

# **ANNUAL REPORT**

## **2012-2013**



# **Sunshine Capital Limited**

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





# SUNSHINE CAPITAL LTD.

Mob. : 9891709895

(AN ISO 9001 : 2000 CERTIFIED COMPANY)

Regd. Office :  
209, Bhanot Plaza-II  
3, D.B. Gupta Road, New Delhi-110055  
E-mail : sunshinectl@rediffmail.com

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 18<sup>th</sup> Annual General Meeting of **M/S SUNSHINE CAPITAL LIMITED** will be held at 10:00 A.M. on Thursday, 6<sup>th</sup> day of June, 2013, 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 31<sup>st</sup> March 2013 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 **MRS. PRITI 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.

BY ORDER OF THE BOARD

(SURENDRA KUMAR JAIN)  
DIRECTOR

### 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 30<sup>th</sup> May, 2013 to 06<sup>th</sup> June, 2013 (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. Members 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 slip at the entrance to the place of meeting.

Place:- New Delhi  
Dated:- 13.05.2013



The Annexure referred to in paragraph 7 of the Our Report of even date to the members of Sunshine Capital Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2013.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

**1. Fixed Asset**

- a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) According to the information & explanations given to us, the fixed assets of the Company have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on verification
- c) On the basis of our examination and according to the information and explanations given to us, the Company has not made any substantial disposals during the year which would have affected its going concern.

**2. Inventories**

The company is a Non- Banking Finance Company and has not dealt with any goods and the company does not have any inventories as at the date of the Balance Sheet because all its purchases of shares etc. has been shown in under the head of Investments.

**3. Loans**

(a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.



5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act need not to be entered in the register required to be maintained under that section. As the company has no transaction which falls under section 301 of the Act.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act and we are of the opinion that the same is not applicable on the company.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31<sup>st</sup> of March, 2013 for a period of more than six months from the date they became payable.  
  
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes. However there is pending Tax Demand of Rs. 353,380,053/- against the company. The above demand was raised by the Department in A.Y. 2008-09 as the company has raised share capital of Rs. 100 crore in A.Y. 2008-09. The Company has filed an appeal with CIT (A). The demand of appeal is pending before CIT(A) till date. The Company is hopeful to get released from CIT (A).
10. The company has no accumulated losses during the year and the company has not incurred cash loss during the financial year covered by audit.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not no dues outstanding of financial institutions and banks.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.





## DIRECTORS' REPORT

The Board of Directors of the company take immense pleasure in presenting their 18<sup>th</sup> Annual Report together with the Annual Audited Accounts for the financial year ended 31<sup>st</sup> March, 2013.

### FINANCIAL HIGHLIGHTS

For the financial year ended 31<sup>st</sup> March, 2013:

( in Rs.)

Particulars	Year Ended	
	31 <sup>st</sup> March, 2013	31 <sup>st</sup> March, 2012
Profit/(Loss) after depreciation	2,453,746.90	3,703,371.36
Less: Current Provision for Standard Assets	(28,349.00)	(2,107,425.00)
Provision for Sub-Standard Assets	10,656,325.00	1,792,301.00
Profit/(Loss) before tax	(8,174,229.10)	4,018,495.36
Less: Provision for Taxation		
Current Tax	828,590.00	1,144,342.00
Previous Year Tax	176,005.00	
Deferred Tax	(90,580.00)	(139,548.00)
Profit/(Loss) after tax	(9,088,244.10)	3,013,701.36
Add: Balance brought forward from last year	7,523,542.58	5,112,575.49
Surplus available for appropriation	(1,564,701.52)	8,126,276.85
Less: Appropriations		
Dividend on Equity Shares paid	-	-
Tax on Dividend paid	-	-
Transfer to Reserve Fund u/s 45IC of RBI Act, 1934	-	602,734.27
Surplus carried to Balance Sheet	(1,564,701.52)	7,523,542.58

### GENERAL CORPORATE MATTERS

The company is currently engaged in financial services, sale & purchase of share & 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 31<sup>st</sup> March 2013 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 & advances & finance to different persons, firms & corporate bodies.

### TRANSFER TO RESERVES

During the year under review Company has not transferred to the Reserves Fund from the profits of the Company in accordance with the provisions of Section 45IC of the Reserve Bank of India Act, 1934.

### DIVIDEND:

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



## 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 ensuring that all the mandatory provisions of corporate governance as prescribed under the Listing Agreement of the stock exchange are complied within the time laid down by stock exchange.

## MANAGEMENT DISCUSSION ANALYSIS REPORT

The Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section which forms part of the Annual Report.

## LISTING OF SHARES

The Equity Shares of the Company are listed at the Delhi Stock Exchange Limited.

The Annual Listing Fees for the financial year 2012-13 are paid for the Stock Exchange where the shares of the Company are listed.

## BOARD OF DIRECTORS

As per the provisions of Companies Act, 1956 and Article 86 of the Article of Association of the Company Mrs. Priti Jain, Director of the Company, are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board of Directors recommends their re-appointment.

## 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.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirements of section 217(2AA) of the Companies Act, 1956, your Directors confirm that: In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;

- 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, 1956 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, 2013 on a going concern basis.

## STATUTORY AUDITORS

The Statutory Auditors Anil Kumar, Chartered Accountants, New Delhi retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

The Company has received a certificate from the Statutory Auditors to the effect that their re-appointment, if



made, would be in accordance with Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for reappointment within the meaning of Section 226 of the said Act.

The Board recommends their re-appointment for the approval of the shareholders.

### AUDITORS' REPORT

The Auditors' Report on the financials of the Company for the year ended 31st March, 2013 does not contain any reservation, qualification or adverse remark.

### CORPORATE GOVERNANCE REPORT

As required by Clause 49 of the Listing Agreement, corporate governance, management decision & analysis and Auditor report on compliance with the corporate governance requirements have been included in this Annual Report as separate section.

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

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

### NBFC REGISTRATION

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

### NON ACCEPTANCE OF PUBLIC DEPOSITS

The Company has not accepted any Public Deposits or any Fixed Deposit during the year 2012-13 and hence there are no defaults in repayment of amount of principle and interest as on the date of Balance Sheet.

### CAPITAL FUND TO RISK WEIGHTED ASSET

Percentage to capital funds to risk weighted assets/exposures

Tier-I Capital	99.66
Tier-II Capital	0.00
Total	99.66

### EXPOSURE TO REAL ESTATE

Exposure to Real Estate is NIL.

### DISCLOSURES UNDER SEC. 217(1)(e) OF THE COMPANIES ACT, 1956

In terms of section 217(1)(e) read with Companies (Disclosure of Particulars in Report of the Board of Directors) Rules, 1988 of the Companies Act, 1956 your Directors furnish the information as below:

- Conservation of Energy: N.A.
- Technology Absorption: N.A.
- Activities relating to exports, N.A.
- Foreign Exchange Earnings&Outgo

	Current Year	Previous Year
Out flow:	NIL	NIL
Inflow:	NIL	NIL

### SUBSIDIARY COMPANIES

The Company does not have any subsidiary company



## 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.

## 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 directors. All the members of the Committee are having financial and accounting knowledge. Mr. Sujan Mal Mehta 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 31<sup>st</sup> March, 2013.

## APPRECIATIONS

The Board recognizes that it is accountable to shareholders for the performance of the Company, believes in transparency in its conduct and strives to disseminate the material information to the shareholders and the public.

The Board of Directors would like to convey their appreciation to the Customers, Shareholders, Vendors, Banks, Financial Institutions, various

Government Authorities, RBI, SEBI and Stock Exchanges for their cooperation and support throughout the year.

Looking forward to receive continued patronage from all our business partners and associates to become better and strong organization.

The Board of Directors would also place on record the appreciation for the contributions made by the employees at all levels.

For Sunshine Capital Limited



Surendra Kumar Jain  
(Managing Director)

Date: 13<sup>th</sup> May, 2013

Place: New Delhi





## INDEPENDENT AUDITOR'S REPORT

To the Members of

Sunshine Capital Limited

We have audited the accompanying financial statements of Sunshine Capital Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, Statement of Profit and Loss, and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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


In our opinion and to the best of our information and according to the explanations given to us, the 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) in the case of the Profit and Loss Statement, of the profit for the year ended on that date; and
- c) In case of Cash Flow Statement, of the cash outflows for the year ended on that date.





1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
  - c) the Balance Sheet, Statement of Profit and Loss, and cash flow statement dealt with by this Report are in agreement with the books of account.
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and cash flow statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.



Anil Kumar

**(Chartered Accountants)**

Membership No. :086223

Place: New Delhi

Date: 13.05.2013



13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, and has been maintained Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31<sup>st</sup> March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.



