

ANUUAL REPORT

2011-2012



SUNSHINE CAPITAL LIMITED



SUNSHINE CAPITAL LTD.

(AN ISO 9001:2002 CERTIFIED COMPANY)

Regd. Office :
209, Bhanot Plaza-II,
3, D. B. Gupta Road, New Delhi-110 055
E-mail : sunshinectl@rediffmail.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 17th Annual General Meeting of M/S **SUNSHINE CAPITAL LIMITED** will be held at 11:30 A.M. on Saturday, 29th day of September, 2012, at the Registered Office of the company to transact the following business:

ORDINARY BUSINESS :

- 1 To receive, consider and adopt the audited Balance Sheet as at 31st March 2012 and profit and loss account for the year ended on that date and report of the director and auditors.
- 2 To appoint a director in place of **MR. SURENDER KUMAR JAIN** who retires by rotation and eligible offers himself for reappointment at the ensuing Annual General Meeting.
- 3 To re-appoint **Mr. ANIL KUMAR** as Auditors of the Company for the period commencing from the conclusion of this meeting until, the conclusion of next Annual General meeting on remuneration to be fixed by the Board of Directors.

SPECIAL BUSINESS :

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

1. "RESOLVED that **MR. SUJAN MAL MEHTA** who has been co-opted as director of the Company on 05/04/2012 and in terms of section 260 of the Companies Act, 1956 to hold office as additional director until this Annual General Meeting, and has offered himself for re-appointment, be and is hereby appointed as Director of the Company".

BY ORDER OF THE BOARD

(SURENDER KUMAR JAIN)
DIRECTOR

Place:- New Delhi

Dated:- 03.09.2012

NOTES :

- 1 A member entitled to attend and vote, is entitled to appoint one or more proxies to attend and vote instead of himself/herself and the proxy need not be a member proxies in order to be effective must be received by the company not less than 48 hours, before the time for holding the meeting. The proxy form is enclosed.

2. The Register of Members and Share Transfer Books will remain closed from 24th September, 2012 to 29th September, 2012 (both days inclusive)
3. Members are requested to notify the change of address if any, to the Share Department of the Company as well as to the Share Transfer Agents.
4. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Member are therefore requested to bring their copies of the Annual Report to the Meeting
5. As per the Provisions of the amended Companies Act, 1956 facilities for making nomination is now available to the shareholder of the company in respect of shares held by them. Nomination forms are available for this purpose with the company & Share Transfer Agent i.e. M/s **BEETAL FINANCIAL & COMPUTER SERVICES PVT. LTD.**
6. Member are requested to affix their signatures at the space provided for on the attendance sheet annexed to the proxy form and hand over the slop at the entrance to the place of the meeting.

EXPLANATORY STATEMENT
PURSUANT TO SECTION 173 (2) OF
THE COMPANIES ACT, 1956.

ITEM NO. 7

7. "RESOLVED that **MR. SUJAN MAL MEHTA** who has been co-opted as director of the Company on 05/04/2012 and in terms of section 260 of the Companies Act, 1956 to hold office as additional director until this Annual General Meeting, and has offered himself for re-appointment, be and is hereby appointed as Director of the Company".

BY ORDER OF THE BOARD



(SURENDER KUMAR JAIN)
DIRECTOR

Place:- New Delhi

Dated:- 03.09.2012

REPORT OF THE DIRECTOR
FOR THE YEAR
ENDED 31ST MARCH, 2012.

Dear Shareholders,

The Director has pleasure in presenting their 17th Annual Report and Statement of Accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS

Particular	For the Current Year Ended on 31st March, 2012 (₹ In Lacs)	For the Previous Year Ended on 31st March, 2011 (₹ In Lacs)
Profit before Depreciation & Tax	43.91	21.68
Depreciation	6.88	7.24
Profit after Depreciation	37.03	14.44
Provision for Taxation	11.44	4.46
Provision for Standard Assets (Excess)	(21.07)	24.10
Provision for Loss Assets	17.92	Nil
Deferred Tax Assets	1.68	0.28
Profit/Loss after Tax	30.13	(12.81)
Add: C/F from Last year	63.91	76.72
Balance available for Appropriation	94.04	63.91
Transfer to Reserve u/s 45(IC) of RBI Act, 1934	18.81	12.78
Surplus carried to Balance Sheet	75.23	51.13

GENERAL CORPORATE MATTERS

The company is currently engaged in financial services & sale and purchase of shares & securities. The year under report has been difficult for the Stock Market as the market behaved with great volatility and Market Index showed movement both upward and downward frequently. Moreover, payment problems affecting Stock Market also caused considerable damage to the investor's confidence in the market. It also affected the overall turnover in the Stock Market. The Stock Market Index as on 31st March, 2012 were at low levels as a result of which there was low valuation of stock held by the company at the end of the year. The company also intends to make expansion in providing loans and advances and finance to different persons, firms and bodies corporate.

CORPORATE GOVERNANCE

Your company has always striven to incorporate appropriate standard for good corporate governance and has been practicing these principles since inception. Corporate Governance has evolved in the company over the years, not only on account of regulatory requirements but also on account of sound management values for enhancing and meeting stockholder's expectations. The company is taking adequate steps in ensure that all mandatory provisions of Corporate Governance as prescribed under the Listing Agreement of the Stock Exchange are complied within the time schedule laid down by Stock Exchange.

GENERAL INFORMATION

The shares of your company are listed on the Delhi Stock Exchange, Pursuant to the SEBI Guidelines the company's Equity Share has been under process to be converted in to electronic mode. Company's ISIN No. INE974F01017 and the company's shares can be got converted in to electronic form with any of the Depository Participation registered with NSDL or CDSL.

DIRECTORS

Mr. Surender Kumar Jain retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting.

DIRECTOR'S RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) which was introduced the Companies (Amendment) Act, 2000 you're Directors confirm that: -

- (i) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (ii) The Director have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31st March, 2012 and of the Profit of the Company of the year ended 31st March, 2012.
- (iii) The Director have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the company and preventing and detecting fraud and other irregularities.
- (iv) The Director have prepared the annual accounts on a going concern basis.

APPOINTMENT OF AUDITOR

To re-appoint **Mr. Anil Kumar**, Chartered Accountants as Auditors of the Company for the period commencing from the conclusion of this meeting until, the conclusion of next Annual General meeting on remuneration to be fixed by the Board of Directors. The company has obtained from Auditor a certificate as required under section 224 (1B) of the company Act, 1956 to the effect appointment if made will be in accordance with in the limits specified in the said section.

AUDITORS REMARKS

The observations made by the Auditors with reference to note on the accounts for the year under report are self explanatory and need no further comments from the Directors.

AUDIT COMMITTEE

Present members of the Audit Committee are **Mr. Surender Kumar Jain**, **Mrs. Priti Jain** and **Mr. Sujan Mal Mehta**. All the members of the Committee are non-executive and independent directors. All the members of the Committee are having financial and accounting knowledge. **Mrs. Priti Jain** is the chairmen of the Committee and quorum of the Committee is two members. The company secretary acts as secretary to the Committee. The role company terms of reference, the authority and power the committee are in conformity with the requirements of the Companies Act, 1956.

The Committee met four times during the year under review.

The Committee also met prior to finalization of accounts for the year ended 31st March, 2012.

NON-BANKING FINANCIAL COMPANIES AUDITORS REPORT (RESERVE BANK) DIRECTIONS, 1998

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

NBFC REGISTRATION

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

LISTING INFORMATION

The Company shares are listed with Delhi Stock Exchange Ltd., Delhi. Your Company has paid Annual listing fees up to date and there are no arrears.

CASH FLOW STATEMENT

In conformity with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange, the Cash Flow Statement for the year ended 31st March 2012 is annexed hereto.

PARTICULARS OF EMPLOYEES

There are no employees in receipt of remuneration in excess of amount specified in Section 217(2A) read with Companies (Particular of employees) rules 1975 as amended.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary company

FIXED DEPOSITS

The Company has not accepted and fixed deposits from the public, within the meaning of Section 58 – A of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 during the year under review.

STATUTORY INFORMATION

The Company's (Disclosure of particulars in the report of Board of Directors) Rules 1988, requires the disclosures of particulars regarding conservation of energy in Form A and technology Absorption in Form B prescribed by the rules. The requirement of Forms A and B are not applicable, as the company is not manufacturing company. The company had no foreign Exchange out-go or inflow during the year.

ACKNOWLEDGEMENT

Your Director expresses their sincere appreciation for the co-operation, patronage, assistance and guidance by their business associates bankers and clients.

The Board members also place on record their appreciation of the service rendered by the dedicated employees of the company.

