

# **26<sup>th</sup> ANNUAL REPORT**

## **2017 – 2018**



**SUNGOLD**  
CAPITAL LIMITED

## COMPANY INFORMATION

### BOARD OF DIRECTORS

Mr. Rajiv Kotia	Chairman & Managing Director
Mr. Rajesh Pillai	Non- Executive Director
Mr. Uma Maheswararao Sikhinam	Independent Director
Ms. Karishma Kaku	Independent Director

**CHIEF FINANCIAL OFFICER (CFO)** Pradipkumar Vaghela

**COMPANY SECRETARY & COMPLIANCE OFFICER** CS Sowjanya Poojary

**STATUTORY AUDITOR** M/s. Motilal & Associates  
Chartered Accountants, Mumbai

**INTERNAL AUDITOR** M/s. M A Ravjani & Co.,  
Chartered Accountants, Ahmedabad

**SECRETARIAL AUDITOR** M/s. SG & Associates,  
Company Secretaries, Mumbai

**REGISTRAR AND SHARE TRANSFER AGENT** M/s. Satellite Corporate Services Pvt. Ltd.  
**Registered Office Address:**  
B – 302, Sony Apartment,  
Opp. St. Jude's High School,  
Off Andheri-Kurla Road,  
Jarimari, Sakinaka, Mumbai – 400072

**Correspondence Office Address:**  
Unit No. 49, Building No. 13 AB, 2nd Floor,  
Samhita Commercial Co-Op Society Ltd,  
Off Andheri Kurla Road, MTNL Lane,  
Sakinaka, Mumbai – 400072.

**BANKERS** Bank of Baroda  
HDFC Bank Limited  
Union Bank of India

**REGISTERED OFFICE ADDRESS:**  
House No. 7/13, Opp White Tower, Station Road, Rajpipla,  
Nandod, Narmada – 393145

**Corporate office address:**  
B/618, Jaswanti Allied Business Centre,  
Off Ramchandra Lane Extn;  
Kachpada, Malad (west), Mumbai – 400064

Email: [info@sungoldcapitallimited.com](mailto:info@sungoldcapitallimited.com)/[sungold2006@gmail.com](mailto:sungold2006@gmail.com)  
Website: [www.sungoldcapitallimited.com](http://www.sungoldcapitallimited.com)  
Tel No: +91 – 8108756812/022-28891692

#### CONTENTS

Information.....	1
Notice of Annual General Meeting.....	2
Boards' Report.....	09
Management Discussion and Analysis.....	27
Report on Corporate Governance.....	30
Independent Auditors' Report.....	43
Financial Statements.....	52

#### INFORMATION FOR SHAREHOLDER:

##### 26<sup>th</sup> Annual General Meeting of Sungold Capital Limited

**Day:** Tuesday  
**Date:** July 10, 2018  
**Time:** .11.00 a.m  
**Venue:** Dasha Khadayta wadi, Nr. Ranchhodji Temple,  
Darbar Road, Rajpipla, Narmada – 393145

**Book closure:**  
Wednesday, July 04, 2018 to Tuesday, July 10, 2018

## NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the Members of Sungold Capital Limited will be held on Tuesday, July 10, 2018 at 11:00 am at Dasha Khadayta wadi, Nr. Ranchhodji Temple, Darbar Road, Rajpipla, Narmada – 393145, to transact the following business:

---

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company, for the financial year ended March 31, 2018 along with the Board and Auditor's Report thereon.
2. To appoint a Director in place of Mr. Rajesh Pillai, (DIN: 07585805), who retire by rotation in compliance with the provisions of Section 152 of the Companies Act, 2013 and being eligible, offer himself for reappointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:-

**“RESOLVED THAT** pursuant to the provision of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rule framed there under (including any statutory modification (s) or re- enactment thereof for the time being in force), M/s Bhatte & Company, Chartered Accountants, Mumbai (FRN: 131092W) be and is hereby appointed as the Statutory Auditor for the term of five years i.e. from the Conclusion of this i.e 26<sup>th</sup> Annual General Meeting till the Conclusion of 31<sup>st</sup> AGM of the Company, on such terms and remuneration as agreed upon between the Audit Committee/Board of Directors and the Auditors.

**FURTHER RESOLVED THAT** any of the Board of Directors, be and is, hereby empowered and authorized to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary E Forms with Registrar of Companies.”

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

Sd/-

**CS Sowjanya Poojary**  
Company Secretary & Compliance Officer

Place: Mumbai  
Date: June 11, 2018

Regd office: House no. 7/13, Opp White Tower,  
Station Road, Rajpipla, Nandod, Narmada – 393145  
Corporate Office: B/618, 6th Floor, Jaswanti Allied Business  
off Ramchandra lane ext; Malad (west) Mumbai -400064

CIN: L65910GJ1993PLC018956  
Tel No: +91-22 28891692  
E-mail: [info@sungoldcapitallimited.com](mailto:info@sungoldcapitallimited.com)  
Website: [www.sungoldcapitallimited.com](http://www.sungoldcapitallimited.com)

## NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON POLL TO VOTE INSTEAD OF HIMSELF/ HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Notice. Proxies submitted on behalf of companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.
3. Explanatory statement pursuant to section 102 of the Companies Act, 2013 setting out the details relating to the special business to be transacted at the Annual General Meeting is annexed hereto.
4. Pursuant to the provision of Section 91 of the Companies Act, 2013 the register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, July 04, 2018 to Tuesday, July 10, 2018 (Both Days Inclusive).
5. All documents referred to in accompanying notice and statement pursuant to section 102 shall be open for inspection at the Corporate office of the Company during the office hours on all working days except Saturdays, between 10:00A.M.to 3:00 P.M. up to the date of conclusion of AGM.
6. As per regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015, the brief profile of the Directors including those proposed to be appointed is annexed to this Notice.
7. At the ensuing Annual General Meeting, Mr. Rajesh Pillai, (DIN: 07585805) retires by rotation and seeks re-appointment.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their DEMAT account. Members holding shares in physical form can submit their PAN to the Company or its Registrar and Share Transfer Agent.
9. Queries on accounts and operations of the Company, if any, may be sent to the Company Secretary of the Company, ten days in advance of the meeting so as to enable the Management to keep the information ready at the meeting.
10. Members can inspect the register of Director and Key Managerial personnel and their shareholding, required to be maintained under section 170 of the Companies Act, 2013 during the course of the AGM at the venue.
11. All transfer deeds, requests for change of address, bank particulars/mandates/ECS mandates, PAN should be lodged with Company's Registrar and Share Transfer Agents, in case of shares held in physical form, on or before Tuesday, July 03, 2018. The above details in respect of the shares held in electronic form should be sent to the respective Depository Participants by the members well in time.
12. Pursuant to Section 72 of the Companies Act, 2013 members holding shares in physical form may file nomination in the prescribed Form SH-13 (a copy of which is placed on the website of Company [www.sungoldcapitallimited.com](http://www.sungoldcapitallimited.com)) with the Company's share transfer agents. In respect of shares held in electronic form, the nomination form may be filed with the respective depository participant.
13. Members holding Shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risk associated with physical shares and for ease in portfolio management. Members can contact the Company or Company's Registrar and Transfer Agents for assistance in this regards.
14. Members are requested to bring their copy of Annual Report to the AGM. Members/Proxies should bring the attendance slip duly filled in and signed for attending the AGM. Duplicate attendance slip will not be provided at the hall.
15. In case of the joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.

16. Members holding shares in electronic mode are requested to intimate any change in their address to their Depository Participant (s). Members holding shares in physical form are requested to advise any change in their address immediately to the Company/Registrar Share Transfer Agent M/s. Satellite Corporate Services (P) Ltd., Unit No. 49, Building No. 13 AB, 2nd Floor, Samhita Commercial Co-Op Society Ltd, Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai – 400072.
17. In terms of Section 101 & 136 of the Act, read together with the rules made there under, the Listed Companies may send the notice of AGM and the Annual Report including all Financial Statements, Board Report etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their e-mail IDs with their respective DPs or with the Share Transfer Agent of the Company. The e-mail addresses indicated in your respective Depository Participant (DP) accounts, which will be periodically downloaded from NSDL/CDSL, will be deemed to be your registered e-mail address for serving notices/documents including those covered under Section 136 of the Companies Act, 2013 read with rule 11 of the Companies (Accounts) Rules, 2014. The Notice of AGM and the copies of audited financial statements, Boards' Report, Auditors' Report etc. will also be displayed on the website [www.sungoldcapitallimited.com](http://www.sungoldcapitallimited.com) of the Company. All the members are requested to ensure to keep their e-mail addresses updated with the Depository Participants.
18. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Company for consolidation in one folio.

## 19. E- VOTING PROCESS:

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and in pursuance to Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 your Company is pleased to provide members facility to exercise their right to vote at the 26<sup>th</sup> Annual General Meeting by electronic means and business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL). It is hereby clarified that it is not mandatory for a member to vote using the E- voting facility and a member may avail of the facility at his/her discretions, subject to compliance with the instruction for E-Voting given below.

In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the Chairman of the Company may order a poll on his own motion in terms of Section 109 of the Companies Act, 2013 for the businesses specified in the accompanying notice. For abundant clarity, in the event of poll, please note that the Members who have exercised their right to vote by electronic means shall not vote by way of poll at the Meeting. The Company is pleased to offer e-voting facility for its Members to enable them to cast their votes electronically. The procedure and instructions for the same are as follows:

**The remote e- voting facility will be available during the following voting period:**

Commencement of remote e- voting	End of remote e- voting
Friday, July 06, 2018, 9:00 a.m.	Monday, July 09, 2018, 5:00 p.m.

- (i) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Tuesday, July 03, 2018 may cast their vote electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form:</b>	
<b>PAN*</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>Dividend Bank Details OR Date of Birth (DOB)</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this notice.
- (xi) Click on the EVSN for the relevant <180602001> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If demat account holder has forgotten the same password then enter the User ID and the image verification code and click on forgot password & enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from Google play store. iPhone and windows phone users can download the app from the app store and the windows phone store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in pdf format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xxi) The voting rights of the shareholders shall be proportionate to their shares of the paid up capital of the Company as on the cut-off date of Tuesday, July 03, 2018.
- (xxii) Mr. Suhas Ganpule, Practicing Company Secretary (Membership No. 12122, COP No. 5722), has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
20. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of poll for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
21. The scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
22. The results declared along with the report of the scrutinizer’s shall be placed on the website of the Company [www.sungoldcapitallimited.com](http://www.sungoldcapitallimited.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai and ASE Limited, Ahmedabad.

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

Sd/-

Place: Mumbai  
 Date: June 11, 2018

**CS Sowjanya Poojary**  
 Company Secretary & Compliance Officer

Regd office: House no. 7/13, Opp White Tower,  
 Station Road, Rajpipla, Nandod, Narmada – 393145  
 Corporate Office: B/618, 6th Floor, Jaswanti Allied Business  
 off Ramchandra lane ext; Malad (west) Mumbai-400064

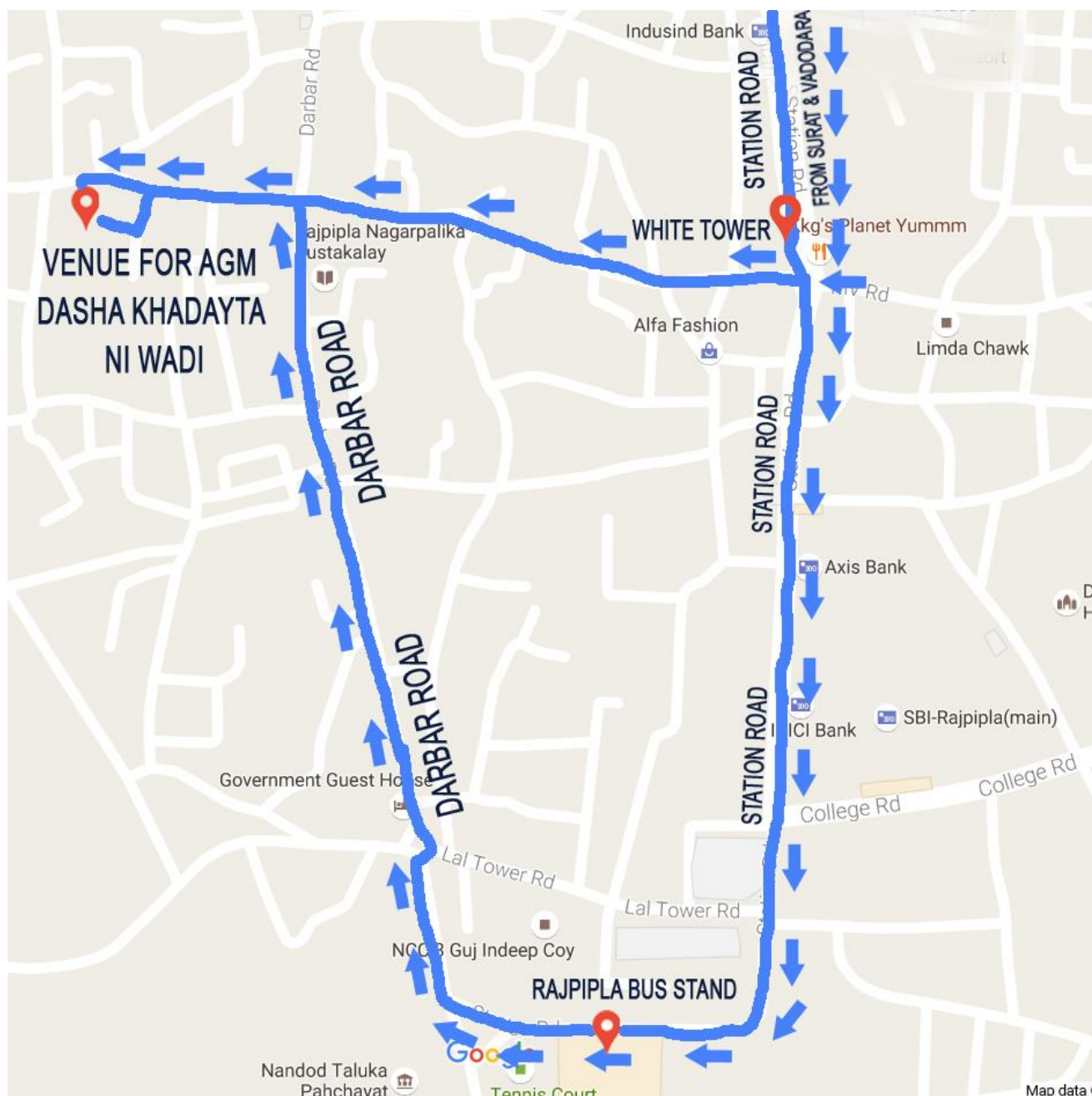
CIN: L65910GJ1993PLC018956  
 Tel No: +91-22 28891692  
 E-mail: [info@sungoldcapitallimited.com](mailto:info@sungoldcapitallimited.com)  
 Website: [www.sungoldcapitallimited.com](http://www.sungoldcapitallimited.com)

**ANNEXURE TO NOTICE****Details of Directors seeking Appointment/Re- appointment at the Annual General Meeting**

<b>Names of Directors</b>	<b>Mr. Rajesh Narayan Pillai</b>
Date of Birth	October 20, 1973
Date of Appointment	September 4, 2016
DIN	07585805
Qualifications	Bcom – Gujarat university  MBA(Specialization in Marketing) – Pune University
Expertise in specific functional area	Expertise in Sales, Risk Management, Policy and trainings
disclosure of relationships between directors inter-se;	NA
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board;	Marg Techno-Projects Limited,
Chairmanships/Memberships of the Committee of other public companies (including only Audit Committee and Stakeholders' Relationship Committee)	NA
Number of Shares held in the Company	NIL



**Route map of the venue of 26<sup>th</sup> Annual General Meeting**



## Board's Report

To,  
The Members,

Your Directors have pleasure in presenting 26<sup>th</sup> Annual Report together with the Audited Annual Accounts for the Financial Year ended March 31, 2018.

