

27th ANNUAL REPORT

2018 – 2019



SUNGOLD
CAPITAL LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Rajiv Kotia
Mr. Amarjeet Salwant
Mr. Rajesh Pillai
Mr. Uma Maheswara Rao SIKHINAM
Ms. Karishma Kaku

Chairman (From 12.02.2019), CEO & Managing Director
Chairman & Non- Executive Director (Upto 12.02.2019)
Non- Executive Director
Independent Director
Independent Women Director

CHIEF FINANCIAL OFFICER (CFO)

Pradipkumar Vaghela

COMPANY SECRETARY & COMPLIANCE OFFICER

CS Sowjanya Poojary (upto 22.10.2018)
CS Nishi Dhirawat (From 14.12.2018)

STATUTORY AUDITOR

M/s. Bhatte & Company
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

HDFC Bank Limited
Bandhan Bank Limited

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/sungold2006@gmail.com

Website: www.sungoldcapitallimited.com

Tel No: +91 – 8108756812/022-28891692

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INFORMATION FOR SHAREHOLDER:

27th Annual General Meeting of Sungold Capital Limited

Day: Tuesday
Date: July 09, 2019
Time: 10.30 a.m

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

Book closure
Wednesday, July 03 2019 to Tuesday July 09, 2019

NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of the Members of Sungold Capital Limited will be held on Tuesday, July 09, 2019 at 10:30 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, 2019 along with the Board and Auditor's Report thereon.
2. To appoint Mr. Rajesh Pillai, who retires by rotation and being eligible, offers himself for re-appointment as a Director 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 provisions of Section 152 of the Companies Act, 2013, Mr. Rajesh Pillai, (DIN: 07585805), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

SPECIAL BUSINESS

3. To reappoint Mr. Uma Maheshwara Rao Sikhnam as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 ('the Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Uma Maheswara Rao Sikhnam (DIN: 02914295) who was appointed as an Independent Director and who holds office of Independent Director upto March 24, 2018, and being eligible and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby reappointed as an Independent Director of the Company not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years from conclusion of this AGM to the conclusion of Thirty Second AGM of the Company.”

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

Sd/-
CS Nishi Dhirawat
Company Secretary & Compliance Officer

Place: Mumbai

Date: June 07, 2019

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/sungold2006@gmail.com

Website: www.sungoldcapitallimited.com

Tel No: +91 – 8108756812/022-28891692

NOTES:

1. 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, 3rd July, 2019 to Tuesday, 9th July, 2019(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 02, 2019. 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) 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 convert their holding in 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 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 27th 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 05, 2019, 9:00 a.m. | Monday, July 08, 2019, 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 02, 2019 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.
- (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 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:

For Members holding shares in Demat Form and Physical Form:

| | |
|---|--|
| PAN* | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) •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. •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. |
| Dividend Bank Details OR Date of Birth (DOB) | 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. •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). |

- (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 <190607007> 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 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.
 - 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 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, under help section or write an email to 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 02, 2019.
 - (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 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.

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

Sd/-

CS Nishi Dhirawat
Company Secretary & Compliance Officer

Place: Mumbai

Date: June 07, 2019

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/sungold2006@gmail.com

Website: www.sungoldcapitallimited.com

Tel No: +91 – 8108756812/022-28891692

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

| | |
|--|--|
| Names of Director | Mr. Rajesh Narayan Pillai |
| Date of Birth | 20-Oct-73 |
| Date of Appointment | 04-Sep-16 |
| DIN | 7585805 |
| Qualifications | B.com – 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; | NA |
| 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 |

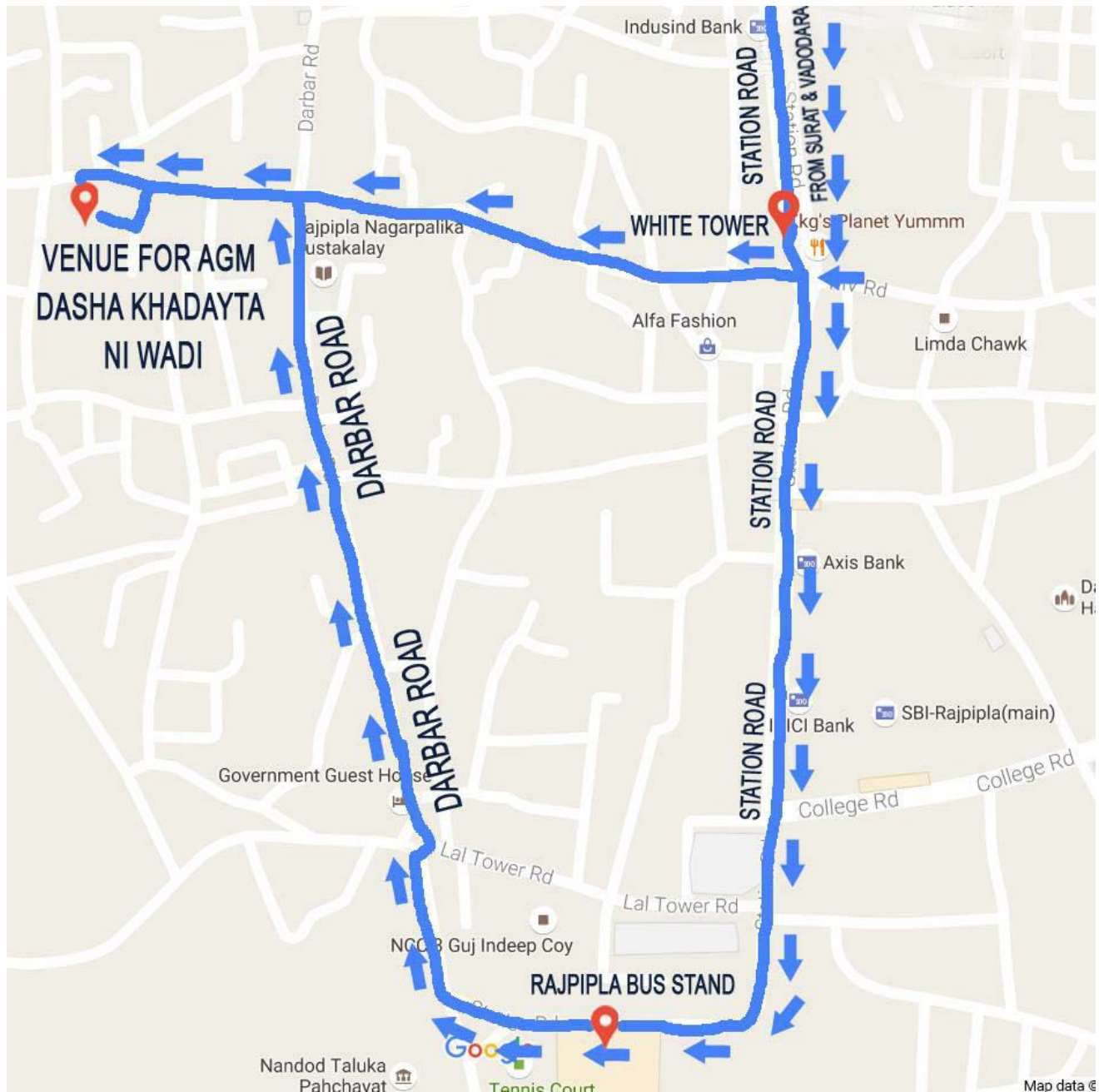
Explanatory Statement [Pursuant to Section 102(1) of the Companies Act, 2013]

Item No. 3: Re-appointment of Mr. Uma Maheshwara Rao Sikhinam as an Independent Non-Executive Director.