The Board also beholden to you all, partners in our enterprises, for your confidence, encouragement and unstinting support.

BY ORDER OF THE BOARD


CHAIRMAN

Place:- New Delhi
Dated:- 03.09.2012

MANAGEMENT DISCUSSION & ANALYSIS REPORT

ECONOMIC OUTLOOK

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

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.

FINANCIAL PERFORMANCE

The Company has achieved a turnover of Rs. 95.35 Lacs during the year with net profitability of Rs. 30.14 Lacs. The company's income from operations primarily includes income from trading and distributions of financial products such as Interest income from Inter-Corporate Loan and Long Term Investments.

FUTURE OUTLOOK

The future outlook of the Company is very prospective and it urges to diversify the various areas related to financial markets. Besides continuing aggressively in the existing growth areas, there are certain specific initiatives that we would like to highlight which the company would be undertaking in the financial year 2012-13. The Company is effectively putting together a growth strategy in the area of Debt Syndication, Private Placement, Corporate/Personal Loan, Advisory Services, Arranger, Distributions of Mutual Fund & Liaison for Financial Products.

SEGMENT REPORTING

Accounting Standard 17 regarding Segment-wise Reporting does not apply to the Company since revenues are derived from only one Segment i.e. Finance Activity.

OPPORTUNITIES & THREATS

Opportunities

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

Threats

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

RISK MANAGEMENT

Your 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.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The company has proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly.

The Company has effective system in place for achieving efficiency in operations, optimum and effective utilization of resources, monitoring thereof and compliance with applicable laws. The board has also constituted an Audit Committee which meets periodically inter-alia to review the financial results, and the accuracy of financial records.

HUMAN RESOURCES / INDUSTRIAL RELATIONS

The company believes that the success of an organization largely depends on the quality of its workforce. Employee relations remained cordial and peaceful throughout the year.

CAUTIONARY STATEMENT

Any statement made in this report relating to company's perception of future outlook, objectives, expectations etc. may be considered as forward looking statements within the meaning of applicable securities laws and regulations which may differ from the actual results.

CORPORATE GOVERNANCE

REPORT ON CORPORATE GOVERNANCE

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.

MANDATORY REQUIREMENTS

BOARD OF DIRECTORS

The Board provides leadership and strategic guidance, objectively reviews management decisions and exercises control over the company. Your company is maintaining the independence of the board and company has the independent and Non-Executive directors. As on date of this report, the board of directors of the company consists of four members and it meets the requirement of the Clause 49 of the listing agreement.

The Board meeting is held in every quarter to review the financial results and discuss other issues. Besides the quarter, board meeting are also held whenever required. To conduct a board meeting the directors are informed by giving a notice in advance and the agenda of board meeting is also dispatched with the notice. The members of board discuss each agenda in the meeting and take decision after having a proper discussion and obtaining views of all members. The board members are free to give their suggestions on any agenda item and can also submit their view for improving the performance of company.

During the year Thirteen Board Meetings have taken place on 08.04.2011, 10.05.2011, 20.05.2011, 23.05.2011, 26.05.2011, 28.05.2011, 22.07.2011, 12.08.2011, 01.10.2011, 22.10.2011, 15.11.2011, 14.02.2012, 31.03.2012.

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

Name of the Director	Designation	Category
Mr. Surender Kumar Jain	Chairman	Promoter & Non - Executive
Mrs. Priti Jain	Director	Promoter & Non - Executive
Mr. Sujan Mal Mehta (Appointed w.e.f. 05-04-2012)	Additional Director	Promoter & Non - Executive
Mr. Bharat Bhusan (Resigned w.e.f. 06-04-2012)	Director	Independent & Non - Executive
Mr. Mukesh Kumar (Resigned w.e.f. 06-04-2012)	Director	Independent & Non - Executive

Details of attendance of each director at various meetings of the company are as follows:

Name of the Director	Designation	Category	No. of Board Meetings	Last AGM attended
Mr. Surender Kumar Jain	Chairman	Promoter & Non - Executive	13	Yes
Mrs. Priti Jain	Director	Promoter & Non - Executive	13	Yes
Mr. Sujan Mal Mehta (Appointed w.e.f. 05-04-2012)	Additional Director	Promoter & Non - Executive	0	No
Mr. Bharat Bhusan (Resigned w.e.f. 06-04-2012)	Director	Independent & Non - Executive	13	Yes
Mr. Mukesh Kumar (Resigned w.e.f. 06-04-2012)	Director	Independent & Non - Executive	13	Yes

COMMITTEE OF DIRECTORS

AUDIT COMMITTEE:

COMPOSITION AND MEETINGS OF AUDIT COMMITTEE:

The Audit Committee of the Company has not been constituted as per the requirements of clause 49 of listing agreement due to non-appointment of Independent Director.

SUB-DELEGATION

In order to expedite the process of shares transfers, the Board has appointed Beetal Financial & Computer Services Pvt. Ltd. as Share Transfer Agent and registrar of the Company. The transfer agent will generally attend to the transfer formalities once in a fortnight and operate subject to the overall supervision of the Shareholders/ Investors Grievances Committee.

In compliance with the Listing Guidelines, every six months, the Share Transfer System is audited by a Practicing Company Secretary and a certificate to that effect is issued by them.

CODE OF CONDUCT

As per Clause 49 (I) (D), the Board of the Company has laid down Code of Conduct for all the Board members of the Company and Senior Management as well. Annual Compliance Report for the year ended 31st March, 2012 has been received from all the Board members and senior management of the Company regarding the compliance of all the provisions of Code of Conduct. Declaration regarding compliance by Board members and senior management personnel with the Company's Code of Conduct is hereby attached as annexure to this report.

COMPLIANCE REPORT

The Board periodically reviews compliance report of all laws applicable to the company, prepared by the company as well as steps taken by the company to rectify instances of non-compliances, if any.

MATERIAL NON-LISTED SUBSIDIARY COMPANIES

Clause 49 defines a 'material non-listed Indian subsidiary' as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

Company does not have any such subsidiary during the accounting year under review

COMPLIANCE OFFICER OF THE COMPANY

Surender Kumar Jain

GENERAL BODY MEETING

Annual General Meeting held during the previous financial year

Year	Date	Venue	Time	Business Transacted
2011	30.09.2011	209, Bhanot Plaza-II, 3, D.B. Gupta Road New Delhi-110055.	11:00 A.M.	Appointment of Mrs. Priti Jain as Director of the Company.

All resolutions proposed for the above said meetings were duly passed by show of hands.

STATUTORY DISCLOSURES

No transactions of material nature have been entered into by the company with any of the promoters, directors, their related companies, firms, subsidiaries or relatives etc. that may have a potential conflict with interest of the Company.

The company has not been penalized, nor have any strictures been passed by the Stock Exchanges, SEBI or any statutory authority, during the last three years, on any matter relating to capital market.

MEANS OF COMMUNICATIONS

The Company communicates with the shareholders at large through its Annual reports and financial results published therein.

The quarterly results are published in the newspapers.

DISCLOSURES

The Board of Directors receives from time to time disclosures relating to financial and commercial transactions from key managerial personnel of the company where they and /or their relatives have personal interest. There are no materially significant related party transactions, which have potential conflict with the interest of the Company at large.

RISK MANAGEMENT

The Company has in place a Risk Management policy, which lays down a robust and dynamic process for identification and mitigation of risks. This policy has been adopted by the Audit Committee as well as the Board of Directors of the Company. The Audit Committee reviews the risk management and mitigation plan from time to time.

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.

MARKET PRICE DATA

There has been no trading in Delhi Stock Exchange, Delhi, during the year 2011-2012.

SHAREHOLDERS INFORMATION

ANNUAL GENERAL MEETING

Date : 29th September 2012

Time : 11:00 A.M.

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

FINANCIAL CALENDAR (tentative)

Financial Year- 1st April 2012 to 31st March 2013

Annual General Meeting for the next year ending 31st March 2013: Before 30th September 2013.

DATE OF BOOK CLOSURE:

24th September, 2012 to 29th September, 2012 (both days inclusive)

LISTING ON STOCK EXCHANGE:

Delhi Stock Exchange Limited, DSE House, 3/1 Asaf Ali Road, Delhi-110002

CORPORATE IDENTIFICATION NUMBER: L74899DL1995LC060154

SHARE TRANSFER SYSTEMS

Share transfers are presently registered within a maximum period of 15 (fifteen) days from the date of receipt provided the documents are complete in all respects. The Board of Directors has authorized the Registrar to approve all the share transfers. The Registrar on receipt of Share transfer request, after confirming all details transfer the shares as per law and directly dispatches the same to the transferee.

