type: none"> <li>2. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e., your sixteen-digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or <b>e-Voting service provider i.e., NSDL</b> and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>3. Shareholders/Members can also download NSDL Mobile App “<b>NSDL Speede</b>” facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div data-bbox="587 976 1249 1283" data-label="Image"> <p>The image is a promotional banner for the NSDL Mobile App. It features the text 'NSDL Mobile App is available on' in blue. Below this, there are two logos: the Apple App Store logo and the Google Play logo. Under each logo is a square QR code. The entire banner has a white background and is framed by a thin black border.</p> </div>
<p>Individual Shareholders holding securities in demat mode with CDSL</p>	<ol style="list-style-type: none"> <li>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>2. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of <b>e-Voting service provider i.e., NSDL</b>. Click on <b>NSDL</b> to cast your vote.</li> <li>3. If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate</li> </ol>

	the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e., CDSL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e., NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.**

**How to Log-in to 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 ‘Shareholder/Member’ section.

3. A new screen will open. You will have to enter your User ID, your Password/OTP 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:

<b>Manner of holding shares i.e., Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
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. Password details for shareholders other than Individual shareholders 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 to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?

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'.



If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**

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](http://www.evoting.nsdl.com).
  - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://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](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
  - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
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.

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

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

1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting.
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message “Vote cast successfully” will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. 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 [secretarial.pcsbkh@gmail.com](mailto:secretarial.pcsbkh@gmail.com) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in). Institutional shareholders (i.e., other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
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](http://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](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to National Securities Depository Limited at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

### **Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:**

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [sunshinecapital95@gmail.com](mailto:sunshinecapital95@gmail.com).
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [sunshinecapital95@gmail.com](mailto:sunshinecapital95@gmail.com) If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

**The instructions for members for Voting on the day of AGM are as under: -**

1. Only those Members/ shareholders, who will be present in the Annual General Meeting through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote in the Annual General Meeting.
2. Members who have voted through remote e-voting will be eligible to attend the Annual General Meeting. However, they will not be eligible to vote at the Annual General Meeting.
3. The details of the person who may be contacted for any grievances connected with the facility for Voting on the day of the Annual General Meeting shall be the same person mentioned for remote e-voting.

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

**Date: 01-09-2022  
Place: New Delhi**

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

## **DISCLOSURE REGARDING APPOINTMENT & RE-APPOINTMENT OF DIRECTORS IN THE ENSUING AGM**

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

<b>Name of director</b>	<b>Mr. Surendra Kumar Jain</b>
<b>Nationality</b>	<b>Indian</b>
<b>Date of Appointment</b>	<b>09/03/1995</b>
<b>Qualifications</b>	<b>B. Com, LLB</b>
<b>Number of Shares held in the Company</b>	<b>188180</b>
<b>Expertise in specific Functional areas</b>	<b>Financial Sector</b>
<b>Directorship on the other Listed Companies (excluding foreign Companies)</b>	<ul style="list-style-type: none"> <li>• Shri Niwas Leasing and Finance Limited</li> <li>• Sital Leasing and Finance Limited</li> </ul>
<b>Membership / Chairmanship of Committees of the Board of Listed Companies</b>  <b>Relationship between Director Inter se</b>	<b>1. Shri Niwas Leasing and Finance Limited</b> <ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• Assets Liability Management Committee</li> <li>• Investment Committee</li> <li>• Nomination &amp; Remuneration Committee</li> <li>• Risk Management Committee</li> <li>• Stakeholder Relationship Committee</li> </ul> <b>2. Sital Leasing and Finance Limited</b> <ul style="list-style-type: none"> <li>• Audit Committee</li> <li>• Corporate Social Responsibility</li> </ul>
<b>Relationship between Director Inter-se</b>	<b>Nil</b>

# **DIRECTORS' REPORT**

**To**  
**The Members**  
**Sunshine Capital Limited**

The Directors have pleasure in submitting their 28<sup>th</sup> Annual Report on the business and operations of the Company along with the Audited Financial Statement for the financial year ended 31<sup>st</sup> March, 2022.

## **1. FINANCIAL SUMMARY HIGHLIGHT**

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

(Rs. ₹'000)		
PARTICULAR'S	31 <sup>ST</sup> MARCH, 2022	31 <sup>ST</sup> MARCH, 2021
Total Income	76,160	27,963
Profit/(Loss) before tax	(71,068)	12,681
Current Tax	-	3,736
MAT Credit	-	-
Deferred Tax	19	20
Profit/(Loss) after tax	(72,086)	8,925

## **2. STATE OF COMPANY AFFAIRS**

During the financial year 2021-22, the Company has recorded total Revenue of ₹ 7,61,60,000/- as compared to the last year of ₹ 2,79,63,000/-. The company has incurred Net Loss of ₹ 7,20,86,000/- during the year as compared to Profit of ₹ 89,24,929/- in the last year. The Directors are optimistic about future performance of the Company.

## **3. GLOBAL HEALTH PANDEMIC FROM COVID-19**

The World Health Organization declared a global pandemic of the Novel Corona Virus disease (COVID-19) on February 11, 2020. In enforcing social distancing to contain the spread of the disease, our offices and client offices all over the world have been operating with minimal or no staff for extended periods of time. In keeping with its employee-safety first approach, the Company quickly instituted measures to trace all employees and be assured of their well-being. Our teams reacted with speed and efficiency, and quickly leveraged technology to shift the workforce to an entirely new "Work-from-Home" model. Proactive preparations were done in our work locations during this transition to ensure our offices are safe.

## **4. WEB ADDRESS OF ANNUAL RETURN**

The Web Address where Annual Return in form MGT-9 of the Company for the Financial Year 2021-22 referred in sub-section (3) of Section 92 has been placed is mentioned below:

[https://www.sunshinecapital.in/index.php?event=MGT-7\\_FY%202021-222](https://www.sunshinecapital.in/index.php?event=MGT-7_FY%202021-222)

**5. CHANGE IN NATURE OF BUSINESS**

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

**6. SUBSIDIARY/ ASSOCIATE/ JOINT- VENTURE COMPANIES**

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

**7. SHARE CAPITAL**

The Authorized Share Capital of the Company as on 31<sup>st</sup> March, 2022 was ₹13,11,00,000/- and Paid up Share Capital as on 31<sup>st</sup> March, 2022 was ₹13,02,09,000/- and there was no change in share capital of the company during the year.

**8. DIVIDEND**

No Dividend was declared during the year by the company.

**9. TRANSFER TO STATUTORY RESERVES**

During the year under review, the Company has not transferred any amount to the Statutory Reserves Fund from the Net profits of the Company in accordance with the provision of Section 45-IC of the Reserve Bank of India, as the company has incurred loss during the year.

**10. NON-ACCEPTANCE OF PUBLIC DEPOSITS**

The Company has not invited/ accepted any public deposits or any fixed deposits during the FY-2021-22. Hence, there are no defaults in repayment of amount of principal and interest as on the date of balance sheet.

**11. 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.

**12. NBFC REGISTRATION**

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

**13. 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.

**14. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**DIRECTORS RETIRE BY ROTATION:**

Mr. Surendra Kumar Jain, Managing Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board of Directors recommends his re-appointment.

**INDEPENDENT DIRECTORS:**

The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation. The Independent Directors have submitted their disclosure to the Board that they fulfill all the requirements as to



qualify for their appointment as an Independent Director under the provisions of the Companies Act, 2013 as well as SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The policy for regularization of Independent Director is also placed on Website of the company i.e., [www.sunshinecapital.in](http://www.sunshinecapital.in) respectively.

During the Year, one (1) Meeting held in the F.Y. 2021-22 on 29/06/2021, of the Independent Directors.

### **BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and 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.

### **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:

A.	Mr. Surendra Kumar Jain,	<b>Managing Director</b>
B.	Ms. Sangeeta,	<b>Chief Financial Officer</b>
C.	Mr. Amit Kumar Jain,	<b>Company Secretary</b>

\***Ms. Sakshi Gaur**, Company Secretary of the Company has tendered her resignation from the aforesaid post **w.e.f. April 2, 2021.**

### **COMPANY SECRETARY:**

Mr. Amit Kumar Jain, Company Secretary has joined the company **w.e.f. 01 day of October, 2021.**

## **15. 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 along with proper explanation relating to material departures;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- The Directors have taken proper & sufficient care of the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for prevention & detecting fraud & other irregularities;
- The Directors have prepared the accounts for the year ended 31<sup>st</sup> March, 2022 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.

## 16. MEETINGS

### a) BOARD MEETINGS

The Board of Directors duly met Eight (8) times during the financial year 2021-22. The dates on which meetings were held are 02/04/2021, 29/06/2021, 13/08/2021, 01/09/2021, 01/10/2021, 12/11/2021, 10/02/2022, and 25/03/2022.

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 Director	Designation	Category	Number of Board Meetings		Attendance of Last AGM
			Directors Entitled to attend	Directors attended	
Mr. Surendra Kumar Jain	Managing Director	Executive & Promoter	8	8	Yes
Ms. Rajni Tanwar	Woman Director	Non-Executive & Professional	8	8	Yes
Mr. Sujan Mal Mehta	Director	Non-Executive & Independent	8	8	Yes
Mr. Anil Prakash	Director	Non-Executive & Independent	8	8	Yes
Ms. Rekha Bhandari	Additional Director	Non-Executive & Non Independent	8	8	Yes

### b) COMMITTEE MEETINGS: -

#### (i) AUDIT COMMITTEE

The Audit Committee comprises three Members of which two members including Chairperson of the Committee is Independent Director. During the year (6) Audit Committee Meetings were convened and held.

#### Meetings of the Committee:

The Committee met 6 times dated on 02/04/2021, 29/06/2021, 13/08/2021, 01/09/2021, 12/11/2021, and 10/02/2022 during the financial year.

The Composition of audit committee and their attendance at the meeting are as under: -

Name of Members	Category / Designation	No. of Meetings	
		Members entitled to attend	Members attended
Mr. Sujan Mal Mehta	<b>Chairperson</b> Non-Executive Independent Director	6	6
Mr. Anil Prakash	Non-Executive Independent Director, Member	6	6
Mr. Surendra Kr. Jain	Executive Director, Member	6	6

**(ii) NOMINATION & REMUNERATION COMMITTEE:**

The Nomination & Remuneration Committee comprises three members. All are Non-Executive Directors, of which two including Chairperson of the Committee are Independent Directors. During the year, (4) Nomination & Remuneration Committee Meetings was convened and held.

**Meetings of the Committee:**

The Committee met 4 times dated on 02/04/2021, 30/08/2021, 12/11/2021 and 09/02/2022 in F.Y. - 2021-22.