Mr. Uma Maheshwara Rao Sikhinam was appointed as an Independent Non Executive Director of the Company by the members at the 22nd AGM of the Company for a period of five consecutive years commencing from conclusion of this AGM to the conclusion of Twenty Seventh AGM of the company. As per Section 149(10) of the Act, an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another term of upto five consecutive years on the Board of a Company. Based on recommendation of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Mr. Uma Maheshwara Rao Sikhinam, being eligible for re-appointment as an Independent Director and offering himself for re-appointment, is proposed to be re-appointed as an Independent Director for second term of five consecutive years from conclusion of this AGM to the conclusion of thirty second AGM of the company.

The Company has received declaration from him stating that he meets the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. He has also given his consent to continue to act as Director of the Company, if so appointed by the members. In the opinion of the Board, Mr. Uma Maheshwara Rao Sikhinam fulfils the conditions specified under Section 149 (6) of the Act, the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for his reappointment as an Independent Non-Executive Director of the Company. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Sikhinam as an Independent Director. Copy of the draft letter for appointment of Mr. Sikhinam as an Independent Non-Executive Director setting out terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (9:00 am to 5:00 pm) on any working day, except Saturday, upto and including the date of AGM of the Company. Accordingly, the Board recommends passing of the Special Resolution in relation to re-appointment of Mr. Sikhinam as an Independent Director for another term of five consecutive years with effect from conclusion of this AGM to the conclusion of thirty second AGM of the company. for the approval by the shareholders of the Company. Except Mr. Uma Maheshwara Rao Sikhinam, being an appointee and his relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 3 of the accompanying Notice of the AGM. Mr. Sikhinam is not related to any Director of the Company.

Route map of the venue of 27th Annual General Meeting



Board's Report

To,
The Members,

Your Directors have pleasure in presenting **27th Annual Report** together with the Audited Annual Accounts for the Financial Year ended March 31, 2019.

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

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

| (Rs. In lakhs) | | |
|--|--------------------------------------|--------------------------------------|
| Particulars | For the year ended March 31, 2019 | For the year ended March 31, 2018 |
| Revenue from operation | 185.15 | 138.59 |
| Other Income | 0.04 | 0.06 |
| Total Expense(Excluding Depreciation) | 179.86 | 131.79 |
| Gross Profit before depreciation and tax | 5.33 | 6.86 |
| Depreciation | 0.58 | 2.63 |
| Net Profit before tax | 4.75 | 4.23 |
| Tax Expense | 1.18 | 3.85 |
| Net Profit After Tax | 3.57 | 0.38 |
| Balance of Profit brought forward | 89.46 | 89.16 |
| Balance available for appropriation | 3.57 | 0.38 |
| Proposed Dividend on Equity Shares | Nil | Nil |
| Tax on proposed Dividend | Nil | Nil |
| Transfer to General Reserve | 0.71 | 0.08 |
| Surplus carried to Balance Sheet | 92.33 | 89.46 |
| Earning Per Shares (EPS) | | |
| Basic | 0.019 | 0.002 |
| Diluted | 0.019 | 0.002 |

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 2018 – 2019, the Company has transferred an amount of Rs.71,470/- (P.Y. of Rs. 7,541/-) 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, 2019 was Rs. 184,034,850/-. During the year under review, the Company neither issued any shares with differential voting rights nor granted stock options and sweat equity. As on March 31, 2019 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 available on the website of the company
Web address: <https://sungoldcapitallimited.com>

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 2018-19, in Form AOC-2 is enclosed as **Annexure - I**.

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 2018-2019 there has been change in the Chairman of the Company, Mr. Rajiv Kotia appointed as the Chairman of the Company w.e.f. 12.02.2019.

12. MATERIAL EVENTS

During the period under the review there has been no material events taken place in the company.

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

The Company does not have joint venture/subsidiary/associate companies during the year 2018- 2019.

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:

- Mr. Amarjeet Salwant resigned as Chairman and Additional Director of the Company w.e.f. 12.02.2019. Mr. Rajiv Kotia appointed as the Chairman of the Company w.e.f. 12.02.2019.
- 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 10th July, 2018.
- Ms. Sowjanya Poojary resigned as the Company Secretary and Compliance Officer w.e.f. 22.10.2018 due to pre-occupied schedule and Ms. Nishi Dhirawat was appointed as the Company Secretary and Compliance Office w.e.f. 14.12.2018.
- 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 8 (Eight) Board Meetings, 5 (five) Audit Committee Meetings, 4 (Four) 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 December 14, 2018.

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 details of the policy are 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. 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.

23. 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 updated the same on the website of the company. During the year Company has not received any complaint of harassment.

24. 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.

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.

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;

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, 2019 and of the profit or loss of the Company for the financial year ended March 31, 2019.

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;

That the Annual Financial Statements have been prepared on a going concern basis;

That proper internal financial control were in place and that the financial controls were adequate and were operating effectively;

That system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

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 26th Annual General Meeting till the Conclusion of 31st 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 2018-19 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 - II**.

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. DISCLOSURE UNDER RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL), RULES, 2014

The information required pursuant to Section 197 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014 in respect of employees of the Company and Directors is attached as '**Annexure III**'. There were no employees receiving remuneration above the prescribed limit in terms of Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014.

29. 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.

During the period under the review The Management of the Company has filed appeal Before the Securities Appellate Tribunal, Mumbai and the matter is pending before the Tribunal.

30. 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, 2019.

31. 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.

32. CHANGE OF REGISTERED OFFICE OF THE COMPANY:

During the year 2018-2019 there was no change in the registered office of the Company.

33. 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: 28.05.2019**

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

ANNEXURE - I

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.

| Sr. 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: 28.05.2019

Rajiv Kotia
Chairman and Managing Director
DIN: 00135912

ANNEXURE II
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, 2019

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, 2019 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, 2019 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, 2019 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 Company has failed to upload the Newspaper Clipping on BSE for the Intimation of Board meeting and the results of the Board Meeting. However company has initiated the same w.e.f. Board meeting held on 12.02.2019.
2. The Company has intimated every time regarding the closure of trading window. However, the intimation for closure of trading window for the Board meeting held on 12.02.2019 has been given under the other head at the BSE listing center.
3. The Company has received letter from BSE dated 31.10.2018 regarding Penalty imposed for Non filing of Regulations within the prescribed time and the same letter has been received by the company via email from BSE dated 09.11.2018 pertaining to the same. However the company has replied to the Stock Exchange and clarified the same on 12.11.2018 and the same has been resolved and penalty waived off by the BSE via email dated 13.11.2018.

