

SUNGOLD CAPITAL LIMITED



17TH ANNUAL REPORT 2008-09

भाई
दि लॉयन

9196
Royal Film Company Presents

BHAI

THE LION

Produced by : IMRAN QURESHI Directed by : SREEVAS
Music : MANI SHARMA Lyrics : NAWAB ARZOO Dialogues : GOPAL RAM

BOARD OF DIRECTORS

Mr. Raajiv Kotia – Chairman & Managing Director

Mr. Kedar Jape – Joint Managing Director

Mr. Sharad Gandhi

Mr. Ashok G. Modi

Mr. Hemant Shah

Ms. Anoma Contractor

Mr. D. S. Sharma.

BANKERS

The Bhuj Mercantile Co. Operative Bank Limited

Bank of Baroda

AUDITORS

M/s. Samria & Co

Chartered Accountant

2/E, Court Chambers

35-New Marine Lines

Mumbai - 400 020.

CONSULTANTING COMPANY SECRETARY

SG & Associates

Suhas Ganpule,

Mumbai - 400 062

Membership No - 5722

REGISTERED OFFICE

205, Jeet Complex, Near Jain Temple
C G Road, Navarangpura
Ahemdabad, 380 009 (Gujarat)
Tel: +91-079-2656 5441, Fax: +91-079-2646 4441
Email ID - sungold2006@gmail.com

CORPORATE OFFICE

16 / 129, 1st Floor, Unnat Nagar 4,
CCI Colony, Behind Sainath Auto,
Off. M.G. Road, Goregaon (West),
Mumbai - 400 062
Tel: +022-28776089
Email ID - sungold2006@gmail.com

REGISTRAR AND SHARE TRANSFER AGENT

Satellite Corporate Services Pvt. Ltd.
B - 302, Sony Apartment,
Opp. St. Jude's High School,
Off Andheri-Kurla Road,
Jarimari, Sakinaka,
Mumbai - 400072

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CHAIRMAN'S STATEMENT

Dear Shareholder,

I am delighted to share with you the update for the Financial Year 2008 - 09, **SUNGOLD CAPITAL LIMITED** has turned out company building performance with good results. The rapid, linear front growth path of the Indian economic landscape is an uncontested fact.

The world, at lightning speed, continues to globalize and become interdependent. For those among us who had not quite appreciated the depth of this change, the 2008 global economic crisis drove home this message forcefully.

Growth, however, is achieved in the true sense only when it is for everyone. Only when the lowest common denominator of the society benefits from the dividends of growth does it reach its true objectives. Only when development reduced the divide between the various strata that exist in society is it considered beneficial. A country progresses only when its constituents are upwardly mobile.

In short, true growth includes one and all.

However, it is not the sole responsibility of the government or policy makers to drive the engine of growth. Industry needs to be an equal participant in creating an atmosphere of opportunity and economic self dependence for all. It is imperative that an increase in prosperity levels be facilitated through the creation of industrial infrastructure, service opportunities and a broad based entrepreneurial culture that spurs further growth.

Tough times are good times

Today, the cyclical nature of the global economy is a reality we have learnt to live with. Year 2008 saw the end of the expansion phase. The impact was visible in the real economy, the financial markets and the policy options available to the regulators. As the global economic growth gradually slowed to near zero levels, the hardest hit was the advanced economics.

The Macro Perspective

In the Media & Entertainment industry the indicators continue to be very positive and the opportunities inherent in this rise have driven us to look forward to making your company a complete entertainment organization, inclusive of film distribution and exhibition. We have moved forward in providing technological support to theatres who wish to move to newer digital technologies in the exhibition space. We have already made inroads in creating quality TV content which we hope to capitalize sooner than later.

As we continue to succeed in your company's entertainment division, we wish to grow in your NBFC initiative. Since the financial markets have been uncertain in the past few months we have been very cautious in moving further. However caution is prudence in such times and we hope that we will take your company to a respectable position in this initiative.