**Anil Kumar**

**(Chartered Accountants)**

**Membership No. : 086223**

**Place: Delhi**

**Date: 13.05.2013**



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

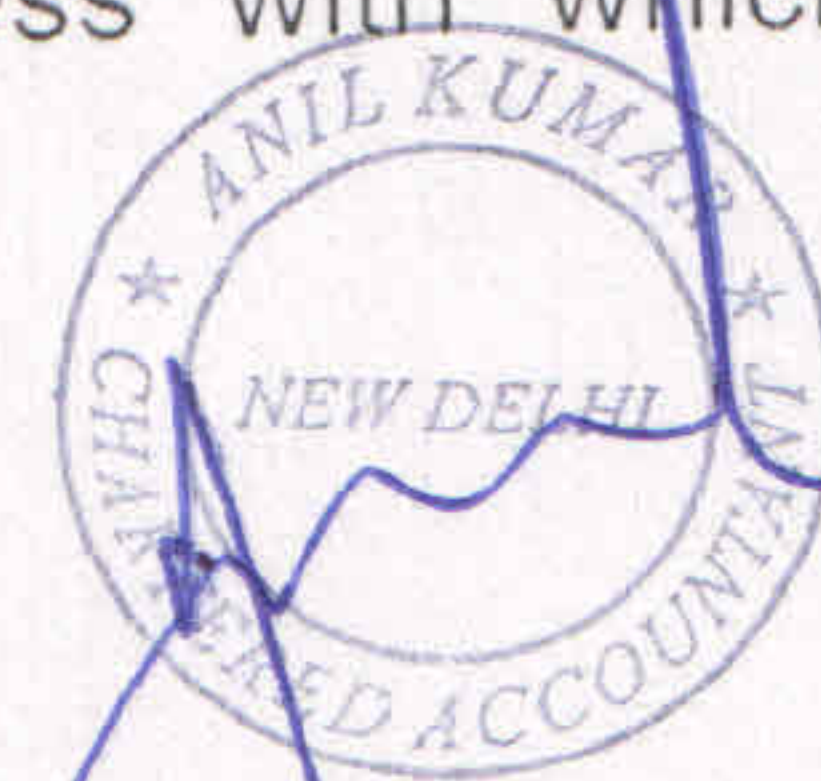
To  
The Members of  
Sunshine Capital Limited  
209, Bhanot Plaza-II  
3, D.B. Gupta Road, New Delhi-110055

We have examined the compliance of the conditions of Corporate Governance by Sunshine Capital Limited for the year ended 31<sup>st</sup> March 2013 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.



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

Date: 13.05.2013  
Place: Delhi



## 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 31<sup>st</sup> March 2013 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 : 13.05.2013



# 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. 87.26 Lacs during the year with net profitability of Rs. 24.55 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 three 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.

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

<b>Name of the Director</b>	<b>Designation</b>	<b>Category</b>
Mr. Sujan Mal Mehta (Appointed w.e.f. 05-04-2012)	Chairman	Independent & Non - Executive
Mrs. Priti Jain	Director	Promoter & Non - Executive
Mr. Surender Kumar Jain	Director	Promoter & Executive



During the year seven Board Meetings have taken place on 05.04.2012, 06.04.2012, 03.05.2012, 13.08.2012, 10.11.2012, 14.02.2013, 31.03.2013.

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

Name of the Director	Designation	No. of Board Meetings attended	Last AGM attended
Mr. Sujan Mal Mehta (Appointed w.e.f. 05.04-2012)	Chairman	5	Yes
Mrs. Priti Jain	Director	6	Yes
Mr. Surender Kumar Jain	Additional Director	7	Yes

#### AUDIT COMMITTEE:

#### COMPOSITION AND MEETINGS OF AUDIT COMMITTEE:

The Audit Committee of the Company has been constituted as per the requirements of clause 49 of listing agreement.

**The Composition of audit committee is as follows:**

Name of the Director	Designation	Category
Mr. Sujan Mal Mehta	Chairman	Independent & Non - Executive
Mrs. Priti Jain	Director	Promoter & Non - Executive
Mr. Surender Kumar Jain	Director	Promoter & Executive

#### ROLE AND RESPONSIBILITIES

The role of Audit Committee includes the review of following:

- Financial Reporting Process
- Draft Financial Results (Quarterly & Annual)
- Record of related party transaction
- Reviewing the company's financial and risk management policies
- Management discussion and analysis of financial condition and results of operations
- Compliance with stock exchanges and legal requirement concerning financial statements
- Any other power which are specifically delegated by the board from time to time

The role of the Audit Committee includes recommending the appointment and removal of Statutory Auditor, discussion of Audit plan, fixation of Audit fees and also approval for payment of any other services.

#### 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, 2013 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

### MARKET PRICE DATA

There has been no trading in Delhi Stock Exchange, Delhi, during the year 2012-2013.

### ADDRESS FOR CORRESPONDENCE

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

### GENERAL BODY MEETING

Annual General Meeting held during the previous financial year

Year	Date	Venue	Time	Business Transacted
2012	29.09.2012	209, Bhanot Plaza-II, 3, D.B. Gupta Road New Delhi-110055.	11:30 A.M.	Ordinary Business

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.

## SHAREHOLDERS INFORMATION

### **ANNUAL GENERAL MEETING**

Date: 06<sup>th</sup> June 2013  
Time: 10:00 A.M.  
Venue: 209, Bhanot Plaza-II,  
3, D.B. Gupta Road,  
New Delhi-110055

## FINANCIAL CALENDAR (tentative)

**Financial Year- 1<sup>st</sup> April 2013 to 31<sup>st</sup> March 2014**

Annual General Meeting for the next year ending 31<sup>st</sup> March 2014: Before 30<sup>th</sup> September 2014.

## DATE OF BOOK CLOSURE:

30<sup>th</sup> May, 2013 to 6<sup>th</sup> June, 2013 (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 01.04.2012 TO 31.03.2013

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.

## 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



## SHAREHOLDING PATTERN OF THE COMPANY AS ON BALANCE SHEET SIGNING DATE

Category	Total No. of Shares	%age
Promoter		
a) Indian	716200	5.50%
b) Foreign	-	-
Public		
a) Institutional Shareholding	-	-
b) General Public	12304700	94.50%

## DISTRIBUTION OF SHAREHOLDERS AS ON BALANCE SHEET SIGNING DATE

Shareholding of Nominal Value		No. of Shareholder	% of Shareholder	No of Shares held	% of Shareholding
(Rs.)	(Rs.)				
Upto	5000	225	36.23	102100	0.78
5001	10000	279	44.93	268100	2.06
10001	20000	13	2.09	21900	0.17
20001	30000	6	0.97	15300	0.12
30001	40000	4	0.64	15400	0.12
40001	50000	4	0.64	18700	0.14
50001	100000	19	3.06	251450	1.93
100001	ABOVE	71	11.43	12327950	94.68
TOTAL		621	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

### 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, 2013, 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



SURENDRA KUMAR JAIN  
(DIRECTOR)

Date : 13.05.2013  
Place: Delhi





TO WHOM IT MAY CONCERN

This is to certify that M/s **SUNSHINE CAPITAL LIMITED** Continues to undertake the business of NBF1 as on 31, March 2013 requiring holding certification of Registration under section 45 1A of the RBI Act, 1934.

Further, the asset income pattern of the company as on 31 March 2013 is as under:

ASSET PATTERN OF THE COMPANY AS ON 31 MARCH, 2013

S. No.	Particulars	Amount ( In Lacs)	% age to total assets as on 31.03.2013
1	Net fixed Assets	174.76	1.67
2	Net Leased Assets	0.00	-
3	Net stock on Hire/hypothecation	0.00	-
4	Loan & Advances	1224.49	11.72
5	Investment in Govt. securities	0.00	-
6	Interest on Govt. Securities ( if any)	0.00	-
7	Fixed deposits	0.00	-
8	Interest on FDRs	0.00	-
9	Cash & Bank Balances	32.86	0.31
10	Investment in group Companies	0.00	-
11	Other Investments	8516.77	81.55
12	Sundry Debtors	0.00	0.00
13	Security Deposits( Telephone)	0.00	-
14	Advance Tax / Interest Tax	0.00	-
15	Other assets	494.64	4.74
	<b>Total Assets</b>	<b>10443.52</b>	<b>100.00</b>





INCOME PATTERN AS ON 31.03.2013

S. No.	Particulars	Amount ( In Lacs)	% age to total assets as on 31.03.2013
1.	Income from Hire purchase/ hyp	-	-
2.	Interest on FDRs	-	-
3.	Interest on Govt. Securities (If any)	-	-
4.	Investment Income	0.26	0.30
5.	Investment income on Loans & Advances	87.00	99.70
6.	Interest earned Others(ICDs)/ Interest on income Tax refund	-	-
7.	Excess amount of provision Written Back	-	-
8.	Bad debts recovered or rent received	-	-
9.	Others	-	-
	<b>Total income</b>	<b>87.26</b>	<b>100.00</b>

The Net Owned Fund (NOF) of the company is **Rs. 10305.25** Lakhs as per NBS- 7 as on March 31, 2013



**Anil Kumar**  
**(Chartered Accountants)**  
**M. No. 86223**

**Place: New Delhi**  
**Date: 13.05.2013**



# SUNSHINE CAPITAL LIMITED

(AN ISO 9000 : 2001 CERTIFIED COMPANY)