For SG and Associates,

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

**Date: 10.05.2019
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
Practicing Company Secretary
Proprietor
Membership No. 12122
CP No. 5722**

**Date: 10.05.2019
Place: Mumbai**

ANNEXURE-III

DETAILS OF DIRECTORS AND EMPLOYEE REMUNERATION

Information as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

| Sr. No. | Particulars | Details | | | | |
|---|---|--|----------------------|---|---|-----|
| 1* | The ratio of the remuneration of each director to the median employee's remuneration for the financial year 2018-19. | <p>Mr. Rajiv Kotia (DIN: 00135912) is the Chairman, Managing Director of the Company as on date of this Report. Further he is paid a remuneration of Rs.1,58,384 every month. The median remuneration of the employees is Rs. 18,365/- per month which is almost one fourth of the salary of the Director.</p> <table><tr><th>Name of the Director</th><th>Ratio of the remuneration to the median remuneration of the employees</th></tr><tr><td>Mr. Rajiv Kotia (Chairman & Managing Director)</td><td>8.6</td></tr></table> | Name of the Director | Ratio of the remuneration to the median remuneration of the employees | Mr. Rajiv Kotia (Chairman & Managing Director) | 8.6 |
| Name of the Director | Ratio of the remuneration to the median remuneration of the employees | | | | | |
| Mr. Rajiv Kotia (Chairman & Managing Director) | 8.6 | | | | | |
| 2 | The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year | <p>There was no increase in the salary of Mr. Rajiv Kotia, as Chairman and Managing Director of the Company.</p> <p>There was no increase in the salary of Mr. Pradeep Vaghela, as Chief Financial officer of the Company.</p> <p>Also Ms. Sowjanya Poojary was the Company Secretary of the Company till 22.10.2018 and was drawing a remuneration of Rs.15000/- per month and Ms. Nishi Dhirawat has been appointed as the Company Secretary on 14.12.2018</p> <p>Due to change of the said post in the Financial Year 2018-2019, the percentage increase in remuneration of Company Secretary is not calculated</p> | | | | |
| 3 | The median remuneration of employees in the financial year | The Median Remuneration of the employee as on 31st March, 2019 is Rs. 18,365/- | | | | |
| 4 | The number of permanent employees on the rolls of company | There are 4 permanent employees on the rolls of the company | | | | |
| 5 | Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration | There is no increase in the remuneration of managerial personnel and in the salaries of employees | | | | |
| 6 | If remuneration is as per the remuneration policy of the company | It is hereby affirmed that the remuneration paid is as per the remuneration policy of the Company. | | | | |

*The Non- Executive directors are entitled for sitting fees as per the statutory provisions. The details of remuneration paid to non executive directors are disclosed in the Corporate Governance Report. Hence, the ratio of remuneration and percentage increase for non executive director's remuneration is therefore not considered for the above purpose.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2019.

The management discussion and analysis have been included in consonance with the code of corporate governance as approved by the Securities and Exchange Board of India (SEBI).

Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinion or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

INDUSTRY STRUCTURE AND DEVELOPMENT

Indian financial market has displayed relative stability for the last several years, even when markets in the Asian region were facing a crisis. India's latest run of economic growth and continuing macroeconomic stability is a tribute the important progress made in recent year in macroeconomic management techniques as well as to an earlier generation of structural reforms. However, while growth and stability in the Indian market remains stable, turmoil in the Middle East and North Africa are adding uncertainty to the pace of global recovery. The financial downtrend in the US and Europe has an adverse effect on the pace of global financial recovery and has added to inflationary woes. Hence going forward countries will have to face the challenge of achieving growth while balancing inflationary concerns and growth momentum.

THE FINANCIAL AND OPERATIONAL PERFORMANCE

The financial statement is in confirmation with provisions of the Companies Act, 1956 and applicable accounting standard recommended by the Institute of Chartered Accountants of India. The financial statement reflects the genuine desire for the transparency and best judgment for the estimates made on prudent and reasonable basis to correctly reflect the true and fair affairs of the company.

FUTURE PROSPECT / BUSINESS PLANS OF THE COMPANY

The opportunities ahead are immense and Company is fully geared to make the most of them. The company has concentrated on its goals of consolidating and cutting cost wherever possible. Various organization development initiatives were undertaken during the year. These are expected to help create a robust organization based on strong values, uniform and systematic business processes and people empowerment.

ADEQUACY OF INTERNAL CONTROL

As given in point no. 27 of Board Report.

HUMAN RESOURCE DEVELOPMENT

The Company recognizes the importance of Human Resource as a key asset instrumental in its growth. The Company believes in acquisition, retention and betterment of talented team players. With the philosophy of inclusive growth, the Company has redefined its performance management system. The new system focuses on progression of individual employees together with organizational goals. Under the new system increased thrust will be on job rotation and multi- skilling.

SEGMENT-WISE PERFORMANCE

The Company is into single reportable segment only.

INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observations has been received from the Auditor of the Company for inefficiency or inadequacy of such controls.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance Department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory/internal guidelines on a periodic basis.

New Instructions/Guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in course of their activities and processes.

CAUTIONARY STATEMENT

Statement in this Management's Discussion and Analysis detailing the Company's objectives, projections, 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, 2019, 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, 2019, the Board of Directors (the 'Board') consisted of four directors of which two are 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 (8) times. The following are the dates of Board meeting:

May 11, 2018, May 15, 2018, June 11, 2018, August 11, 2018, October 22, 2018,

November 13, 2018, December 14, 2018, February 12, 2019.

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 2018 – 2019 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, 2019 in the Company are as follows:-

| Name of Director | DIN | Category | No. of Board Meetings held during the year | No. of Board Meetings attended during the year | Attendance at last AGM (10.07.2018) | *Directorships (including this entity) | **Committee Position(including this entity) | | Shareholding (Equity Shares of FV of Rs. 10/-each) |
|--------------------------------|----------|----------|--|--|-------------------------------------|--|---|--------|--|
| | | | | | | | Chairperson | Member | |
| Mr. Rajiv Kotia | 00135912 | P&MD&CEO | 8 | 8 | √ | 1 | --- | 1 | 2142000 |
| Mr. Amarjeet Salwant(1) | 07434817 | NED | 4 | 2 | × | --- | --- | --- | --- |
| Mr. Rajesh Pillai | 07585805 | NED | 8 | 8 | √ | 1 | 1 | 2 | --- |
| Mr. Uma Maheswara Rao Sikhinam | 02914295 | NED & ID | 8 | 7 | √ | 1 | --- | 2 | --- |
| Ms. Karishma Kaku | 07214961 | NED & ID | 8 | 8 | √ | 1 | 2 | --- | --- |

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

Note:

(1) Mr. Amarjeet Singh Salwant ceases to be Director w.e.f. February 12, 2019.

*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 December 14, 2018 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, 2019.

| Name of the Members | Category of Directorship | Designation |
|--------------------------------|-------------------------------------|-------------|
| 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 July 10, 2018.