The Composition of Nomination & Remuneration Committee and their attendance at the Meeting are as under:-

Name of Members	Category/ Designation	No. of Meetings	
		Members entitled to attend	Members attended
Mr. Anil Prakash	Chairperson, Non-Executive, Independent Director	4	4
Ms. Rajni Tanwar	Member, Non-Executive, Independent Director	4	4
Mr. Sujan Mal Mehta	Member, Non-Executive, Independent Director	4	4

The amended/updated policy of nomination policy is also placed on website of the company i.e., [www.sunshinecapital.in](http://www.sunshinecapital.in) respectively.

**(iii) RISK MANAGEMENT COMMITTEE:**

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

**Meetings of the Committee:**

The Committee met 2 times dated on 02/04/2021, and 12/11/2021 during the financial year ended on March 31<sup>st</sup> 2022. The Composition Risk Management committee and their attendance at the meeting are as under:

Name of Members	Category/ Designation	No. of Meetings	
		Members entitled to attend	Members attended
Mr. Anil Prakash	Chairperson, Non-Executive Independent Director	2	2
Mr. Sujan Mal Mehta	Member, Non-Executive Independent Director	2	2
Ms. Rajni Tanwar	Member, Non-Executive Independent Director	2	2

(iv) **STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The Stakeholders Relationship Committee comprises three members of which two members are Independent Director. During the year, (2) Stakeholders Relationship Committee Meetings was convened and held.

**Meetings of the Committee:**

The Committee met 2 times dated on 03/04/2021 and 12/11/2021 in the FY. 2021-22.

The Composition of Stakeholders' Relationship committee and their attendance at the meeting are as under: -

Name of Members	Category/ Designation	No. of Meetings	
		Members entitled to attend	Members attended
Mr. Anil Prakash	Chairperson, Non-Executive, Independent Director	2	2
Mr. Sujan Mal Mehta	Member, Non-Executive, Independent Director	2	2
Ms. Rajni Tanwar	Member, Non-Executive, Independent Director	2	2

(v) **ASSET LIABILITY MANAGEMENT COMMITTEE:**

The Asset Liability Management Committee comprises of three members of which two including Chairperson of the Committee are Independent Director. During the year Two (2) Asset Liability Management Committee Meetings were convened and held.

**Meetings of the Committee:**

The Committee met 2 times dated on 03/04/2021 and 29/07/2021 during the financial Year ended March 31<sup>st</sup>, 2022.

The Composition Asset Liability Management Committee and their attendance at the meeting are as under: -

Name of Members	Category/ Designation	No. of Meetings	
		Members entitled to attend	Members attended
Mr. Sujan Mal Mehta	Chairperson, Non-Executive, Independent Director	2	2
Mr. Anil Prakash	Member, Non-Executive, Independent Director	2	2
Mr. Surendra Kumar Jain	Member, Executive Director	2	2

(vi) **INVESTMENT COMMITTEE:**

The Investment Committee comprises of three members of which two including Chairperson of the Committee are Independent Director. During the year Two (2) Investment Committee Meetings were convened and held.

**Meetings of the Committee:**

The Committee met one (2) times dated on 03/04/2021 and 29/07/2021 during the Financial Year ended March 31<sup>st</sup>, 2022.

The Composition Investment Committee and their attendance at the meeting are as under: -

Name of Members	Category/ Designation	No. of Meetings	
		Members entitled to attend	Members attended
Mr. Sujan Mal Mehta	Chairperson, Non-Executive Independent Director	2	2
Mr. Anil Prakash	Member Non-Executive Independent Director	2	2
Mr. Surendra Kumar Jain	Member, Executive Director	2	2

**Compliance Officer:**

Name of the Compliance Officer	Contact Details	E-Mail ID
AMIT KUMAR JAIN (Company Secretary)	011-23582393	sunshinecapital95@gmail.com
Surendra kumar Jain (Managing Director)	011-23582393	sunshinecapital95@gmail.com

(17) **SHAREHOLDERS MEETING**

There is only one Share Holders Meeting i.e. (Annual General Meeting) held on 28.09.2021 at 04:00 P.M. through Video Conferencing (“VC”)/ Others Audio Visual Means (“OAVM”).

(18) **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

During the Financial Year, No Loan, Guarantees and Investments made by the Company under Section 186 of the Companies Act, 2013. Details of Loans, Guarantees and Investments outstanding as on 31<sup>st</sup> March, 2022 are given in the notes to the financial statements.

(19) **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.

## **(20) 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 i.e., [www.sunshinecapital.in](http://www.sunshinecapital.in).

## **(21) PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of contracts or arrangements with Related Parties for the Financial Year 2021-22 is annexed herewith to the Financial Statements in Form No AOC -2.

## **(22) 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**.

## **(23) CORPORATE GOVERNANCE**

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirements) Regulation, 2015, Report on Corporate Governance is applicable as the Company is within the prescribed limit that the Paid-up Share Capital of the Company is INR 13,02,09,000/- (Rupees Thirteen Crore Two Lakh Nine Thousand Only) and Net worth is INR 1,00,46,20,000/- (Rupees One hundred Crore Forty Sixty Lakhs Twenty Thousand Only) as at March 31<sup>st</sup>, 2022.

## **(24) AUDITORS**

### **A. STATUTORY AUDITORS:**

At the Board Meeting of the company held on August, 02, 2022, Board has appointed M/s Tiwari & Mishra, Chartered Accountants (Firm Registration No. 018393N) as Statutory Auditors of the Company under casual vacancy in place of MAK & Co., Chartered Accountants (Firm Registration No. 028454N) to hold the office till the conclusion of Ensuing AGM.

Re-Appointment of M/s Tiwari & Mishra, Chartered Accountants (Firm Registration No. 018393N) as Statutory Auditors of the Company would be tabled at the meeting of Members, M/s Tiwari & Mishra, Chartered Accountants to be appointed as a Statutory Auditor of the Company; Subject to the approval of Shareholders at General Meeting.

However, A Certificate from the Auditors has been received from the Statutory to the effect that their appointment, if made, would be within the limits prescribed under section 141(3)(g) of the Companies Act, 2013 and that they are not disqualified to be appointed as statutory auditors in terms of the provisions of the proviso to section 139(1), section 141(2) and section 141(3) of the companies Act, 2013, and the provisions of Companies (Audit and Auditors) Rules, 2014.

#### **(a) Statutory Auditor's Report**

The Auditors have given the Statutory Auditors' Report for the FY ended 31<sup>st</sup> March, 2022 and is annexed herewith marked as **Annexure-III** and forms part of the Annual Report.

#### **(b) Statutory Auditor's Observations**

There is a pending Tax demand of 13,82,516/- against the company. The above demand was raised by Department during the course of assessment proceeding in A.Y. 2017-18. The appeal against above assessment order is pending before CIT (A) till date. The Company is hopeful to get relieved from CIT (A), New Delhi. *The Directors have considered this observation and said that it will be resolved shortly.*



## **B. SECRETARIAL AUDITOR:**

The Company has appointed ACS Parul Agrawal, (Practicing Company Secretaries) as Secretarial Auditor to conduct the Secretarial Audit for the F.Y. 2021-22.

### **(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**

The observations made by Auditors with reference to notes to account are Self-explanatory and need no comments. The Board of Directors considered the matter and seeking to resolve the matter, if any.

## **C. INTERNAL AUDITOR**

The Company has appointed Mr. Sudhish Kumar Verma as an Internal Auditor of the Company for the Financial Year 2021-22.

### **(i) Internal Auditor's Report**

Mr. Sudhish Verma placed the internal audit report to the Company.

### **(ii) Internal Auditor's Observations**

Internal audit report is self-explanatory and need no comments.

## **(25) 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.

## **(26) 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 Bombay Stock Limited (BSE) having nationwide trading platform.

## **(27) PARTICULARS OF EMPLOYEES**

Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014.

1. Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31<sup>st</sup> March, 2022.

Sr. No.	Name of Directors	Remuneration P.A.	Ratio to Median Remuneration of Employees
1.	Mr. Surendra Kumar Jain	NIL	NIL

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

2. The percentage increase in remuneration of each director CFO, CEO, Company Secretary or Manager, if any, in the financial year 2021-22: **NIL**

3. Percentage increase in median remuneration of employees in the financial year: **NIL**
4. The number of permanent employees on the rolls of the company as on 31<sup>st</sup> March, 2022 is 10 (Ten)
5. Affirmation that the remuneration is as per the remuneration policy of the company:

Pursuant to Rule 5(1)(Xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

#### **(28) 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 81.40% and balance 18.60% is in the physical form of the company's paid-up Share Capital is in dematerialized form as on 31<sup>st</sup> March, 2022.

#### **(29) LISTING OF SHARES**

The Company has got listed 13020900 Equity Shares of INR 10/- each on Bombay Stock Exchange (BSE).

#### **(30) 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.

#### **(31) EXPOSURE TO REAL ESTATE**

During the year Company has Outstanding Balance/Exposure in Real Sector to INR 32.39 (In Crore).

S.No	Name of the Borrower	Amount (In Rs.)
1	Ambition Hotels Pvt. Ltd.	87,22,260/-
2	Amiable Hotels Pvt. Ltd.	77,61,097/-
3	Antaral Hotels Pvt. Ltd.	26,94,503/-
4	Best Real Build India Pvt. Ltd.	5,44,95,000/-
5	Best Reality LLP	11,48,21,432/-
6	Makeshift Hotels Pvt. Ltd.	48,55,595/-
7	Ridhi Sidhi Malls & Multiplexs Pvt. Ltd.	3,20,25,494/-
8	ROI Hotels India Pvt. Ltd.	40,62,219/-
9	Saha Buildestate Pvt. Ltd.	5,80,543/-
10	Saha Infratech Pvt. Ltd.	35,16,939/-
11	Sunworld Residency Pvt. Ltd.	9,04,22,348/-
	<b>Total</b>	<b>32,39,57,430-</b>

**(32) CAPITAL FUND TO RISK WEIGHTED ASSETS**

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

Particulars	(In %)
Tier-I Capital	115.73
Tier-II Capital	115.40
<b>Total</b>	<b>131.13</b>

**(33) HEALTH, SAFETY AND ENVIRONMENT PROTECTION**

The Company has complied with all the applicable environmental law and labor 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.

**(34) 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.

**(35) 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 2021-22.

**(36) 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.

**(37) 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.

**(38) SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The policy is available on the website of the company i.e., [www.sunshinecapital.in](http://www.sunshinecapital.in).

The following is a summary of sexual harassment complaints received and disposed off during the financial year 2021-22.