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

## BALANCE SHEET AS AT 31-03-2013

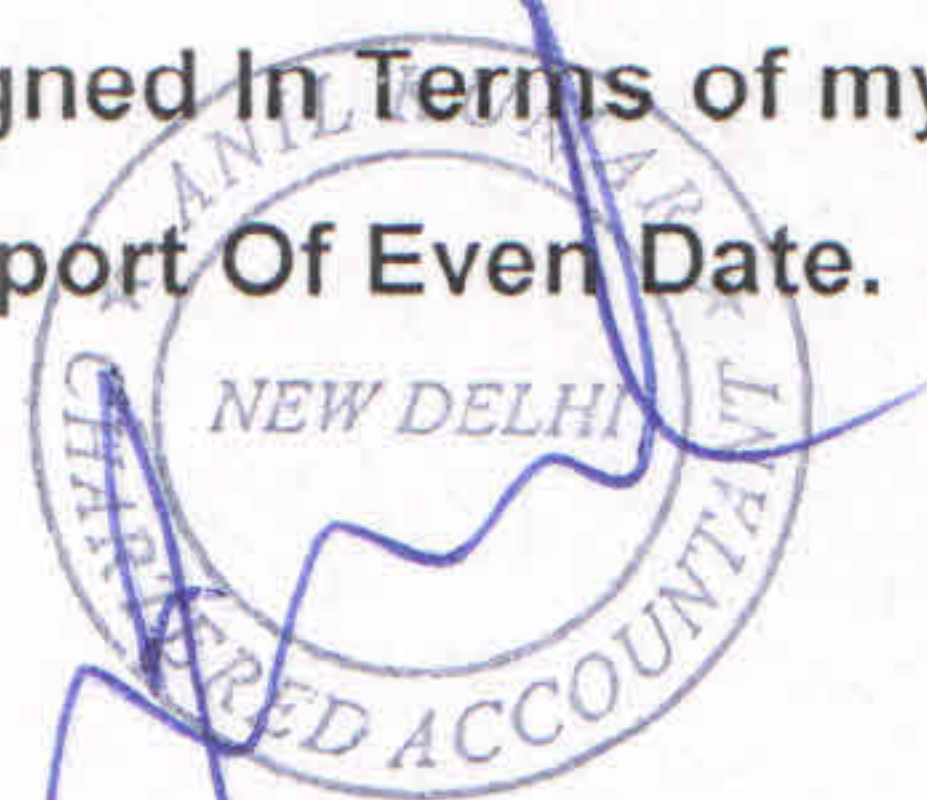
(IN RUPEES)

S. N	PARTICULARS	NOTE NO.	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
1	<u>Shareholders Funds</u>			
	(A) Share Capital	A	130,209,000.00	130,209,000.00
	(B) Reserves And Surplus	B	900,316,176.62	909,404,420.72
2	<u>Non Current Liabilities</u>			
	(A) Long term Provisions	C	12,723,626.00	2,095,650.00
3	<u>Current Liabilities</u>			
	(A) Other Current Liabilities	D	273,764.00	192,600.00
	(B) Short Term Provisions	E	828,590.00	1,144,342.00
	<b>TOTAL(1+2)</b>		<b>1,044,351,156.62</b>	<b>1,043,046,012.72</b>
<b>II</b>	<b><u>ASSETS</u></b>			
1	<u>Non-Current Assets</u>			
	(A) Fixed Assets			
	(I) Tangible Assets	F	17,475,978.61	17,884,555.61
	(B) Non-Current Investments	G	851,676,990.82	851,676,990.82
	(C) Deferred Tax Assets (Net)	H	258,517.00	167,937.00
	(D) Long-Term Loans And Advances	I	122,448,626.00	123,132,066.00
	(E) Other Non-Current Assets	J	104,213.80	208,426.80
2	<u>Current Assets</u>			
	(A) Cash And Cash Equivalents	K	3,286,050.59	8,869,313.29
	(B) Short-Term Loans And Advances	L	49,100,779.80	41,106,723.20
	<b>TOTAL(1+2)</b>		<b>1,044,351,156.62</b>	<b>1,043,046,012.72</b>

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

**Auditor'S Report**

Signed In Terms of my Separate Report Of Even Date.



Anil Kumar

(Chartered Accountants)

M. No. 86223

Place: New Delhi

Date: 13.05.2013

For And On Behalf Of The Board Of Directors

Surendra Kumar Jain

(Director)

(DIN 0530035)

Sujan Mal Mehta

(Director)

(DIN 01901945)

Latika Rohara

(Company Secretary)



# SUNSHINE CAPITAL LIMITED

(AN ISO 9000 : 2001 CERTIFIED COMPANY)

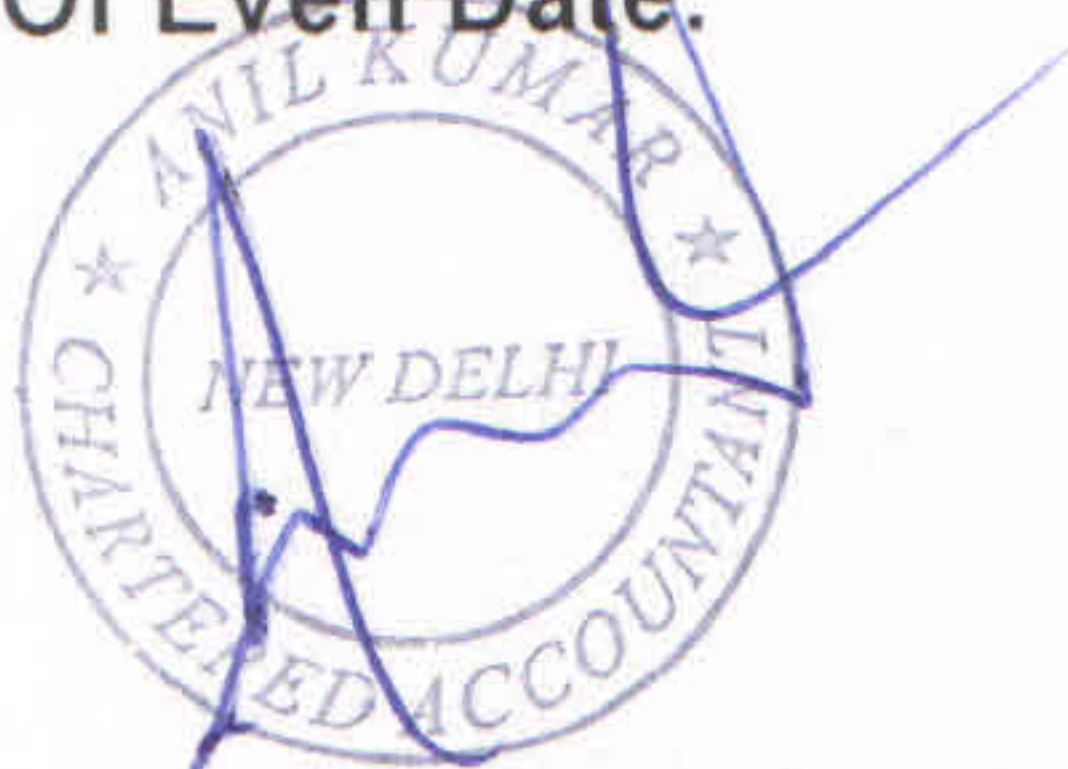
**209, Bhanot Plaza-II, 3, D.B. Gupta Road, New Delhi-110055**  
**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31-03-2013**

(IN RUPEES)

S. N	PARTICULARS	NOTE NO.	FIGURES FOR THE CURRENT REPORTING PERIOD	FIGURES FOR THE PREVIOUS REPORTING PERIOD
	<b>Revenue From Operations</b>			
I	Revenue From Operations	PL-1	8,700,000.00	9,506,672.00
II	Other Income	PL-2	25,912.50	28,399.50
III	<b>Total Revenue(i+ii)</b>		<b>8,725,912.50</b>	<b>9,535,071.50</b>
IV	<b>Expenses:</b>			
a	Purchase of Stock-In-Trade	PL-3	-	385,000.00
b	Depreciation And Amortization Expenses	PL-4	738,435.00	792,191.19
c	Employee Benefit Expenses	PL-5	834,754.00	602,350.00
d	Other Expenses	PL-6	4,698,976.60	4,052,158.95
	<b>Total Expenses</b>		<b>6,272,165.60</b>	<b>5,831,700.14</b>
V	<b>Profit After Depreciation</b>		2,453,746.90	3,703,371.36
VI	Provision for Standard assets reversed		28,349.00	2,107,425.00
VII	Provision For Loss Assets		-	(1,792,301.00)
VIII	Provision for Doubtful Assets		(10,656,325.00)	-
IX	<b>Profit Before Tax (V-Vi-Vii-viii)</b>		<b>(8,174,229.10)</b>	<b>4,018,495.36</b>
X	<b>Tax Expenses</b>			
a	Current Tax		(828,590.00)	(1,144,342.00)
b	Earlier Year Tax		(176,005.00)	-
c	Deferred Tax (DTA)		90,580.00	139,548.00
XI	<b>Profit (Loss) For The Period (ix-x)</b>		<b>(9,088,244.10)</b>	<b>3,013,701.36</b>
XII	<b>Earning Per Equity Share</b>			
a	Basic		(0.70)	0.23
b	Diluted		-	-