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, five (5) meetings of the Audit Committee were held on **May 15, 2018, June 11, 2018, August 11, 2018, November 13, 2018 and February 12, 2019.**

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 | 5 | 5 |
| Mr. Uma Maheswara Rao Sikhinam | 5 | 5 |
| Mr. Rajesh Pillai | 5 | 5 |

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. 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:

- i. review & recommend to the Board on the structure and composition of the Board of Directors of the Company;

- ii. 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;
- iii. formulation of the criteria for evaluation of performance of independent directors and the board of directors;
- iv. devising a policy on diversity of Board of directors;
- v. 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;
- vi. review and implement succession and development plans for Managing Director, Executive Directors and Senior Management;
- vii. 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 2018-2019, three (3) meetings of Nomination and Remuneration Committee were held on **May 15, 2018** and **November 13, 2018, February 12, 2019**.

During the year 2018-2019, 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. Uma Maheswara Rao Sihinam | 3 | 3 |
| Mr. Mr. Amarjeet Singh Salwant(1) | 2 | 1 |
| Mr. Rajesh Pillai | 3 | 3 |

NOTES:

1. Mr. Amarjeet Singh Salwant ceases to be Director w.e.f. February 12, 2019.

5. REMUNERATION OF DIRECTORS:

- a. There is no pecuniary relationship or transaction of Non – Executive Director with the Company for the FY 2018-2019.
- 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, as available on the website of the company.
- 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, 2019)

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

6. Stakeholder Relationship 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 Dematerialization/ 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, 2019, 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. Nishi Dhirawat, Company Secretary is the Compliance Officer w.e.f. December 14, 2018 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, 2019.

Meetings and Attendance

During the year under review, 4 (Four) meeting of the SR Committee was held on: **May 15, 2018, August 11, 2018, November 13, 2018 and January 25, 2019.**

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

| Name | No. of Meetings Held | No. of Meetings attended |
|-------------------|----------------------|--------------------------|
| Mr. Rajiv Kotia | 4 | 4 |
| Mr. Rajesh Pillai | 4 | 4 |

1. GENERAL BODY MEETINGS:

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

| Annual General Meeting | Financial year | Date, Time and Place |
|---|----------------|--|
| 24 th Annual General Meeting | 2015 - 2016 | September 29, 2016, 10.00 a.m. 1st 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 th Annual General Meeting | 2016 - 2017 | August 17, 2017, 11.00a.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. | | |
| 26 th Annual General Meeting | 2017-18 | July 10, 2018, 11.00a.m. Dasha Khadayta Wadi, Nr. Ranchhodji Temple, Darbar Road, Rajpipla, Narmada-393145 |
| No special resolution was passed in Annual General Meeting held for FY 2017-18. | | |

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 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. 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.

3. GENERAL SHAREHOLDER INFORMATION:

a. Company Registration Details

The Corporate Identity Number (CIN):L65910GJ1993PLC018956.

b. Annual General Meeting for the FY 2018-2019

Day, Date and Time: Tuesday, July 09, 2019 at 10:30 a.m.

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

Book Closure Date: Wednesday, July 03, 2019 to Tuesday, July 09, 2019 (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, 2019 |
| 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 Scrip Code: 531433 | Ahmedabad Stock Exchange Limited (ASE)Kamdhenu Complex, Panjara Pole, Ambawadi, Ahmedabad, Gujarat – 380 015 Scrip Code: 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, 2018 to March, 2019

| Months | BSE | |
|----------------|------|------|
| | High | Low |
| April 2018 | 1.36 | 1.26 |
| May 2018 | 1.27 | 1.27 |
| June 2018 | 1.25 | 1.25 |
| July 2018 | - | - |
| August 2018 | 1.49 | 1.31 |
| September 2018 | 1.38 | 1.28 |
| October 2018 | 1.37 | 1.22 |
| November 2017 | 1.22 | 1.18 |
| December 2018 | 1.22 | 1.17 |
| January 2019 | 1.22 | 1.22 |
| February 2019 | 1.22 | 1.22 |
| March 2019 | 1.22 | 1.22 |

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 2018-2019.

(In Rs.)

| Months | High | | Low | |
|--------|-------------|------------|-------------|------------|
| | Share price | BSE SENSEX | Share price | BSE SENSEX |
| 18-Apr | 1.36 | 35213.3 | 1.26 | 32972.56 |
| 18-May | 1.27 | 35993.53 | 1.27 | 34302.89 |
| 18-Jun | 1.25 | 35877.41 | 1.25 | 34784.68 |
| 18-Jul | - | 37644.59 | - | 35106.57 |
| 18-Aug | 1.49 | 38989.65 | 1.31 | 37128.99 |
| 18-Sep | 1.38 | 38934.35 | 1.28 | 35985.63 |
| 18-Oct | 1.37 | 36616.64 | 1.22 | 33291.58 |
| 18-Nov | 1.22 | 36389.22 | 1.18 | 34303.38 |
| 18-Dec | 1.22 | 36554.99 | 1.17 | 34426.29 |
| 19-Jan | 1.22 | 36701.03 | 1.22 | 35375.51 |
| 19-Feb | 1.22 | 37172.18 | 1.22 | 36221.32 |
| 19-Mar | 1.22 | 39270.14 | 1.22 | 38460.52 |

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:

R.O. 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, 2019

| Category of Equity Shares | | No. of Shareholders | % to total | No. of Shares | % Percentage of Shareholding |
|---------------------------|--------|---------------------|---------------|------------------|------------------------------|
| Less than | 2,500 | 2383 | 62.96 | 2505320 | 1.36 |
| 2501 | 5000 | 350 | 9.24 | 1516630 | 0.82 |
| 5,001 | 10,000 | 286 | 7.56 | 2476070 | 1.35 |
| 10001 | 20000 | 190 | 5.02 | 3051740 | 1.66 |
| 20,001 | 30,000 | 115 | 3.03 | 3031920 | 1.65 |
| 30001 | 40000 | 71 | 1.88 | 2563450 | 1.39 |
| 40,001 | 50,000 | 73 | 1.93 | 3500600 | 1.90 |
| 50001 | 100000 | 127 | 3.36 | 9288640 | 5.05 |
| 100,001 | Above | 190 | 5.02 | 156100480 | 84.82 |
| TOTAL | | 3785 | 100.00 | 184034850 | 100.00 |

Shareholding pattern as on March 31, 2019

| Category | No. of Shares | % of Holding |
|------------------------------------|----------------|--------------|
| A) Promoter Holding | | |
| Individual | 4478200 | 24.33 |
| Body Corporate | 0 | 0 |
| Sub - Total (A) | 4478200 | 24.33 |
| B) Non-Promoters Holding | | |
| 1) Foreign Institutional Investors | 0 | 0.00 |
| 2) Non- Institutions | | |
| Bodies Corporate | 1437664 | 9.03 |
| Individuals | 12259396 | 69.61 |
| Non Resident Indians | 3400 | 0.02 |

| | | |
|-------------------------|-----------------|---------------|
| HUF | 224825 | 0.00 |
| Directors | 0 | 0.00 |
| Sub- Total(B)(2) | 13925285 | 75.67 |
| Grand Total(A+B) | 18403485 | 100.00 |

k. Dematerialization of shares and liquidity

The Company's shares are currently traded only in dematerialized form over BSE. To facilitate trading in dematerialized 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, 2019, 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, 2019 are as follows:

| Mode of Holding | Number of shares | % to total equity |
|----------------------|------------------|-------------------|
| Demat Mode: | | |
| CDSL | 9910302 | 53.85 |
| NSDL | 5100358 | 27.71 |
| Total | 15010660 | 81.56 |
| Physical Mode | 3392825 | 18.44 |
| Grand Total | 18403485 | 100.00 |

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 (h) above. For any query on the Annual Report and for any complaints or suggestions, please write to or contact:

Contact Person & Designation:

CS Nishi Dhirawat
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/sungold2006@gmail.com

Website: 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, 2019.