Appreciation

I take this opportunity to graciously acknowledge the unremitting support of our Shareholders, Investors, Customers and Employees, which is vital for the realization of our goals. I'm grateful to all of you for your support and the trusts bestowed upon us and look forward to the same in greater measure in the years ahead.

Best regards,

Raajiv Kotia
Chairman

NOTICE

NOTICE is hereby given that the 17TH Annual General Meeting of M/S Sungold Capital Limited will be held at the registered office of the Company situated at "205, Jeet Complex, Nr. Jain Temple, C. G. Road, Navrangpura, and Ahmedabad." on Thursday, the 27th day of August 2009 at 9.30 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Profit & Loss Account for the year ended 31st March 2009 and Audited Balance Sheet as on that date together with the Reports of the Board of Directors and the Auditors report and notes thereon.
2. To re-appoint Mr. Ashok Modi Director, who is liable to retire by rotation and being eligible offers himself for re- appointment.
3. To consider unwillingness for re - appointment of Mr. Pradeep Patel, who retire by rotation at this meeting.
4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s. Samria & Co. Chartered Accountants ,Mumbai be and are hereby re- appointed to act as a Statutory Auditors of the Company to hold office from the conclusion of this AGM upto the conclusion of next AGM, on such remuneration in addition to the reimbursement of traveling and other out of pocket expenses incurred/ may be incurred which are ancillary or incidental to their functions, as may be agreed between the Board of Directors of the Company and the Auditors and that the Board of Directors of the Company be and are hereby authorized to make any alteration in the remuneration as may be required.

SPECIAL BUSINESS

5. The Chairman informed the Board of Directors to appoint Mr. D. S. Sharma as a director of the Company, who is apart from retiring directors.

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

"RESOLVED THAT, pursuant to Section 257, and other applicable provision, if any, of the Companies Act, 1956 Mr. D. S. Sharma is to be appointed as Director of the Company and in respect of whom the Company has received a notice in writing proposing his candidature for the office of director.

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

"RESOLVED THAT subject to the provisions of section 372A of the Companies Act, 1956 and also pursuant to the provisions of the Memorandum and Article of Association of the Company applicable, if any, the Company be and is hereby authorized to make an investment upto 51% of the paid up Equity Capital of Tefla's Interface Private Limited, Shree Krishna Holiday Homes and Farms Limited, Shree Krishna Infrastructure Limited and Kentreck Laboratories Private Limited & the takeover of two Proprietary Firms i.e. Trovine Health Care and Onix Pharmaceuticals."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to make the said investment out of the cash reserves or by way of the issue of equity shares as may be decided between the Board of Directors of the above mentioned Companies."

"RESOLVED FURTHER THAT the Directors of the Company be and are hereby authorized to do all such acts, deeds and things to give effect to the above resolution."

RESOLVED FURTHER THAT subject to the valuation of shares of the all the four Transferor Companies & valuation of business of two proprietary firms and the Transferee Company if the acquisition is done by way of swapping of the shares then in that case the Board of Directors of the Company be and are hereby authorized to approach the Stock Exchanges for the Listing approval and also any other statutory approvals as may be required by the Company along with members approval."

7. To consider and, if thought fit, to pass with or without modification, the following Resolution as a Special Resolution :