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


**Auditor'S Report**  
Signed In Terms of my Separate  
Report Of Even Date.




Anil Kumar  
(Chartered Accountants)  
M. No. 86223

Place: New Delhi  
Date: 13.05.2013

**For And On Behalf Of The Board Of Directors**

  
**Surendra Kumar Jain**  
(Director)  
(DIN 530035)

  
**Sujan Mal Mehta**  
(Director)  
(DIN 1901945)

  
**Latika Rohara**  
(Company Secretary)



**SUNSHINE CAPITAL LIMITED**  
(AN ISO 9000 : 2001 CERTIFIED COMPANY)

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

**NOTES TO AND FORMING PART OF BALANCE SHEET AS AT 31-03-2013**

(IN RUPEES)

S.N	PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD	FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD
<b>A</b>	<b>Share Capital:</b>		
	<b>(1) Authorised:</b>	131,100,000.00	131,100,000.00
	13110000 (Last Year 13110000) Equity Shares Of Rs.10/-Each		
	<b>(2) Issued, Subscribed &amp; Paid Up</b>		
	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>B</b>	<b>Reserve &amp; Surplus:</b>		
<b>1</b>	<b>Reserve Under Section 45(IC)</b>		
	At The Beginning Of The Accounting Period	1,880,878.14	1,278,143.87
	Additions During The Year	-	602,734.27
	At The End Of The Accounting Period	<u>1,880,878.14</u>	<u>1,880,878.14</u>
<b>2</b>	<b>Securities Premium Account</b>		
	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>
<b>3</b>	<b>Surplus</b>		
	At The Beginning Of The Accounting Period	7,523,542.58	5,112,575.49
	Additions During The Year (Balance In Statement Of Profit & Loss A/C)	(9,088,244.10)	3,013,701.36
	Allocations And Appropriations		
	Transfer To/From Reserves	-	(602,734.27)
	At The End Of The Accounting Period	<u>(1,564,701.52)</u>	<u>7,523,542.58</u>
	<b>Grand Total</b>	<u><b>900,316,176.62</b></u>	<u><b>909,404,420.72</b></u>
	<b>Non - Current Liabilities</b>		
<b>C</b>	<b>Long term Provisions</b>		
	Contingent Provision For Std. Assets	275,000.00	303,349.00
	Provision For Loss Assets	1,792,301.00	1,792,301.00
	Provision For Doubtful Assets	10,656,325.00	
	<b>Grand Total</b>	<u><b>12,723,626.00</b></u>	<u><b>2,095,650.00</b></u>





<b>Current Liabilities</b>						
D	<b>Other Current Liabilities</b>				2,500.00	
	Advertisement Expenses Payable		-		11,000.00	
	Audit Fees Payable		11,236.00		24,618.00	
	CDSL Custodial Fees Payable		-		50,500.00	
	Legal & Professional Charges Payable		-		47,500.00	
	Office Repair & Maintenance Payable		-		2,482.00	
	Registrar Charges Payable		2,528.00		-	
	Director Salary Payable		150,000.00		54,000.00	
	Salary Payable		60,000.00		-	
	TDS Payable		50,000.00		192,600.00	
		<b>273,764.00</b>		<b>192,600.00</b>		
E	<b>Short-Term Provisions</b>				1,144,342.00	
	Provision For Taxation		828,590.00		1,144,342.00	
		<b>828,590.00</b>		<b>1,144,342.00</b>		
G	<b>Non Current Investment:</b>					
	<b>Investment In Quoted Shares</b>	<b>N.V.</b>	<b>QTY.</b>	<b>AMOUNT</b>	<b>QTY.</b>	<b>AMOUNT</b>
	Acc Ltd.	10/-	150	72,307.50	150	72,307.50
	Alok Industries Ltd.	10/-	1200	17,868.00	1200	17,868.00
	Andhra Bank Ltd.	10/-	899	49,476.58	899	49,476.58
	Ashok Leyland Ltd.	10/-	100	5,492.73	100	5,492.73
	Bank Of Maharastra	10/-	1300	30,303.00	1300	30,303.00
	Belmer Lawrie Ltd.	10/-	11	2,525.27	11	2,525.27
	Bongaigaon Refinery Ltd.	10/-	850	37,281.00	850	37,281.00
	Ceat Ltd.	10/-	1000	35,590.00	1000	35,590.00
	Container Corporation Ltd.	10/-	20	19,236.82	20	19,236.82
	DCM Financial Ltd.	10/-	1000	19,256.43	1000	19,256.43
	Deepak Fertilizer Ltd.	10/-	300	16,083.55	300	16,083.55
	Dhampur Sugar Ltd.	10/-	20	1,388.73	20	1,388.73
	Escort Finance Ltd.	10/-	200	13,656.93	200	13,656.93
	Finolex Pipes Ltd.	10/-	400	12,008.00	400	12,008.00
	Hdil	10/-	500	45,340.00	500	45,340.00
	Himachal Futuristic Comm. Ltd.	10/-	2000	32,080.00	2000	32,080.00
	ICICI Bank Ltd.	10/-	30	18,992.00	30	18,992.00
	Ifci Ltd.	10/-	500	27,112.65	500	27,112.65
	Insilco Ltd.	10/-	500	18,230.71	500	18,230.71
	Km Sugar Mills Ltd.	10/-	7500	48,121.98	7500	48,121.98
	Lml Ltd.	10/-	500	12,811.18	500	12,811.18
	Manglore Chemical Ltd.	10/-	200	8,973.00	200	8,973.00
	Media Vedio Ltd.	10/-	100	6,558.83	100	6,558.83
	Nhpc Ltd.	10/-	1000	35,190.00	1000	35,190.00
	Omaxe Ltd.	10/-	100	13,604.00	100	13,604.00
	Ongc Ltd.	10/-	200	31,343.00	200	31,343.00
	Pavitra Bhumi Pvt. Ltd.	10/-	2400	24,000.00	2400	24,000.00
	Pennar Alluminium Ltd.	10/-	10000	5,684.21	10000	5,684.21
	Reliance Power Ltd.	10/-	320	69,279.26	320	69,279.26
	Rural Electrification Corp. Ltd.	10/-	200	17,504.00	200	17,504.00
	Sangotir Construction Ltd.	10/-	6000	12,000.00	6000	12,000.00
	Shalini Holdings Ltd.	10/-	1900000	760,000,000.00	1900000	760,000,000.00
	Sital Leasing & Finance Ltd.	10/-	2400	24,000.00	2400	24,000.00





**SUNSHINE CAPITAL LIMITE**

**(AN ISO 9000 : 2001 CERTIFIED COMPANY)**

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

**Schedules Forming Integral Part of the Balance Sheet as at 31st March, 2013**

**Note : F Fixed Asset as per Companies Act, 1956**

Sr. No	Particulars	Rate	Gross Block			Depreciation			Net Block			
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2013	WDV as on 31.03.2012
1	<u>Tangible Assets</u>											
1	Land		15,339,225.00	45,210.00	-	15,384,435.00	-	-	-	15,384,435.00	15,339,225.00	
2	Property		-	-	-	-	-	-	-	-	-	-
3	Building		15,233.00	-	-	15,233.00	-	-	13,443.00	1,790.00	2,079.00	
4	Plant and Machinery	13.91%	808,299.40	-	-	808,299.40	-	-	362,770.00	445,529.40	543,991.40	
5	Furnitures & Fixtures	18.10%	-	-	-	-	-	-	-	-	-	
6	Vehicles (Cars)		-	-	-	-	-	-	-	-	-	
7	- Elentra	25.89%	815,540.00	-	815,540.00	775,614.00	-	669,128.00	287,242.79	488,371.21	181,094.00	
8	- Fordfiesta	25.89%	775,614.00	-	-	2,022,450.00	-	170,610.00	1,289,750.00	732,700.00	658,981.21	
9	- Superb	25.89%	2,022,450.00	-	-	-	-	255,965.00	-	-	988,665.00	
10	Office Equipment		-	-	-	-	-	-	-	-	-	
11	Computer		-	-	-	-	-	-	-	-	-	
12	- Computers	40.00%	36,584.00	-	-	36,584.00	-	1,264.00	34,687.00	1,897.00	3,161.00	
13	- Printer	40.00%	19,500.00	-	-	19,500.00	-	2,242.00	16,137.00	3,363.00	5,605.00	
14	- L.C.D.	40.00%	37,000.00	-	-	37,000.00	-	8,043.00	24,935.00	12,065.00	20,108.00	
15	Air Conditioner	13.91%	103,500.00	-	-	103,500.00	-	9,924.00	42,079.00	61,421.00	71,345.00	
16	Apple I-Phone	18.10%	-	51,847.00	-	51,847.00	-	8,870.00	8,870.00	42,977.00	-	
17	Invertor	13.91%	12,500.00	-	-	12,500.00	-	660.00	8,415.00	4,085.00	4,745.00	
18	Painting	18.10%	80,000.00	275,000.00	-	275,000.00	-	34,092.00	34,092.00	240,908.00	-	
19	Trade Mill ( Prada)	13.91%	14,500.00	-	-	80,000.00	-	7,600.00	32,962.00	47,038.00	54,638.00	
20	Water Purifier	13.91%	-	-	-	14,500.00	-	1,519.00	5,101.00	9,399.00	10,918.00	
	<b>SUB TOTAL (A)</b>		<b>20,079,945.40</b>	<b>372,057.00</b>	<b>815,540.00</b>	<b>19,636,462.40</b>	<b>2,195,389.79</b>	<b>634,222.00</b>	<b>2,160,483.79</b>	<b>17,475,978.61</b>	<b>17,884,555.61</b>	
	<b>Total (Current Year)</b>		<b>20,079,945.40</b>	<b>372,057.00</b>	<b>815,540.00</b>	<b>19,636,462.40</b>	<b>2,195,389.79</b>	<b>634,222.00</b>	<b>2,160,483.79</b>	<b>17,475,978.61</b>	<b>17,884,555.61</b>	
	<b>Total (Previous Year)</b>		<b>3,965,106.40</b>	<b>16,114,839.00</b>	<b>-</b>	<b>20,079,945.40</b>	<b>1,507,412.00</b>	<b>687,977.79</b>	<b>2,195,389.79</b>	<b>17,884,555.61</b>	<b>2,457,694.40</b>	