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

**(39) 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 continuously reviewed by the Management of the Company.

**(40) 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.

**(41) DETAILS OF CRYPTO / VIRTUAL CURRENCY**

There were no Transaction and Financial Dealing in Crypto / Virtual Currency during Financial Year 2021-22.

**(42) 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.

**(43) 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.

**(44) 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 know, how 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	31 <sup>st</sup> March, 2022	31 <sup>st</sup> March, 2021
Earnings in Foreign Currency (FOB Value of exports)	NIL	NIL
Expenditure in Foreign Currency	NIL	NIL

**45. DETAILS OF APPLICATION MADE FOR OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016.**

During the year under review, there were no Application made or proceeding in the name of the Company under the Insolvency and Bankruptcy Code, 2016.

**43. DETAILS OF DIFFERENCE BETWEEN VALUATION AMOUNT ON ONE TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FINANCIAL INSTITUTIONS:**

During the year under review, there has been no one time settlement of loans taken from Banks and Financial Institutions.

**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: 01.09.2022  
PLACE: NEW DELHI**

**SURENDRA KUMAR JAIN  
MANAGING DIRECTOR  
DIN: 00530035**

**RAJNI TANWAR  
DIRECTOR  
DIN: 08201251**

## **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 provision to section 188: **NIL**

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

Sl. No.	Names of the related party and nature of relation-ship	Nature of contracts/ arrangements /transaction	Duration of contracts/arrangements /transaction	Salient terms of the contracts or arrangements or transactions including the value	Date of approval by the Board, if any	Amount paid as advances if any
1	NIL	NIL	NIL	NIL	NIL	NIL
2	NIL	NIL	NIL	NIL	NIL	NIL



## **MANAGEMENT DISCUSSION 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 Loss of ₹ 7,20,86,000/- 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-term and long-term objectives of your company.

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

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 31<sup>st</sup> March, 2022, 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 1<sup>st</sup> day of April to 31<sup>st</sup> 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**

**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 Five (5) 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:

<b>Name of the Director</b>	<b>Designation</b>	<b>Category</b>
Mr. Surendra Kumar Jain	Managing Director	Executive & Non-Independent
Ms. Rajni Tanwar	Director	Non-Executive & Non-Independent
Mr. Sujan Mal Mehta	Director	Non-Executive & Independent
Mr. Anil Prakash	Director	Non-Executive & Independent
Ms. Rekha Bhandari	Director	Non-Executive & Non-Independent

## **BOARD OF DIRECTORS MEETINGS**

The Board of Directors duly met Eight (8) times during the Financial Year 2021-22. The dates on which these meetings were held are 02/04/2021, 29/06/2021, 13/08/2021, 01/09/2021, 01/10/2021, 12/11/2021, 10/02/2021, and 25/03/2022.

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
		Held	Attended	
Mr. Surendra Kumar Jain	Managing Director	8	8	Yes
Ms. Rajni Tanwar	Director	8	8	Yes
Mr. Sujan Mal Mehta	Director	8	8	Yes
Mr. Anil Prakash	Director	8	8	Yes
Ms. Rekha Bhandari	Director	8	8	No

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 summarized 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 structures 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 resource 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 labor 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 29/06/2021 during the financial year 2021-22.

The meeting shall include: -

- 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 Programmers 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 Programmers policy for the directors is given on the website of the company i.e., [www.sunshinecapital.in](http://www.sunshinecapital.in)

## **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 5 times dated on 02/04/2021, 29/06/2021, 01/09/2021, 12/11/2021, and 10/02/2022 during the financial year ended 31<sup>st</sup> March, 2022.

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	Chairperson	5	5
Mr. Anil Prakash	Member	5	5
Mr. Surendra Kumar Jain	Member	5	5

### **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.

#### **A. 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 Companies 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 (4) times dated on 02/04/2021, 30/08/2021, 12/11/2021 and 09/02/2022 during the financial year 2021-22.

The Minutes of the Meetings of the Nomination & Remuneration Committee are discussed and taken note 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	Chairperson	4	4
Mr. Anil Prakash	Member	4	4
Ms. Rajni Tanwar	Member	4	4

#### **B. STAKEHOLDERS RELATIONSHIP COMMITTEE**

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

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

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



### Meetings of the Committee

The Committee met (2) times dated on 03/04/2021 and 12/11/2021 during the financial year 2021-22.

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	Chairperson	2	2
Mr. Sujan Mal Mehta	Member	2	2
Ms. Rajni Tanwar	Member	2	2

### COMPLIANCE OFFICER

Name of the Compliance Officer	<b>Mr. Amit Kumar Jain</b> <b>Company Secretary Cum Compliance Officer</b>
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, WEA Karol Bagh, New Delhi-110005
E- Mail ID	sunshinecapital95@gmail.com

### C. 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 (2) Risk Management Committee Meetings were convened and held.

#### Scope of the Committee

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

### Meetings of the Committee

The Committee met (2) times dated on 02/04/2021, 12/11/2021 during the financial year 2021-22.

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	Chairperson	2	2
Mr. Sujan Mal Mehta	Member	2	2
Ms. Rajni Tanwar	Member	2	2

#### D. ASSET LIABILITY MANAGEMENT COMMITTEE

The Asset Liability Management Committee of the Board comprised of three members. During the Year (2) 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 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 (2) times 03/04/2021, 29/07/2021 during the financial year 2021-22.

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. Sujan Mal Mehta	Chairperson	2	2
Mr. Anil Prakash	Member	2	2
Mr. Surendra Kumar Jain	Member	2	2

#### INVESTMENT COMMITTEE

The Investment Committee of the Board was comprising of three members. During the Year (2) 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 meets (2) times dated on 03/04/2021, 29/07/2021 during the financial year 2021-22.

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	2	2
Mr. Sujan Mal Mehta	Member	2	2
Mr. Surendra Kumar Jain	Member	2	2

#### **4. SHARE HOLDERS (AGM) MEETING**

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

Year	Date	Venue	Time
2021	28.09.2021	Through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”)	01:00 P.M.
2020	21.08.2020	Through Video Conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”)	01:00 P.M.
2019	30.09.2019	16/121-122, Jain Bhawan, Faiz Road, W.E.A Karol Bagh, New Delhi 110005	11:00 A.M.

❖ 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 is 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/ RE-APPOINTMENT 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. Surendra Kumar Jain retires from Board by rotation this year and, being eligible, has offered his candidature for re-appointment.

#### **MEANS OF COMMUNICATIONS**

The quarterly, half yearly and annual results were published in leading national dailies and regional dailies. The Company is also maintaining a functional website [www.sunshinecapital.in](http://www.sunshinecapital.in) wherein all the communications are updated including the quarterly financial results of the Company. Presentations made to the institutional investors and analysts after declaration of the quarterly results are also displayed on the website of the Company. The Annual reports containing the Audited Annual Accounts, Auditors’ Reports, Boards’ Report, the Management Discussion and Analysis Report forming part of Boards’ Report and other material information are circulated to the members and others entitled thereto. Annual Reports of the Company are emailed to all shareholders who have provided their email IDs in the records of the Depository. All the disclosures and communications to be filed with the Stock Exchanges were submitted through e-filing platform/email and there were no instances of non-compliances.

**a) DATE OF BOOK CLOSURE**

The Company's Register of Members and Share Transfer Books will remain close from, 23<sup>rd</sup> September, 2022 to 29<sup>th</sup> September, 2022 (both days inclusive).

**b) FINANCIAL YEAR**

1<sup>st</sup> April 2021 to 31<sup>st</sup> March 2022.

**c) DIVIDEND**

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

**d) STOCK EXCHANGES AND FEES**

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

**e) SCRIP CODE**

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

**f) MARKET PRICE DATA**

Trading Highlights in BSE during the year 2021-22 has been attached in **Annexure - V**.

**g) SUSPENSIONS DETAILS**

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

**h) 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.

**i) SHARE TRANSFER SYSTEM**

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

- The Company has designated the following e-mail IDs, namely [sunshinecapital95@gmail.com](mailto: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 any queries pertaining to their shareholding, dividend, etc., at their address given in this report.

**j) REGISTERED OFFICE**

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

**k) SHAREHOLDING PATTERN AS ON MARCH 31, 2022**

Category	No. of Share holders	No. of Shares (Face Value of INR 10/-each)	No. of Shares in Demat Form	% of Share Holding
Promoters	4	716200	716200	5.50
Body Corporate	27	8743436	6861636	67.15
NRI/OCBs/ Clearing Members/ Trust	0	0	0	0
Bank/ Financial Institutions	0	0	0	0
Indian Public	561	35263645	2986664	27.09
HUF	4	34900	33900	0.26
<b>Total</b>	<b>596</b>	<b>13020900</b>	<b>10326200</b>	<b>100</b>

**l) DISTRIBUTION SCHEDULE OF SHAREHOLDING AS ON MARCH 31, 2022**

Nominal Value of Each Share: ₹ 10

PAN Consolidation

Share or Debenture Holding Nominal Value (No.)	Number of Share holders	% to Total Numbers	Share or Debenture holding Amount (In Rs.)	% To Total Amount
1	2	3	4	5
Upto 5000	264	44.30	963700.00	0.74
5001 to 10000	266	44.63	2543540.00	1.95
100001 to 20000	9	1.51	125400.00	0.10
20001 to 30000	3	0.50	71230.00	0.05
30001 to 40000	1	0.17	31900.00	0.02
40001 to 50000	3	0.50	142190.00	0.11
50001 to 100000	5	0.84	407500.00	0.31
100000 and above	45	7.55	125923540.00	96.71
<b>Total</b>	<b>596</b>	<b>100.00</b>	<b>130209000.00</b>	<b>100.00</b>

**m) ADR/ GDR**

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

**n) 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.

**o) PLANT LOCATION**

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

**p) 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- 26812682, 23522373  
Fax No: 011 - 26812683  
Web: [www.skylinerta.com](http://www.skylinerta.com)

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

**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 FILED 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](http://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](http://www.sunshinecapital.in). The Declaration by the Chairperson and Managing Director of the Company forms part of this Report.

**J. DECLARATION BY THE MANAGING DIRECTOR 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 31<sup>st</sup> March 2022.

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

**PLACE: NEW DELHI**

**DATE: 01.09.2022**

**SURENDRA KUMAR JAIN  
MANAGING DIRECTOR  
DIN: 00530035**



## **CEO/CFO/MD CERTIFICATION**

The Managing Director and Chief Financial Officer have certified, in terms of Part B of Schedule II of the SEBI (LODR) Regulations, 2015 to the Board that the Financial Statements present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards. The said certification of the Financial Statements and the Cash Flow Statement for the financial year ended 31<sup>st</sup> March, 2022 is enclosed below.