"RESOLVED THAT pursuant to Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approvals, consents, permissions and/ or sanctions as may be necessary from the Government of India (GOI), Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), the Listing Agreement entered by the Company with the Stock Exchanges and other appropriate authorities, institutions or bodies and subject to such conditions as may be prescribed by any of them in granting any such approval, consent, permission or sanction, the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee of the Board exercising the powers conferred by the Board) be and are hereby authorized on behalf of the Company to issue/ offer and allot Global Depository Receipts (GDR's)/ American Depository Receipts (ADR's)/ Euro Convertible Bonds (ECB's)/ Foreign Currency Convertible Bonds (FCCB's)/ Secured Premium Notes (SPN), any Securities convertible into, Equity shares whether optionally or otherwise (hereinafter referred to as "Securities") for an aggregate amount not exceeding US \$ 10 million or in equivalent Indian and/or any other currency (ies) (inclusive of premium, as may be fixed on such Equity shares to Indian or Foreign Investors (Whether Institutions, Incorporated Bodies, Mutual Funds and/ or Individuals or otherwise and whether or not such Investors are members of the Company) through Offer documents at such time or times in such tranche(s), at such prices either with or without premium to market price or prices in such manner and on such terms and conditions as may be decided by the Board from time to time."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby also authorized to issue/ offer and allot Global Depository Receipts (GDR's)/ American Depository Receipts (ADR's)/ Euro Convertible Bonds/ Foreign Currency Convertible Bonds (FCCB's)/ Secured Premium Notes (SPN), any other Securities convertible into, Equity shares whether optionally or otherwise (hereinafter referred to as "Securities") or at a price not lower than determined as per any statutory authorities or otherwise which the Board may decide to Institutional Investors/ Corporate bodies/ Financial Institutions/ Pension/ Pension funds/ Private Equity funds/ Mutual Funds/ Banks etc. on private placement and /or preferential basis to facilitate the above said purpose."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do act and deeds necessary thereto including security, rate of interest etc. as may be decided and deemed appropriate at the time of such allotment considering the prevailing market conditions and other relevant factors in consultation with the Lead Managers and Underwriters or through the Subsidiaries by way of private placement or by Initial Public Offer in US or overseas, so as to enable the Company to get listed at NASDAQ and / or New York Stock Exchange or London Stock Exchanges or Luxembourg Stock Exchange an/ or any of the Overseas Stock Exchanges."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to accept any modifications in the proposal as may be required by the authorities involved in such issues but subject to such conditions as the SEBI/ GOI/RBI or such appropriate authorities may impose at the time of their approval and as agreed to by the Board."

"RESOLVED FURTHER THAT without prejudice to the generality of the above, issue of securities in international offering may have all or any term or combination of terms in accordance with the international practice including but not limited to conditions in relation to payment of interest whatsoever and all such terms as are provided in international offering of this nature including terms for issue of additional Equity Shares or variation of the conversion price of the Securities during the duration of the Securities."

"RESOLVED FURTHER THAT the Directors of the Company are entitled to enter into and to execute all such arrangements/ agreement with any Lead Manager/ Underwrites/ Guarantors/ Depositors/ Custodians and all such agents as may be involved or concerned in such offering of securities and to remunerate all such agents including by way of payment or commission, brokerage, fees, expenses incurred in relation to the issue of securities and other expenses, if any or the likes."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby also authorized subject to approval of the Reserve Bank of India and the concerned authorities to secure the entire or any part of the issue by creation of the mortgage/ charge on the Company's immovable and movable properties present and future, such charge to rank either pari passu with or second, subsequent, subservient and subordinate to all the mortgages/charges created/ to be created by the Company for all existing and future borrowing and facilities whatsoever."

"RESOLVED FURTHER THAT the Company and/ or agency or body authorized by the Company may issue Global Depository Receipts and/or other form of securities mentioned herein above representing the underlying Equity Shares issued by the Company in registered or bearer form with such features and attributes as are prevalent in international capital markets for instruments of this nature and to provide for the tradability or free transferability thereof as per the international practices and regulations and under the forms and practices prevalent in the international market."

"RESOLVED FURTHER THAT the Securities issued in international offering shall be deemed to have been made abroad in the markets and /or at the place of issue of the Securities in international markets and shall be governed by English or American Law, as the case may be."

"RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of equity shares as may be required to be issued and allotted upon conversion of any securities referred to in paragraph(s) above as may be necessary in accordance with the terms of the offerings and all such shares rank pari passu with the existing equity share of the Company in all respects, excepting such rights as to dividend as may be provided under the terms of issue and in the offer Document."

"RESOLVED FUTHER THAT for the purpose of giving effect to any issue of allotment of equity shares or securities or instruments or American Depository Receipts/ Global Depository Receipts or Securities representing the same, the Board be and is hereby authorized to do all such acts, deeds, matter and things as it may, in its absolute discretion, deem, necessary or desirable and to settle any questions, difficulty or doubt that may arise in regard to the offering, issue, allotment and utilization of the issue proceeds, as it may in its absolute discretion, deem fit and proper."