For And On Behalf Of The Board Of Directors



Auditor's Report  
Signed In Terms of my Separate  
Report Of Even Date: (UMAR)

Anil Kumar  
(Chartered Accountants)  
M. No. 86223

Surendra Kumar Jain  
(Director)  
(DIN NO. 530035)

Sujan Mal Mehta  
(Director)  
(DIN NO. 01901945)

Latika Rohara  
(Company Secretary)

Place: New Delhi  
Date: 13.05.2013



	Sri Amarnath Finance Ltd.	10/-	1480000	88,800,000.00	1480000	88,800,000.00
	Tata Motors Ltd.	10/-	50	8,654.00	50	8,654.00
	Tata Steel Ltd.	10/-	50	9,125.50	50	9,125.50
	Uniroyal Marine Ltd.	10/-	500	1,050.00	500	1,050.00
	Unitech Ltd.	10/-	1000	32,139.46	1000	32,139.46
	Venus Sugar Ltd.	10/-	500	22,207.00	500	22,207.00
	Vijaya Bank Ltd.	10/-	200	5,781.50	200	5,781.50
	<b>Other Investment</b>					
	Investment In Jewellery			2,014,734.00		2,014,734.00
				<b>851,676,990.82</b>		<b>851,676,990.82</b>
H	<b>Deferred Tax Assets (Net):</b>					
	Opening Balance			167,937.00		28,389.00
	Created During The Year			90,580.00		139,548.00
				<b>258,517.00</b>		<b>167,937.00</b>
I	<b>Long Term Loans And Advances:</b>					
	Loans/Advances Recoverable in Cash or in Kind (for Value to be Receivable/ Received)					
	<u>Standard Asset as per RBI ACT</u>					
	Balaji Banquets Pvt. Ltd.			35,000,000.00		35,000,000.00
	Chandra Y. Reddy					683,440.00
	Pooja Finlease Ltd.			50,000,000.00		50,000,000.00
	Surya Jyoti Software Pvt. Ltd.			25,000,000.00		25,000,000.00
	Total (A)			<b>110,000,000.00</b>		<b>110,683,440.00</b>
	<u>Doubtful Asset as per RBI ACT</u>					
	Meera Gupta			10,000,000.00		10,000,000.00
	Sunderdeep Educational Society			1,792,301.00		1,792,301.00
	Swastik Marble Traders			656,325.00		656,325.00
	Total (B)			<b>12,448,626.00</b>		<b>12,448,626.00</b>
	Total (A+B)			<b>122,448,626.00</b>		<b>123,132,066.00</b>
J	<b>Other Non-Current Assets</b>					
	<u>Misc . Expenditure</u>					
	(a) (To The Extent Not Written Off Or Adjusted)					
	<u>Preliminary &amp; Pre Operative Expenses</u>					
	Opening Balance/Addition			208,426.80		312,640.20
	Less: Written Off During The Year			104,213.00		104,213.40
				<b>104,213.80</b>		<b>208,426.80</b>





<b>Current Assets</b>			
<b>K</b>	<b>Cash &amp; Cash Equivalents :</b>		
	<b>(A) Balance With Banks</b>		
	<u>In Current Accounts:</u>		
	Bank Balance with Scheduled Bank		
	ICICI Bank Ltd.	2,676,863.17	4,151,420.37
	IOB Ltd.	2,000.08	2,000.08
	Punjab Sind Bank	64,475.69	38,676.19
	<b>(B) Cheque in Hand</b>		4,050,000.00
	<b>(C) Cash in Hand</b>	542,711.65	627,216.65
		<b>3,286,050.59</b>	<b>8,869,313.29</b>
<b>L</b>	<b>Short Term Loans &amp; Advances:</b>		
	<u>(1) Advance For Booking Property</u>	40,881,131.49	32,845,157.89
	<u>(2) Recievable From Revenue Authorities</u>	-	-
	Advance Income Tax	6,176,027.00	6,176,027.00
	Refund For A.Y 2011-2012	418,218.00	418,218.00
	Refund For Pervious Year	755,403.31	755,403.31
	Tax Deducted At Source	870,000.00	911,917.00
		<b>49,100,779.80</b>	<b>41,106,723.20</b>

**Auditor'S Report**


Signed In Terms of my Separate  
Report Of Even Date




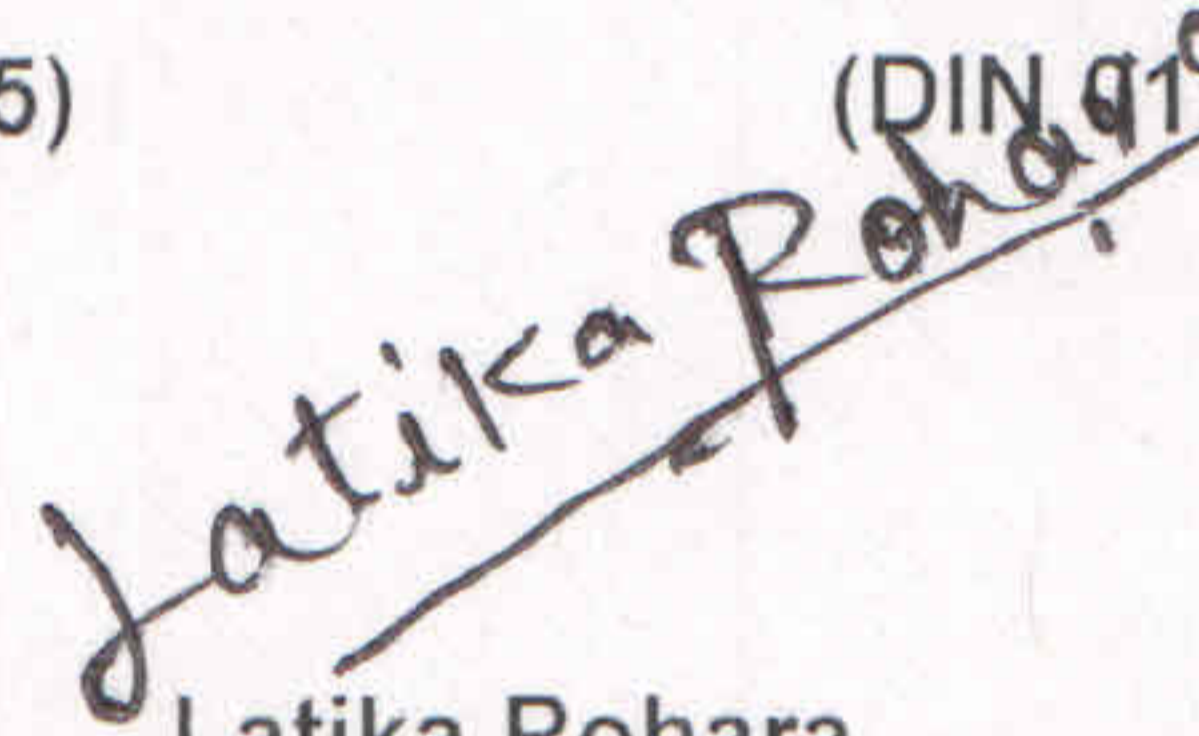
Anil Kumar  
(Chartered Accountants)  
M. No. 86223

Place: New Delhi  
Date: 13.05.2013

For And On Behalf Of The Board Of Directors

  
Surendra Kumar Jain  
(Director)  
(DIN 0530035)

  
Sujan Mal Mehta  
(Director)  
(DIN 01901945)

  
Latika Rohara  
(Company Secretary)



# SUNSHINE CAPITAL LIMITED

(AN ISO 9000 : 2001 CERTIFIED COMPANY)

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

## NOTES TO AND FORMING PART OF STATEMENT OF PROFIT AND LOSS

(IN RUPEES)