### 1. FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY (STANDALONE):

The Board's Report shall be prepared based on the stand alone financial statements of the company.

(Rs. In Lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from operation	138.59	180.99
Other Income	0.06	0.02
Total Expense(Excluding Depreciation)	131.79	172.00
Gross Profit before depreciation and tax	6.86	9.01
Depreciation	2.63	1.27
Net Profit before tax	4.23	7.74
Tax Expense	3.85	0.13
Net Profit After Tax	0.38	7.61
Balance of Profit brought forward	89.16	87.83
Balance available for appropriation	0.38	7.61
Proposed Dividend on Equity Shares	Nil	Nil
Tax on proposed Dividend	Nil	Nil
Transfer to General Reserve	0.08	1.52
Surplus carried to Balance Sheet	89.46	89.16
Earning Per Shares (EPS)		
Basic	0.002	0.041
Diluted	0.002	0.041

### 2. MANAGEMENT DISCUSSION AND ANALYSIS:

In terms of provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management's Discussion and Analysis is provided as a separate section forming part of the Annual Report.

### 3. DIVIDEND:

In order to conserve the resources and for further growth, the Company does not propose to pay any dividend.

### 4. DEPOSITS:

The Company has not accepted any fixed deposits during the year to which the provisions of Section 73 of the Companies Act, 2013 are applicable.

### 5. AMOUNT TRANSFER TO RESERVE:

During the FY 2017 – 2018, the Company has transferred an amount of Rs. 7,541/- (P.Y. of Rs. 152,270/-) equivalent to 20 % of profit after tax of the Company to special reserve account in compliance with Section 45 IC of the RBI Act.

### 6. SHARE CAPITAL:

The Share capital of the Company as on March 31, 2018 was Rs. 184,034,850/-. During the year under review, the Company has not issued any shares with differential voting rights nor granted stock options nor sweat equity. As on March 31, 2018 none of the Directors of the Company holds instrument convertible into equity shares of the Company.

## **7. EXTRACT OF ANNUAL RETURN:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT-9** as a part of this Board's Report is attached as **Annexure- I**.

## **8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

As company is an NBFC and engaged in business of loan and advance, Section 186 is not applicable to the Company by virtue of exemption given in subsection (11) of section 186.

## **9. RELATED PARTY TRANSACTIONS:**

There were no materially significant related party transactions which could have had a potential conflict with the interests of the Company. Transactions with related parties are in the ordinary course of business on arm's length and are periodically placed before the Audit Committee and Board for its approvals and the particulars of contracts entered during the year 2017-18, in Form AOC-2 is enclosed as **Annexure - II**.

The policy on related party transactions and dealing with related party transactions is available on the website of the Company at the below link:

<http://www.sungoldcapitallimited.com/wp-content/uploads/2015/08/policy-on-related-party-transactions.pdf>

## **10. CORPORATE SOCIAL RESPONSIBILITY:**

The present financial position of the Company does not mandate the implementation of CSR activities pursuant to the provisions of Section 135 and Schedule VII of the Companies Act, 2013. The Company will constitute CSR Committee, develop CSR policy and implement the CSR initiatives whenever it is applicable to the Company.

## **11. MATERIAL CHANGES:**

During the FY 2017-2018 there are no material changes affecting the financial position of the Company and affecting the Financial Statements.

## **12. MATERIAL EVENTS:**

The Company has proposed to get into Export business in the name of Sungold Exports. An Import Export Code (IEC) Number from Office of Joint Director General of Foreign Trade has been obtained by the Company for the same dated January 16, 2018.

## **13. DETAILS OF JOINT VENTURE/SUBSIDIARY /ASSOCIATE COMPANIES DURING THE YEAR:**

The Company does not have joint venture/subsidiary/associate companies during the year 2017- 2018.

## **14. PARTICULARS OF EMPLOYEES:**

There was no employee drawing remuneration in excess of limits prescribed under section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Remuneration Managerial Personnel) Rules, 2014.

## **15. DIRECTORS & KEY MANAGERIAL PERSONNEL:**

Ms. Neha Shah resigned as an Independent Director w.e.f May 28, 2017 due to pre-occupied schedule.

Mr. Ushik Gala resigned as a Chief Financial Officer due to pre-occupied schedule and Ms. Bhumika Sidhpura was appointed as the Chief Financial Officer of the Company w.e.f June 01, 2017

Mr. Abhay Deo resigned as an Independent Director w.e.f July 09, 2017 due to pre-occupied schedule.

Mr. Rakesh Kumar Kumawat resigned as a Director w.e.f August 18, 2017 due to pre-occupied schedule.

Mr. Rajesh Pillai was regularized as a Non –Executive Director of the Company with the approval of the members at the Annual General Meeting held on August 17, 2017.

Ms. Bhumika Sidhpura resigned as the Company Secretary and Compliance Officer due to pre-occupied schedule and Ms. Sowjanya Poojary was appointed as the Company Secretary and Compliance Office w.e.f November 13, 2017.

At the ensuing Annual General Meeting, Mr. Rajesh Pillai, (DIN: 07585805) retires by rotation and seeks re-appointment.

#### **16. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION:**

The current policy is to have an appropriate mix of executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. The policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters, as required under sub-section (3) of Section 178 of the Companies Act, 2013, is available on the website of the Company at the below link:

<http://www.sungoldcapitallimited.com/wp-content/uploads/2015/08/nomination-and-remuneration-policy.pdf>.

There has been no change in the policy since the last fiscal year. We affirm that the remuneration paid to the directors is as per the terms laid out in the nomination and remuneration policy of the Company.

#### **17. DECLARATION BY AN INDEPENDENT DIRECTOR:**

All the Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149 (6) of the Companies Act, 2013 and Regulation 16 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015.

#### **18. BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of Independent Directors, Board, Committees and other individual Directors, process of performance evaluation has been carried out as per Nomination and Remuneration Policy.

#### **19. MEETINGS:**

During the year 5 (five) Board Meetings, 4 (four) Audit Committee Meetings, 3 (three) Stakeholder Relationship Committee Meetings and 3 (three) Nomination & Remuneration Committee Meetings were convened and held, the details of which are given in the Corporate Governance Report.

An Independent Directors Meeting was held on November 13, 2017.

#### **20. COMMITTEES OF THE BOARD:**

Currently there are three committees:

Audit Committee, Nomination & Remuneration Committee and Stakeholder Relationship Committee.

The detailed note and composition of the Committee is provided under Corporate Governance Report which is the part of Annual report of the Company.

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

The Company has adopted the whistleblower mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's code of conduct and ethics. There has been no change to the Whistleblower Policy adopted by the Company during the year.

The detail of the policy is available on the website of the Company at the below link:

<http://www.sungoldcapitallimited.com/wp-content/uploads/2015/08/Whistle-Blower-Policy.pdf>

#### **22. OBLIGATION OF COMPANY UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.**

Company has adopted a policy for prevention of Sexual Harassment of Women at workplace and has set up Committee for implementation of said policy. During the year Company has not received any complaint of harassment.

## 23. DIRECTORS' RESPONSIBILITY STATEMENT:

To the best of knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of Section 134(5) of the Act.

- a) That in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgments have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2018 and of the profit or loss of the Company for the financial year ended March 31, 2018.
- c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) That the Annual Financial Statements have been prepared on a going concern basis;
- e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f) That system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

## 24. CORPORATE GOVERNANCE REPORT :

The Company is committed to maintain the highest standard of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI. The Company has also implemented several best Corporate Governance Practices as prevalent globally.

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015, a Report on Corporate Governance and the Auditors Certificate on Corporate Governance are annexed to this Report.

## 25. AUDITORS AND AUDIT REPORT:

The Company has received letter from M/s. Bhatner & Company, Chartered Accountants, Mumbai to the effect that their appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013 read with rules made there under and that they are not disqualified for such appointment.

The Directors recommend the appointment of M/s. Bhatner & Company, Chartered Accountants, Mumbai, as Statutory Auditors of the Company to hold office from the Conclusion of this i.e 26<sup>th</sup> Annual General Meeting till the Conclusion of 31<sup>st</sup> AGM of the Company, on such terms and remuneration as agreed upon between the Audit Committee/Board of Directors and the Auditors.

The Auditors' Report for FY 2017-18 does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

## 26. SECRETARIAL AUDIT REPORT:

The secretarial audit report on the compliance of the applicable Acts, Laws, Rules, Regulations, Guidelines, SEBI(LODR) etc. as stipulated by the provisions of Section 204 of the Companies Act 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 forms part of this report as **Annexure - III**.

## 27. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal controls commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditors report to the Chairman of the Audit Committee of the Board. Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company.

Based on the report of Internal Auditors, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

## **28. SIGNIFICANT OR MATERIAL ORDERS:**

An Adjudication Order No.EAD-5/SVKM/AO/49-57/2017-18 dated June 30, 2017 from Securities and Exchange Board of India against the Company and its Directors has been received by the Company. The order is passed in violation of provisions of Section 21 of Securities Contracts (Regulation) Act, 1956 read with Clause 35 of Listing Agreement and Regulation 3 (a) to (d), 4 (1), 4 (2) (f) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating Securities Market) Regulations, 2003.

Further another Adjudication Order No. EAD-5/SVKM/AO/82-86/2017-18 dated July 19, 2017 for the violation of Section 11C (3) read with Section 11 (2) (i) of SEBI Act, 1992 from Securities and Exchange Board of India has been received by the Company.

An appeal for Order No.EAD-5/SVKM/AO/49-57/2017-18 has been filed by the Company dated 31.08.2017 and an appeal for Order No. EAD-5/SVKM/AO/82-86/2017-18 has been filed by the Company dated 20.09.2017 with Securities Appellant Tribunal.

## **29. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

### **(A) Conservation of energy and technology absorption.**

The operation of the company, being financial services related, requires normal consumption of electricity. The company is taking every necessary step for reducing consumption of energy.

### **(B) Foreign Exchange Earnings And Outgo:**

There was no foreign exchange outgo for the year ended as on March 31, 2018.

## **30. RESERVE BANK OF INDIA DIRECTIONS:**

Company is categorized as a non deposit taking, non-banking finance company (NBFC). Company has complied with the directives issued by the Reserve Bank of India under the Non Banking Financial Companies (Reserve Bank of India) Directions, 2007, as amended from time to time.

## **31. CHANGE OF REGISTERED OFFICE OF THE COMPANY:**

During the year there was no change in the registered office of the Company.

## **32. ACKNOWLEDGEMENTS:**

The Board of Directors wish to place on record their appreciation for the support extended by the bankers, business associates, clients, consultants, advisors, shareholders, investors and the employees of the Company for their continued co-operation and support.

The Board of Directors would also like to place on record their sincere appreciation for the co-operation received from the Reserve Bank of India, SEBI & Bombay Stock Exchange Limited and all other statutory and/or regulatory bodies.

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Date: May 15, 2018**

**Rajiv Kotia**  
**Chairman**  
**DIN: 00135912**

## ANNEXURE I

### FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN As on Financial ended March 31, 2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014.

#### I. REGISTRATION & OTHER DETAILS:

1.	CIN	L65910GJ1993PLC018956
2.	Registration Date	10/02/1993
3.	Name of the Company	SUNGOLD CAPITAL LIMITED
4.	Category/Sub-category of the Company	Company Limited by shares/Indian Non-Government Company.
5.	IEC Code	0803009348
6.	Address of Registered/ Corporate office & contact details	<b>Regd Office:</b> House no. 7/13, Opp White Tower, Station Road, Nandod, Rajpipla, Narmada-393145. <b>Corporate Office :</b> B/618, 6th Floor, Jaswanti Allied Business off Ramchandra lane ext; Malad (west) Mumbai-400064. Tel No: 022-28891692/8108756812
7.	Whether listed company	YES Listed on Bombay Stock Exchange and Ahmedabad Stock Exchange • An Exit order No WTM/MPB/MRD/160/2018 dated April 02, 2018 has been issued by SEBI in respect of Ahmedabad Stock Exchange Limited
8.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Satellite Corporate Services Pvt. Ltd Registered Office Address: B – 302, Sony Apartment, Opp. St. Jude's High School, Off Andheri-Kurla Road, Jarimari, Sakinaka, Mumbai – 400072  Correspondence Office Address: Unit No. 49, Building No. 13 AB, 2nd Floor, Samhita Commercial Co-Op Society Ltd, Off Andheri Kurla Road, MTNL Lane, Sakinaka, Mumbai – 400072.  Tele. : +91-22-2852 0461 / 2852 0462 Fax : +91-22-2851 1809

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Other Financial Services activities except insurance and pension	64990	98.09

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATES COMPANIES:

Sl No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held as on March 31, 2018	Applicable Section
	NA	NA	NA	NA	NA

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

##### a) Category-wise share holding as on March 31, 2018

Category of shareholders	No of shares held at the beginning of the year (As on April 1, 2017)				No of shares held at the end of the year (As on March 31, 2018)				% Change during the year
	Demat	physical	Total	% of total shares	Demat	physical	Total	% of total shares	
<b>A. Promoters</b>									
<b>1. Indian</b>									
Individuals / Hindu Undivided Family	4478200	0	4478200	24.33	4478200	0	4478200	24.33	0
Central Government	0	0	0	0	0	0	0	0	0
State Governments(s)	0	0	0	0	0	0	0	0	0
Bodies Corporate	0	0	0	0	0	0	0	0	0
Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
Any other (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-Total (A) (1)</b>	<b>4478200</b>	<b>0</b>	<b>4478200</b>	<b>24.33</b>	<b>4478200</b>	<b>0</b>	<b>4478200</b>	<b>24.33</b>	<b>0</b>
<b>2. Foreign</b>									
Non-Resident Individuals	0	0	0	0	0	0	0	0	0
Other Individuals	0	0	0	0	0	0	0	0	0
Bodies Corporate	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)(1)+(A)(2)</b>	<b>4478200</b>	<b>0</b>	<b>4478200</b>	<b>24.33</b>	<b>4478200</b>	<b>0</b>	<b>4478200</b>	<b>24.33</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
Mutual Funds	0	0	0	0	0	0	0	0	0
Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
Central Government	0	0	0	0	0	0	0	0	0
State Governments(s)	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Any Other (Specify)	0	0	0	0	0	0	0	0	0