I, **Surendra Kumar Jain**, Managing Director and **Sangeeta**, Chief Financial officer of the 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 31/03/2022 and that the best of my knowledge and belief: -

- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- 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 have been entered into by the company during the years 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 may, 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:

- Significant changes in the internal control over financial reporting during the year under reference.
- Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements and
- 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.

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

**Surendra Kumar Jain  
(Managing Director)**

**Date: 01.09.2022  
Place: New Delhi**

## **CERTIFICATE ON CORPORATE GOVERNANCE**

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

We 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 for the financial year ended 31<sup>st</sup> March, 2022. We have obtained all the information and explanations, which are to the best of our knowledge and belief, were necessary for the purposes of certification.

The compliance of the condition of Corporate Governance is responsibility of the management. Our 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 our examination of the records produced explanations and information furnished, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirement) Regulations’ 2015.

**For MAK & Company**  
**(Chartered Accountants)**  
**Firm Regn No: 028454N**

**CA. Sameem Ahmed**  
**(Partner)**  
**M.No: 533849**  
**Place: New Delhi**  
**Date: 24.05.2022**  
**UDIN: 22533849AJ0XXH1559**

**INDEPENDENT AUDITORS' REPORT**

To

The Members of **SUNSHINE CAPITAL LIMITED**

Report on the audit of the financial statements

**Opinion**

We have audited the financial statements of Sunshine Capital Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, and the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its Net Loss of ₹ 7,20,86,000 and cash out flows for the year ended on that date.

**Basis for opinion**

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2022, its profit/loss statement and its cash flows statement for the year ended on that date.

**Key audit matters**

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

**(A) Adoption of new revenue recognition standard Ind AS 115 (This is added only for illustrative purposes and the auditor has to decide the most significant matter and modify this section accordingly).**

### **Details of the Key Audit Matter**

The Company adopted Ind AS 115 “Revenue from Contracts with Customers” with effect from April 1, 2019. The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations and point of recognition of revenue. Ind AS 115 also requires extensive disclosures.

### **Auditors’ Response to the Key Audit Matter**

We assessed the Company’s process to identify the impact of adoption of the new revenue accounting standard (Ind AS 115).

Our audit approach consisted testing of the design and operating effectiveness of the internal controls and substantive testing as follows: -

- a) Evaluated the design of internal controls relating to implementation of the new revenue accounting standard.
- b) Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price.
- c) Selected a sample of continuing and new contracts and performed the following procedures:
  - Read, analyzed and identified the distinct performance obligations in these contracts.
  - Compared these performance obligations with that identified and recorded by the Company.
  - Considered the terms of the contracts to determine the transaction price including any variable consideration to verify the transaction price used to compute revenue and to test the basis of estimation of the variable consideration.
  - Performed analytical procedures for reasonableness of revenue recognition as per Ind AS 115.

**Information other than the financial statements and auditors' report thereon**

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

**Management's responsibility for the financial statements**

The Company's board of directors is responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended from time to time, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The boards of directors are also responsible for overseeing the Company's financial reporting process.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: -

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **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 Companies Act, 2013, we give in Annexure "A" 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 purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
- c. The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to our, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and



- h. 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 our;
- a. The Company does not have any pending litigations which would impact its financial position;
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

**FOR MAK & COMPANY  
(CHARTERED ACCOUNTANTS)  
FIRM REGN NO: 028454N**

**CA. SAMEEM AHMED  
(PARTNER)  
M.NO: 533849**

**PLACE: NEW DELHI  
DATE: 24.05.2022  
UDIN: 22533849AJOXXH1559**

## Annexure “A” to the Independent Auditor’s Report

(Referred to in paragraph 1 under ‘Report on other legal and regulatory requirements’ section of our report to the members of SUNSHINE CAPITAL LIMITED of even date)

1.	In respect of the Company’s fixed assets:	
	(a)	The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
	(b)	The fixed assets of the Company were physically verified in full by the management during the year. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.
	(c)	The Company has a program of verification to cover all the items of fixed assets in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification has been carried on by the management during the year. Accordingly, we were unable to comment on whether any material discrepancies were noticed on such verification and whether they are properly dealt with in the financial statements.
	(d)	According to the information and explanations given to us, the records examined by us, we report that the Company does not hold any freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the financial statements, the lease agreements are in the name of the Company.
2.	The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification.	
3.	According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.	
4.	In our opinion and according to information and explanation given to us, the company has not granted any loans or provided any guarantees or given any security or made any investments to which the provision of section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3 (iv) of the order is not applicable.	
5.	In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.	
6.	The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the company and accordingly paragraph 3 (vi) of the order is not applicable.	

7.	In respect of statutory dues:	
	(a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the company with the appropriate authorities.
		According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues were in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.
	(b)	According to the information and explanations given to us and the records of the company examined by us, there are no dues of income-tax, sales- tax, service tax, goods and service tax, duty of customs, duty of excise and value added tax which have not been deposited on account of any dispute.
8	In our opinion and according to the information and explanations given to us, the company has no outstanding dues to any financial institutions or banks or any government or any debenture holders during the year. Accordingly, paragraph 3 (viii) of the order is not applicable.	
9.	The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) and has not taken any term loans during the year. Accordingly, paragraph 3 (ix) of the order is not applicable.	
10.	To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.	
11.	The provision of section 197 read with schedule V of the companies Act are not applicable. Accordingly, paragraph 3(xi) of the order is not applicable.	
12.	The Company is not a Nidhi Company and accordingly, paragraph 3 (xii) of the order is not applicable to the Company.	
13.	According to the information and explanations given to us and based on our examination of the records of the company, transactions with the related parties are in compliance with section 177 and 188 of the Act. Where applicable, the details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.	
14	According to the information and explanations given to us and based on our examination of the records of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the order is not applicable.	

15	According to the information and explanations given to us and based on our examination of the records of the company, the company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the order is not applicable.
16	According to the information and explanations given to us and as per the provision of section 45-IA of the Reserve Bank of India Act 1934, the company is registered as NBFC vide certificate No- B-14.01266 dated 25.09.1998.

**FOR MAK & COMPANY**  
**(CHARTERED ACCOUNTANTS)**  
**FIRM REGN NO: 028454N**

**CA. SAMEEM AHMED**  
**(PARTNER)**  
**M.NO: 533849**

**PLACE: NEW DELHI**  
**DATE: 24.05.2022**  
**UDIN: 22533849AJ0XXH155**

## **Annexure “B” to the Independent Auditor’s Report**

(Referred to in paragraph 2 (f) under ‘Report on other legal and regulatory requirements’ section of our report to the Members of Sunshine Capital Limited of even date)

### **Report on the internal financial controls over financial reporting under clause (i) of sub – section 3 of section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Sunshine Capital Limited (“the Company”) as at March 31, 2022, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s responsibility for internal financial controls**

The board of directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditors’ responsibility**

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company 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”) issued by the Institute of Chartered Accountants of India and the standards on auditing prescribed under Section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 were 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 judgments, including the assessment of the risks of material misstatement in the financial statements, whether due to fraud or error.

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

### **Meaning of internal financial controls over financial reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **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 of 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 and according to the information and explanations given to us, the Company has, in all material respects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR MAK & COMPANY  
(CHARTERED ACCOUNTANTS)  
FIRM REGN NO: 028454N**

**CA. SAMEEM AHMED  
(PARTNER)  
M.NO: 533849**

**PLACE: NEW DELHI  
DATE: 24.05.2022  
UDIN: 22533849AJ0XXH155**

**SUNSHINE CAPITAL LIMITED**

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

Corp. Office:- 16/121-122, Jain Bhawan, I Floor, Faiz Road, WEA, Karol Bagh, New Delhi-110005

**Balance Sheet As at 31.03.2022**

(` in '000)

Particulars	Note No.	AS AT 31ST MARCH, 2022	AS AT 31ST MARCH, 2021	AS AT 1ST APRIL, 2020
1	2	3	4	5
<b>(1) ASSETS</b>				
<b>Non-current assets</b>		-	-	-
(a) Property, Plant and Equipment	3	73,453	1,13,173	1,09,673
(b) Capital work-in-progress		-	-	-
(c) Investment Property		-	-	-
(d) Goodwill		-	-	-
(e) Other Intangible assets		-	-	-
(f) Intangible assets under development		-	-	-
(g) Biological Assets other than bearer plants		-	-	-
(h) Financial Assets				
(i) Investments		-	-	-
(ii) Trade receivables		-	-	-
(iii) Loans	5	6,91,670	7,01,328	7,02,956
(iv) Others (to be specified)		-	-	-
(i) Deferred tax assets (net)	6	153	172	192
(j) Other non-current assets		-	-	-
<b>(2) Current assets</b>				
(a) Inventories	7	1,59,317	2,47,716	2,47,716
(b) Financial Assets				
(i) Investments	8	2,015	2,015	2,015
(ii) Trade receivables	9	8	-	-
(iii) Cash and cash equivalents	10	55	97	417
(iv) Bank balances other than (iii) above	11	68,309	8,303	686
(v) Loans		-	-	-
(vi) Others (to be specified)		-	-	-
(c) Current Tax Assets (Net)		-	-	-
(d) Other current assets	12	12,742	10,441	10,132
<b>Total Assets</b>		<b>10,07,722</b>	<b>10,83,246</b>	<b>10,73,786</b>

Cont.....