S.NO.	PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD	FIGURES FOR THE PREVIOUS REPORTING PERIOD
PL-1	<b><u>Revenue From Operations</u></b>		
a	Sale Of Shares	-	387,500.00
b	Interest On Loan	8,700,000.00	9,119,172.00
		<b>8,700,000.00</b>	<b>9,506,672.00</b>
PL-2	<b><u>Other Income:</u></b>		
	Dividend Income	25,912.50	28,399.50
		<b>25,912.50</b>	<b>28,399.50</b>
PL-3	<b><u>Purchases Of Traded Goods</u></b>		
	Purchase of Shares	-	385,000.00
		-	<b>385,000.00</b>
PL-4	<b><u>Depreciation And Amortization Expenses:</u></b>		
	Depreciation	634,222.00	687,977.79
	Preliminary & Pre-Operative Exp.Written Off	104,213.00	104,213.40
		<b>738,435.00</b>	<b>792,191.19</b>
PL-5	<b><u>Employee Benefit Expenses</u></b>		
	Salary	812,669.00	544,958.00
	Staff Welfare	22,085.00	57,392.00
		<b>834,754.00</b>	<b>602,350.00</b>
PL-6	<b><u>Administrative Expenses</u></b>		
	Accounting Charges	-	10,500.00
	Audit Fees	11,236.00	-
	Advertisement & Publicity Expenses	95,245.00	20,290.00
	Payment To The Auditors	-	11,000.00
	Bank Charges	1,236.60	633.63
	Business Promotion Expenses	45,220.00	903,056.16
	Bad Debts W/off	83,440.00	
	Car Repair & Maintenance Expenses	65,198.00	47,128.00
	Car Insurance Expenses	47,202.00	37,967.00
	CDSL Custodial Fees	6,741.00	24,618.00
	Computer Repair & Maintenance	19,165.00	23,371.00
	Conveyance Expense	34,788.00	76,348.00
	Consultancy Fees	500,000.00	-





Courier Charges	15,504.00	15,668.00
Court E Stamp Fee	84,500.00	-
Demat Account Charges	-	13,964.00
Director Salary	2,400,000.00	1,800,000.00
DSE Other Fees	38,605.00	-
Festival Celebration Expenses	-	25,886.00
SEBI fees	5,000.00	-
Filing Charges	5,000.00	2,000.00
General Expenses	16,880.00	16,888.00
Income Tax Fees For ITAT Matter	10,000.00	-
Interest Paid	-	8,670.00
Legal & Professional Expenses	85,250.00	471,100.00
Listing Charges	14,727.00	14,573.00
Loss On Fixed Assets	34,412.00	-
NSDL Custodial Fees	6,741.00	-
Misc. Expenses	790.00	22,250.00
Office Expenses	-	11,469.16
Office Repair & Maintenance	114,450.00	116,031.00
Photostate Expenses	21,481.00	12,263.00
Postage & Courier Exp.	-	8,523.00
Printing & Stationery	9,664.00	19,720.00
Registrar Expenses	12,192.00	39,340.00
Rent	605,000.00	-
Telephone Exp.	23,288.00	18,523.00
Tour & Travelling Expenses	85,538.00	69,956.00
Software Charges	6,000.00	-
Vehicle Running Expenses	194,483.00	183,572.00
Water & Electricity Expenses	-	26,851.00
<b>Grand Total</b>	<b>4,698,976.60</b>	<b>4,052,158.95</b>

**Auditor'S Report**


Signed In Terms of my Separate  
Report Of Even Date.




Anil Kumar  
(Chartered Accountants)  
M. No. 86223

Place: New Delhi  
Date: 13.05.2013

For And On Behalf Of The Board Of Directors

  
Surendra Kumar Jain  
(Director)  
(DIN 530035)

  
Sujan Mal Mehta  
(Director)  
(DIN 1901945)

  
Latika Rohara  
(Company Secretary)



**SUNSHINE CAPITAL LIMITED**  
(AN ISO 9000 : 2001 CERTIFIED COMPANY)

**209, Bhanot Plaza-II, 3, D.B. Gupta Road, New Delhi-110055**  
**ADDITIONAL INFORMATIONS- NOTES TO AND FORMING PART OF**  
**BALANCE SHEET AS AT 31-03-2013**

PARTICULARS	FIGURES AS AT THE END OF CURRENT REPORTING PERIOD		FIGURES AS AT THE END OF PREVIOUS REPORTING PERIOD	
	% of Holdings	No. Of Shares	% of Holdings	No. Of Shares
<b>A</b>				
<b>SHARE CAPITAL:</b>				
<b>SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 2 PER CENT SHARES.( EQUITY SHARES IN NOS. OF RS. 10 EACH)</b>				
Hillridge Investments Ltd.	-	-	10.59	1380000
Karishma Industries Ltd.	-	-	5.69	742000
Nisha Holdings Ltd.	-	-	14.59	1900000
Pelicon Finance & Leasing Ltd.	-	-	8.47	1103000
Parishudh Finance Co. Pvt. Ltd.	-	-	9.21	1200000
Pitambra Securities Pvt. Ltd.	-	-	8.44	1100000
S.R. Cables Pvt. Ltd.	-	-	8.06	1050000
Vogue Leasing & Finance Pvt. Ltd.	-	-	11.71	1525000
Priti Jain	2.10	273320	2.10	273320
		<b>273320</b>		<b>10273320</b>

Auditor'S Report  
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Report Of Even Date.



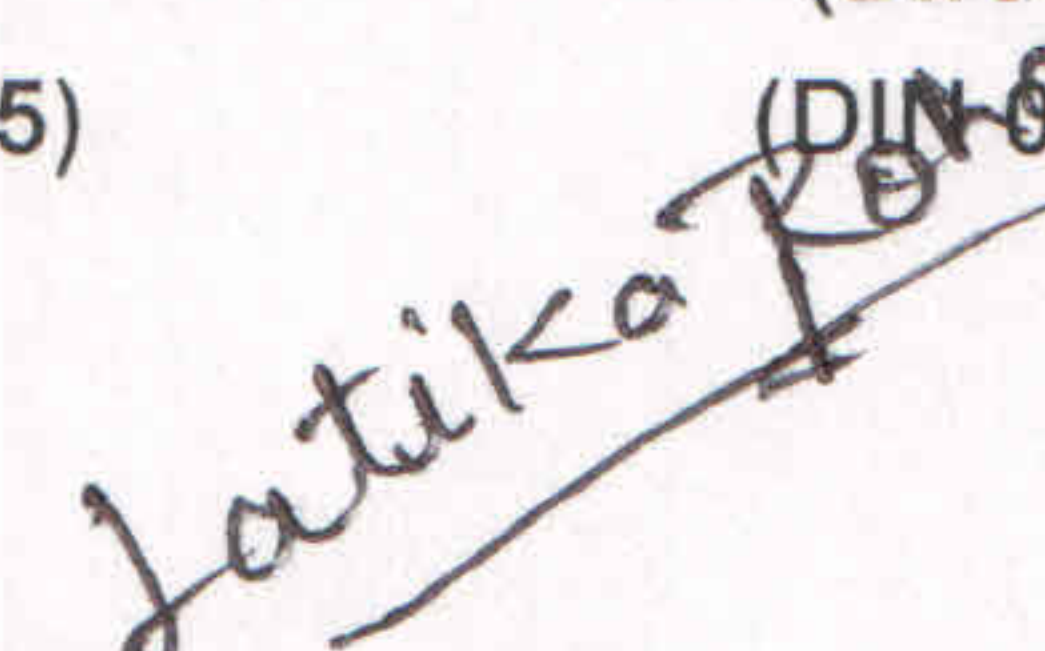
Anil Kumar  
(Chartered Accountants)  
M. No. 86223

Place: New Delhi  
Date: 13.05.2013

For And On Behalf Of The Board Of Directors

  
Surendra Kumar Jain  
(Director)  
(DIN 0530035)

  
Sujan Mal Mehta  
(Director)  
(DIN 01901945)

  
Latika Rohara  
(Company Secretary)