<b>Sub-Total (B) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Category of shareholders</b>	<b>No of shares held at the beginning of the year (As on April 1, 2017)</b>				<b>No of shares held at the end of the year (As on March 31, 2018)</b>				<b>% Change during the year</b>
	<b>Demat</b>	<b>physical</b>	<b>Total</b>	<b>% of total shares</b>	<b>Demat</b>	<b>physical</b>	<b>Total</b>	<b>% of total shares</b>	
<b>2. Non-Institutions</b>	0	0	0	0	0	0	0	0	0
a. Bodies Corporate	0	0	0	0	0	0	0	0	0
i) Indian	360875	383825	744700	4.05	368592	383825	752417	4.09	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b. Individuals	0	0	0	0	0	0	0	0	0
Individual Shareholders holding nominal Share Capital upto Rs.1 Lakh	3139491	568100	3707591	20.15	2139357	498900	2638257	14.34	-5.81
Individual Shareholders holding nominal Share Capital in excess of Rs.1 Lakh	6707884	2440900	9148784	49.71	7702216	2510100	10212316	55.49	5.78
c. Qualified Institutional investors	0	0	0	0	0	0	0	0	0
d. Any Other (Specify)	0	0	0	0	0	0	0	0	0
d- i. Clearing Member	0	0	0	0	0	0	0	0	0
d-ii. Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
d- iii. NRI repatriable	2800	0	2800	0.02	2800	0	2800	0.02	0
d-iv. NRI-NON repatriable	600	0	600	0	600	0	600	0	0
d- v. HUF	319320	0	319320	1.74	318895	0	318895	1.73	(0.01)
d- vi. Directors & their relatives	1490	0	1490	0.01	0	0	0	0	(0.01)
<b>Sub-total (B) (2)</b>	<b>10532460</b>	<b>3392825</b>	<b>13925285</b>	<b>75.67</b>	<b>10532460</b>	<b>3392825</b>	<b>13925285</b>	<b>75.67</b>	<b>0</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>10532460</b>	<b>3392825</b>	<b>13925285</b>	<b>75.67</b>	<b>10532460</b>	<b>3392825</b>	<b>13925285</b>	<b>75.67</b>	<b>0</b>
<b>TOTAL (A)+(B)</b>	<b>15010660</b>	<b>3392825</b>	<b>18403485</b>	<b>100.00</b>	<b>15010660</b>	<b>3392825</b>	<b>18403485</b>	<b>100</b>	<b>0</b>
Shares held by Custodians Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>15010660</b>	<b>3392825</b>	<b>18403485</b>	<b>100.00</b>	<b>15010660</b>	<b>3392825</b>	<b>18403485</b>	<b>100</b>	<b>0</b>

**b) SHAREHOLDING OF PROMOTERS**

SI No	Shareholders Name	No of shares held at the beginning of the year (As on April 1, 2017)			No of shares held at the end of the year (As on March 31, 2018)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of shares pledged/ Encumbered to total shares	
1	Ashok Govindlal Modi	1336200	7.26	0	1336200	7.26	0	0
2	Rajiv Rameshchandra Kotia	1142000	6.21	0	1142000	6.21	0	0
3	Rajiv R Kotia	1000000	5.43	0	1000000	5.43	0	0
4	Raj Rajiv Kotia	1000000	5.43	0	1000000	5.43	0	0
	<b>TOTAL</b>	<b>4478200</b>	<b>24.33</b>	<b>0.00</b>	<b>4478200</b>	<b>24.33</b>	<b>0.00</b>	<b>0.00</b>

**c) CHANGE IN PROMOTERS' SHAREHOLDING (Please specify, if there is no change) :**

Sr No		Shareholding at the beginning of the year April 1, 2017		Cumulative Shareholding During the Year 2017-18	
		No. of Shares	% of Total Shares of the Company	No of Shares	% of Total Shares of the Company
1.	At the beginning of the year	<b>There is no change in promoter's shareholding during the year.</b>			
2.	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reason for increase/ decrease (e.g. allotment/transfer/bonus /sweat equity etc):				
3.	At the end of the year				

**d) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS:(OTHER THEN DIRECTORS,PROMOTERS AND HOLDERS OF GDRs AND ADRs):**

Sr. No.	Name of Shareholders	Shareholding at the beginning of the year 01.04.2017		DATE	(+ )INCREASE/(- )DECREASE IN SHARE HOLDING	REASON	Shareholding at the end of the year 31.03.2018	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	DAYMA MATIN SIKANDARKHAN	686000	3.73	01.04.2017			686000	3.73
	IN30015911075635			31.03.2018	0		686000	3.73
2	HEMANT SHANTILAL SHAH	459000	2.49	01.04.2017			459000	2.49
	IN30132110707046			31.03.2018	0		459000	2.49
3	JITENDRA SINGH	0	0.00	01.04.2017			0	0.00
	1201330001344396			26.01.2018	443000		443000	2.41
				31.03.2018	0		443000	2.41
4	JITENDRA SINGH	433753	2.36	01.04.2017			433753	2.36
	IN30290242652183			02.06.2017	8000		441753	2.40
				09.06.2017	1247		443000	2.41
				28.07.2017	-442000		1000	0.01
				11.08.2017	1000		2000	0.01
				31.03.2018	0		2000	0.01
5	VISHAL VINODCHANDRA GANDHI	351000	1.91	01.04.2017			351000	1.91
	186001201860000141267			31.03.2018	0		351000	1.91
6	VASANTBHAI SHIVLAL SHAH	328350	1.78	01.04.2017			328350	1.78
	IN30132110122904			31.03.2018	0		328350	1.78
7	AMIT RAMESHBHAI PRAJAPATI	1236	0.01	01.04.2017			1236	0.01
	537001205370000019932			20.10.2017	300000		301236	1.64
				31.03.2018	0		301236	1.64
8	GOLAKIYA KALPESHBHAI GANESHBHAI	200000	1.09	01.04.2017			200000	1.09
	IN30199110942417			23.03.2018	-2		199998	1.09
				31.03.2018	0		199998	1.09
9	DIWAN VASIMBHAI YUSUFSHA	197000	1.07	01.04.2017			197000	1.07
	3390			31.03.2018	0		197000	1.07
10	ISMAILKHANJI DAYMA	195000	1.06	01.04.2017			195000	1.06
	3404			31.03.2018	0		195000	1.06
11	DIVAN IMRAN YUSUF	193800	1.05	01.04.2017			193800	1.05
	3393			31.03.2018	0		193800	1.05
12	M Z SHABBIR RAWTRA	187500	1.02	01.04.2017			187500	1.02
	3401			31.03.2018	0		187500	1.02
13	IRFAN ISSUBBHAI FAKIR	186000	1.01	01.04.2017			186000	1.01
	3392			31.03.2018	0		186000	1.01
14	ANAVARHUSENBHAI M BLOCH	185000	1.01	01.04.2017			185000	1.01
	3399			31.03.2018	0		185000	1.01
15	JIGNESH ASHWINBHAI SHAH	380000	2.06	01.04.2017			380000	2.06
	IN30290249119490			20.10.2017	-380000		0	0.00
				31.03.2018	0		0	0.00

**e) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

		Shareholding					Cumulative shareholding during the year	
Sr. No.	Name	No. of shares at the Beginning April 1, 2017 & at end of the year March 31, 2018	% of total shares of the Company	Date	(+) Increase / (-) Decrease in Share Holding	Reason	No of Shares	% of Total Shares of the Company
1	Rajiv Kotia	2142000	11.64	01.04.2017	0	Nil movement during the year	2142000	11.64
		2142000	11.64	31.03.2018				
2	Rajesh Pillai	0	0	01.04.2017	0	Nil movement during the year	0	0
		0	0	31.03.2018	0			

3	Uma Maheshwara Rao Sikhinam	0	0	01.04.2017	0	Nil movement during the year	0	0
		0	0	31.03.2018	0			
4	Karishma Kaku	0	0	01.04.2017	0	Nil movement during the year	0	0
		0	0	31.03.2018	0			
5	CS Sowjanya Poojary (KMP)	0	0	01.04.2017	0	Nil movement during the year	0	0
		0	0	31.03.2018	0			
6	Pradipkumar Vaghela (KMP) Appointed as Chief Financial Officer of the Company w.e.f May 11, 2018	48500	0.26	01.04.2017	0	Nil movement during the year	48500	0.26
		48500	0.26	31.03.2018				

**V. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

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

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-**

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

SN.	Particulars of Remuneration	Name of MD	Total Amount (inRs.)
		<b>Rajiv Kotia</b>	
1	<b>Gross salary</b>	20,00,000	20,00,000
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	<b>Stock Option</b>	-	-
3	<b>Sweat Equity</b>	-	-
4	<b>Commission</b>	-	-
	- as % of profit	-	-
	- Others, specify...	-	-
5	<b>Others, please specify</b>	-	-
	<b>Total (A)</b>	20,00,000	20,00,000

\*Ceiling limit as prescribed by SCH V of the Companies Act, 2013

<b>B. Remuneration to other directors</b>								
<b>S N.</b>	<b>Particulars of Remuneration</b>	<b>Name of Directors</b>						<b>Total Amount</b>
		Rakesh Kumawat	Karishma Kaku	Neha Shah	Uma Maheshwara Rao Sikkhnam	Abhay Deo	Rajesh Pillai	
	NOTE NO.	1		2		3		
1	<b>Independent Directors</b>							
	Fee for attending board committee meetings	-	24,000	-	20,000	-	-	<b>44,000</b>
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	<b>Total (1)</b>	-	24,000	-	20,000	-	-	<b>44,000</b>
2	<b>Other Non-Executive Directors</b>			-		-		
	Fee for attending board committee meetings	14,000	-	-	-	-	12,000	<b>26,000</b>
	Commission	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-
	<b>Total (2)</b>	14,000	-	-	-	-	12,000	<b>26,000</b>
	<b>Total (B)=(1+2)</b>	14,000	24,000	-	20,000	-	12,000	<b>70,000</b>

**NOTE:**

1. Mr. Rakesh Kumawat ceased to be director w.e.f August 18, 2017
2. Ms. Neha Shah ceased to be director w.e.f May 28, 2017
3. Mr. Abhay Deo ceased to be director w.e.f July 09, 2017

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

<b>SN</b>	<b>Particulars of Remuneration</b>	<b>Key Managerial Personnel</b>			
		<sup>1</sup> CS –Sowjanya Poojary	<sup>2</sup> CS- Bhumika Sidhpura	<sup>3</sup> CFO- Ushik Gala	<b>Total</b>
1	<b>Gross salary</b>	<b>67,500</b>	<b>300,000</b>	<b>75,000</b>	<b>4,42,500</b>
	a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	-	-	-	-
	c) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	d) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	<b>Stock Option</b>	-	-	-	-
3	<b>Sweat Equity</b>	-	-	-	-
4	<b>Commission</b>	-	-	-	-
	<b>- as % of profit</b>	-	-	-	-
	<b>Others specify</b>	-	-	-	-
5	<b>Others, please specify</b>	-	-	-	-
	<b>Total</b>	<b>67,500</b>	<b>300,000</b>	<b>75,000</b>	<b>4,42,500</b>

**Note:**

1. CS- Sowjanya Poojary was appointed as Company Secretary & Compliance officer w.e.f November 13, 2017
2. CS- Bhumika Sidhpura resigned from the post of Company Secretary & Chief Financial Officer w.e.f November 13, 2017
3. CFO – Ushik Gala resigned from the post of Chief Financial officer w.e.f June 01, 2017
4. Pradipkumar Vaghela was appointed as Chief Financial Officer of the Company w.e.f May 11, 2018

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:**

There were no penalties/punishment/ compounding of offences against SUNGOLD CAPITAL LIMITED and its Directors and officers for the year ended March 31, 2018

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Date: May 15, 2018**

**Rajiv Kotia**  
**Chairman**  
**DIN: 00135912**

**FORM NO. AOC -2**

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

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

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

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements/transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions'	NIL
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

**2. Details of contracts or arrangements or transactions at Arm's length basis.**

SL. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements/transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Date of approval by the Board	NIL
f)	Amount paid as advances, if any	NIL

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Date: May 15, 2018**

**Rajiv Kotia**  
**Chairman**  
**DIN: 00135912**

**Form No. MR-3**  
**Secretarial Audit Report**

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

**Secretarial Audit Report**  
 For the Financial Year ended 31st March, 2018

**To,**  
**The Members,**  
**Sungold Capital Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sungold Capital Limited (hereinafter called the Company).

Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit. We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, Papers, Minutes books, forms and return filed and others record maintained by the company for the financial year ended 31st March, 2018 according to the provisions of:

- I. The Companies Act, 2013 ("the Act") and the Rules made thereunder,
- II. The Securities Contract (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder; except for the matter enumerated under the head Observation in the report.
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign direct investments:
- V. The following Regulations and Guidelines Prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Registrars to an Issue and share Transfer Agents) Regulations, 1993 regarding the Act and dealing with Client;
  - (d) The Securities and Exchange Board of India (Listing Obligation and Disclosures Requirement) Regulation, 2015.
- VI. Non Banking Financial (Non-Deposit Accepting or holding) companies prudential norms (Reserve Bank) Directions, 2007 and others relevant guidelines and circulars issued by the reserve bank of India from time to time.
- VII. We further state that there were no events/ actions in pursuance of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act).
  - (1) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (2) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
  - (3) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;



- (4) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (5) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of The Companies Act, 2013 (the Act) and the rules made there under;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, etc.

#### **We further report that**

The Board of Directors of the Company is duly constituted with proper balance of Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions were carried out unanimously by the members of the Board and Committees and the same were duly recorded in the minutes of the meeting of the Board of Directors and Committees of the Company.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, there were no instances of:

- i. Public / Preferential issue of shares / debentures / sweat equity.
- ii. Redemption / buy-back of securities.
- iii. Merger / amalgamation / reconstruction etc.
- iv. Foreign technical collaborations

#### **OBSERVATION:**

1. We observed that the Chief General Manager and Adjudicating Officer of SEBI in exercise of powers conferred under Section 23-I of the Securities Contracts (Regulation) Act, 1956 (SCRA, 1956) read with Rule 5 of the Securities Contracts (Regulation) (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 2005 and read with Rule 5 of the SEBI (Procedure for Holding Inquiry and Imposing Penalties by Adjudicating Officer) Rules, 2005 (Adjudication Rules), has imposed the following penalties vide Adjudication Order NO. EAD-5/SVKM/AO/49-57/2017-18:-
  - i. Rs. 5,00,000/- (Rupees Five Lakhs Only) under Section 23E of the SCRA, 1956 for the violation of provisions of Section 21 of SCRA read with Clause 35 of the Listing Agreement, on Sungold Capital Limited for wrongly classifying the holding of the 'promoter group' as 'public holding' and making wrong disclosure of the shareholding of Ravi Rajiv Kotia.
  - ii. Rs. 10,00,000/- (Rupees Ten Lakhs Only) under Section 15HA of the SEBI Act, 1992 for violation of provisions of Regulations 3(d) of SEBI (Prohibition of Fraudulent and Unfair Trade Practice relating Securities Market) Regulations, 2003 (PFUTP Regulations) payable jointly and severally by Sungold Capital Limited and its executive director Shri. Rajiv Kotia, Shri Ashok Modi and Shri Sharad Gandhi for providing false and misleading information to the Stock Exchanges by classifying the shareholding of the 'promoter group' as 'public holding'.
  - iii. Rs. 12,00,000/- (Rupees Twelve Lakhs Only) under Section 15A(b) of the SEBI Act, 1992 for violation of Regulation 13(4) read with Regulation 13(5) of SEBI (Prohibition of Insider Trading) Regulations, 1992 (PIT Regulations) on Rajiv R. Kotia, Promoter & Managing Director of Sungold Capital Limited for failure to disclose to the Company and Stock Exchanges, the change in the shareholding of his wife and son under PIT Regulations.

- iv. However, with reference to the above said orders of the Adjudicating Office of SEBI, the Management of the company has filed appeal Before the Securities Appellate Tribunal, Mumbai and the matter is pending before the Tribunal.
2. We further observed that the Adjudicating Officer of SEBI in exercise of the power conferred under Section 151 of the SEBI Act, 1992 read with Rule 5 of the SEBI Adjudication Rules, has imposed the following penalties under Section 15A(a) of the SEBI Act, 1992 for violation of Section 11(2) read with Section 11(2)(i) of the SEBI Act, 1992 vide Order NO. EAD-5/SVKM/AO/82-86/2017-18
- i. Penalty of Rs. 5,00,000/- (Rupees Five Lakhs Only) on Sungold Capital Limited.
  - ii. and levied a penalty of around Rs. 8,00,000/- (Rupees Eight Lakhs Only) payable by some of the family members of the Promoters.
  - ii. However, with reference to the above said orders of the Adjudicating Office of SEBI, the Management of the Company has filed appeal Before the Securities Appellate Tribunal, Mumbai and the matter is pending before the Tribunal and the other family members of the promoters have also filed the appeal before the Securities Appellate Tribunal, Mumbai for the penalty as mentioned above and the matter is pending before the Tribunal.