STATUS FOR SHAREHOLDERS' COMPLAINTS FOR THE PERIOD 01.04.2011 TO 31.03.2012

Complaint received from the shareholders of the company during the year was duly resolved upto the satisfaction of our shareholders & no complaint was pending at the end of financial year.

SHAREHOLDING PATTERN OF THE COMPANY AS ON 31ST MARCH 2012

Category	Total No. of Shares	%age
Promoter		
a) Indian	430700	3.31%
b) Foreign	-	-
Public		
a) Institutional Shareholding	-	-
b) General Public	12590200	96.69%

DISTRIBUTION OF SHAREHOLDERS AS ON 31ST MARCH 2012

Shareholding of Nominal Value		No. of Shareholder	% of Shareholder	No of Shares held	% of Shareholding
(Rs.)	(Rs.)				
Upto	5000	224	37.71	102500	0.79
5001	10000	282	47.47	270700	2.08
10001	20000	13	2.19	21900	0.17
20001	30000	9	1.52	24300	0.19
30001	40000	8	1.35	30400	0.23
40001	50000	5	0.84	23200	0.18
50001	100000	15	2.52	116850	0.90
100001	ABOVE	38	6.40	12431050	95.47
TOTAL		594	100	13020900	100

DEMATERIALISATION OF SHARES AND LIQUIDITY

The company shares are traded in dematerialized form and have to be delivered in the dematerialized form to the stock exchange. To enable that shareholders have an easy access to the Demat system, the company has executed agreements with both Depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The company has appointed Beetal Financial & Computer Services Pvt. Ltd., Registrar for the purpose of electronic connectivity as well as for physical mode of transfer of shares.

ISIN No. for Demat INE974F01017

ADDRESS FOR CORRESPONDENCE

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

ADDRESS OF THE REGISTRAR

Beetal Financial & Computer Services Pvt. Ltd.
Beetal House 99, Madangir,
Behind Local Shopping Centre,
Near Dada Harshukh Das mandir,
New Delhi-110062

DECLARATION

None of the Director of the Company is a Director of more than 15 Companies and member of more than 10 committees or Chairman of more than 5 committees across all companies in which he is a Director.

SECRETARIAL AUDIT

To reconcile the total admitted capital with NSDL & CDSL and the total issue and listed capital, a secretarial audit is carried out by a Practicing Company Secretary on quarterly basis.

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 March 31, 2012, 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.

FOR SUNSHINE CAPITAL LIMITED



**SURENDER KUMAR JAIN
(DIRECTOR)**

Date : 30.05.2012
Place: New Delhi

DIRECTOR CERTIFICATION

I, **SURENDER KUMAR JAIN**, Director, of Sunshine Capital Limited, to the best of my knowledge and belief hereby certify that:

- (a) I have reviewed the financial statements and the cash flow statements for the year ended 31.03.2012 and that to the best of my knowledge and belief:
 - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are to the best of my knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee deficiencies in the design and operations of such internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit Committee:
 - (i) Significant changes in the internal control over financial reporting during the year under reference.
 - (ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements and
 - (iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.
- (e) I further declare that the board members and senior managerial personnel have affirmed compliance with the code of conduct under Clause 49 of the Listing Agreement, for the current year.

Date: 30.05.2012
Place: New Delhi


SURENDER KUMAR JAIN
(DIRECTOR)

**AUDITORS CERTIFICATE ON COMPLIANCE WITH CONDITIONS
OF CORPORATE GOVERNANCE AS STIPULATED IN CLAUSE 49
OF THE LISTING AGREEMENT**

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

We have examined the compliance of the conditions of Corporate Governance by Sunshine Capital Limited for the year ended 31st March 2012 as stipulated in clause 49 of the listing agreement of the said company with the Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with guidance not on certification of corporate governance (as stipulated in Clause 49 of the Listing Agreement) issued by the Institute of the Chartered Accountants of India and was limited to procedures and implementations thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the financial statements of the company.

In our opinion and to the best of our information and explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Dated: 30.05.2012
Place: New Delhi



ANIL KUMAR
(Chartered Accountants)
M.No. 86223



AUDITORS'S REPORT

To the members of

M/S SUNSHINE CAPITAL LIMITED

1. I have audited the attached Balance Sheet of M/s **Sunshine Capital Limited** as at 31st March, 2012 the Profit & Loss account and Cash Flow Statement of the company for the year ended on that date annexed there to. These Financial Statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on my audit.
2. I conducted my audit in accordance with auditing standards generally accepted in India. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant statement presentation. I believe that my audit provide a reasonable basis for my opinion.
3. As required by the companies (Auditor's reports) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956. I enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 the said order.
4. Further to my comments in the annexure referred to in paragraph (3) above, I report that:-
 - (a) I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of my audit.
 - (b) In my opinion, the company as required by law has kept proper books of accounts so far as it appears from my examinations of those books.
 - (c) The Balance Sheet, the Profit and Loss Account and Cash Flow Statements Account dealt with by this reports are in agreement with the Books of Accounts.



- (d) In my opinion, The Balance Sheet, The Profit and Loss Accounts and The Cash Flow Statement dealt with by this reports comply with the accounting Standards referred to in sub section (3C) of section 211 of the companies Act, 1956.
- (e) On the basis of written representation received from the directors, as on 31st March, 2012 and taken on record by the Board of Directors, I reports that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-sections (1) of section 274 of the Companies Act, 1956.
- (f) In my opinion and to the best of my information and according to the explanation given to me, the said accounts read together with NOTES thereon, give the information required by Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: -
- (i) In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2012.
- (ii) In the case of the Profit and Loss account, of the Profit of the company for the year ended on that date, and
- (iii) In the case of the Cash Flow Statements, of the cash flows for the year ended on that date.



ANIL KUMAR
(Chartered Accountants)
M. NO. 86223

Place: New Delhi

Date: 30.05.2012



ANNEXURE TO THE AUDITORS' REPORTS

Referred to paragraph 3 of my report of even date

1. IN RESPECT OF ITS FIXED ASSETS: -

- (a) The Company has maintained proper records showing full particulars, including quantitative detail and situation of fixed assets on the basis of available information.
- (b) All the fixed assets have been physically verified by the management during the year at reasonable intervals which, in my opinion, is reasonable having regard to the size of the company and the nature of its assets. As explained to us, no material discrepancies were noticed on such verification.
- (c) In my opinion, the company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the company is not affected.

2. IN RESPECT OF ITS INVENTORIES: -

- (a) The stock in trade i.e. stock of shares etc has been physically verified by the management at reasonable intervals during the year.
- (b) In my opinion, the procedures of physical verification of such stock in Trade followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) I have been given to understand by the management that no discrepancies were noticed on physical verification of such stocks as compared to book records.
- (d) In my opinion the valuation of such Stock-In-Trade is fair and proper and in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.

3. LOAN TAKEN / GRANTED: -

- (a) The company had not given loan to a company / firm or other parties covered in the register maintained under section 301 of the companies Act, 1956. The company had not taken loan from directors covered in the register maintained under section 301 of the companies Act, 1956.
- (b) In my opinion, the rate of interest and other terms and conditions on which loans have been taken/granted whenever applicable from the companies, firms or other parties listed in the register maintained under section 301 are not, prima facie, prejudicial to the interest of the company.
- (c) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest, whenever interested. The parties have repaid the principal amounts as stipulated and have been regular in the payment of interest.



- (d) There is no overdue amount of loans taken from or granted to companies, firms or other parties listed in the register maintained under section 301 of the companies Act, 1956.
4. Having regard to the nature of the company's business and based on my scrutiny of the company's records and the information and explanations received by us, I report that the company's activities are purchase of inventories. In my opinion and according to the information and explanation received by us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regards to purchase of fixed assets. During the course of my audit, I have not observed any continuing failure to correct major weaknesses in internal controls with regard to purchase of fixed assets.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, In my opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered.
- (b) In my opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under section 301 and exceeding the value of five lakh Rupees in respect of any party during the year have made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. Based on my scrutiny of the company's records and according to the information and explanations provided by the management, in my opinion, the company has not accepted any loans or deposits which are 'deposits' within the meaning of Rule 2 (b) of the Companies (Acceptance of Deposits) Rule, 1975.
7. In my opinion and according to the information and explanation given to us the company have an internal audit system commensurate with the size and nature of its business.
8. According to the information and explanations provided by the management, the company is not engaged in production, processing, manufacturing or mining activities. Hence, the provisions of section 209 (1) (d) do not apply to the company. Hence, in my opinion, no comment on maintenance of cost records under section 209 (1) (d) is required.
9. (a) According to the records of the company, the company is regular in depositing undisputed statutory dues of Income Tax and cess with the appropriate authorities. The company is not governed by the provision of other statutory acts like ESI, PF, sales tax, etc.
- (b) According to the information and explanations given, no undisputed amounts payable in respect of income-tax, wealth-tax, sales tax, customs duty and excise duty were outstanding, as at 31st March 2012 for a period of more than six months from the date they became payable.
- (c) According to the records of the company, there are no dues of sales tax, income tax and cess which have not been deposited on account of any dispute.
10. Since the company does not have accumulated losses as on 31st March 2012, no comment under this clause is required.
11. According to records of the company, the company has not borrowed from financial institutions or banks or issued debentures till 31st March 2012.