<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	<b>13</b>	1,30,209	1,30,209	1,30,209
(b) Other Equity	<b>14</b>	8,74,411	9,46,497	9,37,497
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i) Borrowings				
(ii) Trade payables		-	-	-
(iii) Other financial liabilities (other than those specified in item (b), to be specified)		-	-	-
(b) Provisions	<b>15</b>	2,705	2,578	2,050
(c) Deferred tax liabilities (Net)		-	-	-
(d) Other non-current liabilities		-	-	-
<b>Current liabilities</b>				
<b>(a) Financial Liabilities</b>				
(i) Borrowings		-	-	-
(ii) Trade payables	<b>16</b>	0	-	-
(iii) Other financial liabilities (other than those specified in item (c))		-	-	-
(b) Other current liabilities	<b>17</b>	398	226	1,138
(c) Provisions	<b>18</b>	-	3,736	2,893
(d) Current Tax Liabilities (Net)		-	-	-
<b>Total Equity and Liabilities</b>		<b>10,07,722</b>	<b>10,83,246</b>	<b>10,73,786</b>
<b>See accompanying notes to the financial statements 1</b> <b>IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED</b> <b>FOR MAK &amp; COMPANY</b> <b>(CHARTERED ACCOUNTANTS)</b> <b>FOR AND ON BEHALF OF</b> <b>FIRM REGN NO:028454N</b> <b>SUNSHINE CAPITAL LIMITED</b>				
<div> CA. SAMEEM AHMED  (PARTNER)  M.NO: 533849  UDIN : 22533849AJ0XXH1559 </div> <div> SURENDRA KUMAR JAIN  (MANAGING DIRECTOR)  DIN: 00530035 </div> <div> RAJNI TANWAR  (DIRECTOR)  DIN : 08201251 </div>				
<div> <b>PLACE : NEW DELHI</b>  <b>DATE : 24.05.2022</b> </div> <div> SANGEETA  (C.F.O) </div> <div> AMIT KUMAR JAIN  (COMPANY SECRETARY) </div>				

STATEMENT OF CHANGES IN EQUITY														
<b>SUNSHINE CAPITAL LIMITED</b> <b>Regd. Office:- 209, Bhanot Plaza-II, 3, D.B Gupta Road, Delhi-110055</b> <b>Corp. Office:- 16/121-122, Jain Bhawan, I Floor, Faiz Road, WEA, Karol Bagh, New Delhi-110005</b> <b>Statement of Changes in Equity for the period ended 31.03.2022</b>														
<b>A. Equity Share Capital</b>														
PARTICULAR	No. Of Shares	Amount of Shares												
As at 01st April,2020	1,30,20,900	1,30,209												
Changes in equity share capital during the year	-	-												
As at 31st March,2021	1,30,20,900	1,30,209												
Changes in equity share capital during the year	-	-												
As at 31st March,2022	1,30,20,900	1,30,209												
<b>B. Other Equity</b>														
PARTICULAR	Share application money pending allotment	Equity component of compound financial instruments	Reserves and Surplus				Debt instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Effective portion of Cash Flow Hedges	Revaluation Surplus	Exchange differences on translating the financial statements of a foreign operation	Other items of Other Comprehensive Income (specify nature)	Money received against share warrants	Total
			Capital Reserve	Securities Premium Reserve	Other Reserves (specify nature)	Retained Earnings								
As at 01st April 2020	-	-	-	9,00,000	9,337	28,160	-	-	-	-	-	-	-	9,37,497
Profit for the year	-	-	-	-	-	8,925	-	-	-	-	-	-	-	8,925
Total Comprehensive Income for the year	-	-	-	-	-	(1,894)	-	-	-	-	-	-	-	(1,894)
Transfer to retained earnings	-	-	-	-	-	75	-	-	-	-	-	-	-	75
As at 31st March 2021	-	-	-	9,00,000	11,232	35,265	-	-	-	-	-	-	-	9,46,497
profit for the year	-	-	-	-	-	(72,086)	-	-	-	-	-	-	-	(72,086)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
As at 31st March 2022	-	-	-	9,00,000	11,232	(36,821)	-	-	-	-	-	-	-	8,74,411
IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED FOR MAK & COMPANY (CHARTERED ACCOUNTANTS) FIRM REGN NO:028454N														
							FOR AND ON BEHALF OF SUNSHINE CAPITAL LIMITED							
CA. SAMEEM AHMED (PARTNER) M.NO: 533849 UDIN : 22533849ajjxxh1559							SURENDRA KUMAR JAIN (MANAGING DIRECTOR) DIN: 00530035				RAJNI TANWAR (DIRECTOR) DIN : 08201251			
PLACE : NEW DELHI DATE : 24.05.2022							SANGEETA (C.F.O)				AMIT KUMAR JAIN (COMPANY SECRETARY)			

**SUNSHINE CAPITAL LIMITED****Regd. Office:-209, Bhanot Plaza-II, 3, D.B Gupta Road, Delhi-110055****Corp. Office:- 16/121-122, Jain Bhawan, I Floor, Faiz Road, WEA, Karol Bagh, New Delhi-110005****Statement of Profit and Loss for the period ended 31.03.2022**

(' in '000)

S.N	Particulars	Note No.	YEAR ENDED 31ST MARCH 2022	YEAR ENDED 31ST MARCH 2021
I	Revenue From Operations	19	76,123	27,929
II	Other Income	20	37	34
III	Total Income (I+II)		76,160	27,963
IV	<b>EXPENSES</b>			
	Cost of materials consumed		-	-
	Purchases of Stock-in-Trade	21	2,128	-
	Changes in inventories of finished goods	22	88,399	-
	Stock-in -Trade and work-in-progress		-	-
	Employee benefits expense	23	4,147	3,918
	Finance costs		-	-
	Depreciation and amortization expense	3	165	142
	Other expenses	24	52,263	10,695
	Total expenses (IV)		1,47,101	14,755
V	Profit/(loss) before exceptional items and tax (I- IV)		(70,941)	13,208
VI	Exceptional Items		(127)	(528)
VII	<b>Profit/(loss) before tax (V-VI)</b>		<b>(71,068)</b>	<b>12,681</b>
VIII	Tax expense:			
	(1) Current tax		-	3,736
	(2) MAT Credit Entitlement		-	-
	(3) Deferred tax		19	20
	(4) Earlier year demand paid		(1,000)	-
IX	Profit (Loss) for the period from continuing operations (VII-VIII)		<b>(72,086)</b>	<b>8,925</b>
X	Profit/(loss) from discontinued operations		-	-
XI	Tax expense of discontinued operations		-	-
XII	Profit/(loss) from Discontinued operations (after tax) (X-XI)		-	-
XIII	Profit/(loss) for the period (IX+XII)		<b>(72,086)</b>	<b>8,925</b>

Cont.....

XIV	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
XV	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	Total Comprehensive Income for the period (XIII+XIV)(Comprising Profit		-	-
	(Loss) and Other Comprehensive Income		-	-
	for the period)		-	-
XVI	Earnings per equity share (for continuing operation):			
	(1) Basic		(5.54)	0.69
	(2) Diluted		(5.54)	0.69
XVII	Earnings per equity share (for discontinued operation):			
	(1) Basic		-	-
	(2) Diluted		-	-
XVIII	Earnings per equity share(for discontinued & continuing operations)			
	(1) Basic		(5.54)	0.69
	(2) Diluted		(5.54)	0.69

**See accompanying notes to the financial statements**

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY  
(CHARTERED ACCOUNTANTS)  
FIRM REGN NO:028454N

FOR FOR AND ON BEHALF OF  
SUNSHINE CAPITAL LIMITED

CA. SAMEEM AHMED  
(PARTNER)  
M.NO: 533849  
UDIN : 22533849AJ0XXH1559

SURENDRA KUMAR JAIN  
(MANAGING DIRECTOR)  
DIN: 00530035

RAJNI TANWAR  
(DIRECTOR)  
DIN : 08201251

PLACE : NEW DELHI  
DATE : 24.05.2022

SANGEETA  
(C.F.O)

AMIT KUMAR JAIN  
(COMPANY SECRETARY)

**SUNSHINE CAPITAL LIMITED**

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

Corp. Office:- 16/121-122, Jain Bhawan, I Floor, Faiz Road, WEA, Karol Bagh, New Delhi-110005

Statement of Cash Flows for the year ended 31.03.2022

( ` IN LACS)

Particulars	Year Ended 31st March 2022	Year Ended 31st March 2021
<b>Cash flows from operating activities</b>		
Profit before taxation	(709.41)	132.08
Adjustments for:		
Depreciation	(1.65)	1.42
Provision for income tax	-	37.36
Deferred tax	(0.19)	0.20
<b>Working capital changes:</b>		
(Increase) / Decrease in trade and other receivables	692.66	1,035.63
Increase / (Decrease) in trade payables	(35.64)	(46.48)
Cash generated from operations		
Interest paid		
tax paid	(37.36)	(28.93)
Dividends paid		
<b>Net cash from operating activities</b>	(91.59)	1,131.29
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(289.26)	(134.26)
Purchase/ Sale of shares	883.99	-
<b>Net cash used in investing activities</b>	<b>594.72</b>	(134.26)
<b>Cash flows from financing activities</b>		
Loans & Advances Given/Received	96.51	(924.03)
Repayment of Loan	-	-
Dividends paid	-	-
<b>Net cash used in financing activities</b>	<b>96.51</b>	(924.03)
<b>Net increase in cash and cash equivalents</b>	599.64	72.99
<b>Cash and cash equivalents at beginning of period</b>	84.00	11.02
<b>Cash and cash equivalents at end of period</b>	683.64	84.00

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY  
(CHARTERED ACCOUNTANTS)  
FIRM REGN NO:028454N

FOR AND ON BEHALF OF  
SUNSHINE CAPITAL LIMITED

CA. SAMEEM AHMED  
(PARTNER)  
M.NO: 533849  
UDIN : 22533849AJ0XXH1559H

SURENDRA KUMAR JAIN  
(MANAGING DIRECTOR)  
DIN: 00530035

RAJNI TANWAR  
(DIRECTOR)  
DIN : 08201251

PLACE : NEW DELHI  
DATE : 24.05.2022

SANGEETA  
(C.F.O)

AMIT KUMAR JAIN  
(COMPANY SECRETARY)

## Notes to Financial Statements

### OTHER NON CURRENT ASSETS

#### NOTE 5: LOAN

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
<b>Unsecured, Considered Good</b>			
Loans at agreement values less instalment			
Standard Assets	6,76,164	6,44,452	6,55,864
Doubtful Assets (NPA)	-	-	-
<b>Capital Advances</b>			
Advance against Property	15,506	56,877	47,093
<b>Total</b>	<b>6,91,670</b>	<b>7,01,328</b>	<b>7,02,956</b>

#### NOTE 6: DEFERED TAX ASSETS (NET)

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
Opening Balance	172	192	213
Created/ Reversed During the year	(19)	(20)	(22)
<b>Total</b>	<b>153</b>	<b>172</b>	<b>192</b>

#### NOTE 7: INVENTORIES

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
Stock In Shares	1,59,317	2,47,716	2,47,716
As Per "Annexure-A"			
<b>Total</b>	<b>1,59,317</b>	<b>2,47,716</b>	<b>2,47,716</b>

#### NOTE 8: CURRENT INVESTMENT

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
Investment In jewellery	2,015	2,015	2,015
<b>Total</b>	<b>2,015</b>	<b>2,015</b>	<b>2,015</b>

#### NOTE 9: TRADE RECEIVABLE

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
Sundry Debtors	8	-	-
<b>Total</b>	<b>8</b>	<b>-</b>	<b>-</b>

#### NOTE 10: CASH & CASH EQUIVALENTS

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
Cash in Hand	55	97	417
<b>Total</b>	<b>55</b>	<b>97</b>	<b>417</b>

**NOTE 11: BANK & BANK BALANCES**

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
AU Small Finance Bank	26	4,582	123
AU Small Finance Bank	-	-	515
Bank of Baroda	296	-	-
FD in Bank of Baroda	65,700	-	-
ICICI Bank	79	47	23
Punjab National Bank	2,209	3,674	25
<b>Total</b>	<b>68,309</b>	<b>8,303</b>	<b>686</b>

**NOTE 12: OTHER CURRENT ASSETS**

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
Balance with Revenue Authorities	12,742	10,441	10,132
<b>Total</b>	<b>12,742</b>	<b>10,441</b>	<b>10,132</b>

**NOTE 13: SHARE CAPITAL**

(` in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
<b>Authorised Share Capital</b>			
1,31,10,000 Equity Share of ` 10/- Each (Previous Year 1,31,10,000 Equity share of ` 10/- each)	1,31,100	1,31,100	1,31,100
	<u>1,31,100</u>	<u>1,31,100</u>	<u>1,31,100</u>
<b>Issued , Subscribed &amp; Paid up Shares</b>			
Shares at the end of the Accounting Period 1,30,20,900 (Previous Year 1,30,20,900) Equity Shares of ` 10/-	1,30,209	1,30,209	1,30,209
<b>Total</b>	<b><u>1,30,209</u></b>	<b><u>1,30,209</u></b>	<b><u>1,30,209</u></b>

13.1 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, re-payment of Capital & Voting.