**SUNSHINE CAPITAL LIMITED**  
**(AN ISO 9000 : 2001 CERTIFIED COMPANY)**

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

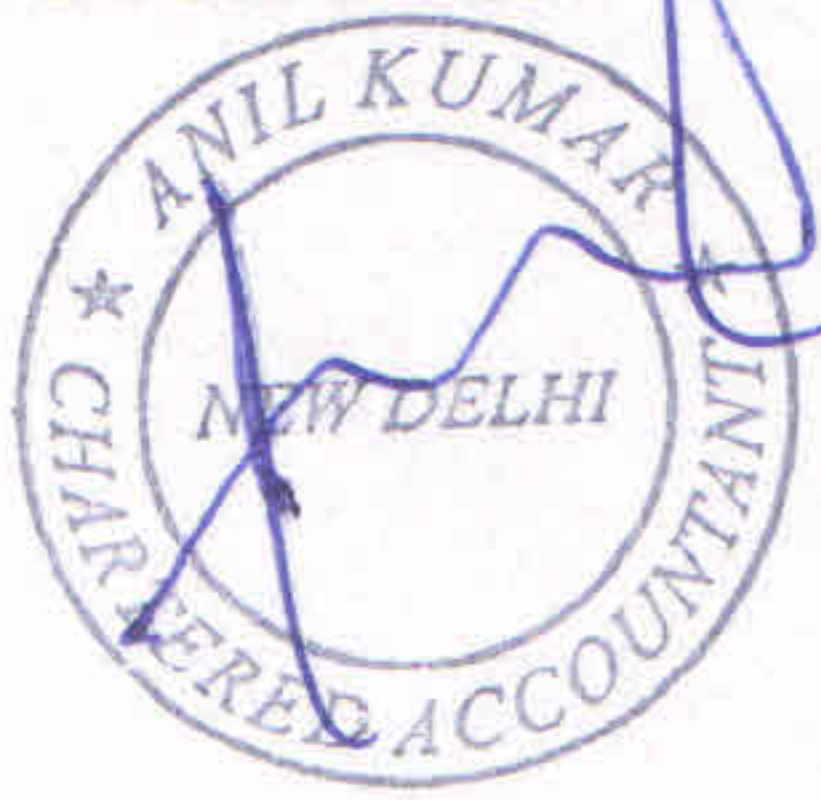
**ADDITIONAL INFORMATIONS TO AND FORMING PART OF STATEMENT  
OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2013**

(IN RUPEES )

NOTE NO.	PARTICULARS	FIGURES FOR THE CURRENT REPORTING PERIOD	FIGURES FOR THE PREVIOUS REPORTING PERIOD
	<b><u>PAYMENT TO THE AUDITORS AS</u></b>		
	Auditor	11,236.00	11,000.00
	For Taxation Matters	-	-
	For Company Law Matters	-	-
	For Management Services	-	-
	For Other Services	-	-
	For Reimbursement of Expenses		
	<b>Total</b>	<b>11,236.00</b>	<b>11,000.00</b>

Auditor'S Report

Signed In Terms of my Separate  
Report Of Even Date.



Anil Kumar  
(Chartered Accountants)  
M. No. 86223

Place: New Delhi

Date: 13.05.2013

For And On Behalf Of The Board Of Directors

Surendra Kumar Jain  
(Director)  
(DIN 530035)

Sujan Mal Mehta  
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(DIN 1901945)

Latika Rohara  
(Company Secretary)



**SUNSHINE CAPITAL LIMITED**  
(AN ISO 9000 : 2001 CERTIFIED COMPANY)

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

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31-03-2013**

(RUPEES IN)

		2012-13	2011-12
<b>A.</b>	<b>CASH FLOWS FROM OPERATION ACTIVITIES :</b>		
	Net Profit Before Tax And Extraordinary Items	2,453,746.90	4,018,495.36
	<b>Adjustments For :</b>		
	Depreciation	634,222.00	687,977.79
	Earlier Year taxation	-	
	Loss on sale of fixed asset	34,412.00	
	Preliminary Expenditure Written Off	104,213.00	104,213.40
	Operating Profit Before Working Capital Changes	3,226,593.90	4,810,686.55
	<b>Adjustments For :</b>		
	Decrease In Current Assets	(7,994,056.60)	(3,041,598.00)
	Increase In Current Liabilities	81,164.00	(317,774.00)
	Cash Generated From Operations	(4,686,298.70)	1,451,314.55
	Direct Tax Paid	1,320,347.00	-
	<b>Net Cash From Operating Activities</b>	<b>(6,006,645.70)</b>	<b>1,451,314.55</b>
<b>B.</b>	<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
	Purchase of Fixed assets	(372,057.00)	(16,114,839.00)
	Sale of Fixed Assets	112,000.00	15,065,475.00
	<b>Net Cash Used In Investment Activities</b>	<b>(260,057.00)</b>	<b>(1,049,364.00)</b>
<b>C.</b>	<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
	Loans & Advances paid back	683,440.00	(10,409,916.00)
	Repayment Short Term Borrowings	-	-
	<b>Net Cash From In Financing Activities</b>	<b>683,440.00</b>	<b>(10,409,916.00)</b>
	<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(5,583,262.70)</b>	<b>(10,007,965.45)</b>
	CASH & CASH EQUIVALENTS (Opening Balance)	8,869,313.29	18,877,278.74
	<b>CASH &amp; CASH EQUIVALENTS (Closing Balance)</b>	<b>3,286,050.59</b>	<b>8,869,313.29</b>

NOTE : NEGATIVE FIGURES HAVE BEEN SHOWN IN BRACKETS.


**Auditor'S Report**  
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Anil Kumar  
(Chartered Accountants)  
M. No. 86223

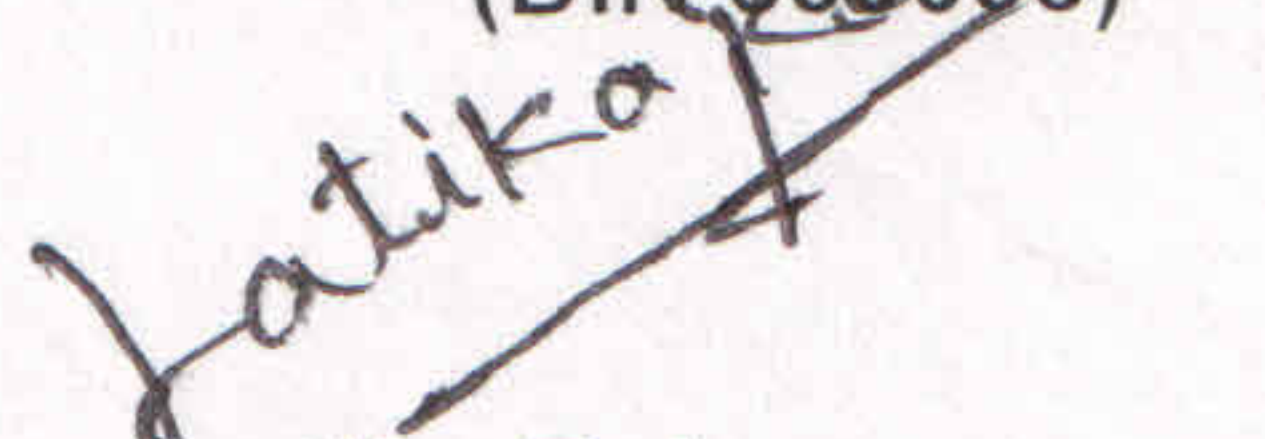


Date: 13.05.2013  
Place: New Delhi

For And On Behalf Of The Board Of Directors

  
Surendra Kumar Jain  
(Director)  
(DIN 530035)

  
Sujan Mal Mehta  
(Director)  
(DIN 530035)

  
Latika Rohara  
(Company Secretary)



**SUNSHINE CAPITAL LIMITED**  
**AS ISO 9000: 2001 CERIFIED COMPANY**

**209, BHANOT PLAZA-II, 3, D.B. GUPTA ROAD, NEW DELHI-110055**

**Notes to the Financial Statements**

**Note1 SIGNIFICANT ACCOUNTING POLICIES**

- a) **Basis for Preparation of Accounts** : The financial statements have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards ('AS') under Companies Accounting Standard Rules, 2006, as amended, the relevant provisions of the Companies Act, 1956 ('the Act') and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Finance Company ('NBFC'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year. The company adopts accrual system of accounting unless otherwise stated.
- b) **Use of estimates**: The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates. Any revisions to the accounting estimates are recognized prospectively in the current and future years
- c) **Fixed Assets** : Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Intangible Assets expected to provide future enduring economic benefits are carried at cost less accumulated amortization and impairment losses, if any. Cost comprises of purchase price and directly attributable expenditure on making the asset ready for its intended use.
- d) **Depreciation & Impairment of Assets** : Depreciation on fixed assets is provided on Written Down Value method, at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.





- e) **Investment** : Long-term investments are stated at cost. Provision of diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management. As in case of Sunshine Capital Limited such decline is presumed to be temporary hence no provision has been created.
- f) **Loan Income:** In respect of loan agreements, the income is accrued by applying the implicit rate in the transaction on declining balance on the amount financed for the period of the agreement.
- g) Dividend income on investments is accounted for as and when the right to receive the same is established.
- h) No income is recognized in respect of Non-Performing assets, if any, as per the prudential norms for income recognition introduced for Non Banking Financial Corporation by Reserve Bank of India vide its notification DFC.No.119/DG/ (SPT)-98 date 31-01-1998 and revised notification no. DNBS.192/DG (VL)-2007 dated 22/02/2007.
- i) **Expense Accounting:** All expenditures including the interest costs are accounted for on accrual basis.
- j) **Provisioning of Assets:** The Company makes provision for Standard and Non-Performing Assets as per the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms Reserve Bank) Directions, 2007, as amended from time to time. The Company also makes additional provision towards loan assets, to the extent considered necessary, based on the management's best estimate.
- k) Loan assets which as per the management are not likely to be recovered, are considered as bad debts and written off.
- l) **Provision, Contingent Liabilities and Contingent Assets :**

#### Provision

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





In respect of Non-Banking Finance Companies the provision for non-performing assets/investments and contingent provision against standard assets has been made as per Prudential norms and Circular No. DNBS.PD.CC.No.207/03.02.2002/2010-11 as prescribed by the Reserve Bank of India

#### Contingent Liabilities

Contingent Liabilities are disclosed separately by way of note to financial statement after careful evaluation by the management of the facts and legal aspects of the matter involved in case of :

- (i) 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.
- (ii) a possible obligation, unless the probability of outflow of resources is remote.