**For SG and Associates,**

**Suhas Ganpule,  
Practising Company Secretary  
Proprietor  
Membership No: 12122  
C. P No: 5722**

**Date: 25.05.2018  
Place: Mumbai**

## **Annexure A**

**To,  
The Members,  
Sungold Capital Limited.**

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial record. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
7. We have reported, in our audit report, only those non-compliance, especially in respect of filing of applicable forms/documents, which, in our opinion, are material and having major bearing on financials of the Company.

**For SG & Associates**

**(Suhas S. Ganpule)**  
**Practising Company Secretary**  
**Proprietor**  
**Membership No. 12122 /CP No. 5722**

Date: 25th May, 2018  
Place: Mumbai

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The Company's main object is Non-banking Finance activities. The market for this activity offers high potential for growth. Our Company provides solutions for situations like initial funding requirements of a project, mezzanine financing, project financing, bridge financing, short term and long term working capital requirements, etc. Our prudent business policies and selective approach has helped us to maximize value for our shareholders. Non-Banking Finance Companies (NBFCs) are an integral part of the country's financial system because of their complementary as well as competitive role.

### **❖ ECONOMIC & INDUSTRY OVERVIEW:**

NBFC Retail credit grew by nearly 16 per cent year-on-year to Rs 6.6 trillion as of September, against 15 per cent in FY17 and 19 per cent in FY16.

The Reserve Bank of India (RBI) issued the revised Regulatory Framework for Non-banking Finance Companies (NBFCs), with a view to streamlining the regulations for the sector. It also revoked, with immediate effect, its temporary suspension on issuance of Certificate of Registration (CoR) to companies proposing to conduct business of non-banking financial institution (NBFI). (The Reserve Bank had temporarily suspended issuance of Certificate of Registration on April 1, 2014 pending revision in the framework for NBFCs.)

Explaining the rationale behind the revised framework, the Reserve Bank stated, “a lighter regulatory framework has been placed on NBFCs other than for those with large asset sizes and deposit accepting. For NBFCs with large asset sizes, and for all deposit accepting NBFCs, regulations have been harmonised across NBFCs, and to some extent, with banks. The intent is to create a level playing field that does not unduly favour or disfavour any institution.” It further stated that in limited areas where harmonisation has resulted in strengthening the regulations, generally adequate time has been given to manage the transition. The regulator will then focus on the most important and systemic risks.

### **❖ NBFCs AND REGULATORY ENVIRONMENT**

On the regulatory front, NBFCs are regulated by the Reserve Bank of India (RBI) almost at par with banks. All the prudential norms for asset classification, income recognition, provisioning etc., are applicable to NBFCs in India. Given the continuously high levels of inflation through FY 13, the Reserve Bank of India (RBI) has no option but tighten monetary policies. This has resulted in an increase in domestic interest rates. The environment of high interest rates has a negative impact on sentiments of industries.

### **❖ SECTOR OVERVIEW -NBFCs – PERFORMANCE AND REGULATORY ENVIRONMENT**

The NBFC sector has been gaining systemic importance in the recent years with NBFC assets growing steadily from 10.7% of banking assets in 2009 to 14.3% of banking assets in 2014. The recent revised regulatory framework for NBFCs by RBI focuses on strengthening the structural profile of sector, reducing regulatory arbitrage between banks and NBFCs wherein focus is more on safeguarding of the depositors money and increasing regulatory compliance for large size NBFCs.

Accordingly, as per CARE Ratings estimates, Gross NPA level may be in the range of 5.8%-6.1% by 2018 from around 3.4%\* as on 2014 and the profitability of NBFCs would see an impact of 35 to 45 bps due to revised guidelines. However, CARE Ratings believes that current profitability levels can absorb impact of additional provisioning requirements. Also, the three year transition period will help reduce the impact. Further the current capital adequacy level is comfortable. CARE Ratings perceives revised regulations to be positive for the NBFC sector. The regulations will make the NBFC sector structurally stronger, increase transparency and improve their ability to withstand asset quality shocks in the long run.

### **❖ MEDIUM-TERM AND LONG-TERM STRATEGY**

As per circular of SEBI dated May 10, 2018 bearing No. SEBI/HO/CFD/CMD/CIR/P/2018/79 requires that the listed entities may disclose, under the Management Discussion and Analysis section of the Annual report, within the limits set by its competitive position, its medium-term and long-term strategy based on a time frame as determined by its board of directors and The listed entity may

articulate a clear set of long-term metrics specific to the Company's long term strategy to allow for appropriate measurement of progress.

The Long term strategies of the Company are as follows:

- An Efficient financial system that allows a wide section of society access to credit at affordable terms.
- Penetrating into Export and Import Business through our Export Division.
- Maintenance of good level of Corporate Governance.
- Fulfillment of regulatory and statutory norms/ requirement

(Note : The below mentioned strategies can be changed/alterd from time to time due to unpredictable future business environment.)

## ❖ OPPORTUNITIES

The sentiment in the Indian financial market has changed considerably over the past few years; the economic growth, though subdued for last couple of years, is likely to show positive momentum over the coming years. This has presented ongoing opportunities for financial intermediaries to spread and benefit from the investment culture across the country.

Following factors present specific opportunities across our businesses:

- Low penetration of financial services and products in India;
- Globalization - corporate are looking at expanding in domestic/overseas markets through merger & acquisitions;
- Growing midsize segment of corporate activity where the need for customized solution is particularly high;
- Regulatory reforms would aid greater participation by all class of investors;
- Emerging technology to enable best practices and processes;
- Size of the Indian capital market and favorable demographics like huge middle class, relatively large younger population with disposable income and investible surplus and risk taking abilities of the youth.
- many professionals from the domestic banking sector are now attracted to organisations like NBFCs, microfinance institutions and payment banks.
- With the growing magnitude assigned to financial inclusion, NBFCs have come to be regarded as significant financial intermediaries particularly for the small-scale and retail sectors
- NBFC have turned out to be engines of growth and is an integral part of the Indian financial system thereby increasing competition and diversification in the financial sector
- While mainstream banks have been crippled by the weight of their Non Performing Assets, NBFCs have responded positively to regulatory norms by addressing such risks through regulations

In this backdrop, Sungold Capital Limited has evolved into a strong and focused financial services organization over the years and is set to further accentuate its business growth.

## ❖ THREATS

Despite great opportunities, there are significant factors presenting threats to our businesses viz.

- Impact on economic growth of the rising prices of oil and industrial raw materials, decelerating investment demand and high inflation;
- Volatility in the Rupee-US Dollar movement due to various factors including current account deficit;
- Reducing capital expenditure by Industries;
- Regulatory changes impacting the landscape of business;
- Increased competition from local and global players operating in India;
- Continuous downward pressure on the fees, commissions and brokerages caused by an overbanked market and willingness of most players to deliver services at very low fees.
- Interest Rate Risk, Eco-political Risk and Competition Risk
- A higher cost of borrowings which is eventually passed on to their borrowers in the form of higher interest on loans.
- No access to low cost funds
- Cannot provide gifts/incentives or the other extra profit to the depositors.

However, your Company is well aware of the above threats and has worked steadily to strengthen its business operations by putting appropriate policies and measures in place and well positioned to counter any adverse threat successfully.

#### ❖ RISKS AND CONCERNS

The financial intelligence unit (FIU) of the government has flagged off 9,500 non-banking financial companies (NBFCs) as "high-risk" prone as they have not complied with the provisions of the anti-money laundering law.

In the financial services sector, it becomes imperative to ensure that profitability does not come at the cost of asset quality. The Company has put in place adequate risk identification, risk management and mitigation processes to keep any such trade-off at bay. The Company has built robust systems and processes for both its verticals i.e. MSME and Wholesale Lending, to take care of the respective risks associated with them. It is also constantly gauging the external macroeconomic environment, market conditions, and government policies to ensure that the business is one step ahead of the industry and monetary cycles, thereby insulating the Company from downtrends and enabling it to ride uptrend.

Timely and effective risk management is of prime importance to our continued success. The risk for the Company arises mainly out of the risks associated with the operations we carry. Experienced professionals review and monitor risks in our Company. We have comprehensive risk management policies and processes to mitigate the risks that are encountered in conducting business activities. The management also periodically reviews the policies and procedures and formulates plans for control of identified risks and improvements in the systems.

#### ❖ HUMAN RESOURCES

Your Company considers Great Brands and Great People as its biggest assets. The Human Resource agenda continues to support the business in achieving sustainable and responsible growth by building the right capabilities in the organisation. It continues to focus on progressive employee relations policies, creating an inclusive work culture and a strong talent pipeline.

In a competitive economy, the proper utilization of human resources plays a crucial role in shaping the future of the Company. It begins with best practices in recruiting people and moves through learning and development, engagement, employee feedback and rewards and recognition. Towards this, your Company continues to take various initiatives and has maintained healthy and harmonious industrial relations with its entire employee and at all locations. The dedication and hard work of productive and dynamic goal oriented team is the key factor to the success of your Company.

#### ❖ INTERNAL CONTROL AND THEIR ADEQUACY

Please refer to Point 26 of the Boards' Report.

#### ❖ CAUTIONARY STATEMENT

Statement in this Management's Discussion and Analysis detailing the Company's objectives, projections, estimates, estimates, expectations or predictions are "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include changes in Government regulations, tax regimes, economic developments within India and other countries within which the Company conducts business and other factors such as litigation and labour negotiations. The Company is not under any obligation to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.

Sustained strong performance by any company is directly linked to an organization's philosophy and levels of Corporate Governance. Keeping this important reality in view, your Company has always placed major thrust on managing its affairs with diligence, transparency, responsibility and accountability.

## REPORT ON CORPORATE GOVERNANCE

Your Company's Corporate Governance is an ethically driven business process that is committed to values and conduct aimed at enhancing an organization's wealth generating capacity. This is ensured by taking ethical business decisions and conducting the business with a firm commitment to values, while meeting stakeholders' expectations. Good governance practices stem from the culture and mindset of the organization and here, we are committed to meet the aspirations of all our stakeholders and believes in adopting best corporate practices for ethical conduct of business.

The detailed report on Corporate Governance for the financial year ended March 31, 2018, as per the disclosure requirements prescribed in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out below:

### 1. COMPANY PHILOSOPHY:

Company's Philosophy on Corporate Governance is a combination of voluntary practices and compliance with laws and regulations leading to delegation of operational powers to experienced staff members, effective control, oversight mechanism, strategies and policies which are constantly reviewed and strengthened to be in alignment with market realities and overall management of the organization.

In ensuring that the desired levels of Corporate Governance practices are imbibed in the organization and with a focus on its own fiduciary & trusteeship role, the Board of Directors of the Company seeks to evolve, strengthen and adopt structures and policies which would align and direct the actions of the organization towards creating wealth and shareholder value.

### 2. BOARD OF DIRECTORS:

An active, informed and independent Board is necessary to ensure highest standard of corporate governance. The Board lays down business strategy, sets strategic goals and seeks accountability for their fulfillment.

#### a. COMPOSITION OF BOARD OF DIRECTORS

The Company has maintained an optimum Combination of Executive and Non-executive Directors including one woman directors. The Chairman of the Board is the Managing Director (Executive Category). As of March 31, 2018, the Board of Directors (the 'Board') consisted of four members of which two were Independent Directors.

The Board considers the recommendations of the Nomination & Remuneration Committee and takes appropriate decisions in regard to continuance of and induction of new skill-sets at the Board level to ensure the availability of these experienced professionals to guide the Company in an ever-evolving business environment.

None of the Director on the Company's Board is holding office of Director in more than twenty Companies and Independent Director in more than seven listed companies. Further, none of the Director is a Member of more than ten Committees and Chairman of more than five Committees across all the Companies in which he acts as Director.

#### b. NUMBER OF BOARD MEETINGS AND DATES ON WHICH HELD:

During the year the Board of Directors met (6) times. The following are the dates of Board meeting:

**May 28, 2017, July 09, 2017, August 14, 2017, November 13, 2017, February 13, 2018.**

The maximum time gap between any two consecutive meetings did not exceed 120 days.

- c. The compositions of the Board, attendance at the Board meetings held during the FY 2017 – 2018 under review and at the last Annual General Meeting, number of directorship in other companies, Memberships/Chairmanships of the Committees and their shareholding as on March 31, 2018 in the Company are as follows:-

Name of Director	DIN	Category	No. of Board Meetings held during the tenure	No. of Board Meetings attended during the tenure	Attendance at last AGM	*Directorships	**Committee position		Shareholding (Equity Shares of Fv of Rs. 10/- each)
					August 17, 2017		Chairperson	Member	
Mr. Rajiv Kotia (Chairman)	00135912	P & MD& CEO	5	5	√	NIL	---	2	2142000
Mr. Rakesh Kumawat <sup>(1)</sup>	07434817	NED	3	2	×	NIL	---	---	98
Mr. Rajesh Pillai	07585805	NED	5	3	√	1	1	2	---
Mr. Uma Maheswara Rao Sikhinam	02914295	NED & ID	5	4	×	NIL	---	2	----
Ms. Karishma Kaku	07214961	NED & ID	5	5	√	3	2	---	---
Ms. Neha Shah <sup>(3)</sup>	07527248	NED & ID	0	0	×	NIL	---	---	---
Mr. Abhay Deo <sup>(4)</sup>	07588823	NED & ID	1	0	×	2	---	---	---

(P- Promoter; NED – Non – Executive Director; ID – Independent Director; MD- Managing Director; ED – Executive Director)

**Note:**

- (1) Mr. Rakesh Kumawat ceases to be Director w.e.f. August 18, 2017  
(2) Ms. Neha Shah ceases to be Director w.e.f. May 28, 2017  
(3) Mr. Abhay Deo ceases to be Director w.e.f. July 09, 2017

\* Excludes Directorship in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.

\*\* Audit Committee, Nomination & Remuneration Committee & Stakeholders Relationship Committee in all Indian Public Limited Companies have been considered for the Committee positions.

There is no inter- se relationship between the directors.

### MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met once on November 13, 2017 inter alia, to:

- Evaluate the performance of non-independent directors and the Board as a whole;
- Evaluate performance of the Executive Director of the Company; and
- Evaluate the quality, quantity and timelines of flow of information between the executive management and the Board.

The suggestions made at the meetings of the Independent Directors were communicated to the Chairman and the Executive Director for taking appropriate steps. All Independent Directors were present at the meeting.

### 3. AUDIT COMMITTEE:

Board has constituted a set of committees with specific terms of reference/mandate, as to effectively focus on the issues falling under their jurisdiction. Minutes of proceedings of Committee meetings are circulated to the Directors and placed before the Board meeting for noting.



**Composition, name of members and Chairperson as on March 31, 2018.**

<b>Name of the Members</b>	<b>Category of Directorship</b>	<b>Designation</b>
Ms. Karishma Kaku	Non- Executive Independent Director	Chairman
Mr. Uma Maheswara Rao Sikhinam	Non- Executive Independent Director	Member
Mr. Rajesh Pillai	Non- Executive Director	Member

**The Company Secretary acts as Secretary to the Committee.**

The Chairman of the Audit Committee was present at the last Annual General Meeting held on August 17, 2017.