An Explanatory Statement as required under the Companies Act, 1956 in respect of the business specified above is annexed hereto.

8. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 198, 269, 309, 310, and 314 read with Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 and subject to the approval of any other authorities, if any, the terms and conditions of appointment of Mr. Raajiv Kotia, as the Chairman & Managing Director of the Company, be and is hereby revised for the period of three years w.e.f 30th June, 2009 on such terms and conditions as decided by the Board of Directors of the Company is set out here as under:

SALARY: Rs. 24, 00,000/-per annum. (including perquisites)

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary, from time to time the percentage and quantum of the commission payable to the Managing Director, provided that the total remuneration payable whether by way of salary, perquisites, commission, allowances and benefits, shall not exceed the ceiling laid down under Section 309 of the Companies Act, 1956."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Company will pay remuneration by way of salary, allowances, perquisites and benefits as specified above, subject to obtaining requisite approvals."

"RESOLVED FURTHER THAT the scope and the quantum of the remuneration as specified hereinabove, may be enhanced, enlarged or varied by the Board of Directors, in the light of and conformity with any amendments to the relevant provisions of the Companies Act, 1956 and/or the rules and regulations made there under and/or such guidelines as may be announced by the Government of India, from time to time."

9. To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT, pursuant to Section 198, 269, 309, 310, and other applicable provisions if any of the Companies Act, 1956 read with Schedule XIII thereto as amended up to date & all the guidelines for managerial remuneration issued by the Central Government from time to time, and subject to such other the approvals if any as may be necessary, the consent of Members of the Company be & is hereby accorded to decide the terms and conditions of appointment & remuneration of Mr. Kedar Jape as the Joint Managing Director for a period of three years w.e.f 27th August, 2009 as decided by the Board of Directors of the Company which is set out here as under:

SALARY: Not Exceeding Rs. 6, 00, 000/-per annum. (including perquisites)

"RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to vary, from time to time the percentage and quantum of the commission payable to the Joint Managing Director, provided that the total remuneration payable whether by way of salary, perquisites, commission, allowances and benefits, shall not exceed the ceiling laid down under Section 309 of the Companies Act, 1956."

"RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year, the Company will pay remuneration by way of salary, allowances, perquisites and benefits as specified above, subject to obtaining the requisite approvals."

"RESOLVED FURTHER THAT the scope and the quantum of the remuneration as specified hereinabove, may be enhanced, enlarged or varied by the Board of Directors, in the light of and conformity with any amendments to the relevant provisions of the Companies Act, 1956 and/or the rules and regulations made there under and/or such guidelines as may be announced by the Government of India, from time to time."

10. To Consider and if thought to pass with or without modification(s), the following resolution as Special Resolution.

"RESOLVED THAT pursuant to applicable provisions, if any, of the Companies Act, and subject to approvals, consents, permissions and/ or sanctions as may be necessary from the Securities and Exchange Board of India (SEBI), the Listing Agreement entered by the Company with the Stock Exchanges and other appropriate authorities, institutions or bodies and subject to such conditions as may be prescribed by any of them in granting any such approval, consent, permission or sanction, the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall be deemed to include any committee of the Board exercising the power the Board of Directors of the Company be and is hereby authorized, to raise fund an aggregate amount not exceeding limit of Rs. 75 Crores by issuing Equity Shares to Public through Follow on Public Offer.

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do such acts and deeds necessary thereto, as may be decided and deemed appropriate at the time of such allotment considering the prevailing market conditions and other relevant factors in consultation with the Merchant Bankers, Lead Managers and Underwriters such that the shares issued by Company get listed on the Bombay Stock Exchange or other Stock Exchanges as may be required by the Company.