13.2 The reconciliation of the number of Shares outstanding is set out Below

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

Name of the Shareholders	AS AT 31ST MARCH 2022		AS AT 31ST MARCH 2021		AS AT 1ST APRIL 2020	
	% of Shares held	No. Of Share	% of Shares held	No. Of Share	% of Shares held	No. Of Share
Reliable Finance Corp Pvt. Ltd.	7.11	9,26,000	7.11	9,26,000	7.11	9,26,000
VA Realcon Pvt. Ltd.	14.96	19,48,000	14.96	19,48,000	14.96	19,48,000



**NOTE 14: OTHER EQUITY**

Refer Statement of Changes in Equity for detailed movement in Equity balance

(' in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
<b>Researve u/s 45IC</b>			
At The Beginning Of The Accounting Period	11,232	9,337	7,558
Additions During The Year	-	1,894	1,779
At The End Of The Accounting Period	11,232	11,232	9,337
<b>General Researve</b>			
At The Beginning Of The Accounting Period	-	-	-
Additions During The Year	-	-	-
At The End Of The Accounting Period	-	-	-
<b>Securities Premium Account</b>			
At The Beginning Of The Accounting Period	9,00,000	9,00,000	9,00,000
Additions During The Year	-	-	-
At The End Of The Accounting Period	9,00,000	9,00,000	9,00,000
<b>Surplus in Statement of Profit &amp; loss</b>			
At The Beginning Of The Accounting Period	35,265	28,160	22,632
Additions During The Year	(72,086)	8,925	7,382
	(36,821)	37,085	30,014
<b>Transfer to Researve</b>			
Researve u/s 45IC	-	(1,894)	(1,779)
Provision for CSR Expenses	-	75	(75)
	-	(1,819)	(1,854)
At The End Of The Accounting Period	(36,821)	35,265	28,160
<b>Grand Total</b>	<b>8,74,411</b>	<b>9,46,497</b>	<b>9,37,497</b>

**NON-CURRENT LIABILITES****NOTE: 15 LONG TERM PROVISION**

(' in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
Provision for Standard Assets	2,705	2,578	2,050
Provision for Loss Assets	-	-	-
<b>Total</b>	<b>2,705</b>	<b>2,578</b>	<b>2,050</b>

**NOTE: 16TRADE PAYABLE**

0

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
Sundry Creditors	0	-	-
<b>Total</b>	<b>0</b>	<b>-</b>	<b>-</b>

**NOTE 17 : OTHER CURRENT LIABILITIES**

(' in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
Expenses Payable	398	226	1,138
<b>Total</b>	<b>398</b>	<b>226</b>	<b>1,138</b>

**NOTE 18 : SHORT TERM PROVISION**

(' in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021	AS AT 1ST APRIL 2020
Provision for Taxation	-	3,736	2,893
<b>Total</b>	<b>-</b>	<b>3,736</b>	<b>2,893</b>

## NOTE 19: REVENUE FROM OPERATION

(' in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Sale of Trading Goods	12,418	-
Profit on sale of Investment	-	-
Interest on Loan (Gross TDS : /- 51,91,868/- (Previous Year Gross TDS : 18,90,705/-)	63,706	27,929
<b>Total</b>	<b>76,123</b>	<b>27,929</b>

## NOTE 20: OTHER INCOME

(' in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Dividend	36	34
Other Income	1	-
<b>Total</b>	<b>37</b>	<b>34</b>

## NOTE 21: COST OF TRADING GOODS

-

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Purchase of Trading Good	2,128	-
<b>Total</b>	<b>2,128</b>	<b>-</b>

## NOTE 22: CHANGE IN INVENTORIES OF FINISHED GOODS

(' in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Balance at the beginning of the year	2,47,716	2,47,716
Balance at the Closing of the year	1,59,317	2,47,716
<b>Total</b>	<b>88,399</b>	<b>-</b>

## NOTE 23: EMPLOYEE BENEFIT EXPENSES

(' in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Salary Expenses	4,147	3,915
Staff Welfare Expense	-	3
<b>Total</b>	<b>4,147</b>	<b>3,918</b>

## NOTE 24: OTHER EXPENSES

(' in '000)

PARTICULARS	AS AT 31ST MARCH 2022	AS AT 31ST MARCH 2021
Accounting Charges	5	5
Advertisement & Publicity Expenses	8	20
Annual Charges For Credit Rating	24	24
Audit Fees	25	25
Bad Debts W/off	613	5,771
Bank Charges	1	2
Business Promotion	-	10
Board Meeting Fees	2	3
Car Insurance	17	19
Car Repair & Maintenance	22	17
CDSL Custodial Fees	53	53
Certification Charges	3	-
Computer Repair & Maintenance	7	2
Conveyance Expenses	23	19
Demat Account Charges	8	-
Directory Salary	3,600	3,600
Electricity Expenses	32	25
Festival Expenses	4	6
Filing Fees	6	7
General Expenses	-	4
Interest on Tax	-	317
Interest on TDS	3	-
Interest on Loan	22	-
Interest on delay payment of tax	239	-
Internal Audit Fees	10	10
ISO Certification Charges	-	-
Legal & Professional charges	144	137
Listing Fees	354	354
Loss on Fixed Assets	45,981	-
Miscellaneous Expenses	20	4
NSDL Fees	62	78
Office repair & maintenance	891	29
Other Community Expense	-	1
Photocopy Expenses	2	10
Printing & Stationery	9	7
Registrar Charges	45	46
Tax Audit Fees	10	10
Telephone Expenses	1	6
Vehicle Running Expenses	13	69
Website Expenses	4	7
<b>Total</b>	<b>52,263</b>	<b>10,695</b>

**SUNSHINE CAPITAL LIMITED**

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NOTE 3: PROPERTY, PLANT AND EQUIPMENT

DEPRECIATION CHART AS PER COMPANIES ACT, 2013.

(' in '000)

Fixed Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost/valuation as at beginning of the year 2021-22	Additions during the year 2021-22	Disposals/ Adjustments	Cost/valuation at the year end 2021-22	As at the beginning of the year 2021-22	Depreciation during the year 2021-22	Disposals/ Adjustments	Total up to the year end 2021-22	As at the Current year end 2022	As at the previous year end 2021
<b>Tangible Assets</b>										
Land & Building	1,12,231	28,881	68,481	72,631	-	-	-	-	72,631	1,12,231
Vehicle	1,131	-	-	1,131	905	71	-	976	156	227
Office Equipment	379	45	-	424	233	84	-	317	107	146
Plant & Machinery	235	-	-	235	221	3	-	224	12	14
Furniture & Fixture	1,727	-	-	1,727	1,171	8	-	1,179	548	555
<b>Total Assets</b>	<b>1,15,703</b>	<b>28,926</b>	<b>68,481</b>	<b>76,148</b>	<b>2,530</b>	<b>165</b>	<b>-</b>	<b>2,695</b>	<b>73,453</b>	<b>1,13,173</b>
<b>Previous year</b>	<b>1,12,061</b>	<b>3,642</b>	<b>-</b>	<b>1,15,703</b>	<b>2,388</b>	<b>142</b>	<b>-</b>	<b>2,530</b>	<b>1,13,173</b>	<b>1,09,673</b>

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

 FOR MAK & COMPANY  
(CHARTERED ACCOUNTANTS)  
FIRM REGN NO:028454N

 FOR AND ON BEHALF OF  
SUNSHINE CAPITAL LIMITED

 CA. SAMEEM AHMED  
(PARTNER)  
M.NO: 533849  
UDIN :22533849AJ0XXH1559

 SURENDRA KUMAR JAIN  
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DIN: 00530035

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 PLACE : NEW DELHI  
DATE : 24.05.2022

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**DEPRECIATION CHART AS PER INCOME TAX ACT**

(' in '000)

PARTICULARS	DEP. RATE	OPENING WDV	ADDITION / REVALUATION ON OR BEFORE 30.09.2021	ADDITION / REVALUATION AFTER 30.09.2021	SOLD DURING THE YEAR	TOTAL	DEPRECIATION	CLOSING WDV
Computer	40%	19	-	-	-	19	8	12
Furniture & Fixtures	10%	626	-	-	-	626	63	563
Land & Building	0%	72,631	-	-	-	72,631	-	72,631
Plant & Machinery	15%	946	-	-	-	946	142	804
<b>Total Assets</b>		<b>74,222</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>74,222</b>	<b>212</b>	<b>74,010</b>

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

FOR MAK & COMPANY  
(CHARTERED ACCOUNTANTS)  
FIRM REGN NO:028454N

FOR AND ON BEHALF OF  
SUNSHINE CAPITAL LIMITED

CA. SAMEEM AHMED  
(PARTNER)  
M.NO: 533849  
UDIN : 22533849AJ0XXH1559

SURENDRA KUMAR JAIN  
(MANAGING DIRECTOR)  
DIN: 00530035

RAJNI TANWAR  
(DIRECTOR)  
DIN : 08201251

PLACE : NEW DELHI  
DATE : 24.05.2022

SANGEETA  
(C.F.O)

AMIT KUMAR JAIN  
(COMPANY SECRETARY)