**Terms of Reference**

The terms of reference of Audit Committee are wide enough, covering the matters specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in Section 177 of the Companies Act, 2013, which inter alia includes the following:

- a. oversee the Company's financial reporting process and disclosure of its financial information;
- b. recommend appointment, remuneration and terms of appointment of auditors of the Company;
- c. approve payment to statutory auditors for any other services rendered by them;
- d. review with the management, the annual financial statements before submission to the Board for approval, focusing particularly on:
  - 1) matters to be included in Directors Responsibility Statements to be included in Board's report ;
  - 2) any changes in accounting policies and practices;
  - 3) major accounting entries involving estimates based on the exercise of judgment by management;
  - 4) significant adjustments resulting from the audit findings;
  - 5) compliance with listing and other legal requirements relating to financial statement;
  - 6) disclosure of related party transactions;
  - 7) Qualification in draft audit report.
- e. review with the management, the quarterly financial statement before submission to the board for their approval;
- f. recommend appointment, remuneration and terms of appointment of internal auditors, tax auditors, secretarial auditor and any matters of resignation or dismissal;
- g. discuss with the statutory auditors before the audit commences, the nature and scope of the audit as well as post audit discussion to ascertain areas of concern;
- h. review the internal audit program, ensuring co-ordination between the internal and statutory auditors, ensuring that the internal audit function is adequately resourced and has appropriate standing within the Company, and to request internal auditor to undertake specific audit projects, having informed the management of their intentions;
- i. consider the major findings of internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
- j. consider any material breaches or exposure; breaches of regulatory requirements or of ethical codes of practice to which the Company subscribes, or of any related codes, policies and procedures, which could have a material effect on the financial position or contingent liabilities of the Company;

- k. discuss significant findings with internal auditors and initiate follow-up action thereon;
- l. look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- m. review performance of statutory and internal auditors and adequacy of internal control systems;
- n. approve transaction with related parties and subsequent modification to terms of contract/transaction;
- o. scrutinize inter-corporate loans and investments;
- p. valuation of any of the undertakings or assets as and when necessary ;
- q. evaluate adequacy of internal financial control and risk management system;
- r. review with management , the statement of uses /application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue , and making recommendation to the Board for taking steps in relation thereto;
- s. approve appointment of CFO (i.e. the Whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualification, experience and background of the candidate;
- t. review functioning of the Whistle Blower Policy;
- u. Carry out any other functions as may be falling within the terms of reference of the Audit Committee or as may be delegated to the Committee from time to time.

The composition and terms of reference of the Audit Committee are in accordance with section 177 of the Companies Act, 2013, requirements prescribed in Non- Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Meetings and Attendance

During the year under review, four (4) meetings of the Audit Committee were held on **May 28, 2017, August 13, 2017, November 13, 2017 and February 13, 2018.**

The attendances of the members at the meeting of the Committee are as under:

Name	No. of Meetings held during the tenure	No. of Meetings attended during the tenure
Ms. Karishma Kaku	4	4
Mr. Rakesh Kumar Kumawat <sup>(3)</sup>	2	2
Mr. Abhay Deo <sup>(1)</sup>	1	0
Mr. Uma Maheswara Rao SIKHINAM	4	4
Mr. Rajesh Pillai <sup>(2)</sup>	3	1

#### NOTES:

1. Mr. Abhay Deo ceased to be the member of the Committee w.e.f. July 09, 2017
2. Mr. Rajesh Pillai was appointed as a member of the Committee w.e.f. August 13, 2017
3. Mr. Rakesh Kumawat ceased to be the member of the Company w.e.f. August 18, 2017

#### 4. NOMINATION & REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee is constituted in compliance with the requirements of SEBI (LODR) Regulations 2015 and Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014.

As on March 31, 2018, the Nomination and Remuneration Committee comprised of the following:

**Composition, name of members and Chairperson**

Name of the Members	Category	Designation
Ms. Karishma Kaku	Non- Executive Independent Director	Chairman
Mr. Rajiv Kotia	Executive Director	Member
Mr. Uma Maheswara Rao Sikhinam	Non- Executive Independent Director	Member
Mr. Rajesh Pillai	Non- Executive Director	Member

**The Board terms of reference and functions of the Nomination and Remuneration Committee are as follows:**

- review & recommend to the Board on the structure and composition of the Board of Directors of the Company;
- formulation of the criteria for determining qualification, positive attributes and independence of a director and recommend to the Board of directors a policy relating to, remuneration of directors, key managerial personnel and other employees of the Company;
- formulation of the criteria for evaluation of performance of independent directors and the board of directors;
- devising a policy on diversity of Board of directors;
- formulate appropriate policies, institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in Senior Management and recommend the same to the Board;
- review and implement succession and development plans for Managing Director, Executive Directors and Senior Management;
- to supervise and monitor the process of issuance/ grant/vesting/ cancellation of ESOPs and such other instruments as may be decided to be granted to the employees of the Company/ Subsidiary Company, from time to time, as per the provisions of the applicable laws, more particularly in terms of Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.

**Meetings and Attendance**

During the financial year 2017-2018, three (3) meetings of Nomination and Remuneration Committee were held on May 28, 2017 and August 13, 2017, February 13, 2018.

During the year 2017-2018, the details of attendance by committee members are as follows:

Name	No. of Meetings Held during the tenure	No. of Meetings attended during the tenure
Ms. Karishma Kaku	3	3
Mr. Abhay Deo <sup>(1)</sup>	1	0
Mr. Rajiv Kotia	3	3
Mr. Uma Maheswara Rao Sikhinam <sup>(2)</sup>	2	2
Mr. Rakesh Kumar Kumawat <sup>(3)</sup>	2	1
Mr. Rajesh Pillai <sup>(4)</sup>	2	1

**NOTES:**

- Mr. Abhay Deo ceased to be the member of the Committee w.e.f. July 09, 2017
- Mr. Uma Maheswara Rao Sikhinam as the member of the Committee on August 13, 2017.
- Mr. Rakesh Kumawat ceases to be Member of the Committee w.e.f. August 18, 2017.
- Mr. Rajesh Pillai was appointed as the member of the Committee on August 13, 2017.

## 5. REMUNERATION OF DIRECTORS:

- a. There is no pecuniary relationship or transaction of Non – Executive Director with the Company for the FY 2017-2018.
- b. The details of remuneration/sitting fee paid to Directors during the financial year are given in Form MGT 9, the Extract of Annual Return, annexed with the Directors report.
- c. The remuneration policy is in consonance with the existing industry practice and also with the provisions of the Companies Act, 2013. The Board of Directors has adopted a Remuneration Policy for Directors, Key Managerial Personnel and other employees. The Company's remuneration policy is driven by the success and performance of the individual employee and the performance of the Company. The remuneration policy has been disclosed on the website of the Company.

### Shareholding of the Non-Executive Directors (As on March 31, 2018)

Name of the Non-Executive Directors	Number of Equity Shares of Face Value – Rs. 10/- each
Mr. Rajesh Pillai	NIL

## 6. STAKEHOLDERS' RELATIONSHIP ('SR') COMMITTEE:

Stakeholder Relationship Committee ensures quick redressal of security holder and investors' complaints/grievances pertaining to transfers, no receipt of annual reports, dividend payments, issue of duplicate certificates, transmission of securities and other miscellaneous complaints;

In addition, the Committee also monitors other issues including status of Dematerialisation/ Rematerialisation of shares issued by the Company. Oversee the performance and service standards of the Registrar and Share Transfer Agent, and recommends measures to improve level of investor services. The Company is in compliance with the SCORES, which has initiated by SEBI for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints.

The composition and terms of reference of the SR Committee are in accordance with section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As on March 31, 2018, the Committee comprises of:

Name of the Members	Category	Designation
Mr. Rajesh Pillai	Non- Executive Director	Chairman
Mr. Rajiv Kotia	Executive Director	Member

### a. Name and designation of compliance officer:

Ms. Sowjanya Poojary, Company Secretary is the Compliance Officer w.e.f November 13, 2017 for complying with the requirements of Securities Laws and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- b. During the year under review no complaint was received. There were no instruments for transfer pending as on March 31, 2018.

### Meetings and Attendance

During the year under review, three meeting of the SR Committee was held on: May 28, 2017, August 13, 2017 and November 13, 2017

The attendance of members at the SR Committee meeting is as follows:

Name	No. of Meetings Held	No. of Meetings attended
Mr. Rajiv Kotia	3	3
Mr. Abhay Deo <sup>(1)</sup>	1	0
Mr. Rakesh Kumar Kumawat <sup>(3)</sup>	2	2
Mr. Rajesh Pillai <sup>(2)</sup>	2	1

#### NOTES:

1. Mr. Abhay Deo ceased to be the member of the Committee w.e.f. July 09, 2017
2. Mr. Rajesh Pillai as the member of the Committee on August 13, 2017.
3. Mr. Rakesh Kumawat ceases to be Member of the Committee w.e.f. August 18, 2017.

## 1. GENERAL BODY MEETINGS:

- a. During the preceding three years annual general meeting were held:

Annual General Meeting	Financial year	Date, Time and Place
23 <sup>rd</sup> Annual General Meeting	2014 - 2015	September 29, 2015 11.00 a.m. 190-C, Joy n Joy Amusement Park, Nr. Kamrej Char Rasta, Surat- 394185.
One special resolution: Appointment of Mr Rajiv Kotia as the Managing Director for 5 years.		
24 <sup>th</sup> Annual General Meeting	2015 - 2016	September 29, 2016 10.00 a.m. 1 <sup>st</sup> Floor, Dasha Khadayta Wadi, Nr. Ranchhodji Temple, Darbar Road, Rajpipla, Narmada-393145
One Special resolution: Keeping the copies of the Registers maintained under the Companies Act, 2013 at the Company's new registered office and/or at the Company's Corporate office.		
25 <sup>th</sup> Annual General Meeting	2016 - 2017	August 17, 2017 11.00 a.m. Dasha Khadayta Wadi, Nr. Ranchhodji Temple, Darbar Road, Rajpipla, Narmada-393145
One Special resolution: Regularisation of Mr. Rajesh Pillai (07585805) as Non- Executive Director of the Company.		

- b. resolution passed last year through postal ballot :

During the year Company has not conducted any postal ballot for passing any resolutions.

## 2. MEANS OF COMMUNICATION:

- 1) The Company's corporate website, [www.sungoldcapitallimited.com](http://www.sungoldcapitallimited.com) provides comprehensive Information to the Shareholders.
- 2) The quarterly and yearly financial results are submitted to the Stock Exchange in accordance with the Regulation 33 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and are also made available on the Company's website, [www.sungoldcapitallimited.com](http://www.sungoldcapitallimited.com). The Unaudited/Audited Financial results for the quarter and year end are published in free press Gujarati, English edition & Lokmitra, Gujarati edition.
- 3) The Company's Shareholding Pattern is filed on a quarterly basis with the Stock Exchanges and also displayed on the Company's website, [www.sungoldcapitallimited.com](http://www.sungoldcapitallimited.com).

## 3. GENERAL SHAREHOLDER INFORMATION:

- a. **Company Registration Details**

The Corporate Identity Number (CIN):L65910GJ1993PLC018956.

- b. **Annual General Meeting for the FY 2017-2018**

**Day, Date and Time:** Tuesday, July 10, 2018 at 11:00 a.m.

**Venue:** Dasha Khadayta wadi, Nr. Ranchhodji Temple, Darbar Road, District - Narmada ,Rajpipla – 393145.

**Book Closure Date:** Wednesday, July 04, 2018 to Tuesday, July 10, 2018 (Both days inclusive)

- c. **Financial year and calendar (tentative)**

Financial Year - April 1, 2018 to March 31, 2019

**Results for the quarter ending:**

June 30, 2018	- on or before August 14, 2018
September 30, 2018	- on or before November 14, 2018
December 31, 2018	- on or before February 14, 2018

March 31, 2019

- on or before May 30, 2019

**d. Dividend Payment:** No Dividend has been declared

**e. Listing on stock exchanges & Scrip Code:**

Bombay Stock Exchange Limited (BSE) P.J. Tower, Dalal Street, Mumbai – 400 001 <b>Scrip Code:</b> 531433	Ahmedabad Stock Exchange Limited (ASE)Kamdhenu Complex, Panjara Pole, Ambawadi, Ahmedabad, Gujarat – 380 015 <b>Scrip Code:</b> 38315 * An Exit order No WTM/MPB/MRD/160/2018 dated April 02, 2018 has been issued by SEBI in respect of Ahmedabad Stock Exchange Limited
--	---

Listing Fees is paid upto financial year 2018 -2019 as per the norms of Bombay Stock Exchange Ltd.

The ISIN in NSDL and CDSL: INE271D01013

NBFC Registration No. 01-00174

IMMPA Membership No. 8368

IMMPDA Membership No. 14/22032011/O/SGETM/21-1093/R4

**f. Market Price Data:**

High Low during each month in Financial Year i.e. April, 2017 to March, 2018

Months	BSE	
	High	Low
April 2017	-	-
May 2017	1.15	1.00
June 2017	1.28	1.10
July 2017	1.47	1.34
August 2017	1.48	1.40
September 2017	1.42	1.30
October 2017	1.25	1.19
November 2017	1.90	1.26
December 2017	2.22	1.90
January 2018	2.24	1.90
February 2018	2.00	1.81
March 2018	1.72	1.30

**g. Performance of the Company's Share Price on BSE vis-à-vis BSE Sensex :**

High Low price of the Company's shares on BSE with corresponding BSE Sensex Financial Year 2017-2018

(In Rs.)

Months	High		Low	
	Company's Share price	BSE Sensex	Company's Share price	BSE Sensex
Apr-17	-	15,486.40	-	14,466.74
May-17	1.15	15,750.03	1.00	14,518.20
Jun-17	1.28	15,810.78	1.10	15,057.09
Jul-17	1.47	16,186.13	1.34	15,445.14
Aug-17	1.48	16,153.56	1.40	14,700.83
Sep-17	1.42	16,981.65	1.30	15,718.33
Oct-17	1.25	17,624.84	1.19	16,162.30
Nov-17	1.90	18,324.83	1.26	17,227.39
Dec-17	2.22	19,262.44	1.90	17,670.39
Jan-18	2.24	20,183.45	1.90	18,621.07
Feb-18	2.00	18,884.74	1.81	16,944.94
Mar-18	1.72	18,239.80	1.30	16,650.70

**h. REGISTRAR AND TRANSFER AGENT:**

Members/ shareholders are requested to correspond with the Company's Registrars and Transfer Agents quoting their Folio No. / DP ID & Client ID at the following address:

Regd Address :B-302, Sony Apt., Opp. St. Jude's High School,  
90 Ft Road, Jarimari, Sakinaka,  
Mumbai-400 072

Correspondence  
Address: Unit No. 49, Building No. 13 AB, 2nd Floor,  
Samhita Commercial Co-Op Society Ltd,  
Off Andheri Kurla Road, MTNL Lane,  
Sakinaka, Mumbai – 400072.

Tele. : +91-22-2852 0461 / 2852 0462  
Fax : +91-22-2851 1809  
E-mail : service@satellitecorporate.com

**i. SHARE TRANSFERS SYSTEM:**

Securities lodged for transfers are processed and security certificates are returned within a period of fifteen days from the date of receipt, subject to all documents being valid and complete in all respects. The Board of Directors has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Executive Director and the Company Secretary of the Company. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities, as required under regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with Stock Exchanges.