Mumbai, May 28, 2019

Rajiv Kotia
Chairman & 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, 2019 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 28, 2019

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, 2019 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 Bhatte & Co.
FRN: 131092W
Chartered Accountants

Daulal H Bhatte
Proprietor
Membership No: - 016937
Place: Mumbai
Date: May 28, 2019

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 28, 2019 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 31st March, 2019.

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 31st March, 2019.

For Bhatte & Co.
FRN: 131092W
Chartered Accountants

Daulal H Bhatte
Proprietor
Membership No: - 016937
Place: Mumbai
Date: May 28, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(As per clause C of Schedule V of the **Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015** read with regulation 34(3) of the said Listing Regulations).

To

The Members,

Sungold Capital Limited

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

Pursuant to Regulation 34 read with Schedule V of SEBI(Listing Obligation and Disclosure requirements)Regulation 2015 and on the basis of the declaration received from the Directors of the Sungold Capital Limited (the'Company'), I Mr. Suhas Sadanand Ganpule, Company Secretary in Practice hereby declare that the under stated Directors of the Company are not debarred or disqualified from being appointed or to continue as Director of the Company by SEBI/ Ministry of Corporate Affairs or any another Statutory Authority for the year ended March 31, 2019.

| Name of the Director | DIN |
|-------------------------------|----------|
| Mr. Rajiv Rameshchandra Kotia | 00135912 |
| Mr. Uma Maheswara Rao Sikhnam | 02914295 |
| Ms. Karishma Raturaj Kaku | 07214961 |
| Mr. Rajesh Narayan Pillai | 07585805 |

For SG & Associates

Suhas S. Ganpule
Practicing Company Secretary
Proprietor
Membership No. 12122
CP No. 5722

Date: 03.06.2019

Place: Mumbai

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, 2019, 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 31st March, 2019 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, 2019 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 Bhatler & Co.
FRN: 131092W
Chartered Accountants

Daulal H Bhatler
Proprietor
Membership No: - 016937
Place: Mumbai
Date: May 28, 2019

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 31st March 2019.

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 Bhatler & Co.
FRN: 131092W
Chartered Accountants

Daulal H Bhatler
Proprietor
Membership No: - 016937
Place: Mumbai
Date: May 28, 2019

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 31st March 2019 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 31st March 2019, 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 Bhatler & Co.
FRN: 131092W
Chartered Accountants

Daulal H Bhatler
Proprietor
Membership No: - 016937
Place: Mumbai
Date: May 28, 2019

ACCOMPANYING NOTES TO THE FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

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 the Bombay Stock Exchange (BSE)

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 31ST MARCH, 2019 | | | |
| Particulars | Note No | As on 31st Mar 2019 Rs. | As on 31st Mar 2018 Rs. |
| I. EQUITY AND LIABILITIES | | | |
| <u>Shareholder's Funds</u> | | | |
| (a) Share Capital | 3 | 184,034,850 | 184,034,850 |
| (b) Reserves and Surplus | 4 | 35,487,970 | 35,130,618 |
| <u>Non-Current Liabilities</u> | | | |
| <u>Current Liabilities</u> | | | |
| (a) Other Current Liabilities | 5 | 143,580 | 1,050,537 |
| (b) Short-Term Provisions | 6 | 2,002,095 | 1,077,818 |
| | | 221,668,495 | 221,293,823 |
| II. ASSETS | | | |
| <u>Non-Current Assets</u> | | | |
| - Fixed Assets | | | |
| Tangible Assets | | 3,714 | 56,577 |
| Non-Current Investments | 7 | 2,500,000 | 2,500,000 |
| Deferred Tax Assets (net) | 8 | 15,895 | 10,597 |
| Long Term Loans and Advances | 9 | 216,556,717 | 215,742,832 |
| <u>Current Assets</u> | | | |
| (a) Cash and cash equivalents | 10 | 386,661 | 1,166,624 |
| (f) Other current assets | 11 | 2,205,508 | 1,817,193 |
| | | 221,668,495 | 221,293,823 |

Notes referred to above form an integral part of Balance Sheet

For M/s Bhatler & Company
Chartered Accountant
FRN-131092W

For and on behalf of the Board of the Company

Daulal H. Bhatler
Proprietor

M.No.016937

Rajiv Kotia
Chairman & Managing Director
(DIN: 00135912)

Karishma Kaku
Director
(DIN: 07214961)

Place: Mumbai
Date: 28.05.2019

CS Nishi Dhirawat
Company Secretary

Pradipkumar Vaghela
Chief Financial Officer

| Sungold Capital Limited | | | | |
|--|---|----------|----------------------------------|----------------------------------|
| CIN: L65910GJ1993PLC018956 | | | | |
| PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2019 | | | | |
| Sr. No | Particulars | Sch. No. | For the year ended 31st Mar 2019 | For the Year ended 31st Mar 2018 |
| | | | Rs. | Rs. |
| I | Revenues | | | |
| | Revenue from operations | 12 | 18,515,297 | 13,858,585 |
| | Other Income | 13 | 4,699 | 6,512 |
| | Total Revenue | | 18,519,996 | 13,865,097 |
| II | Expenses: | | | |
| | Employee Benefit Expense | 14 | 12,184,411 | 7,461,298 |
| | Depreciation and Amortization Expense | 15 | 57,813 | 263,176 |
| | Other Administrative Expenses | 16 | 5,802,024 | 5,717,491 |
| | Total Expenses | | 18,044,248 | 13,441,965 |
| | Profit before tax | | 475,748 | 423,132 |
| | Tax Expense: | | | |
| | (1) Current tax | | 123,695 | 157,747 |
| | (2) Previous Year Income Tax | | - | 222,397 |
| | (2) Deferred tax | | 5,298 | 5,282 |
| | Profit(Loss) from the period from continuing operations | | 357,352 | 37,706 |
| | Profit/(Loss) for the period | | 357,352 | 37,706 |
| | Earning per equity share: | | | |
| | (1) Basic | | 0.019 | 0.002 |
| | (2) Diluted | | 0.019 | 0.002 |

Significant Accounting policies and Notes to Accounts

Notes referred to above form an integral part of Profit & loss Statement
This is the profit and loss statement referred to our report of even date

For M/s Bhatler & Company
Chartered Accountant
FRN-131092W

For and on behalf of the Board of the Company

Daulal H. Bhatler
Proprietor
M.No.016937

Rajiv Kotia
Chairman & Managing Director
(DIN: 00135912)

Karishma Kaku
Director
(DIN: 07214961)