Hence, in my opinion, the question of reporting on defaults in repayment of dues to financial institutions or banks or debentures does not arise.



12. Based on my examination of documents and records in my opinion that the company has maintained adequate records where the company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. Since the company is neither a chit fund nor a mutual benefit society / nidhi, hence the requirements of this clause do not apply to the company.
14. On the basis of my examination of the company's records, in my opinion that the company is maintaining adequate records regarding transactions and contracts regarding its trading activities in shares securities, debentures and other investment and timely entries have been made in these records. The shares, securities, debentures and other investments have been held by the company in its own name except to the extent of exemption granted under section 49 of the Act.
15. According to the records of the company and information and explanations given to us, the company has not given any guarantee for loans taken by other from bank or financial institutions.
16. According to the records of the company and information and explanations given to us, the company has not taken any terms loans and, therefore, reporting whether the loans were applied for the purpose for which they were obtained, is not required.
17. According to the records of the company and information and explanations given to us, the company has not raised funds on short-term or long-term basis and, therefore, reporting on their utilization, is not required.
18. According to the records of the company and the information and explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. According to the records of the company and the information and explanations given to the company has not issued any debenture.
20. Based upon the audit procedures performed and information and explanation given by the management, I report that no fraud on or by the company has been noticed or reported during the course of my audit.



ANIL KUMAR

(Chartered Accountants)

M. NO. 86223

Place: New Delhi

Date: 30.05.2012

AUDITORS' REPORT

(Under RBI Act)

To,
The Board of Directors
M/s Sunshine Capital Limited
New Delhi

We have audited the Balance Sheet of **M/s Sunshine Capital Limited**, ('the Company') as at 31st March 2012 and the profit and loss accounts for the year ended on that date, both annexed thereto.

As required by the Non Banking Financial Companies Auditors Report (Reserve Bank of India) Directions 1998 issued in term of Sub Section (1A) of Section 45MA of RBI Act, 1934, our responsibility is to report on the matter specified in paragraphs 3 and 4 of the said Direction and now we report, on the matter to the extent applicable to the company, a hereunder:

- a) The company has obtained a certificate of registration from the Reserve Bank of India vide Registration No. 14.01266 and the company is non deposit accepting NBFC.
- b) The Board of Directors has passed a resolution for the non-acceptance of public deposits.
- c) The company has not accepted any public deposits during the relevant year.
- d) The Company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it.



ANIL KUMAR
(CHARTERED ACCOUNTANTS)
M. No. 86223

Place : New Delhi
Date : 30.05.2012

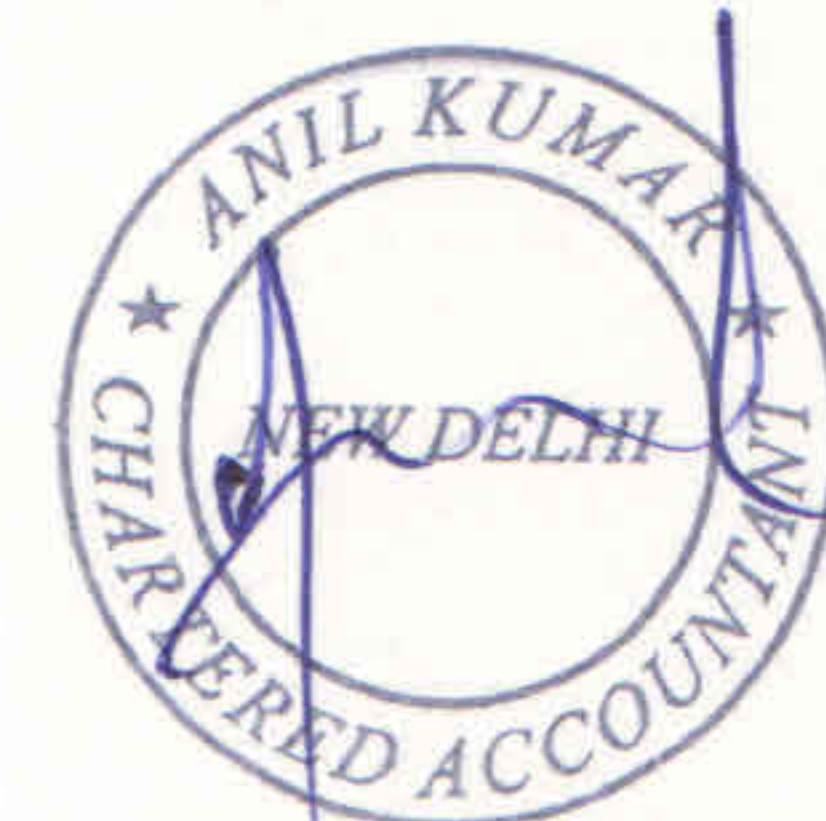


TO WHOMSOEVER IT MAY CONCERN

On the basis of examination of books of accounts and other records of M/s SUNSHINE CAPITAL LIMITED, for the year ended 31.03.2012, we hereby certify that the Company having Certificate of Registration No. B-14.01266 issued by Reserve Bank of India, New Delhi under Section 45 IA of the RBI Act, 1934 **continues to undertake the business of non-banking financial institution** requiring to hold Certificate of Registration under Section 45 IA of the RBI Act, 1934. The Company fulfills the Financial Assets Criteria and Financial Income Criteria as per extant guidelines of RBI i.e.

- a) The Financial Assets are more than 50% of Total Assets during 2011-12 and as on March 31, 2012 (calculation as per annex-A).
- b) The Financial Income is more than 50% of Total income during 2011-12 (calculation as per annex-B)q

The above asset / income pattern of the Company makes it eligible for classification as AFC, Investment Company or Loan Company



ANIL KUMAR
(CHARTERED ACCOUNTANTS)
M. No. 86223

Place : New Delhi
Date : 30.05.2012

SUNSHINE CAPITAL LIMITED

(AN ISO 9000 : 2001 CERTIFIED COMPANY)

BALANCE SHEET AS AT 31-03-2012

(IN RUPEES)

S. N	PARTICULARS	NOTE NO.	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD
I EQUITY AND LIABILITIES				
1	<u>Shareholders Funds</u>			
	(A) Share Capital	A	130,209,000.00	130,209,000.00
	(B) Reserves And Surplus	B	909,404,420.72	906,390,719.36
	Total(1)		1,039,613,420.72	1,036,599,719.36
2	<u>Current Liabilities</u>			
	(A) Other Current Liabilities	C	192,600.00	195,250.00
	(B) Short Term Provisions	D	3,239,992.00	2,856,974.00
	Total(2)		3,432,592.00	3,052,224.00
	TOTAL(1+2)		1,043,046,012.72	1,039,651,943.36
II ASSETS				
1	<u>Non-Current Assets</u>			
	(A) Fixed Assets			
	(I) Tangible Assets	E	17,884,555.61	2,457,694.40
	(B) Non-Current Investments	F	851,676,990.82	866,742,465.82
	(C) Deferred Tax Assets (Net)	G	167,937.00	28,389.00
	(D) Long-Term Loans And Advances	H	123,132,066.00	112,722,150.00
	(E) Other Non-Current Assets	I	208,426.80	312,640.20
	Total(1)		993,069,976.23	982,263,339.42
2	<u>Current Assets</u>			
	(A) Cash And Cash Equivalents	J	8,869,313.29	18,877,278.74
	(B) Short-Term Loans And Advances	K	41,106,723.20	38,511,325.20
	Total(2)		49,976,036.49	57,388,603.94
	TOTAL(1+2)		1,043,046,012.72	1,039,651,943.36

Auditor'S Report

Signed In Terms of my Separate Report Of Even Date.