**j. Distribution of shareholding as on March 31, 2018:**

Category of Equity Shares		No. of Shareholders	% to total	No. of Shares	% Percentage of Shareholding
Less than	2,500	2419	62.95	2503990	1.36
2501	5000	347	9.04	1500690	0.82
5,001	10,000	282	7.45	2478510	1.35
10001	20000	194	4.95	3050830	1.66
20,001	30,000	118	3.08	3115620	1.69
30001	40000	69	1.79	2480700	1.34
40,001	50,000	72	1.88	3470100	1.89
50001	100000	129	3.36	9376450	5.09
100,001	Above	211	5.50	156057960	84.80
<b>TOTAL</b>		<b>3830</b>	<b>100.00</b>	<b>184034850</b>	<b>100.00</b>

Shareholding pattern as on March 31, 2018			
	Category	No. of Shares	% of Holding
<b>A)</b>	<b>Promoter Holding</b>		
	Individual	4478200	24.33
	Body Corporate	0	0
	<b>Sub - Total (A)</b>	<b>4478200</b>	<b>24.33</b>
<b>B)</b>	<b>Non- Promoters Holding</b>		
	1) Foreign Institutional Investors	0	0.00
	2) Non- Institutions		
	Bodies Corporate	752417	4.09
	Individuals	12850573	69.83
	Non Resident Indians	3400	0.02



	HUF	318895	1.73
	Directors	0	0.00
	<b>Sub- Total(B)(2)</b>	<b>13925285</b>	<b>75.67</b>
	<b>Grand Total(A+B)</b>	<b>18403485</b>	<b>100.00</b>

**k. Dematerialization of shares and liquidity**

The Company's shares are currently traded only in dematerialised form over BSE. To facilitate trading in dematerialised form, the Company has tied up with NSDL and CDSL. Shareholders can open account with any of the depository participants registered with any of these depositories. As on March 31, 2018, 81.56 % of our shares are in dematerialized form and the rest in physical form.

Shares held in demat and physical modes as on March 31, 2018 are as follows:

<b>Mode of Holding</b>	<b>Number of shares</b>	<b>% to total equity</b>
<b>Demat Mode:</b>		
CDSL	8810128	47.87
NSDL	6200532	33.69
<b>Total</b>	<b>15010660</b>	<b>81.56</b>
<b>Physical mode</b>	3392825	18.44
<b>Grand Total</b>	<b>18403485</b>	<b>100.00</b>

To enable us to serve our investors better, we request the shareholders whose shares are in physical mode to dematerialize their shares and update their bank accounts with the respective depository participants.

**l. The Company has not issued any GDRs/ADRs and there are no warrants or any convertible instruments pending for conversion, which would likely impact the capital of the company.**

**m. Plant Location:**

Since the Company is in the business of NBFC – Non Deposit taking and other non-fund based activities, the information about Plant Location is not applicable.

**n. Address for Correspondence**

For any assistance regarding share transfer and transmission, change of address, non-receipt of dividend, duplicate/missing share certificates, demat and other matters, please write to or contact Registrar & Share Transfer Agent of the Company at address mentioned at (m) above. For any query on the Annual Report and for any complaints or suggestions, please write to or contact:

**Contact Person** : CS Sowjanya Poojary  
**Designation** : Company Secretary & Compliance officer

**SUNGOLD CAPITAL LIMITED**  
**[CIN: L65910GJ1993PLC018956]**

**Regd office Address:**

House no. 7/13 Opp White Tower, Station Road,  
Nandod Rajpipla Narmada- 393145

**Corporate office address:**

B/618, Jaswanti Allied Business Centre,  
Off Ramchandra Lane Extn;  
Kachpada, Malad (West), Mumbai – 400064

Email: [info@sungoldcapitallimited.com](mailto:info@sungoldcapitallimited.com)/sungold2006@gmail.com

Website: [www.sungoldcapitallimited.com](http://www.sungoldcapitallimited.com)

Tel No: +91 – 8108756812/022-28891692

**DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT**

I Rajiv Kotia, Managing Director of the Company hereby declare that, Members of the Board and Senior Management Personnel have confirmed their compliance with the Code of Conduct for the year ended March 31, 2018.

Mumbai, May 15, 2018

**Rajiv Kotia**  
Managing Director  
DIN: 00135912

**CEO/CFO certification under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,

The Board of Directors,  
Sungold capital Limited,  
House no. 7/13 Opp White Tower,  
Station Road, Nandod, Rajpipla  
Narmada-393145

We, Rajiv Kotia, Chairman & Managing Director, and Pradipkumar Vaghela, Chief Financial Officer of Sungold capital Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed financial statements and the cash flow statement of Sungold Capital Limited for the year ended March 31, 2018 and to the best of our 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.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the auditors and the Audit committee:
  - i. that there are no significant changes in internal control over financial reporting during the year;
  - ii. that there are no significant changes in accounting policies during the year;
  - iii. That there are no instances of significant fraud of which we have become aware.

Place: Mumbai,  
Date: May 15, 2018

Rajiv Kotia  
(Chairman, CEO & Managing Director)

Pradipkumar Vaghela  
(Chief Financial Officer)

## **Auditors' Certificate on Corporate Governance**

To,  
The Members of Sungold Capital Limited

We have examined the compliance of conditions of Corporate Governance by Sungold Capital Limited (the Company) for the year ended March 31, 2018 as per Regulation 15(2) and any other relevant provisions of Securities exchange Board of India (Listing Obligation and Disclosure Requirements), Regulation, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement/Listing Regulations, as applicable.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

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.

**For Motilal & Associates**  
**FRN: - 106584W**  
**Chartered Accountants**

**CA Mokshesh Shah**  
**Partner**  
**Membership No: - 172906**  
**Place: Mumbai**  
**Date: May 15, 2018**

---

### **Continuation Certificate on NBFC business**

To,  
The Board of Directors,  
Sungold Capital Limited

As required by the "Non-Banking Financial Companies Auditor's Report (Reserve Bank) Direction, 1998" vide notification No. DFC.117/DG (SPT)-98 dated January 2, 1998 issued by Reserve Bank of India (RBI), and based on the books and record verified by us and according to the information and explanation given to us during the course of our audit, we give hereunder our report on matters specified in paragraph 3 of the said directions.

The Board of Directors in their meeting held on May 15, 2018 has passed a resolution for Non-acceptance of any public deposit without prior approval of Reserve Bank of India in writing.

As per the information and explanation given to us and as appears from the books of account of the Company, Company has not accepted any deposit from the public during the year ended on 31<sup>st</sup> March, 2018.

In our opinion and as per the information and explanation given to us the Company has complied with prudential norms relating to income recognition, accounting standard, asset classification, and provisioning of bad and doubtful debt as applicable to it for the year ended on 31<sup>st</sup> March, 2018.

**For Motilal & Associates**  
**FRN: - 106584W**  
**Chartered Accountants**

**CA Mokshesh Shah**  
**Partner**  
**Membership No: - 172906**  
**Place: Mumbai**  
**Date: May 15, 2018**

## INDEPENDENT AUDITOR'S REPORT

To  
The Members of  
M/S. SUNGOLD CAPITAL LIMITED.

### Report on the standalone Financial Statements

#### Opinion

We have audited the accompanying Standalone financial statements of **M/S. SUNGOLD CAPITAL LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the company as at 31<sup>st</sup> March, 2018 and its profit and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibility of Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process

#### Auditors' Responsibility for the Audit of the Financial Statements.

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

## Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of the written representations received from the directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) (a) of the Act
- f. With respect to adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B", and
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company.

**For Motilal & Associates**  
**FRN: - 106584W**  
**Chartered Accountants**

**CA Mokshesh Shah**  
**Partner**  
**Membership No: - 172906**

**Place: Mumbai**  
**Date: May 15, 2018**

**Annexure- A referred to in paragraph titled as “Report on other Legal and Regulatory Requirements” of Auditor’s report to the members SUNGOLD CAPITAL LIMITED for the year ended 31<sup>st</sup> March 2018.**

On the basis of the records produced to us for our verification / perusal, such checks as we considered appropriate, and in terms of information and explanation given to us on our enquiries, we state that:

- (i) a) According to the information and explanations given to us and records produced before us, the Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) According to the information and explanations given to us and records produced before us, the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- (ii) Having regards to the nature of the company’s business, paragraph 4(ii) of the Order relating to inventory is not applicable.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, clause 3 (iii) of the Order is not applicable to the Company.
- (iv) The Company has not granted any loans, has not made investments, and has not provided any guarantees and security to directors or to any other parties. Accordingly, clause 3 (iv) of the Order is not applicable to the Company.
- (v) The Company has not accepted any deposits from the public. Accordingly, clause 3 (v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed maintenance of cost records for the company under sub section (1) of section 148 of the Companies Act, 2013. Accordingly, clause 3 (vi) of the Order is not applicable to the Company.
- (vii) According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Excise Duty, Customs Duty, Value Added Tax, Cess and other statutory dues applicable to it with the appropriate authorities except undisputed amounts were outstanding as on the financial year concerned for a period of more than six months from the date they became payable.
- (viii) According to the records of the Company examined by us and the information and explanation given to us, the Company has not taken any loan or borrowing from banks, government, financial institutions and has not issued debentures during the year. Accordingly, clause 3 (viii) of the Order is not applicable to the Company.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and through term loans during the year. Accordingly, clause 3 (ix) of the Order is not applicable to the Company.
- (x) Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (xi) The company has paid for managerial remuneration during the year in accordance with the requisite approvals mandate by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to Nidhi Company. Accordingly, clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sec 177 and 188 of Companies Act, 2013 where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (xiv) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, and based on our examination of the records of the Company, the company has entered into any non-cash transactions with directors or persons connected with him. Accordingly, clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) According to the information and explanations given to us and documents produced before us the company is registered under section 45 IA of the Reserve Bank of India Act, 1934.

**For Motilal & Associates**  
**FRN: - 106584W**  
**Chartered Accountants**

**CA Mokshesh Shah**  
**Partner**  
**Membership No: - 172906**

**Place: Mumbai**  
**Date: May 15, 2018**

**Annexure- B referred to in paragraph titled as “Report on the Internal Financial Controls under clause (i) of Sub- section 3 of Section 143 of the Companies Act, 2013” (“the Act”)**

We have audited the internal financial controls over financial reporting of SUNGOLD CAPITAL LIMITED (“the Company”) as of 31<sup>st</sup> March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the



internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Motilal & Associates**  
**FRN: - 106584W**  
**Chartered Accountants**

**CA Mokshesh Shah**  
**Partner**  
**Membership No: - 172906**

**Place: Mumbai**  
**Date: May 15, 2018**

## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

### 1 **Corporate Information:**

Sungold Capital Limited (“the Company”), incorporated in 1993, is a non deposit taking Non Banking Financial Company (“NBFC”) as defined under section 45-IA of the Reserve Bank of India (“RBI”) Act, 1934 and is engaged in the business of financing and is listed on both the Bombay Stock Exchange (BSE) and Ahmedabad Stock Exchange (ASE).

### 2 **Significant Accounting Policies:**

#### a. **Basis of Preparation of Financial Statement :**

The Company follows mercantile system of accounting and recognizes income and expenditure on an accrual basis. Financial Statements are prepared under historical cost convention, in accordance with the Generally Accepted Accounting Principles in India (GAAP) and comply in all material aspects, with mandatory accounting standards as prescribed under section 133 of the act read with rule 7 of the companies (Accounts) Rules, 2014. The significant accounting policies followed by the Company are set out below.

Current assets do not include elements which are not expected to be realized within one year and current liabilities do not include items which are due after one year.

#### b. **Use of Estimates:**

The preparation of financial statements require the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses for the reporting period. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods. Example of such estimates includes provision for non – performing loans, provision for employee benefit plans and provision for income taxes. Differences in actual and estimated results are recognized in the period in which the result is materialized.

#### c. **Revenue Recognition:**

- i) Income from Entertainment division, distribution and exhibition of drama and film is recognized on accrual basis.
- ii) Interest is recognized on the time of proportion basis taking in to accounts the amount outstanding and the date applicable. In case of Non Performing Assets (NPA) interest income is recognized upon realization as per the RBI Guidelines. Interest accrued and not realized before the classification of the asset as an NPA is reversed and credited to the interest suspense account.
- iii) Income from dividend on shares of corporate bodies and units of mutual funds is accounted on accrual basis when the Company’s right to receive dividend is established.
- iv) In respect of other heads of Income, the company follows the practice of accounting on accrual basis.

#### d. **Fixed Assets & Depreciation:**

Tangible Assets:

Fixed assets are stated at cost less accumulated depreciation and impairment, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future benefit / functioning capability from / of such assets.

Intangible Assets:

Intangible assets are stated at cost of acquisition less accumulated amortization/depletion. The costs and expenses attributable to the intangible assets are capitalized.

The useful life estimates prescribed in Part C of Schedule II to the Companies Act, 2013 are generally adhered to, except in respect of asset classes where, based on technical evaluation, a different estimate of useful life is considered suitable. Items costing less than Rs 5,000/- are fully depreciated in the year of purchase. The company has estimated nil residual value at the end of the useful life for all block of assets.

The Management estimates the useful lives for the other fixed assets as follows:

Sr No	Fixed Assets	Estimate useful life
1	Computer	3
2	Furniture	5
3	Mobile	3
4	Office Equipments	5
5	Projector	5

**e. Depreciation:**

Pursuant to the enactment of Companies Act 2013, the company has applied the estimated useful lives as specified in Schedule II, except in respect of certain assets as disclosed in Accounting Policy on Depreciation, Amortization and Depletion. Accordingly the unamortized carrying value is being depreciated / amortized over the revised/remaining useful lives.

**f. Investments:**

All investments are held as long term Investments, unless otherwise mentioned and are stated at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

**g. Provision for Current Tax and deferred Tax:**

Tax expense comprises both current and deferred tax at the applicable enacted/substantively enacted rates. Current tax represents the amount of income tax payable in respect of the taxable income for the reporting period.

Deferred tax represents the effect of timing differences between taxable income and accounting income for the reporting period that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Such assets are reviewed as at each Balance Sheet date to reassess realization. Deferred Tax Asset and Liability are netted off and disclosed in the balance sheet under the Head "Deferred Tax Asset / Liability"

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognized as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

**h. Provisions & Contingent Liabilities:**

The Company recognized provision when the company has a legal and constructive present obligation as a result of a past event, for which it is probable that outflow of resources will be required and a reliable estimate can be made of the amount of the obligation. In cases where the available information indicates that the loss on the contingency is reasonably possible but the amount of loss cannot be reasonably estimated, a disclosure is made in the financial statements. Provisions are reviewed at each balance sheet date and adjusted to reflect the current management estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

A disclosure of contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resource is remote, no provision or disclosure is made.

Contingent assets are not recognized in the financial statements.

Contingent liabilities are disclosed when there is a possible obligation that may result in an outflow of resources. Contingent assets are neither recognized nor disclosed. Contingent Liabilities not provided for: NIL. Contingent Assets are neither recognized nor disclosed in the financial statements.

**i. Prior Period Items:**

Material amount of Income and Expenditure pertaining to prior years are disclosed separately.

**j. Employee Benefits:**

The Company has been advised that the payment of bonus act, 1965 and the payment of gratuity act, 1972 are not applicable.

**k. Earnings per Share**

The Company reports basic and diluted earnings per equity share in accordance with AS 20, Earnings Per Share issued, by the Institute of Chartered Accountants of India. Basic earnings per equity share have been computed by dividing net profit / loss attributable to the equity share holders for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share have been computed by dividing the net profit attributable to the equity share holders for the year by the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti dilutive

**l. Business segment**

The Company's reportable segments consist of "Financing Activity", and "Others". The "Financing Activity" segment consists of asset financing, term loans (corporate and retail), channel financing and bill discounting. "Others" segment primarily includes advisory services, wealth management, distribution of financial products and leasing. Revenue and expense directly attributable to segments are reported under each reportable segment. Expenses not directly identifiable to each of the segments have been allocated to each segment on the basis of associated revenues of each segment. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable.