Place: Mumbai
Date: 28.05.2019

CS Nishi Dhirawat
Company Secretary

Pradipkumar Vaghela
Chief Financial Officer

| Sungold Capital Limited | | | | |
|---|--|-----------------|--|------------------|
| CIN: L65910GJ1993PLC018956 | | | | |
| Cash Flow Statement for the Year Ended on 31st March, 2019 | | | | |
| Particulars | For the Year Ended on 31st March, 2019 | | For the Year Ended on 31st March, 2018 | |
| | Rs. | Rs. | Rs. | Rs. |
| A. Cash Flow From Operating Activities | | | | |
| Net Profit Before Tax & Extraordinary Items | | 475,748 | | 423,132 |
| Adjustments for : | | | | |
| Add : Depreciation | 57,813 | | 263,176 | |
| Add: Provision for Standard Assets | - | | - | |
| Less: Bank Interest | -4,699 | | -6,512 | |
| Less: Deferred Tax Liabilities | - | 53,114 | - | 256,664 |
| Operating Profit Before Working Capital Changes | | 528,863 | | 679,796 |
| Adjustments for changes in working capital : | | | | |
| Decrease in Trade Receivables | | | - | |
| Loan and Advance | -813,885 | | 16,828 | |
| Other Current Assets | -388,315 | | 159,864 | |
| Short Term Provisions | 924,276 | | 120,038 | |
| Increase in Other Current Liabilities | -911,909 | | 167,500 | |
| | | -1,189,833 | | 364,230 |
| Cash Generated for Operations | | -660,970 | | 1,044,026 |
| Income Tax Paid | | -123,695 | | -380,144 |
| Net Cash from Operating Activities (A) | | -784,665 | | 663,882 |
| B. Cash Flow From Investing Activities | | | | |
| Short Term Borrowings | - | - | | - |
| Purchase of Fixed Assets | | | | -57,512 |
| Sale of Investment | - | - | | |
| Deposit Given | - | - | | - |
| Net Cash Used in Investing Activities (B) | | - | | -57,152 |
| C. Cash Flow From Financing Activities : | | | | |
| Receipt/(Payment) of Short Term Borrowings | - | | | - |
| Bank Interest | | 4,699 | 6,512 | - |
| Issue of Share Capital | - | | | - |
| Share Premium | - | | | - |
| Share Application Money Refunded | - | | | - |
| Share Application Money Received | - | | | - |
| Net cash used in Financing Activities (C) | | 4,699 | | 6,512 |
| Net Increase In Cash & Cash Equivalent (A+B+C) | | -779,996 | | 613,242 |
| Cash & Cash Equivalents At The Beginning Of The Year | | 1,166,626 | | 553,384 |
| Cash & Cash Equivalents At The End Of The Year | | 386,660 | | 1,166,626 |

For M/s Bhatte & Company
Chartered Accountant
FRN-131092

For and on behalf of the Board of the Company

Daulal H. Bhatte
Proprietor

Rajiv Kotia
Chairman & Managing Director
(DIN: 00135912)

Karishma Kaku
Director
(DIN: 07214961)

M.No.016937
Place: Mumbai
Date: 28.05.2019

CS Nishi Dhirawat
Company Secretary

Pradipkumar Vaghela
Chief Financial Officer

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31,
2019 FORMING PART OF BALANCE SHEET:-**

Note : 3 Share Capital

| | Particulars | As at 31st Mar 2019 | As at 31st Mar 2018 |
|--|--|------------------------|------------------------|
| | | Rs. | Rs. |
| | AUTHORIZED CAPITAL 2, 00, 00,000 Equity Shares of Rs. 10/- each. | 200,000,000 | 200,000,000 |
| | | - | - |
| | ISSUED, SUBSCRIBED & PAID UP CAPITAL 1,84,03,485 Equity Shares of Rs. 10/- each, Fully Paid | 184,034,850 | 184,034,850 |
| | Total | 184,034,850 | 184,034,850 |

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) Reconciliation of the number Equity Shares

| Particular | As at 31st Mar 2019 | As at 31st Mar 2018 |
|--------------------------------------|------------------------|------------------------|
| | 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) Details of shares held by each shareholder holding more than 5% shares

| Name of Shareholder | As at 31st Mar 2019 | | As at 31st Mar 2019 | |
|---------------------|------------------------|-----------|------------------------|-----------|
| | Shares | % Holding | Shares | % Holding |
| Ashok G Mody | 1,336,200 | 7.26 | 1,336,200 | 7.26 |
| Rajiv Kotia | 2,142,000 | 11.64 | 2,142,000 | 11.64 |
| Raj Kotia | 1,000,000 | 5.43 | 1,000,000 | 5.43 |

Note : 4 Reserve & Surplus

| Sr. No | Particulars | As at 31st Mar 2019 | As at 31st Mar 2018 |
|--------|--|------------------------|------------------------|
| 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 | 2,204,463 | 2,196,922 |
| | Add : Surplus transferred from Statement of Profit & Loss | 71,470 | 7,541 |
| | Balance at the end of the year | 26,255,556 | 26,184,086 |
| D | Surplus of Statement of Profit and Loss | | |
| | Opening Balance | 8,946,532 | 8,916,367 |
| | Add : Net Profit | 357,352 | 37,706 |
| | Less: Amount Transfer to Reserve Fund | 71,470 | 7,541 |
| | Less: TDS Amount not received | | - |
| | Net Surplus in Profit and Loss Account | 9,232,413 | 8,946,532 |
| | Total | 35,487,970 | 35,130,618 |

Note : 5 Other Current Liabilities

| Sr. No | Particulars | As at 31st Mar 2019 | As at 31st Mar 2018 |
|--------|--------------------|------------------------|------------------------|
| | Accured Expenses | 143,581 | 237,500 |
| | Stamp Duty Payable | | 813,037 |
| | Total | 143,581 | 1,050,537 |

Note: 6 Short Term Provisions

| Sr. No | Particulars | As at 31st Mar 2019 | As at 31st Mar 2018 |
|--------|--|------------------------|------------------------|
| | Tax Deducted at Sources- Payable | 53,480 | 19,500 |
| | Income Tax Provision | 281,442 | 157,747 |
| | Contingent Provision against Standard Assets | 866,227 | 862,997 |
| | Creditors | 743,436 | |
| | Audit Fees | | |
| | Statutory Fees | 27,730 | 27,575 |
| | Other Audit Fees | 24,780 | 5,000 |
| | Professional Fees | 5,000 | 5,000 |
| | Total | 2,002,095 | 1,077,819 |

Note : 7 Non Current Investment

| Sr. No | Particulars | As at 31st Mar 2019 | As at 31st Mar 2018 |
|--------|--|------------------------|------------------------|
| | Teflas Commodity Interface Pvt. Ltd 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. | 2,500,000 | 2,500,000 |
| | Total in Rs. | 2,500,000 | 2,500,000 |

Note : 8 Deferred Tax Assets

| Sr. No | Particulars | As at 31st Mar 2019 | As at 31st Mar 2018 |
|--------|-------------------------|------------------------|------------------------|
| | Opening Balance | 10,597 | 15,879 |
| | (+)/(-) During the Year | - 5,298 | 5,282 |
| | Total | 15,895 | 10,597 |