There is a pending Tax demand of Rs. 35, 33, 80,053/- against the company. The above demand was raised by Department in A.Y. 2008-09 as the company has raised share capital of Rs. 100 crore in A.Y. 2008-09. The same has been added by the Assessing Officer. The Company has filed an appeal with CIT (A). The demand of appeal is pending before CIT (A) till date. The Company is hopeful to get relieved from CIT (A).

#### Contingent Assets

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

#### m) Taxation

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





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

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

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

## Note: 2. NOTES TO ACCOUNTS

- a) Previous year's figures have been reworked, regrouped, rearranged & reclassified wherever necessary to confirm to the current year presentation.
- b) Balance standing to debit & credit of parties are subject to confirmation.
- c) 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.
- d) There is no employee drawing remuneration in excess of Rs. 60,00,000 during the year ending 31st March, 2013 or Rs. 5,00,000 per month. (Previous Year Nil).
- e) **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 0.25% 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:





i. (In Rupees)

Particulars	2012-13	2011-12
Sub standard Assets	12,448,626.00	17,92,301.00
Total Non-Performing Assets	12,448,626.00	17,92,301.00
Provision already available	17,92,301.00	0.00
Additional Provision made during the year	10,656,325.00	17,92,301.00
Total Provision at the end of the Year	12,448,626.00	17,92,301.00
Standard Assets	110,000,000.00	121,339,765.00
Provision already available	303,349.00	2,410,774.00
Additional provision made during the year	(28,349.00)	(2,107,425.00)

f) Auditors' remuneration (including for other auditors):

(In Rupees)

Name of Auditor	Particulars	2012-13	2011-12
Anil Kumar	For Statutory Audit	11236.00	11000.00
Anil Kumar	For Tax Audit		

g) 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.

h) Related Party Disclosures : As per Accounting Standard 18 on Related Party disclosures issued by the Institute of Chartered Accountants of India, the nature and volume of transactions of the Company during the year with the related parties are enclosed as per annexure I.

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

(In Rupees)

Particulars	Year ended	Year ended
	March 31, 2013	March 31, 2012
Profit/(Loss) after taxation as per Profit and Loss Account (in Rupees)	(9,088,244.10)	3,013,701.36
Weighted average number of Equity Shares outstanding during the year	13,020,900	13,020,900
Nominal value of Equity shares (in Rs.)	10/-	10/-
Basic earnings per share (in Rs.)	(0.70)	0.23
Diluted earnings per share (in Rs.)		





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

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

<b>Calculation Of Deferred tax Asset</b>	
WDV as per Companies Act	17,475,978.61
WDV as per Income Tax	18,312,601.00
Timing Difference	836,622.39
<b>Deferred Tax Asset</b>	<b>258,516.32</b>

k) 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, 2013. This information as required to be disclosed under the Micro, Small and Medium Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with company.

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



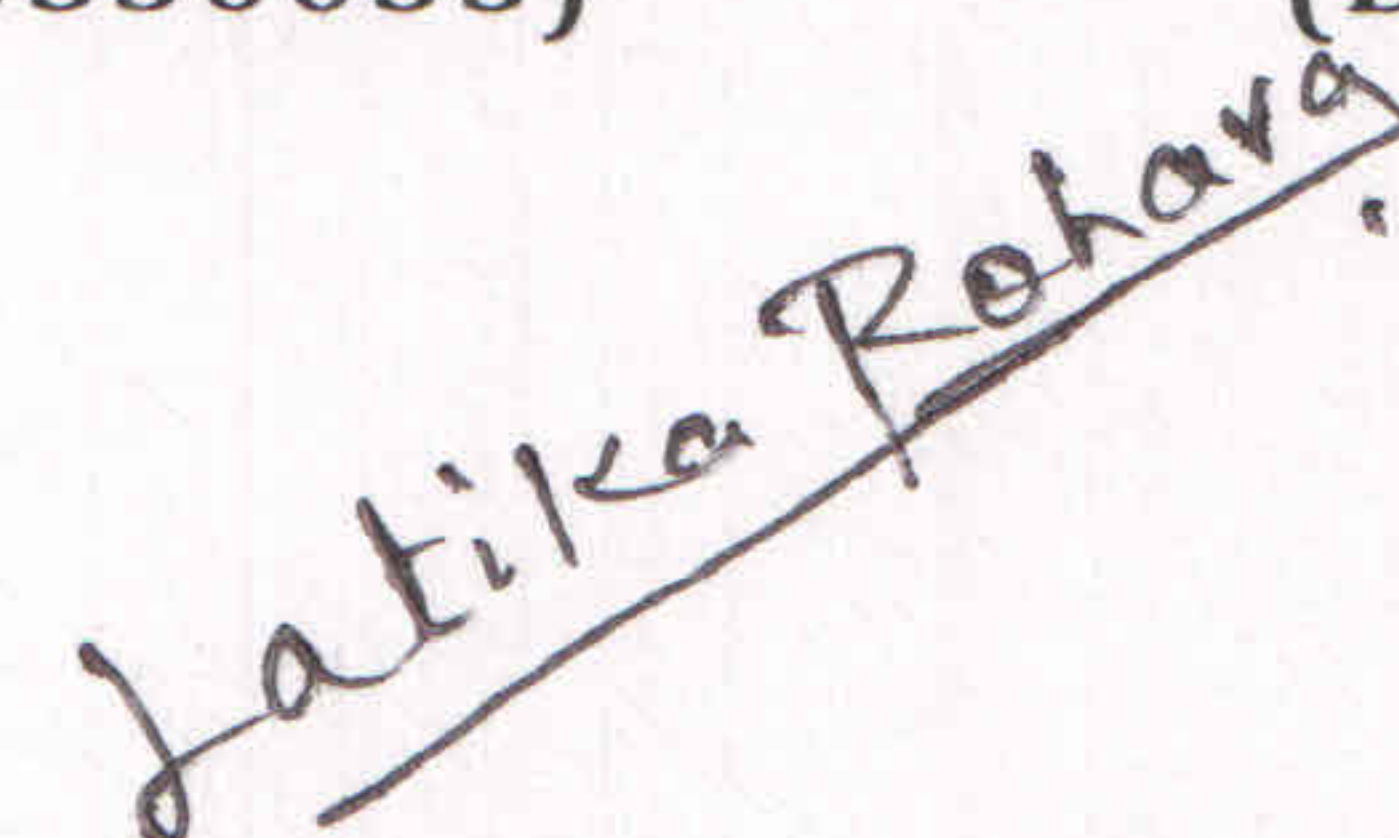
**Anil Kumar**  
**(Chartered Accountant)**  
**M.No. 086223**

**For and on Behalf of Board of Directors**

  
**Surendra Kumar Jain**  
**(Director)**  
**(DIN 0530035)**

  
**Sujan Mal Mehta**  
**(Director)**  
**(DIN 01901945)**

**Place: New Delhi**  
**Date ; 13.05.2013**

  
**Latika Rohara**  
**(Company Secretary)**



**SUNSHINE CAPITAL LIMITED**  
**Regd. Office: - 209, Bhanot Plaza-II, 3, D.B Gupta Road, New Delhi-110055**

**PROXY FORM**

Folio No. \_\_\_\_\_

DPID No. \_\_\_\_\_

CLIENT ID No. \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_ in the district of \_\_\_\_\_ being a member/members of SUNSHINE CAPITAL LIMITED hereby appoint \_\_\_\_\_ vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on 6<sup>th</sup> June, 2013 at 209, Bhanot Plaza-II, 3, D.B Gupta Road, New Delhi-110055 at 10:00 A.M. and at any adjournment thereof.

As witness my/our hand(s) this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

Signed by the said \_\_\_\_\_

Affix Rs.1 Revenue Stamp
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Note: This Proxy form must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

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**SUNSHINE CAPITAL LIMITED**  
**Regd. Office: -209, Bhanot Plaza-II, 3, D.B Gupta Road, New Delhi-110055**

**Attendance Slip**

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND OVER IT AT THE ENTRANCE OF THE MEETING HALL.

I \_\_\_\_\_ hereby record my presence at the Annual General Meeting on 6<sup>th</sup> June, 2013 at registered office at 209, Bhanot Plaza-II, 3, D.B Gupta Road, New Delhi-110055 at 10.00 A.M.

Members /Proxy Name : \_\_\_\_\_  
(In Capital Letters)  
Folio no. : \_\_\_\_\_  
DPID No. : \_\_\_\_\_  
Client ID No. : \_\_\_\_\_  
Signed by the said \_\_\_\_\_