**m. Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

SUNGOLD CAPITAL LIMITED CIN: L65910GJ1993PLC018956 BALANCE SHEET AS AT 31 <sup>st</sup> MARCH, 2018			
Particular	Notes	As on March 31, 2018	As on March 31, 2017
		(Amt in Rs.)	(Amt in Rs.)
<b><u>I. EQUITY AND LIABILITIES</u></b>			
Shareholder's Funds			
(a) Share Capital	3	184,034,850	184,034,850
(b) Reserve and Surplus	4	35,130,618	35,092,912
Current Liabilities			
Other Current Liabilities	5	1,050,537	983,037
Short Term Borrowings	6	1,077,819	957,781
<b>Total</b>		<b>221,293,823</b>	<b>221,068,580</b>
<b><u>II. ASSETS</u></b>			
<u>Non Current Assets</u>			
Fixed Assets			
Tangible Assets		56,577	262,600
Non Current Investment	7	2500,000	2500,000
Deferred Tax Assets	8	10,597	15,879
Long Term Loan and Advances	9	215,742,832	215,759,660
<u>Current Assets</u>			
(a)Cash and cash equivalents	10	1,166,624	553,384
(b)Other Current Assets	11	1,817,193	1977,057
<b>Total</b>		<b>221,293,823</b>	<b>221,068,580</b>
Notes referred to above form an integral part of Balance Sheet As per our Report of even date For Motilal & Associates for and on behalf of the board Chartered Accountants F No. 106584W  CA Mokshesh Shah Rajiv Kotia Karishma Kaku Partner Managing Director Director M. No. 172906 DIN: 00135912 DIN:07214961 Place: Mumbai CS Sowjanya Poojary Pradipkumar Vaghela Date: May 15, 2018 Company Secretary Chief Financial Officer			

SUNGOLD CAPITAL LIMITED CIN: L65910GJ1993PLC018956 PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 <sup>st</sup> MARCH, 2018			
Particulars	Notes	For the year ended March 31, 2018	For the year ended March 31, 2017
		(Amt in Rs.)	(Amt in Rs.)
<b>I</b> <b><u>Revenues</u></b>			
Revenue from Operations	12	13,858,585	18,099,945
Other Income	13	6,512	2,008
<b>Total Income</b>		<b>13,865,097</b>	<b>18,101,953</b>
<b>II</b> <b><u>Expenses:</u></b>			
Employee Expenses	14	7,461,298	6,587,216
Depreciation and Amortisation	15	263,176	126,699
Other Administrative Expenses	16	5,717,491	10,613,398
<b>Total Expenses</b>		<b>13,441,965</b>	<b>17,327,313</b>
<b>IX</b> Profit before tax (VII - VIII)		<b>423,132</b>	<b>774,640</b>
<b>X</b> <b><u>Tax expense:</u></b>			
(1) Current tax		157,747	32,250
(2) Previous Year Audit		222,397	0
(3) Deferred tax		5,282	-18,958
<b>XI</b> Profit(Loss) from the period from continuing operations	(IX-X)	<b>37,706</b>	<b>761,348</b>
<b>XVI</b> Earning per equity share:			
Basic		0.002	0.04
Significant Accounting Policies and Notes to Accounts <b>Notes referred to above form an integral part of Profit &amp; Loss Statement</b> <b>This is the profit and loss statement referred to our report of even date</b>			
For Motilal & Associates Chartered Accountants F No. 106584W		for and on behalf of the board	
CA Mokshesh Shah Partner M. No. 172906 Place: Mumbai Date: May 15, 2018		Rajiv Kotia Managing Director DIN: 00135912	Karishma Kaku Director DIN:07214961
		CS Sowjanya Poojary Company Secretary	Pradipkumar Vaghela Chief Financial Officer

SUNGOLD CAPITAL LIMITED CIN: L65910GJ1993PLC018956 CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31 <sup>st</sup> MARCH, 2018				
Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				774,640
Net Profit Before Tax as per Profit & Loss Account		423,132		
Adjusted for:				
Add:				
Depreciation and Amortisation expenses	263,176		126,699	
Provision for Standard Assets	-		755,368	
Less:				
Bank Interest	(6,512)		(2,008)	
Deferred Tax Liability	-	256,664	(13,293)	866,766
Operating Profit Before Working Capital Changes		679,796		1,641,406
Adjustments for changes in working capital :				
Decrease in Trade Receivables	-		(43,600,594)	
Loan and advances	16,828		-	
Other Current Assets	159,864		752,444	
Short Term Provisions	120,038		(920,647)	
Increase in Other Current Liabilities	67,500	364,230	166,921	(43,601,876)
Cash Generated for Operations		1,044,026		(41,960,470)
Income Tax Paid		(380,144)		(507,495)
Net Cash from Operating Activities (A)		663,882		(42,467,965)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Short Term Borrowing	-		-	
Purchase of Fixed Assets		(57,152)	(33,299)	
Sale of Investments	-		33,538,000	
Increase in Loan and Advances	-		-	
Net Cash Used in Investing Activities (B)		(57,152)		33,504,701
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>				
Receipt/(Payment) of Short Term Borrowings	-		-	
Bank Interest		6,512		2,008
Issue of Share Capital	-		-	
Share premium	-		-	
Share Application Money Refunded	-		-	
Share Application Money Received	-		-	2,008
Net cash used in Financing Activities (C)		6,512		
<b>NET INCREASE IN CASH &amp; CASH EQUIVALENT (A+B+C)</b>		613,242		(8,961,256)
<b>CASH &amp; CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>		553,384		9,514,639
<b>CASH &amp; CASH EQUIVALENTS AT THE END OF THE YEAR</b>		1,166,626		553,383
<div> <div>For Motilal &amp; Associates Chartered Accountants F No. 106584W</div> <div> <div>CA Mokshesh Shah Partner M. No. 172906 Place: Mumbai Date: May 15, 2018</div> <div> Rajiv Kotia Managing Director DIN: 00135912  CS Sowjanya Poojary Company Secretary </div> <div> Karishma Kaku Director DIN: 07214961  Pradipkumar Vaghela Chief Financial Officer </div> </div> </div>				

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2018**

**Note : 3 SHARE CAPITAL**

Particulars	As at 31st Mar 2018	As at 31st Mar 2017
	Rs.	Rs.
<b><u>AUTHORIZED CAPITAL</u></b> 2,00,00,000 Equity Shares of Rs. 10/- each.	200,000,000	200,000,000
	-	-
<b><u>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</u></b> 1,84,03,485 Equity Shares of Rs. 10/- each, Fully Paid	184,034,850	184,034,850
<b>Total</b>	-	-

1.1) Details of the rights, preference and restrictions attached to each class of shares:

The Company has only one class of shares referred to as equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend, if any, proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company the shareholders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**1.2) The reconciliation of the number of Equity shares:**

Particular	As at 31st Mar 2018	As at 31st Mar 2017
	Shares	Shares
Opening number of outstanding shares	18,403,485	18,403,485
Share Issue	-	-
Share brought back	-	-
Closing number of outstanding shares	18,403,485	18,403,485

**1.3) The details of shareholders holding more than 5% shares.**

Name of the Shareholder	As at March 31, 2018		As at March 31, 2017	
	No. of Shares	% Holding	No. of Shares	% Holding
Ashok G Mody	1336200	7.26%	1336200	7.26%
Rajiv R Kotia	2142000	11.64%	2142000	11.64%
Raj Kotia	1000000	5.43%	1000000	5.43%



**Note: 4 Reserves and Surplus**

Sr. No	Particulars	As at 31st Mar 2018	As at 31st Mar 2017
a	Security Premium Account	19,880,475	19,880,475
c	General Reserve	4,099,148	4,099,148
c	Special Reserve (As per Section 45 IC of Reserve Bank of India Act, 1934)		
	Opening Balance	2,196,922	2,044,652
	Add : Surplus transferred from Statement of Profit & Loss	7,541	152,270
	Balance at the end of the year	26,184,086	26,176,545
d	Surplus of Statement of Profit and Loss		
	Opening Balance	8,916,367	8,782,534
	Add : Net Profit	37,706	761,348
	Less: Amount Transfer to Reserve Fund	7,541	152,270
	Less: TDS Amount not received	0	475,245
			-
	Net Surpluse in Profit and Loss Account	8,946,532	8,916,367
	<b>Total</b>	<b>35,130,618</b>	<b>35,092,912</b>

**Note : 5 Other Current Liabilities**

Sr. No	Particulars	Rs. As at 31st Mar 2018	Rs. As at 31st Mar 2017
	Accured Expenses	237,500	170,000
	Stamp Duty Payable	813,037	813,037
	<b>Total</b>	<b>1,050,537</b>	<b>983,037</b>

**Note : 6 Short Term Provisions**

Sr. No	Particulars	As at 31st Mar 2018	As at 31st Mar 2017
	Tax Deducted at Sources- Payable	19,500	163,415
	Income Tax Provision	157,747	-
	Contingent Provision against Standard Assets	862,997	755,366
	Audit Fees		
	Statutory Fees	27,575	29,000
	Other Audit Fees	5,000	5,000
	Professional Fees	5,000	5,000
	<b>Total</b>	<b>1,077,819</b>	<b>957,781</b>

**Note : 7 Non Current Investment**

Sr. No	Particulars	As at 31st Mar 2018	As at 31st Mar 2017
	Teflas Commodity Interface Pvt. Ltd <i>5100 equity shares purchased at Rs. 490/-. The Investment is valued at cost. This is a long term investment and hence diminution in value of shares, if any is not accounted for.</i>	2,500,000	2,500,000
	<b>Total in Rs.</b>	<b>2,500,000</b>	<b>2,500,000</b>

**Note : 8 Deferred Tax Assets**

Sr. No	Particulars	As at 31st Mar 2018	As at 31st Mar 2017
	Opening Balance	15,879	(3,079)
	(+)/(-) During the Year	5,282	18,958
	<b>Total</b>	<b>10,597</b>	<b>15,879</b>

**Note : 9 Long Term Loan and Advance**

Sr. No	Particulars	As at 31st Mar 2018	As at 31st Mar 2017
	Unsecured, Considered Good	215,742,832	215,759,660
	<b>Total</b>	<b>215,742,832</b>	<b>215,759,660</b>

**Note : 10 Cash and Cash Equivalents**

Sr. No	Particulars	As at 31st Mar 2018	As at 31st Mar 2017
	Balance with Banks	391,455	458,349
	Cash in Hand (as certified by a Director)	775,169	95,035
	<b>Total</b>	<b>1,166,624</b>	<b>553,384</b>

**Note : 11 Other Current Assets**

Sr. No	Particulars	As at 31st Mar 2018	As at 31st Mar 2017
	Deposits	50,000	50,000
	Tax Deducted at Sources	1,767,193	1,927,057
	<b>Total</b>	<b>1,817,193</b>	<b>1,977,057</b>

**Note : 12 Revenue from operation**

Sr. No	Particulars	For the year ended 31st Mar 2018	For the Year ended 31st Mar 2017
		<b>Rs.</b>	<b>Rs.</b>
	Interest - NBFC Income	13,593,485	17,900,445
	Entertainment Division	182,900	45,900
	Software Development Division	82,200	153,600
	<b>Total</b>	<b>13,858,585</b>	<b>18,099,945</b>

**Note : 13 Other Income**

Sr. No	Particulars	For the year ended 31st Mar 2018	For the year ended 31st Mar 2017
	Interest on FDR's	6,512	2,008
	<b>Total</b>	<b>6,512</b>	<b>2,008</b>

**Note : 14 Employee Benefit Expense**

Sr. No	Particulars	For the year ended 31st Mar 2018	For the year ended 31st Mar 2017
	Salary	7,310,569	6,313,975
	Staff Welfare Expenses	150,729	273,241
	<b>Total</b>	<b>7,461,298</b>	<b>6,587,216</b>

**Note : 15 Depreciation and Amortization Expense**

Sr. No	Particulars	For the year ended 31st Mar 2018	For the year ended 31st Mar 2017
	Depreciation	142,176	126,699
	Intangible Asset Amortised	121,000	-
	<b>Total</b>	<b>263,176</b>	<b>126,699</b>

**Note : 16 Other Administrative Expenses**

Sr. No	Particulars	For the year ended 31st Mar 2018	For the year ended 31st Mar 2017
	Telephone Expenses	24,179	23,801
	Entertainment Division Expenses	180,304	3,884,711
	Software Development Division Expenses	61,700	112,200
	Electricity Expenses	53,747	29,300
	Rent	591,600	415,000
	Repair & Maintenance Charges	86,633	175,552
	Bank Charges	3,509	8,025
	Newspaper & Periodics	7,661	48,635
	Internet Expense	10,974	11,789
	Legal & Consultancy Expenses	185,953	124,437
	Office Expenses	288,530	405,225
	Postage & Courier / Telegram	119,608	125,970
	Printing & Stationery / Zerox	242,066	281,100
	Professional Fees	50,501	214,900
	ROC Filling and Expenses	18,306	21,086
	RTA Charges	27,467	27,000
	STA Annual fees	-	74,425
	Bse Limited Listing fees	287,500	229,000
	NSDL- CDSL Annual Custodial Fees	116,541	51,525
	E-Voting Expenses	1,180	2,300
	Website Maintance Expense	42,750	56,000
	TDS Filling Expense	3,685	4,164
	Books & Periodicals	8,065	41,055
	Computer Expenses	59,722	18,973
	Commission Expenses	250,000	360,000
	Domain Registration Expenses	8,000	8,000
	Accounting Fees	-	30,000
	Secretial Audit Fees	29,000	29,000
	Director Remmuneration	2,000,000	1,800,000
	Advertisement Expenses	64,825	81,725
	Business Promotion Expeses	120,447	288,544
	Travelling Expenses	446,578	674,917
	Marketing Expenses	83,000	72,673
	Contingent Provision for Standard Assets	107,605	755,366
	Sitting Fee	70,000	78,000
	Demat Fees Expenses	581	0
	CIBIL Annual Fees	5,900	0
	CIBIL Membership Charges	11,800	0
	Payment to Auditor		
	Statutory Audit	27,575	29,000
	Internal Audit	20,000	20,000
	<b>Total</b>	<b>5,717,491</b>	<b>10,613,398</b>

Note: Fixed Asset

**SUNGOLD CAPITAL LIMITED**  
CIN: L65910GJ1993PLC018956  
Fixed Assets and Depreciation

Fixed Assets										
Description	Gross Block			Depreciations / Amortizations			Net Block			
	As at 31st Mar 17	Addition	Deductions	As at 31st Mar 18	As at 31st Mar 17	For the Period	Deletions	As at 31st Mar 18	As at 31st Mar 17	As at 31st Mar 18
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
<b>Tangible Assets</b>										
Computer	404,312	13,200	-	417,512	392,110	10,686	-	402,796	12,202	14,716
Mobile	56,020	-	-	56,020	43,882	12,140	-	56,022	12,140	-
Furniture	467,782	56,052	12,100	511,734	408,719	61,154	-	469,873	59,063	41,861
Projector	310,500	-	-	310,500	272,283	38,217	-	310,500	38,217	-
Office Equipment	191,117	-	-	191,117	171,137	19,980	-	191,117	12,672	-
Total (A)	1,429,731	69,252	12,100	1,486,883	1,288,131	142,177	-	1,430,308	134,294	56,577
<b>Intangible Assets</b>										
Film Rights	121,000	-	-	121,000	-	121,000	-	121,000	121,000	-
Total (B)	121,000	-	-	121,000	-	121,000	-	121,000	121,000	-
Grand Total (A+B)	1,550,731	69,252	12,100	1,607,883	1,288,131	263,177	-	1,551,308	255,294	56,577

**18. ACCOMPANYING NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018****a. Auditor's Remuneration:**

(Rs. in Lakhs)

Particular	2017-18	2016-17
As Auditor Statutory Audit	0.28	0.29
Total	0.28	0.29

**b. Related Party Transactions (Accounting Standard -18):****i. Name of Related Parties:**

Name of the Party	Relationship
Mr. Rajiv Kotia	Managing Director
Ms. Sowjanya Poojary	Company Secretary & Compliance Officer
#Mr. Raj Kotia	Relative of Key Managerial Personnel
*Ms. Bhumika Sidhpura	Company Secretary & Compliance Officer
**Mr. Ushik Gala	Chief Financial Officer
Mr. Daiv Kotia	Relative of Key Managerial Personnel

\*Ms. Bhumika Sidhpura resigned w.e.f 13.11.2017

\*\* Mr. Ushik Gala resigned w.e.f 01.06.2017

# Mr. Raj Kotia resigned w.e.f 28.02.2018

**ii. Transactions with Related Parties:**

Name of the Party	Nature of relation	Nature of Transaction	Year ended 31.03.2018	Year ended 31.03.2017
Mr. Rajiv Kotia	Key Management Person	Director's Remuneration	20,00,000	18,00,000
Ms. Sowjanya Poojary	Key Management Person	Salary paid	67,500	0
#Mr. Raj Kotia	Relative of Key Management Person	Salary paid	442,238	5,55,000
*Ms. Bhumika Sidhpura	Key Management Person	Salary paid	300,000	564,000
**Mr. Ushik Gala	Key Management Person	Salary paid	75,000	300,000
Mr. Daiv Kotia	Relative of Key Management Person	Salary paid	173,000	--

\*Ms. Bhumika Sidhpura resigned w.e.f 13.11.2017

\*\* Mr. Ushik Gala resigned w.e.f 01.06.2017

# Mr. Raj Kotia resigned w.e.f 28.02.2018

**c. Leases (Accounting Standard – 19)**

The company has not entered into any operating leases during the year.