Note: 9 Long Term Loan and Advance

| Sr. No | Particulars | As at 31st Mar 2019 | As at 31st Mar 2018 |
|--------|----------------------------|------------------------|------------------------|
| | Unsecured, Considered Good | 216,556,717 | 215,742,832 |
| | Total | 216,556,717 | 215,742,832 |

Note : 10 Cash and Cash Equivalents

| Sr. No | Particulars | As at 31st Mar 2019 | As at 31st Mar 2018 |
|--------|---|------------------------|------------------------|
| | Balance with Banks | 190,422 | 391,455 |
| | Cash in Hand (as certified by a Director) | 196,239 | 775,169 |
| | Total | 386,661 | 1,166,624 |

Note : 11 Other Current Assets

| Sr. No | Particulars | As at 31st Mar 2019 | As at 31st Mar 2018 |
|--------|-------------------------|------------------------|------------------------|
| | Deposits | 50,910 | 50,000 |
| | Tax Deducted at Sources | 2,154,598 | 1,767,193 |
| | Total | 2,205,508 | 1,817,193 |

Note : 12 Revenue from operation

| Sr. No | Particulars | For the year ended 31st Mar 2019 | For the Year ended 31st Mar 2018 |
|--------|-------------------------------|--|--|
| | | Rs. | Rs. |
| | Interest - NBFC Income | 18,121,887 | 13,593,485 |
| | Entertainment Division | 320,260 | 182,900 |
| | Software Development Division | 73,150 | 82,200 |
| | Total | 18,515,297 | 13,858,585 |

Note : 13 Other Income

| Sr. No | Particulars | For the year ended 31st Mar 2019 | For the Year ended 31st Mar 2018 |
|--------|-------------------|--|--|
| | Interest on FDR's | 4,699 | 6,512 |
| | Total | 4,699 | 6,512 |

Note : 14 Employee Benefit Expense

| Sr. No | Particulars | For the year ended 31st Mar 2019 | For the Year ended 31st Mar 2018 |
|--------|------------------------|----------------------------------|----------------------------------|
| | Salary | 12,103,040 | 7,310,569 |
| | Staff Welfare Expenses | 81,371 | 150,729 |
| | Total | 12,184,411 | 7,461,298 |

Note : 15 Depreciation and Amortization Expense

| Sr. No | Particulars | For the year ended 31st Mar 2019 | For the Year ended 31st Mar 2018 |
|--------|----------------------------|----------------------------------|----------------------------------|
| | Depreciation | 57,813 | 142,176 |
| | Intangible Asset Amortized | | 121,000 |
| | Total | 57,813 | 263,176 |

Note : 16 Other Administrative Expenses

| Sr. No | Particulars | For the year ended 31st Mar 2019 | For the Year ended 31st Mar 2018 |
|--------|--|----------------------------------|----------------------------------|
| | Telephone Expenses | 30,814 | 24,179 |
| | Entertainment Division Expenses | 47,711 | 180,304 |
| | Software Development Division Expenses | 43,000 | 61,700 |
| | Electricity Expenses | 52,656 | 53,747 |
| | Rent | 1,478,030 | 591,600 |
| | Repair & Maintenance Charges | 48,371 | 86,633 |
| | Bank Charges | 5,911 | 3,509 |
| | Newspaper & Periodics | 14,923 | 7,661 |
| | Internet Expense | 10,400 | 10,974 |
| | Legal & Consultancy Expenses | 87,500 | 185,953 |
| | Office Expenses | 251,579 | 288,530 |
| | Postage & Courier / Telegram | 179,922 | 119,608 |
| | Printing & Stationery / Xerox | 155,615 | 242,066 |
| | Professional Fees | 63,780 | 50,501 |
| | ROC Filling and Expenses | 7,800 | 18,306 |
| | RTA Charges | 47,116 | 27,467 |
| | STA Annual fees | 3,540 | - |
| | BSE Limited Listing fees | 295,000 | 287,500 |
| | NSDL- CDSL Annual Custodial Fees | 106,480 | 116,541 |
| | E-Voting Expenses | 1,180 | 1,180 |
| | Website Maintenance Expense | 43,500 | 42,750 |
| | TDS Filling Expense | 1,550 | 3,685 |
| | Books & Periodicals | 5,160 | 8,065 |
| | Computer Expenses | 34,070 | 59,722 |
| | Commission Expenses | 250,000 | 250,000 |
| | Domain Registration Expenses | 8,000 | 8,000 |
| | Secretarial Audit Fees | 24,780 | 29,000 |
| | Director Remuneration | 1,900,600 | 2,000,000 |
| | Advertisement Expenses | 41,000 | 64,825 |
| | Business Promotion Expenses | 102,798 | 120,447 |
| | Travelling Expenses | 212,460 | 446,578 |
| | Marketing Expenses | 73,000 | 83,000 |
| | Contingent Provision for Standard Assets | 3,230 | 107,605 |
| | Sitting Fee | 106,000 | 70,000 |
| | Demat Fees Expenses | 581 | 581 |
| | CIBIL Annual Fees | 9,437 | 5,900 |
| | CIBIL Membership Charges | 11,800 | 11,800 |
| | Payment to Auditor | | |
| | Statutory Audit | 27,730 | 27,575 |
| | Internal Audit | 15,000 | 20,000 |
| | Total | 5,802,024 | 5,717,491 |

Depreciation as per Companies Act, 2013

Sungold Capital Limited
CIN: L65910GJ1993PLC018956
Fixed Assets and Depreciation

| Fixed Assets | | | | | | | | | | |
|----------------------------|-------------------|--------------|------------|-------------------|-------------------------------|----------------|-----------|-------------------|-------------------|-------------------|
| Description | Gross Block | | | | Depreciations / Amortizations | | | | Net Block | |
| | As at 31st Mar 18 | Addition | Deductions | As at 31st Mar 19 | As at 31st Mar 18 | For the Period | Deletions | As at 31st Mar 19 | As at 31st Mar 18 | As at 31st Mar 19 |
| | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. | Rs. |
| Tangible Assets | | | | | | | | | | |
| Computer | 417,512 | 4,950 | - | 422,462 | 402,796 | 15,954 | - | 418,750 | 14,716 | 3,714 |
| Mobile | 56,020 | - | - | 56,020 | 56,022 | | - | 56,022 | - | - |
| Furniture | 511,734 | - | - | 511,734 | 469,873 | 41,861 | - | 511,734 | 41,861 | - |
| Projector Office Equipment | 310,500 | - | - | 310,500 | 310,500 | | - | 310,500 | - | - |
| | 191,117 | - | - | 191,117 | 191,117 | | - | 191,117 | - | - |
| Total (A) | 1,486,883 | 4,950 | - | 1,491,833 | 1,430,308 | 57,815 | - | 1,488,123 | 56,577 | 3,714 |

18. ACCOMPANYING NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

a. Auditor's Remuneration:

(Rs. in Lakhs)

| Particular | 2018-19 | 2017-18 |
|----------------------------|---------|---------|
| As Auditor Statutory Audit | 0.28 | 0.28 |
| Total | 0.28 | 0.28 |

b. Related Party Transactions (Accounting Standard -18):

i. Name of Related Parties:

| Name of the Party | Relationship |
|----------------------|--|
| Mr. Rajiv Kotia | Managing Director |
| *Ms. Nishi Dhirawat | Company Secretary & Compliance Officer |
| **Mr. Pradip Vaghela | Chief Financial Officer |
| ***Mr. Daiv Kotia | Relative of Key Managerial Personnel |

*Ms. Nishi Dhirawat appointed w.e.f. 14.12.2018.