## Detail of Closing Stock in Trade

S.N	PARTICULARS	QTY	AS AT 31ST MARCH 2022
1	ACC Ltd.	10	5
2	Allahabad Bank	500	24
3	Alok Industries Ltd.	100	1
4	Alstone Textiles India Ltd. (Formerly know as Shalini Holding Limited)	375000	1,50,000
5	Andhra Bank Ltd.	600	26
6	Ashok Leyland Ltd.	5	0
7	Balrampur Chinni Ltd.	200	89
8	Bank Of Maharastra Ltd.	100	2
9	Balmer Lawrie & Co. Ltd.	76	3
10	CEAT Ltd.	10	0
11	Container Corporation of India Ltd.	2	1
12	DCM Financial Services Ltd.	1000	19
13	Deepak Fertilizers & Petrochemicals Corporation Ltd.	50	3
14	Dhampur Sugar Mills Ltd.	20	1
15	Escorts Finance Ltd.	200	14
16	Finolex Industries Ltd.	20	1
17	HDIL	500	45
18	Indai Oil Corporation Ltd	728	37
19	IDFC Bank Limited	1000	158
20	IDFC Bank Limited	1000	0
21	ICICI Bank Ltd.	2	0
22	IFCI Ltd.	1000	40
23	Insilco Ltd.	500	18
24	K. M .Sugar Mills Ltd.	7500	48
25	LML Ltd.	1000	17
26	Noesis Industries limited	100	7
27	Multi Commodity Exchange India Limited	10	11
28	NHPC Ltd.	2000	54
29	Omaxe Ltd.	125	14
30	Pavitra Bhumi Pvt. Ltd.	2400	24
31	Pennar Alluminium Company Ltd.	10000	6
32	PMC Fincorp Limited	100	0
33	Reliance Power Ltd.	500	77
34	Reliance Industries Ltd.	50	120
35	Sangotri Construction Ltd.	6000	12
36	State Bnak Of India	100	51
37	Stellar Investment Ltd.	1352400	6,762
38	Tata Motors Ltd.	24	11
39	TCS	293	1,095
40	Uniroyal Marine Ltd.	500	1
41	Unitech Ltd.	1000	32
42	United Spirits Limited	100	373
43	Venus Sugar Ltd.	500	22
44	Punjab National Bank	500	48
45	Syndicate Bank	500	28
46	Vijay Bank Ltd.	310	16
	<b>TOTAL</b>		<b>1,59,317</b>

## **NOTES TO FINANCIAL STATEMENTS**

### **Note 1: COMPANY INFORMATION**

Sunshine Capital Limited is a public limited company (The Company) having registered office at 209, Bhanot Plaza-II, 3, D.B Gupta Road, New Delhi-110055. The Company is listed on the BSE (Bombay Stock Exchange). The company is engaged in financing business, trading in shares and investment activities. We believe that we are well placed to leverage on the growth opportunities in the economy.

### **Note 2: BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES**

#### **2.1 Basis of Preparation and Measurement**

##### **(a) Basis for preparation of Accounts:**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Companies Act, 2013. Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

The financial statements are presented in INR, the functional currency of the Company. Items included in the financial statements of the Company are recorded using the currency of the primary economic environment in which the Company operates (the 'functional currency'). Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes in these financial statements. The financial statements of the Company for the year ended 31st March, 2022 were approved for issue in accordance with the resolution of the Board of Directors 24<sup>th</sup> May, 2022.

##### **(b) Current - Non-Current classification**

All assets and liabilities are classified into current and non-current as per company normal accounting cycle.

##### **(i) Assets**

"An asset is classified as current when it satisfies any of the following criteria:-

- 1) It is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- 2) It is held primarily for the purpose of being traded;
- 3) It is expected to be realised within 12 months after the reporting date; or
- 4) It is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.  
All other assets are classified as non-current.

## **(ii) Liabilities**

"A liability is classified as current when it satisfies any of the following criteria:-

- 1) It is expected to be settled in the company's normal operating cycle;
- 2) It is held primarily for the purpose of being traded;
- 3) It is due to be settled within 12 months after the reporting date; or
- 4) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity Instruments do not affect its classification.

Current liabilities include current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

"Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

## **(c) Basis of measurement**

These financial statements are prepared under the historical cost convention unless otherwise indicated.

## **(d) Key Accounting Estimates and Judgments**

### **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 result of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates. Any revisions to the accounting estimates are recognized prospectively in the current and future years.

## **(e) Tangible fixed assets**

"Tangible fixed assets (except freehold land which is carried at cost) are stated at cost of acquisition less accumulated depreciation and impairment loss, if any. Cost of acquisition includes freight inward, duties, taxes and other directly attributable expenses incurred to bring the assets to their working condition.

## **(f) Depreciation and amortization**

The company has followed the WDV method for the depreciation and amortization of all tangible and intangible assets. There is no change in the method of depreciation during previous year.

## **(g) Investments:**

Investments are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, associates and joint venture, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.



**(h) Cash and Cash Equivalents:**

Cash and cash equivalents are short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

**(i) Trade Receivables and Loans:**

Trade receivables are initially recognised at fair value. Subsequently, these assets are held at amortised cost, using the effective interest rate (EIR) method net of any expected credit losses. The EIR is the rate that discounts estimated future cash income through the expected life of financial instrument.

**(j) Provisions and Contingent Liabilities:**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are measured at the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date.

If the effect of the time value of money is material, provisions are discounted to reflect its present value using a current pre-tax rate that reflects the current market assessments of the time value of money and the risks specific to the obligation. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

**(k) Revenue Recognition:**

**(i) Loan Income**

In respect of loan agreements, the income is accrued by applying the impact rate in the transaction on declining balance on the amount financed for the period of the agreement.

**(ii) Dividend income on investments is recognized when the right to receive the same is established.**

**(iii) 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 No.DFC.NO.119/DG/ (SPT)-98 date 31-01-1998 and revised notification no. DNBS.192/DG (VL)-2007 dated 22-02-2007.**

**(l) Expenditure:**

Expenses are accounted on accrual basis.

**(m) Provisions of Assets**

The company makes provisions for standard and Non-performing Assets as per the Non-Banking Financial (Non-Deposit Accepting of Holding Companies prudential Norms Reserve Bank) Directions, 2007, as amended from time to time. The company also makes additional provisions 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.

**(n) Provisions, contingents Liabilities and contingent Assets**

- 1) A Provision is recognized when the company has 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 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.
- 2) Contingent Liabilities are disclosed separately by way of note to financial statements after careful evaluation by the managements of the facts and legal aspects of the matter involved in case of:
  - 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.
  - A possible obligation, unless the probability of outflow of resources is remote.
- 3) Contingent Assets are neither recognized, nor disclosed in the financial statements.

**(o) Income Taxes:**

Income tax expense for the year comprises of current tax and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent it relates to a business combination or to an item which is recognised directly in equity or in other comprehensive income.

**Current tax** is the expected tax payable/receivable on the taxable income/loss for the year using applicable tax rates at the Balance Sheet date, and any adjustment to taxes in respect of previous years. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in current tax expense.

**Deferred tax** is recognised in respect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes.

A deferred tax liability is recognised based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted, or substantively enacted, by the end of the reporting period. Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

**(p) Employee Benefits**

No provision of retirement benefits of employees such as leave encashment, gratuity has been made during the year by the company. The same shall be accounted for as and when arises.

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.

25. Statutory Reserve represents the Reserve Fund created u/s 45-IC of the Reserve Bank of India Act, 1934. An amount of 0.00/-.(Previous Year 18,94,421/-) representing 20% of Net Profit is transferred to the fund for the year.

26. **Contingent liabilities and pending litigations:**

There was a pending Nil Tax demand as on date.

27. **Related Party Disclosure:**

As per Accounting Standard 18 on related Party disclosure issued by the Institute of chartered Accountants of India, the nature and volume of transaction of the company during the year with the related parties were as follows:

Name of the Related Party	Relationship	Nature of Transaction	Amount of Transaction
Mekaster Finlease Ltd.	Virendra Jain Director of Mekaster Finlease Ltd. is Brother of Surendra Kumar Jain	Repayment of Loan	2,55,00,000/-
Babita Jain	Relative of KMP	Repayment of Loan	10,00,000/-
Virendra Jain	Relative of KMP	Loan Given	1,36,50,000/-
Surendra Kumar Jain	Managing Director	Director Remuneration	36,00,000/-
Babita Jain	Relative of KMP	Remuneration	14,65,400/-
Amit Kumar Jain	Company Secretary	KMP Remuneration	75,000/-

**Note:** Related party relationship is as identified by the Company and relied upon by the auditor.

The following Director of the company are Director in other Companies:

Surendra Kumar Jain	Rajni Tanwar	Sujan Lal Mehta	Anil Prakash	Rekha Bhandari
Sital Leasing & Finance Limited	Abhijit Trading Co. Ltd.	Kallinugger and khoreel tea Co Ltd	Sital Leasing & Finance Limited	Sital Leasing & Finance Limited
Shri Niwas Leasing And Finance Limited	Alstone Textiles (India) Limited	Barduar Tea & Timber Co Ltd	Transnational Growth Fund Ltd.	Avail Financial Services Limited
RKG Finvest Limited	Shri Niwas Leasing And Finance Limited	C Batia & Co Pvt Ltd	ECHT Finance Limited	Aulina Designs Private Limited
	Transnational Growth Fund Ltd	Sital Leasing & Finance Limited		
	RKG Finvest Limited	Transnational Growth Fund Ltd.		
-		RKG Finvest Limited	-	
-	-	ECHT Finance Limited	-	
-	-	Jaipur Investment Limited	-	

28. 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.
29. 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.
30. **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 INR)		
Particulars	2021-22	2020-21
<b><u>Sub standard Assets</u></b>		
Total Non-Performing Assets	0	0
Provision already available	0	0
Additional Provision made during the year	0.00	0.00
Reversed Provision During the Year	0	0
<b>Total Provision at the end of the Year</b>	<b>0.00</b>	<b>0.00</b>
<b><u>Standard Assets</u></b>		
Provision already available	25,77,776.00	20,50,163.00
Additional Provision made during the year	1,26,879.00	5,27,613.00
Reversal of provision during the year	0.00	0.00
<b>Total Provision at the end of the Year</b>	<b>27,04,655.00</b>	<b>25,77,776.00</b>

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

(In INR)		
Particulars	March 31, 2022	March 31, 2021
Profit/(Loss) after taxation as per Profit and Loss Account (In `)	(7,10,86,795)	89,24,929/-
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 `)	(5.46)	0.69
Diluted earnings per share (In `)	(5.46)	0.69

32. The company estimates the deferred tax charged/(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	7,34,53,004
WDV as per Income Tax	7,40,09,921
Timing Difference	(5,56,917)
Deferred Tax Asset	(1,53,389)

**34. Details of Policy Developed and Implemented by the Company on its Corporate Responsibility Initiatives**

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

**35. Details of Crypto / Virtual Currency**

There were no Transaction and Financial Dealing in Crypto / Virtual Currency during the Financial Year 2021-22.