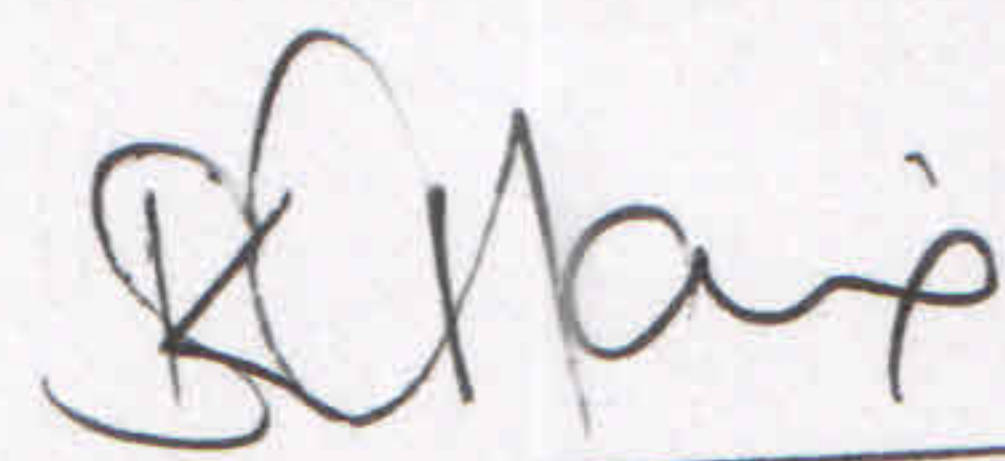
Anil Kumar
(Chartered Accountants)

M. No. 86223

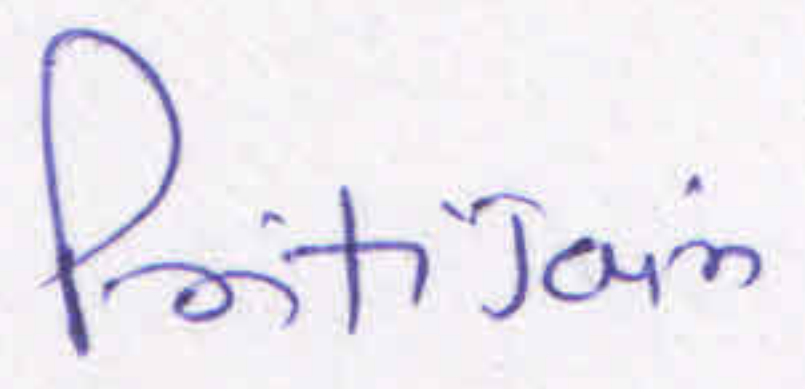
Place: New Delhi

Date: 30.05.2012

For And On Behalf Of The Board Of Directors



Director



Director



Amit Kumar
(Company Secretary)



Sonia Sharma
(Manager Accounts)

SUNSHINE CAPITAL LIMITED

(AN ISO 9000 : 2001 CERTIFIED COMPANY)

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31-03-2012

(IN RUPEES)

S. N	PARTICULARS	NOTE NO.	FIGURES FOR THE	
			CURRENT REPORTING PERIOD	PREVIOUS REPORTING PERIOD
	Revenue From Operations			
I	Revenue From Operations	PL-1	387,500.00	12,342,500.00
II	Other Income	PL-2	9,147,571.50	9,001,705.80
III	Total Revenue(i+ii)		9,535,071.50	21,344,205.80
IV	Expenses:			
a	Purchase of Stock-In-Trade	PL-3	385,000.00	11,550,000.00
b	Depreciation And Amortization Expenses	PL-4	792,191.19	828,290.40
c	Other Expenses	PL-5	4,654,508.95	7,521,959.70
	Total Expenses		5,831,700.14	19,900,250.10
V	Profit After Depreciation		3,703,371.36	1,443,955.70
VI	Less: Contingent Provisions For Standard Assets		(2,107,425.00)	2,410,774.00
VII	Less: Provision For Loss Assets		1,792,301.00	-
VIII	Less: Excess Provision For FBT		-	(10,000.00)
IX	Profit Before Tax (V-Vi-Vii-viii)		4,018,495.36	(956,818.30)
X	Tax Expenses			
a	Current Tax		1,144,342.00	446,200.00
b	Earlier Year Tax		-	(121,772.08)
c	Deferred Tax (DTA)		(139,548.00)	-
XI	Profit (Loss) For The Period (ix-x)		3,013,701.36	(1,281,246.22)
XII	Earning Per Equity Share			
a	Basic		0.23	-
b	Diluted		-	-

At or'S Report
Signed In Terms of my Separate
Report Of Even Date.




Anil Kumar
(Chartered Accountants)
M. No. 86223

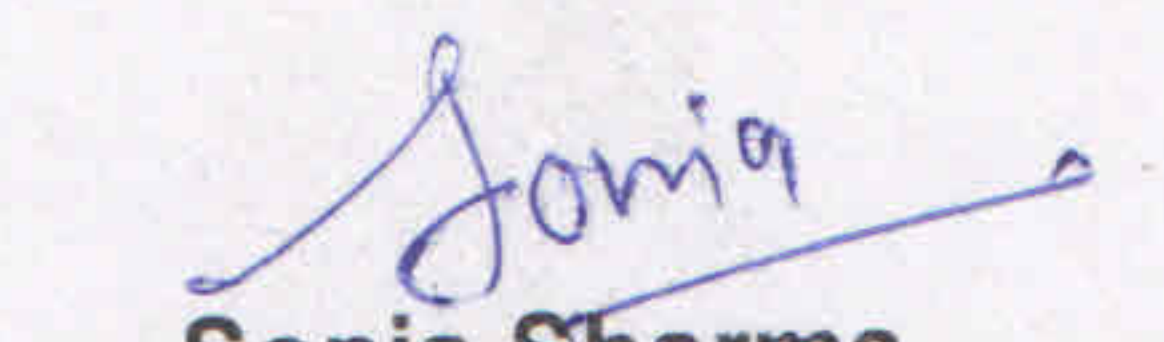
Place: New Delhi
Date: 30.05.2012

For And On Behalf Of The Board Of Directors


Director


Director


Amit Kumar
(Company Secretary)


Sonia Sharma
(Manager Accounts)

SUNSHINE CAPITAL LIMITED

(AN ISO 9000 : 2001 CERTIFIED COMPANY)

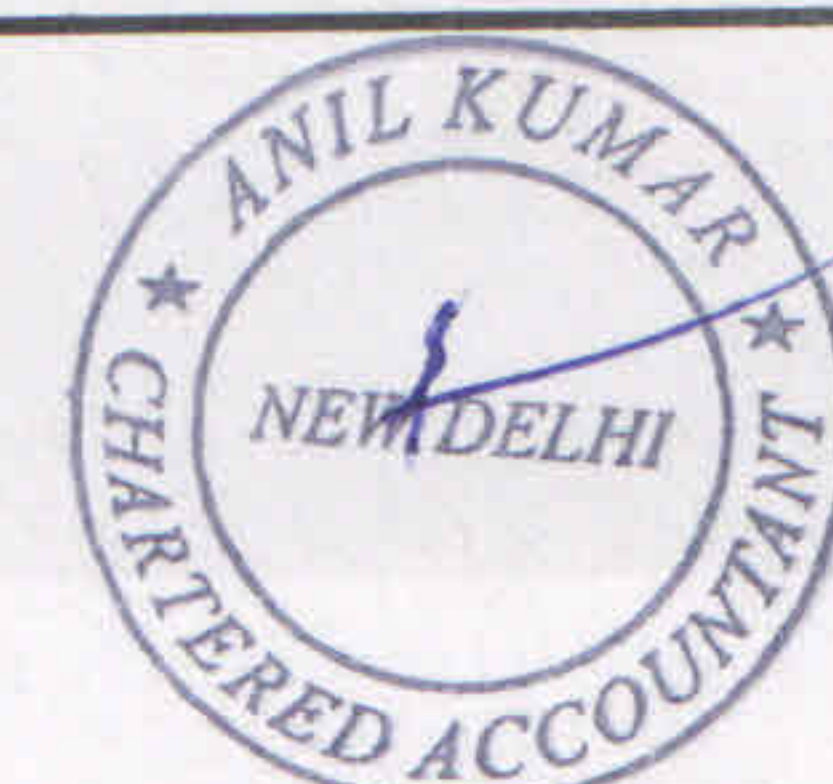
NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31-03-2012

(IN RUPEES)