**Mr. Pradip Vaghela appointed w.e.f 11.05.2018.

** Mr. Daiv Kotia resigned w.e.f 12.02.2019

ii. Transactions with Related Parties:

| Name of the Party | Nature of relation | Nature of Transaction | Year ended 31.03.2019 | Year ended 31.03.2018 |
|-----------------------|-----------------------------------|-------------------------|-----------------------|-----------------------|
| Mr. Rajiv Kotia | Key Management Person | Director's Remuneration | 19,00,600 | 20,00,000 |
| *Ms. Sowjanya Poojary | Key Management Person | Salary paid | 89,400 | 67,500 |
| **Ms. Nishi Dhirawat | Key Management Person | Salary paid | 91,800 | - |
| ***Mr. Pradip Vaghela | Key Management Person | Salary paid | 3,50,000 | - |
| ****Mr. Daiv Kotia | Relative of Key Management Person | Salary paid | 6,57,871 | 173,000 |

*Ms.Sowjanya Poojary resigned w.e.f. 22.10.2018.
 **Ms. Nishi Dhirawat appointed w.e.f. 14.12.2018.
 ***Mr.Pradip Vaghela appointed w.e.f 11.05.2018.
 **** Mr. Daiv Kotia resigned w.e.f 12.02.2019

b. Leases (Accounting Standard – 19)

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

- d. Company has transfer an amount of Rs.71,470 (P.Y. of Rs7,541/-) 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, 2019 | Year ended March 31, 2018 |
|--|------------------------------|------------------------------|
| Profit attributable to Equity Shareholders (in Rs.) | 3,57,352 | 37,706 |
| 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.) | 0.019 | 0.002 |
| Diluted Earnings per Share (in Rs.) | 0.019 | 0.002 |

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

(IN LAKHS)

| Particulars | Year ended 31.03.2019 | Year ended 31.03.2018 |
|--------------------------------------|-----------------------|-----------------------|
| Segment Revenue | | |
| (a) segment - NBFC | 181.26 | 136.00 |
| (b) segment-Entertainment | 3.20 | 1.83 |
| (c)segment-Software Development | 0.73 | 0.82 |
| Total | 185.19 | 138.65 |
| Segment Result | | |
| (a) segment - NBFC | 1.73 | 4.00 |
| (b) segment-Entertainment | 2.73 | 0.03 |
| (c)segment-Software Development | 0.30 | 0.20 |
| Total | 4.75 | 4.23 |
| Less: Unallocated corporate expenses | NIL | NIL |
| Profit before tax | 4.75 | 4.23 |
| Less:Tax expenses | 1.23 | 1.58 |
| Less:Previous year's tax | | 2.22 |
| Add:-Deferred Tax | -0.05 | -0.05 |
| Net Profit | 3.57 | 0.38 |

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 | 2018-19 | 2017-18 |
|--|---------|---------|
| 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 | 01.00174 | 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

| Breakup of 'Provision and Contingencies' shown under the head Expenditure in Statement of Profit and Loss | 2018-19 | 2017-18 |
|---|---------|---------|
| 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 | 1.24 | 1.58 |
| Provision for standard assets | 8.66 | 8.63 |

i. Concentration of Advance & Exposures

(Rs. in Lakhs)

| Particulars | 2018-19 | 2017-18 |
|---|---------|---------|
| Total advance to twenty largest borrowers | 1926.32 | 1928.95 |
| Percentage of advances to twenty largest borrowers to total advance of the NBFC | 88.95% | 89.41% |

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, 2019 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 standard asset provision of Rs.8.66 Lakhs being 0.40% of Standard Assets as of March 31, 2019, 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 M/s Bhatler & Company
Chartered Accountant
FRN-131092W

Daulal H. Bhatler
Proprietor

M.No.016937

Place: Mumbai
Date: 28.05.2019

Rajiv Kotia
Chairman & Managing Director
(DIN: 00135912)

CS Nishi Dhirawat
Company Secretary

For and on behalf of the Board of the Company

Karishma Kaku
Director
(DIN: 07214961)

Pradipkumar Vaghela
Chief Financial Officer

BALANCE SHEET OF A NON DEPOSIT NON-BANKING FINANCIAL COMPANY AS ON MARCH 31, 2019

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 | | 2018-19 | |
| Liabilities: | | Amount outstanding | Amount overdue |
| (1) | Loans and advances availed by the nonbanking financial company inclusive of interest accrued thereon but not paid: | | |
| | (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 | | |
| Assets: | | Amount outstanding | |
| (2) | Break-up of Loans and Advances including bills receivables [other than those included in (4) below] : | | |
| | (a) Secured | NIL | |
| | (b) Unsecured | 2165.57 | |
| (3) | Break up of Leased Assets and stock on hire and other assets counting towards AFC activities | | |
| | (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) | Break-up of Investments : | | |
| | 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 |
| | | | 2018-2019 |
| | | | 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 | | - 2165.57 2165.57 |
| (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:

1. As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve bank) Directions 1998.
2. Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
3. 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 M/s Bhatler & Company
Chartered Accountant
FRN-131092W

Daulal H. Bhatler
Proprietor

M.No.016937

Place: Mumbai
Date: 28.05.2019

For and on behalf of the Board of the Company

Rajiv Kotia
Chairman & Managing Director
(DIN: 00135912)

CS Nishi Dhirawat
Company Secretary

Karishma Kaku
Director
(DIN: 07214961)

Pradipkumar Vaghela
Chief Financial Officer

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
Contact No. 8108756812/022- 28891692, E-mail id: info@sungoldcapitallimited.com Website: www.sungoldcapitallimited.com

ATTENDANCE SLIP (to be presented at the entrance)

27th Annual General Meeting - Tuesday, July 09, 2019 at 10:30 am at

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
Contact No. 8108756812/022- 28891692, E-mail id: info@sungoldcapitallimited.com Website: 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) : _____

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 on an my /our behalf at the 27th Annual General Meeting of the Company to be held on Tuesday, July 09, 2019 at 10:30 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 |
|--------------------------|--|
| ORDINARY BUSINESS | |
| 1. | To receive, consider and adopt the Audited Financial Statements of the Company, for the financial year ended March 31, 2019 along with the Board and Auditor's Report thereon. |
| 2. | To appoint 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 |
| SPECIAL BUSINESS | |
| 3. | To re-appoint Mr. Uma Maheshwara Rao Sikhinam as an Independent Director of the company. |

Signed this _____ day of _____ 2019

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

E-mail id: sungold2006@gmail.com, info@sungoldcapitallimited.com