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

There are no Micro, Small and Medium Enterprises, to whom the company owes dues which outstanding for more than 45 days as at 31st March, 2022. 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 MAK & COMPANY  
(CHARTERED ACCOUNTANTS)  
FIRM REGN NO. 028454N**

**FOR SUNSHINE CAPITAL LIMITED**

**CA. SAMEEM AHMED  
(PARTNER)  
M. No. 53384  
UDIN: 22533849AJ0XXH1559**

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

**RAJNI TANWAR  
(DIRECTOR)  
DIN: 08201251**

**PLACE: NEW DELHI  
Date: 24.05.2022**

**SANGEETA  
(C.F.O)**

**AMIT KUMAR JAIN  
(COMPANY SECRETARY)**

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**

For the Financial Year ended on 31<sup>st</sup> March, 2022

*[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,

**SUNSHINE CAPITAL LIMITED**

(L65993DL1994PLC060154)

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

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 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 **M/s SUNSHINE CAPITAL LIMITED (L65993DL1994PLC060154)** 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 31.03.2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s SUNSHINE CAPITAL LIMITED L65993DL1994PLC060154** ("the Company") for the financial year ended on 31.03.2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and rule made thereunder;
- (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;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009.
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
- i) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015.

I 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 the Stock Exchanges.
- (iii) The Reserve Bank of India Act, 1934 and Guidelines applicable on the Company

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

1. *Independent directors appointed on board of the company are not registered with the Indian Institute of Corporate Affairs;*
2. *Ms. Rekha Bhandari appointed on board as an Additional Director; dated: 15<sup>th</sup> October, 2020, has not been regularized in the General Meeting held on 28<sup>th</sup> September, 2021.*

I further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors as on 31<sup>st</sup> March, 2022. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Proof of sending notice to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance maintained by the Company.



- On the basis of the Minutes of the Board Meeting, it is apparent that all the decisions are carried through required majority.
- Based on review of compliances mechanism established by the Company and on the basis of certificates issued by officers of the Company, we are of the opinion that the management has adequate systems and processes commensurate with its sizes and operations, to monitor and ensure compliance with applicable laws, rules and regulations and guidelines.
- The compliance by the Company of applicable financial laws, likes direct and indirect tax laws and financial accounts, has not been reviewed in this Audit since the same has been subject to review by statutory financial audit and designated professionals.

**For and on behalf of  
M/s Parul Agrawal & Associates  
(Company Secretaries)**

**Parul Agrawal & Associates  
(Company Secretary)  
M. No.: A35968  
C.P. No.: 22311**

**Date: 27<sup>th</sup> August, 2022  
Place: New Delhi  
UDIN: A035968D000861485**

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.

To,

The Members,  
**M/s SUNSHINE CAPITAL LIMITED**  
**(L65993DL1994PLC060154)**  
209 Bhanot Plaza II 3 D B Gupta Road New Delhi-110055.

**Subject: 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 content of the Secretarial records. The verification was done on to ensure that correct facts are reflected in secretarial records. I believe that the process and practice, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of account of the Company.
4. Where ever required, I have obtained the Management Representation about the compliance of Laws, rules, regulations and happening of events etc.
5. The compliance of provision of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to future validity of the company nor of the efficiency or effectiveness with which management has conducted the affairs of the Company.

**For and on behalf of**  
**M/s Parul Agrawal & Associates**  
**(Company Secretaries)**

**Parul Agrawal**  
**(Company Secretary)**  
**M. No.-A35968**  
**C.P. No.-22311**

**Date: 27<sup>th</sup> August, 2022**  
**Place: New Delhi**

**Indicative List of Balance Sheet Disclosure for Non-Deposit Taking NBFCs with Asset Size 500 Crore and Deposit Taking NBFCs (Hereinafter called as Applicable NBFCs)**

**Sunshine Capital Limited as on 31.03.2022**

**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 (%)	110.73%	115.73%
ii)	CRAR - Tier I Capital (%)	110.73%	115.40%
iii)	CRAR - Tier II Capital (%)	0.34%	0.33%
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	24.77	24.77
i)	Gross Value of Investments		
	(a) In India	-	-
	(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 ,2021 (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:

- The structure and organization for management of risk in derivatives trading,
- The scope and nature of risk measurement, risk reporting and risk monitoring systems,
- Policies for hedging and or mitigating risk and strategies and processes for monitoring the continuing Effectiveness of hedges/ mitigates, and
- 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 securitization transactions*	-
2.	Total amount of securitized 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 securitization transactions other than MRR	
	a) Off-balance sheet exposures	-
	i) Exposure to own securitizations	-
	First loss	-
	Loss	-
	ii) Exposure to third party securitizations	-
	First loss	-
	Others	-
	b) On-balance sheet exposures	-
	i) Exposure to own securitizations	-
	First loss	-
	Others	-
	ii) Exposure to third party securitizations	-
	First loss	-

		Others	-
*Only the SPVs relating to outstanding securitization transactions may be reported here			

### 3.4.2 Details of Financial Assets sold to Securitization/ 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: -NIL

#### 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 up to 2 Month	Over 2 months up to 3 months	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	Total
Deposits	-	-	-	-	-	-	-	-	-
Advances	-	-	-	-	-	-	70.13	-	70.13
Investments	-	-	-	-	-	-	-	24.77	24.77
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 estate's (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		-	-



		securitized exposures –		
	a.	Residential	-	-
	b.	Commercial Real Estate	32.39	24.85
Total Exposure to Real Estate Sector			32.39	24.85

### 3.6.2 Exposure to Capital Market

(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)	-	-
<b>Total Exposure to Capital Market</b>			

### 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. **-NIL**

### 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. **-All loans are 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. - **NIL**

#### **4. Miscellaneous**

##### **4.1 Registration obtained from other financial sector regulators:**

**A. BSE/ISIN Registration No.:** (SCL | 539574 | INE974F01017)

**B. RBI Registration No.:** B-14.01266, dated 25/09/1998

##### **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 in Annual report.
- b) The company shall disclose the policy on dealing with Related Party Transactions on its website and also in the Annual Report. - Duly Disclosed in Annual report.

##### **4.4 Ratings assigned by credit rating agencies and migration of ratings during the year-**

Duly 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 in the Annual Report.

##### **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. - Disclosed in the Annual Report.

##### **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	0.00	0.00
Provision made towards Income tax	0.00.40	0.37
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets	0.20	0.05

**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 (loan) to twenty largest borrowers	-
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	-

##### 5.3.3 Concentration of Exposures

(Amount in Rs. Crore)	
Total Exposure to twenty largest borrowers / customers	0
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	0

##### 5.3.4 Concentration of NPAs

(Amount in Rs. Crore)	
Total Exposure to top four NPA accounts	0.00

### 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 (%)	0.00	-
(ii)	Movement of NPAs (Gross)	-	-
	(a) Opening balance	0.00	-
	(b) Additions during the year	-	-
	(c) Reductions during the year-	-	-
	(d) Closing balance	0.00	-
(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	

**Annexure V****Historical Stock Prices from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022**

All Prices in Rs.

Date	Open	High	Low	Close	WAP	No. of Shares	No. of Trades	Total Turnover	Deliverable Quantity	% Deli. Qty to Traded Qty	* Spread	
											H-L	C-O
18/05/21	5.50	5.50	5.50	5.50	5.50	10	1	55	10	100.00	0.00	0.00
4/06/21	5.77	5.77	5.77	5.77	5.74	31	1	178	31	100.00	0.00	0.00
10/06/21	6.05	6.05	6.05	6.05	6.00	9	1	54	9	100.00	0.00	0.00
21/06/21	6.35	6.35	6.35	6.35	6.33	12	2	76	6	50.00	0.00	0.00
23/06/21	6.35	6.35	6.05	6.25	6.06	210	4	1,272	210	100.00	0.30	- 0.10
24/06/21	6.56	6.56	6.56	6.56	6.56	1,046	3	6,861	1,046	100.00	0.00	0.00
2/07/21	6.88	6.88	6.88	6.88	6.78	9	1	61	9	100.00	0.00	0.00
6/07/21	7.22	7.22	7.22	7.22	7.22	300	2	2,166	300	100.00	0.00	0.00
22/07/21	7.58	7.58	7.58	7.58	7.58	250	2	1,895	250	100.00	0.00	0.00
14/10/21	7.95	7.95	7.95	7.95	7.80	5	1	39	5	100.00	0.00	0.00
19/10/21	8.34	8.34	8.34	8.34	8.30	10	1	83	10	100.00	0.00	0.00
28/10/21	8.74	8.74	8.74	8.74	8.70	20	1	174	20	100.00	0.00	0.00
3/11/21	9.00	9.00	9.00	9.00	9.00	50	1	450	50	100.00	0.00	0.00
18/11/21	8.73	8.73	8.73	8.73	8.00	1	1	8	1	100.00	0.00	0.00
23/11/21	9.16	9.16	9.16	9.16	9.14	49	1	448	49	100.00	0.00	0.00
30/11/21	9.61	9.61	9.61	9.61	9.61	100	2	961	100	100.00	0.00	0.00
1/12/21	10.09	10.09	10.09	10.09	10.09	100	1	1,009	100	100.00	0.00	0.00
2/12/21	10.59	10.59	10.59	10.59	10.59	1,100	3	11,649	1,100	100.00	0.00	0.00
6/12/21	11.11	11.11	11.11	11.11	11.11	10,030	6	1,11,433	10,030	100.00	0.00	0.00
13/12/21	11.66	11.66	11.50	11.66	11.63	23,700	4	2,75,542	23,700	100.00	0.16	0.00
20/12/21	12.24	12.24	12.24	12.24	12.24	10,000	2	1,22,400	10,000	100.00	0.00	0.00
10/01/22	12.80	12.80	12.80	12.80	12.80	100	1	1,280	100	100.00	0.00	0.00
17/01/22	13.44	13.44	13.44	13.44	13.40	5	1	67	5	100.00	0.00	0.00
24/01/22	13.90	13.90	13.90	13.90	13.90	1,400	2	19,460	1,400	100.00	0.00	0.00
31/01/22	13.21	13.90	13.21	13.80	13.62	1,700	7	23,158	1,700	100.00	0.69	0.59
7/02/22	14.00	14.00	14.00	14.00	14.00	2,000	1	28,000	2,000	100.00	0.00	0.00

\* Spread

H-L : High-Low

C-O : Close-Open