S.N	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD
A	Share Capital:		
	(1) Authorised:	131,100,000.00	131,100,000.00
	13110000 (Last Year 13110000) Equity Shares Of Rs.10/-Each		
	(2) Issued, Subscribed & Paid Up		
	Shares At The Beginning Of The Accounting Period	130,209,000.00	130,209,000.00
	1,30,20,900 (L.Y.1,30,20,900) Equity Shares Of Rs.10/- Each		
	Additions During The Year	-	-
	Shares At The End Of The Accounting Period		
	1,30,20,900 (L.Y.1,30,20,900) Equity Shares Of Rs.10/- Each	<u>130,209,000.00</u>	<u>130,209,000.00</u>
	B	Reserve & Surplus:	
1 Reserve Under Section 45(IC)			
At The Beginning Of The Accounting Period		1,278,143.87	-
Additions During The Year		602,734.27	1,278,143.87
At The End Of The Accounting Period		<u>1,880,878.14</u>	<u>1,278,143.87</u>
2 Securities Premium Account			
At The Beginning Of The Accounting Period		900,000,000.00	900,000,000.00
Additions During The Year		-	-
At The End Of The Accounting Period		<u>900,000,000.00</u>	<u>900,000,000.00</u>
3 Surplus			
At The Beginning Of The Accounting Period	5,112,575.49	7,671,965.58	
Additions During The Year (Balance In Statement Of Profit & Loss A/C)	3,013,701.36	(1,281,246.22)	
Allocations And Appropriations			
Transfer To/From Reserves	(602,734.27)	(1,278,143.87)	
At The End Of The Accounting Period	<u>7,523,542.58</u>	<u>5,112,575.49</u>	
Grand Total	<u><u>909,404,420.72</u></u>	<u><u>906,390,719.36</u></u>	
C	Other Current Liabilities		
	Advertisement Expenses Payable	2,500.00	-
	Audit Fees Payable	11,000.00	5,250.00
	CDSL Custodial Fees Payable	24,618.00	-
	Director Salary Payable	-	106,818.00
	Legal & Professional Charges Payable	50,500.00	15,000.00
	Office Repair & Maintenance Payable	47,500.00	-
	Registrar Charges Payable	2,482.00	-
	Salary Payable	54,000.00	25,000.00
	TDS Payable	-	43,182.00
	<u>192,600.00</u>	<u>195,250.00</u>	



D		Short-Term Provisions			
	Contingent Provision For Std. Assets		303,349.00		2,410,774.00
	Provision For Loss Assets		1,792,301.00		-
	Provision For Taxation		1,144,342.00		446,200.00
			3,239,992.00		2,856,974.00
E (a) Fixed Assets					
(i) Tangible Assets					
Gross Block					
	Assets	OP. BALANCE	ADDITION	DELETION	TOTAL
1	Air Conditioner	103,500.00	-	-	103,500.00
2	Car Elentra	815,540.00	-	-	815,540.00
3	Car Fordfiesta	-	775,614.00	-	775,614.00
4	Car Superb	2,022,450.00	-	-	2,022,450.00
5	Computers	36,584.00	-	-	36,584.00
6	Furniture And Fixture	808,299.40	-	-	808,299.40
7	H.P Printer	19,500.00	-	-	19,500.00
8	Inverter	12,500.00	-	-	12,500.00
	L.C.D	37,000.00	-	-	37,000.00
10	Plant And Machinery	15,233.00	-	-	15,233.00
11	Property	-	15,339,225.00	-	15,339,225.00
12	Trade Mill (Prada)	80,000.00	-	-	80,000.00
13	Water Purifier	14,500.00	-	-	14,500.00
	Total Of This Year	3,965,106.40	16,114,839.00	-	20,079,945.40
	Grand Total	3,965,106.40	16,114,839.00	-	20,079,945.40
	Total of the Previous Year	4,312,424.40	51,500.00	398,818.00	3,965,106.40
Depreciation Block					
1	Air Conditioner	20,625.00	11,530.00	-	32,155.00
2	Car Elentra	571,182.00	63,264.00	-	634,446.00
	Car Fordfiesta	-	116,632.79	-	116,632.79
4	Car Superb	688,400.00	345,385.00	-	1,033,785.00
5	Computers	31,316.00	2,107.00	-	33,423.00
6	Furniture And Fixture	144,085.00	120,223.00	-	264,308.00
7	H.P Printer	10,159.00	3,736.00	-	13,895.00
8	Inverter	6,988.00	767.00	-	7,755.00
9	L.C.D	3,487.00	13,405.00	-	16,892.00
10	Plant And Machinery	12,818.00	336.00	-	13,154.00
11	Property	-	-	-	-
12	Trade Mill (Prada)	16,534.00	8,828.00	-	25,362.00
13	Water Purifier	1,818.00	1,764.00	-	3,582.00
	Total Of This Year	1,507,412.00	687,977.79	-	2,195,389.79
	Grand Total	1,507,412.00	687,977.79	-	2,195,389.79
	Total Of The Preivous Year	1,123,610.00	724,077.00	340,275.00	1,507,412.00



<u>Net Block</u>		<u>THIS YEAR</u>	<u>LAST YEAR</u>
1	Air Conditioner	71,345.00	82,875.00
2	Car Elenra	181,094.00	244,358.00
3	Car Fordfiesta	658,981.21	-
4	Car Superb	988,665.00	1,334,050.00
5	Computers	3,161.00	5,268.00
6	Furniture And Fixture	543,991.40	664,214.40
7	H.P Printer	5,605.00	9,341.00
8	Inverter	4,745.00	5,512.00
9	L.C.D	20,108.00	33,513.00
10	Plant And Machinery	2,079.00	2,415.00
11	Property	15,339,225.00	-
12	Trade Mill (Prada)	54,638.00	63,466.00
	Water Purifier	10,918.00	12,682.00
Total Of This Year		<u>17,884,555.61</u>	<u>2,457,694.40</u>
Grand Total		<u>17,884,555.61</u>	<u>2,457,694.40</u>
Total Of The Previous Year		<u>2,457,694.40</u>	<u>3,188,814.00</u>

F (b) <u>Non Current Investment:</u>				
<u>Investment In Shares</u>	<u>N.V.</u>	<u>QTY.</u>	<u>AMOUNT</u>	<u>AMOUNT</u>
Acc Ltd.	10/-	150	72,307.50	72,307.50
Alok Industries Ltd.	10/-	1200	17,868.00	17,868.00
Andhra Bank Ltd.	10/-	899	49,476.58	49,476.58
Ashok Leyland Ltd.	10/-	100	5,492.73	5,492.73
Bank Of Maharashtra	10/-	1300	30,303.00	30,303.00
Belmer Lawrie Ltd.	10/-	11	2,525.27	2,525.27
Bongaigaon Refinery Ltd.	10/-	850	37,281.00	37,281.00
Ceat Ltd.	10/-	1000	35,590.00	35,590.00
Container Corporation Ltd.	10/-	20	19,236.82	19,236.82
DCM Financial Ltd.	10/-	1000	19,256.43	19,256.43
Deepak Fertilizer Ltd.	10/-	300	16,083.55	16,083.55
Dhampur Sugar Ltd.	10/-	20	1,388.73	1,388.73
Escort Finance Ltd.	10/-	200	13,656.93	13,656.93
Finolex Pipes Ltd.	10/-	400	12,008.00	12,008.00



<u>Investment In Shares</u>	<u>N.V.</u>	<u>QTY.</u>	<u>AMOUNT</u>	<u>AMOUNT</u>
Hdil	10/-	500	45,340.00	45,340.00
Himachal Futuristic Comm. Ltd.	10/-	2000	32,080.00	32,080.00
Icici Bank Ltd.	10/-	30	18,992.00	18,992.00
Ifci Ltd.	10/-	500	27,112.65	27,112.65
Insilco Ltd.	10/-	500	18,230.71	18,230.71
Km Sugar Mills Ltd.	10/-	7500	48,121.98	48,121.98
Lml Ltd.	10/-	500	12,811.18	12,811.18
Manglore Chemical Ltd.	10/-	200	8,973.00	8,973.00
Media Vedio Ltd.	10/-	100	6,558.83	6,558.83
Nhpc Ltd.	10/-	1000	35,190.00	35,190.00
Omaxe Ltd.	10/-	100	13,604.00	13,604.00
Ongc Ltd.	10/-	200	31,343.00	31,343.00
Pavitra Bhumi Pvt. Ltd.	10/-	2400	24,000.00	-
Pennar Alluminium Ltd.	10/-	10000	5,684.21	5,684.21
Reliance Power Ltd.	10/-	320	69,279.26	69,279.26
Rural Electrification Corp. Ltd.	10/-	200	17,504.00	17,504.00
Sangotir Construction Ltd.	10/-	6000	12,000.00	12,000.00
Shalini Holdings Ltd.	10/-	1900000	760,000,000.00	760,000,000.00
Sital Leasing & Finance Ltd.	10/-	2400	24,000.00	24,000.00
Sri Amarnath Finance Ltd.	10/-	1480000	88,800,000.00	88,800,000.00
Tata Motors Ltd.	10/-	50	8,654.00	8,654.00
Tata Steel Ltd.	10/-	50	9,125.50	9,125.50
Uniroyal Marine Ltd.	10/-	500	1,050.00	1,050.00
Unitech Ltd.	10/-	1000	32,139.46	32,139.46
Venus Sugar Ltd.	10/-	500	22,207.00	22,207.00
Vijaya Bank Ltd.	10/-	200	5,781.50	5,781.50
Investment In Jewellery			2,014,734.00	1,949,084.00
Investment In Properties			-	15,155,125.00
			851,676,990.82	866,742,465.82