**d. Company has transfer an amount of Rs. 7,541/- (P.Y. of Rs. 1,52,270/-) equivalent to 20% of the profit after tax of the company to a Special Reserve Account in compliance with section 45IC of the Reserve Bank of India Act.**

e. **Earnings Per share : (Accounting Standard – 20)**

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Profit attributable to Equity Shareholders (in Rs.)	37,706	7,61,348
No of Weighted Average Equity Shares outstanding during the year of Rs. 10 Each fully paid up.	184,03,485	184,03,485
Nominal Value of Equity Shares (in Rs.)	10	10
Basic Earnings per Share (in Rs.)	0.002	0.041
Diluted Earnings per Share (in Rs.)	0.002	0.041

f. **Deferred Tax (Accounting Standard - 22 )**

Deferred tax is recognized on timing difference being the differences between the taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date.

g. **Segment Reporting**

a. **Basis of Preparation**

In accordance with the requirements of accounting standard -17 “Segment reporting”, the company’s business activity can be classified into three segments namely Entrainment, Software Development and NBFC Activities. The Information about the entire segment is given below.

b. **Information about Primary Segment- Business segment**

(Rs. in Lakhs)

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Segment Revenue		
(a) Segment – NBFC	136.00	179.00
(b) Segment - Entertainment	1.83	0.46
(c) Segment – Software Development NBFC	0.82	1.54
<b>TOTAL</b>	<b>138.65</b>	<b>181.019</b>
Segment Result		
(a) Segment – NBFC	4.00	45.72
(b) Segment - Entertainment	0.03	-38.39
(c) Segment – Software Development	0.20	0.42
<b>TOTAL</b>	<b>4.23</b>	<b>7.75</b>
Less Unallocated Corporate Expenses	NIL	NIL
Profit before Tax	4.23	7.75
Less: Tax Expenses	1.58	0.33
Less: Tax Previous Year	2.22	0.00
Less: Deferred Tax	(0.05)	0.19
<b>Net Profit</b>	<b>0.38</b>	<b>7.61</b>

**Note:**

Fixed Assets and Other Assets used in the Company's Operations or Liabilities contracted have not been identified to any of the Reportable Segments, as the Assets are used interchangeably between Segments. Hence, it is not practicable to provide Segment Disclosures relating to total Assets and Liabilities.

**h. Other Information**

(Rs. in Lakhs)

Particulars	2017-18	2016-17
a) Gross Non-Performing Assets		
1)Related Parties	-	-
2)Other than Related Parties	-	-
b) Net Non-Performing Assets		
1)Related Parties	-	-
2)Other than Related Parties	-	-
c)Assets acquired in satisfaction of debt	-	-

**i. As per RBI Notification No. DNBR. 019/CGM (CDS)-2015 dated April 10, 2015, Additional Disclosures are required in the Annual Financial Statements as follows****i) Registration**

Issuing Authority	Registration No	Date of Registration	Valid Upto	Register as
Reserve Bank of India	0.00174	24.03.1998	-	Non Deposit taking Loan Company

**ii) Penalties levied by RBI**

RBI has not levied any penalties on the Company during the year

**i) Provisions and Contingencies**

(Rs. in Lakhs)

Breakup of ' Provision and Contingencies' shown under the head Expenditure in Statement of Profit and Loss	2017-18	2016-17
Provision for Depreciation on investment	0.00	0.00
Provision toward NPA	0.00	0.00
Provision towards restructure standards assets	0.00	0.00
Provision made towards Income Tax	1.58	0.13
Provision for standard assets	8.63	7.55

**i. Concentration of Advance & Exposures**

(Rs. in Lakhs)

Particulars	2017-18	2016-17
Total advance to twenty largest browsers	1928.95	1982.18
Percentage of advances to twenty largest browsers to total advance of the NBFC	89.41%	91.87%

v) The Company does not have any Joint Ventures and Subsidiaries abroad. The Company has not sponsored any SPVs. Accordingly there is no disclosure applicable.

- vi) The Company had Nil Complaints at the beginning of the year. No Complaints were received during the year.
- vii) The Company has not done any Securitization during the financial year. (Previous Year: Nil).
- viii) The Exposure to a single borrower and the group of borrower does not exceed the limit stipulated by the RBI Concentration norms applicable to NBFC.
- ix) No exposure to unsecured advances during the year. (Previous year NIL)
- x) Company has not made any drawdown of reserves during the year (Previous year : Nil)
- xi) The disclosure of the Concentration of Deposits taken is not applicable since the Company is not in the business of accepting deposits being a Systemically Important Non Deposit Accepting NBFC.
- xii) No exposure to Capital market during the year. (Previous year Nil)
- k. For the year ended March 31, 2018 the Company has, in the ordinary course of business not purchased loan by way of assignment from a fellow subsidiary (Previous year: Rs. Nil)
- l. During the current year, the Company has made an incremental standard asset provision of Rs.1.08 Lakhs being 0.40% of Standard Assets as of March 31, 2018, as specified by RBI Notification No.DNBR.009/ CGM(CDS)-2015 dated March 27, 2015.
- m. The Company has reported frauds aggregating Rs.Nil (Previous year : Rs. Nil) based on management reporting to risk committee and to the RBI through prescribed returns
- n. Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

**For Motilal & Associates**  
**Chartered Accountants**  
**FRN: - 106584W**

**For and on behalf of the Board**

**CA Mokshesh Shah**  
**Partner**  
**M N:- 172906**

**Rajiv Kotia**  
**Managing Director**  
**DIN: 00135912**

**Karishma Kaku**  
**Director**  
**DIN: 07214961**

**Place: Mumbai**  
**Date: May 15, 2018**

**CS Sowjanya Poojary**  
**Company Secretary**

**Pradipkumar Vaghela**  
**Chief Financial officer**



**BALANCE SHEET OF A NON DEPOSIT NON-BANKING FINANCIAL COMPANY AS ON MARCH 31, 2018**

**Disclosure of details as required by para 13 of Non Banking Financial (Non- Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007**

		(Rs. in lakhs)	
Particulars		2017-2018	
<b>Liabilities:</b>		<b>Amount outstanding</b>	<b>Amount overdue</b>
(1)	<b>Loans and advances availed by the nonbanking financial company inclusive of interest accrued thereon but not paid:</b>		
	(a) Debentures : Secured	NIL	NIL
	Unsecured (other than falling within the meaning of public deposits*)	NIL	NIL
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	NIL	NIL
	(d) Inter-corporate loans and borrowing	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Other Loans		
<b>Assets:</b>		<b>Amount outstanding</b>	
(2)	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :</b>		
	(a) Secured	NIL	
	(b) Unsecured	2157.428	
(3)	<b>Break up of Leased Assets and stock on hire and other assets counting towards AFC activities</b>		
	(i) Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease	NIL	
	(b) Operating lease	NIL	
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	NIL	
	(b) Repossessed Assets	NIL	
	(iii) Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed	NIL	
	(b) Loans other than (a) above	NIL	
(4)	<b>Break-up of Investments :</b>		
	Current Investments :		
	1. Quoted :		
	(i) Shares :		
	(a) Equity	NIL	
	(b) Preference	NIL	
	(ii) Debentures and Bonds	NIL	
	(iii) Units of mutual funds	NIL	
	(iv) Government Securities	NIL	
	(v) Others	NIL	
	2. Unquoted :		
	(i) Shares :		
	(a) Equity	NIL	
	(b) Preference	NIL	
	(ii) Debentures and Bonds	NIL	
	(iii) Units of mutual funds	NIL	
	(iv) Government Securities	NIL	
	(v) Others	NIL	
	Long Term investments :		
	1. Quoted :		
	(i) Shares :		
	(a) Equity	NIL	
	(b) Preference	NIL	
	(ii) Debentures and Bonds	NIL	
	(iii) Units of mutual funds	NIL	
	(iv) Government Securities	NIL	
	(v) Others	NIL	

	2.	Unquoted :				
		(i)	Shares :			
			(a) Equity	25.00		
			(b) Preference	NIL		
		(ii)	Debentures and Bonds	NIL		
		(iii)	Units of mutual funds	NIL		
		(iv)	Government Securities	NIL		
		(v)	Others	NIL		
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above :					
	Category			Amount net of provisions		
				2017-2018		
				Secured	Unsecured	Total
	1.	Related Parties				
		(a)	Subsidiaries	-	-	NIL
		(b)	Companies in the same group	-	-	NIL
		(c)	Other related parties	-	-	NIL
	2.	Other than related parties			-	NIL
	Total				2182.43	2182.43
(6)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):					
	Category			Market Value / Break up or fair value or NAV		Book Value (Net of Provision)
	1.	Related Parties				
		(a)	Subsidiaries	-	-	-
		(b)	Companies in the same group	-	-	-
		(c)	Other related parties	-	-	-
	2.	Other than related parties		-	25.00	25.00
	Total			-	25.00	25.00
(7)	Other information					
	Particulars			Amount		
	(i)	Gross Non-Performing Assets				
		(a)	Related parties	NIL		
		(b)	Other than related parties	NIL		
	(ii)	Net Non-Performing Assets				
		(a)	Related parties	NIL		
		(b)	Other than related parties	NIL		
	(iii)	Assets acquired in satisfaction of debt		NIL		

**Notes:**

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

**For Motilal & Associates**  
**FRN:- 106584W**  
**Chartered Accountants**

**For and on behalf of the Board**

**CA Mokshesh Shah**  
**PARTNER**  
**Membership No:- 172906**  
**Place: Mumbai**  
**Date: May 15, 2018**

**Rajiv Kotia**  
**Managing Director**

**Karishma Kaku**  
**Director**

**Pradipkumar Vaghela**  
**Chief Financial officer**

**CS Sowjanya Poojary**  
**Company Secretary**

**THIS PAGE IS LEFT BLANK INTENTIONALLY**

**SUNGOLD CAPITAL LIMITED (CIN: L65910GJ1993PLC018956)**  
**Regd. off:** House no. 7/13, Opp White Tower, Station Road, Rajpipla, Nandod, Narmada – 393145  
**Corp off:** B/618, Jaswanti Allied Business Centre, off Ramchandra Lane extn; Kachpada, Malad (west), Mumbai – 400064  
 Tel No. 022- 28891692, E-mail id: [info@sungoldcapitallimited.com](mailto:info@sungoldcapitallimited.com) Website: [www.sungoldcapitallimited.com](http://www.sungoldcapitallimited.com)

**ATTENDANCE SLIP (to be presented at the entrance)**  
**26<sup>th</sup> Annual General Meeting – Tuesday, July 10, 2018 at 11:00 am**  
**Dasha Khadayta wadi, Nr. Ranchhodji Temple, Darbar Road, Rajpipla, Narmada – 393145**

Folio No. \_\_\_\_\_ DP ID. \_\_\_\_\_ Client ID No. \_\_\_\_\_ No. of Shares: \_\_\_\_\_

Name of the Member \_\_\_\_\_ Signature \_\_\_\_\_

Name of the Proxy Holder \_\_\_\_\_ Signature \_\_\_\_\_

Only Member/Proxy holder can attend the meeting.  
 Member/proxy holder should bring his/her copy of Annual Report for reference at the Meeting.

**SUNGOLD CAPITAL LIMITED (CIN: L65910GJ1993PLC018956)**  
**Regd. off:** House no. 7/13, Opp White Tower, Station Road, Rajpipla, Nandod, Narmada – 393145  
**Corp off:** B/618, Jaswanti Allied Business Centre, off Ramchandra Lane extn; Kachpada, Malad (west), Mumbai – 400064  
 Tel No.022- 28891692, E-mail id: [info@sungoldcapitallimited.com](mailto:info@sungoldcapitallimited.com) Website: [www.sungoldcapitallimited.com](http://www.sungoldcapitallimited.com)

**PROXY FORM (Form MGT – 11)**  
**{Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rule, 2014}**

Name of the Member(s) : \_\_\_\_\_ No. of Shares: \_\_\_\_\_

Registered address : \_\_\_\_\_

Email Id : \_\_\_\_\_

Folio No. /Client ID No : \_\_\_\_\_ DP ID No: \_\_\_\_\_

**I/We, being the member(s) of \_\_\_\_\_ shares of Sungold Capital Ltd, hereby appoint:**

**Name:** \_\_\_\_\_ **Email ID:** \_\_\_\_\_

**Address:** \_\_\_\_\_ **Signature:** \_\_\_\_\_

or failing him

**Name:** \_\_\_\_\_ **Email ID:** \_\_\_\_\_

**Address:** \_\_\_\_\_ **Signature:** \_\_\_\_\_

or failing him

**Name:** \_\_\_\_\_ **Email ID:** \_\_\_\_\_

**Address:** \_\_\_\_\_ **Signature:** \_\_\_\_\_

as my/our proxy to attend and vote (on poll) for me/us an on my /our behalf at the 26<sup>th</sup> Annual General Meeting of the Company to be held on Tuesday, July 10, 2018 at 11:00 am at Dasha Khadayta wadi, Nr. Ranchhodji Temple, Darbar Road, Rajpipla, Narmada – 393145 at any adjournment thereof and at any adjournment thereof in respect of such resolutions as are indicated below:

Sr. No.	Resolution
<b>ORDINARY BUSINESS</b>	
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2018 along with the Auditors' Report and Board Report thereon.
2.	To appoint Mr. Rajesh Pillai (DIN: 07585805), Non- Executive Director who seeks re- appointment
3.	To appoint M/s Bhatner & Company, Chartered Accountants, Mumbai (FRN: 131092W) as the Statutory Auditor of the Company

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018

\_\_\_\_\_  
 Signature of Shareholder

\_\_\_\_\_  
 Signature of Proxy holder (s)

Affix  
Revenue  
Stamp

**NOTE:**

This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company, not less than 48 hours before the commencement of meeting.  
 Those members who have multiple folios with different joint holders may use copies of this attendance slip/proxy



If undelivered, please return to:

**SUNGOLD CAPITAL LIMITED**  
(CIN: L65910GJ1993PLC018956)

At the Registered office:

House No. 7/13 Opp White Tower, Station Road, Nandod, Rajpipla  
Narmada- 393145

Website: [www.sungoldcapitallimited.com](http://www.sungoldcapitallimited.com)

E-mail id: [sungold2006@gmail.com](mailto:sungold2006@gmail.com), [info@sungoldcapitallimited.com](mailto:info@sungoldcapitallimited.com)