G (c)	Deferred Tax Assets (Net):		
	Opening Balance	28,389.00	28,389.00
	Created During The Year	139,548.00	-
		<u>167,937.00</u>	<u>28,389.00</u>
H (d)	Long Term Loans And Advances:		
	Loans/Advances Recoverable in Cash or in Kind for Value to be Receivable/ Received	123,132,066.00	112,722,150.00
		<u>123,132,066.00</u>	<u>112,722,150.00</u>
I (e)	Other Non-Current Assets		
	Misc . Expenditure		
	(To The Extent Not Written Off Or Adjusted)		
	Preliminary & Pre Operative Expenses		
	Opening Balance/Addition	312,640.20	416,853.60
	Less: Written Off During The Year	104,213.40	104,213.40
		<u>208,426.80</u>	<u>312,640.20</u>
	Current Assets		
J (a)	Cash & Cash Equivalents :		
	(A) Balance With Banks		
	In Current Accounts:		
	Bank Balance with Scheduled Bank	4,192,096.64	17,273,568.77
	(B) Cheque in Hand	4,050,000.00	-
	(C) Cash in Hand	627,216.65	1,603,709.97
		<u>8,869,313.29</u>	<u>18,877,278.74</u>
K (b)	Short Term Loans & Advances:		
	(1) Advance For Booking Property	32,845,157.89	30,715,476.89
	(2) Recievable From Revenue Authorities	-	-
	Advance Income Tax	6,176,027.00	6,176,027.00
	Refund For A.Y 2011-2012	418,218.00	-
	Refund For Pervious Year	755,403.31	755,403.31
	Tax Deducted At Source	911,917.00	864,418.00
		<u>41,106,723.20</u>	<u>38,511,325.20</u>

Auditor'S Report

Signed In Terms of my Separate Report Of Even Date.



Anil Kumar
(Chartered Accountants)
M. No. 86223

Place: New Delhi
Date: 30.05.2012

For And On Behalf Of The Board Of Directors


Director


Director



Amit Kumar
(Company Secretary)



Sonia Sharma
(Manager Accounts)

SUNSHINE CAPITAL LIMITED

(AN ISO 9000 : 2001 CERTIFIED COMPANY)

NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2012

(IN RUPEES)

S.NO.	PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD	FIGURES FOR THE PREVIOUS REPORTING PERIOD
PL-1	<u>Revenue From Operations</u>		
a	Sale Of Shares	387,500.00	2,542,500.00
b	Sale Of Property	-	9,800,000.00
		<u>387,500.00</u>	<u>12,342,500.00</u>
PL-2	<u>Other Income:</u>		
	Interest On Loan	9,119,172.00	8,946,085.00
	Dividend Income	28,399.50	24,164.00
	Other Income	-	31,456.80
		<u>9,147,571.50</u>	<u>9,001,705.80</u>
PL-3	<u>Purchases Of Traded Goods</u>		
	Purchase of Shares	385,000.00	11,550,000.00
		<u>385,000.00</u>	<u>11,550,000.00</u>
PL-4	<u>Depreciation And Amortization Expenses:</u>		
	Depreciation	687,977.79	724,077.00
	Preliminary & Pre-Operative Exp. Written Off	104,213.40	104,213.40
		<u>792,191.19</u>	<u>828,290.40</u>



PL-5	<u>Administrative Expenses</u>		
	Accounting Charges	10,500.00	5,100.00
	Advertisement & Publicity Expenses	20,290.00	10,000.00
	Payment To The Auditors	11,000.00	5,250.00
	Bank Charges	633.63	9,411.70
	Business Promotion Expenses	903,056.16	15,875.00
	Bad Debts W/off	-	3,705,130.00
	Car Repair & Maintenance Expenses	47,128.00	-
	Car Insurance Expenses	37,967.00	306,972.00
	CDSL Custodial Fees	24,618.00	-
	Computer Repair & Maintenance	23,371.00	19,632.00
	Conveyance Expense	76,348.00	63,122.00
	Courier Charges	15,668.00	13,565.00
	Demat Account Charges	13,964.00	-
	Director Salary	1,800,000.00	1,800,000.00
	Festival Celebration Expenses	25,886.00	16,854.00
	Filing Charges	2,000.00	13,500.00
	General Expenses	16,888.00	12,365.00
	Interest Paid	8,670.00	13,272.00
	Legal & Professional Expenses	471,100.00	15,000.00
	Listing Charges	14,573.00	14,573.00
	Misc. Expenses	22,250.00	-
	Office Expenses	11,469.16	18,895.00
	Office Repair & Maintenance	116,031.00	127,817.00
	Photostate Expenses	12,263.00	9,556.00
	Postage & Courier Exp.	8,523.00	6,885.00
	Printing & Stationery	19,720.00	15,585.00
	Registrar Expenses	39,340.00	434.00
	Salary	544,958.00	489,000.00
	Staff Welfare	57,392.00	48,951.00
	Telephone Exp.	18,523.00	8,365.00
	Tour & Travelling Expenses	69,956.00	100,800.00
	Software Charges	-	2,650.00
	Stamp Duty Charges	-	653,400.00
	Vehicle Running Expenses	183,572.00	-
	Water & Electricity Expenses	26,851.00	-
		<u>4,654,508.95</u>	<u>7,521,959.70</u>
	Grand Total	<u>4,654,508.95</u>	<u>7,521,959.70</u>



SUNSHINE CAPITAL LIMITED

(AN ISO 9000 : 2001 CERTIFIED COMPANY)

ADDITIONAL INFORMATIONS TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2012

(IN RUPEES)

NOTE NO.	PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD	FIGURES FOR THE PREVIOUS REPORTING PERIOD
	<u>PAYMENT TO THE AUDITORS AS</u>		
	Auditor	11,000.00	5,250.00
	For Taxation Matters	-	-
	For Company Law Matters	-	-
	For Management Services	-	-
	For Other Services	-	-
	For Reimbursement of Expenses		
	Total	11,000.00	5,250.00

Auditor'S Report

Signed In Terms of my Separate
Report Of Even Date.

For And On Behalf Of The Board Of Directors



Anil Kumar

(Chartered Accountants)

M. No. 86223

Place: New Delhi

Date: 30.05.2012

Director

Director

Amit Kumar

(Company Secretary)

Sonia Sharma

(Manager Accounts)

SUNSHINE CAPITAL LIMITED

(AN ISO 9000 : 2001 CERTIFIED COMPANY)

ADDITIONAL INFORMATIONS- NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31-03-2012

NOTE NO.	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD
A	SHARE CAPITAL:		
1	SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5 PER CENT SHARES.(EQUITY SHARES IN NOS. OF RS. 10 EACH)		
	Hillridge Investments Ltd.	1380000	1380000
	Karishma Industries Ltd.	742000	742000
	Neeraj Singhal	215000	215000
	Nisha Holdings Ltd.	1900000	1900000
	NSDL Demat	1026150	1026150
	Pelicon Finance & Leasing Ltd.	1103000	1103000
	Parishudh Finance Co. Pvt. Ltd.	1200000	1200000
	Pitambra Securities Pvt. Ltd.	1100000	1100000
	S.R. Cables Pvt. Ltd.	1050000	1050000
	Vogue Leasing & Finance Pvt. Ltd.	1525000	1525000
		<u>11241150</u>	<u>11241150</u>

Auditor'S Report

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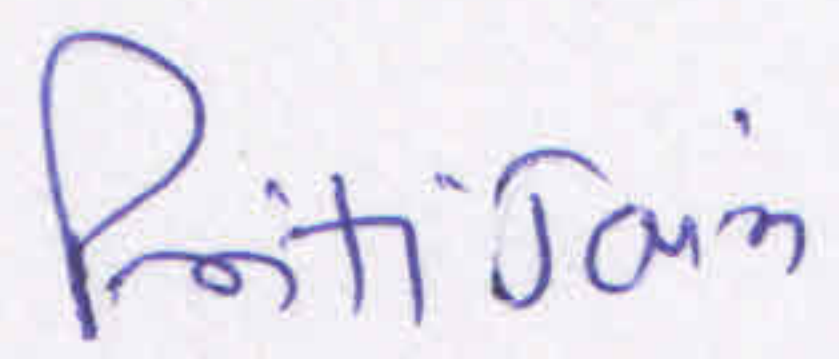


Anil Kumar
(Chartered Accountants)
M. No. 86223


Place: New Delhi
Date: 30.05.2012

For And On Behalf Of The Board Of Directors


Director


Director


Amit Kumar
(Company Secretary)


Sonia Sharma
(Manager Accounts)

SUNSHINE CAPITAL LIMITED

(AN ISO 9000 : 2001 CERTIFIED COMPANY)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2012

(RUPEES IN)

		2011-2012	2010-2011
A.	CASH FLOWS FROM OPERATION ACTIVITIES :		
	Net Profit Before Tax And Extraordinary Items	4018495.36	2168032.00
	Adjustments For :		
	Depreciation	687977.79	724077.00
	Preliminary Expenditure Written Off	104213.40	104213.00
	Operating Profit Before Working Capital Changes	4810686.55	2996322.00
	Adjustments For :		
	Increase/Decrease In Current Assets	(3041598.00)	60830517.00
	Increase In Current Liabilities	(317774.00)	(611955.00)
	Cash Generated From Operations	1451314.55	63214884.00
	Direct Tax Paid	-	(7040445.00)
	Net Cash From Operating Activities	1451314.55	56174439.00
B.	CASH FLOWS FROM INVESTING ACTIVITIES		
	Purchase of Fixed assets	(16114839.00)	(51500.00)
	Purchase/sale of Investment	15065475.00	(16355125.00)
	Net Cash Used In Investment Activites	(1049364.00)	(16406625.00)
C.	CASH FLOWS FROM FINANCING ACTIVITIES		
	Loans & Advances given	(10409916.00)	-
	Repayment Short Term Borrowings	-	(22102627.00)
	Net Cash From In Financing Activities	(10409916.00)	(22102627.00)
	NET INCREASE IN CASH AND CASH EQUVALENTS	(10007965.45)	17665187.00
	CASH & CASH EQUIVALENTS (Opening Balance)	18877278.74	1212092.00
	CASH & CASH EQUIVALENTS (Closing Balance)	8869313.29	18877279.00

NOTE : NEGATIVE FIGURES HAVE BEEN SHOWN IN BRACKETS.

Auditor'S Report
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Report Of Even Date.



Anil Kumar
(Chartered Accountants)
M. No. 86223

Date: 30.05.2012
Place: New Delhi

For And On Behalf Of The Board Of Directors

Director

Director

Amit Kumar
(Company Secretary)

Sonia Sharma
(Manager Accounts)

SUNSHINE CAPITAL LIMITED

(AN ISO 9000 : 2001 CERTIFIED COMPANY)

SIGNIFICANT ACCOUNTING POLICIES & NOTES FORMING PART OF THE ACCOUNTS:-

(A) GENERAL:-

(a) The Financial Statements are drawn up in accordance with historical cost convention and on the going concern concept income and expenses are accounted for on accrual basis except where otherwise indicated.

(b) Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the company.

(B) INCOME FROM INVESTMENTS & LOANS

Income from Investments in interest bearing securities, Loans and Advances is accounted for on accrual basis. Dividend income from investments in shares is recognized accruing as income of that year in which dividend is received by the company.

(C) INVESTMENTS IN JEWELLARY

The company has made invest in jewellery during the year and the same has shown as investment in jewellery during the year.

(D) FIXED ASSETS :

Fixed Assets are stated at their original cost of acquisition less accumulated depreciation till date. Cost of acquisition is inclusive of freight, taxes & other incidental expenses.

Investment in Properties Amounting to Rs.15,155,125/- has been transferred to Fixed Assets.

(E) DEPRICIATION

Depreciation is provided as per rates of depreciation specified in Schedule XIV of the Companies Act, 1956 on WDV method.

(F) INVESTMENTS

Investments (Long Term) are valued a acquisition cost (Including Brokerage & Transfer Expenses). No Provision is made for diminution in the value of long term investments. As in the opinion of the management the diminution is temporary and not permanent.



(G) **DEFERRED TAXATION**

- (a) Tax Liability of the company is estimated considering the provisions of the Income Tax Act, 1961,
- (b) Deferred Tax is recognized subject to the consideration of prudence, on timing deference, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one more subsequent period.

NOTES

1. As informed to us by the management, Sundry Creditors does not include any amount of payable to small scale industrial units.
2. In the opinion of the management, the value on realization of current assets, loans & advances in the ordinary courses of business will not be less than the amount at which these are stated in the Balance Sheet.
3. The management has confirmed that adequate provision has been made for all the known and determined liabilities and the same is not in excess of the amount reasonably required. It is further confirmed that there is no liability of the company as on 31st March, 2012 in respect of retirement benefits, if any payable to its employee (s).
4. There has been no related party transaction, so no disclosure is required in accordance with Related party disclosure (As identified by the Management) in terms of accounting standard-18 related party disclosure issued by the institute of Chartered Accountant of India.
5. In the opinion of the management the company has only single business segment of investments & finance activities, therefore no segment reporting has been presented in terms of accounting standard-17 of "Segment Reporting" Issued by the Institute of Chartered Accountant of India.

6. **EARNING PER SHARES**

S. No.	Particulars	2011	2010
1.	Net Profit/(Loss) after Tax (Rs.)	30,13,701.36	(12,81,246.22)
2.	Weighted average number of Equity Shares	1,30,20,900	1,30,20,900
3.	Nominal Value of Each Shares (Rs.)	10/-	10/-
4.	Basic and Diluted EPS (Rs.)	0.23	(0.10)

7. Payment to Auditor: - 2011-2012 2010-2011
Rs.11,000/- Rs.5,250/-
8. Expenditure & Earning in foreign currency: - Nil.
9. Payment of Directors Remuneration: - 2011-2012 2010-2011
Rs.18,00,000/- Rs.18,00,000/-



10. Details of Opening Stock, Purchase, Sales, Closing Stock of Shares during the year: -

OPENING STOCK (RS.)	PURCHASE STOCK (RS.)	SALE STOCK (RS.)	CLOSING STOCK (RS.)
Nil	3,85,000/-	3,87,500/-	Nil

11. Notes forms an integral part of the Balance Sheet and Profit & Loss Account.

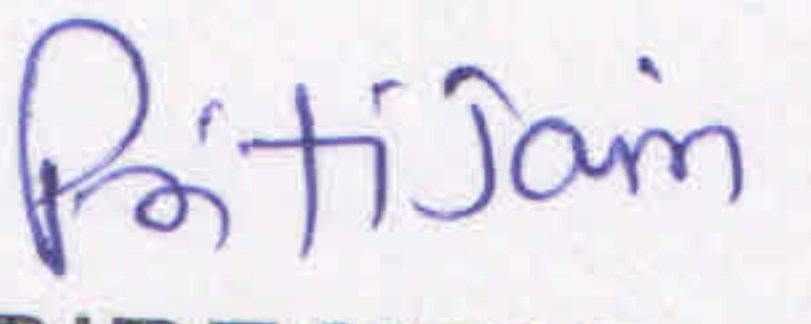
Auditor's Report Signed In Terms of my Separate Report of Even Date.



Anil Kumar
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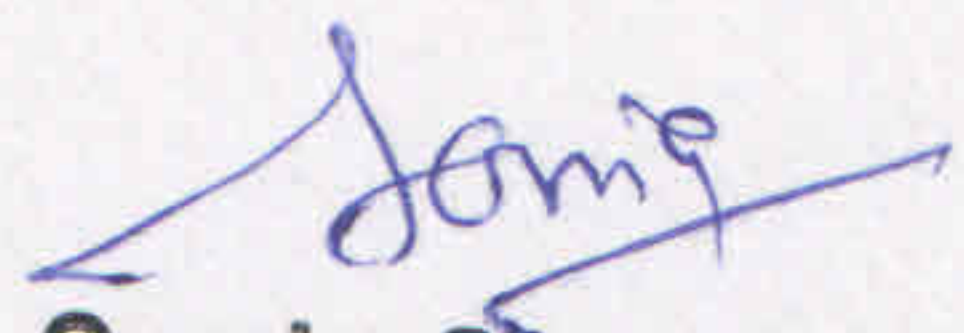
FOR AND ON BEHALF OF THE BOARD OF DIRECTORS


DIRECTOR


DIRECTOR

Place : New Delhi
Date : 30.05.2012


Amit Kumar
(Company Secretary)


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(Manager Accounts)