By Order of the Board of Directors

Place: Ahmedabad

Date: 25th July, 2009

Mr. Raajiv Kotia
Chairman & Managing Director

Registered Office:

205, JEET COMPLEX, NR. JAIN TEMPLE,
C. G. ROAD, NAVRANGPURA,
AHMEDABAD - 380 009

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The explanatory statement setting out the material facts concerning the special business mentioned under item No. 5 to 9 of the Notice as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
3. The Register of Members and the Shares Transfer Books of the Company will be closed from 24th August, 2009 to 27th August, 2009 (Both Days Inclusive).
4. The members are requested to:
 - (a) Intimate to the Company's Registrars and Share Transfer Agents, M/s. Satellite Corporate Services Pvt. Ltd. (for shares held in physical form) and to their Depository Participants (DP) (for shares held in dematerialized form) the changes, if any, in their registered address, Bank account number / details etc. at an early date, quote ledger folio numbers / DP Identity and Client Identity Numbers in all their correspondences;
 - (b) Bring the copy of the Annual Report and the Attendance Slip duly filled in for attending the Annual General Meeting;
5. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions to the Company at the registered office address so as to reach at least seven days before the date of the Meeting, to enable the information required to be made available at the Meeting, to the best extent possible.
6. Members / Beneficial Owners are requested to quote their full name as per Company's record, Folio No. / DP and Client ID Nos. as the case may be, in all correspondence with the company.

7. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board resolution authorizing their representatives to attend and vote at the Annual General Meeting.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF ITEM NOS. 5 TO 9 OF THE NOTICE:

ITEM NO. 5 :

The Company has received a notice Under Section 257 of the Companies Act, 1956, proposing the candidature of Mr. D. S. Sharma. Mr. D. S. Sharma has done MBA.

The Company considers it to be desirable that Mr. D. S. Sharma be appointed as director of your company.

None of the Directors are interested in this resolution except Mr. D. S. Sharma, since it relates to his appointment.

TEM NO. 6 :

Your Company has at its Board meeting held on 29th July, 2009 has considered to make an investment aggregating upto 51% of the paid up Equity share capital of Shree Krishna Holiday homes and farms limited, Shree Krishna Infrastructure Limited and Kentreck Laboratories Private Limited and the takeover of two Proprietary Firms i.e. Trovine Health Care and Onix Pharmaceuticals. In the said connection, your Company has also considered the acquisition of Teflas interface private limited at its Board meeting held on 26th February, 2009.

The Chairman further informed the members that as the said Companies are engaged in the activities which are incidental and ancillary for attaining to the main objects of the Company like owning the guest house, constructing the studios for film production, owning the laboratories for film processing.

In the said connection it is further informed that the said investment may be made by way of issuing Shares or Utilizing the cash reserves of the Company. The Management of the Companies is yet in the stage of finalizing the mode of making the said investment. If the acquisition is made by way of swapping of the shares, then accordingly the valuation of the transferor and the transferee Company will be made and the said valuation will be subject to the BSE approval other statutory approvals as may be required for making the said investment.

Your Directors recommend this resolution for your approval.

None of the Directors of the Company are interested in the resolution, in any manner whatsoever.

ITEM NO. 7

In order to finance the Company's expansion plans and for production of films, the Company at appropriate time proposes to raise capital in Indian and/or International Market in one or more trenches by issue of any one or more kinds of shares/securities as detailed in the resolution. This requirement of funds is sought to be met through the most efficient mechanism of issue of appropriate approved instruments. In order to meet its working capital requirement for the production of movies, the Company is considering raising of funds in the form Global Depository Receipts (GDR's)/American Depository Receipts (ADR's)/ Euro Convertible Bonds)/ Foreign Currency Convertible Bonds (FCCB's)/Secured Premium Notes (SPN), any other Securities convertible into, Equity shares whether optionally or otherwise.

The proposed issue will be placed abroad giving the Company access to international markets and will provide long term low cost funds to the Company.

The Directors, therefore, recommend the resolution for the approval of the shareholders.

None of the Directors of the Company are interested in the resolution, in any manner whatsoever.

ITEM NO. 8:

Mr. Raajiv Kotia is (B.com). He has been associated with the Company since 1993. He has a rich and varied experience of over 29 years in the field and his presence on the board would immensely benefit the Company.

The term of appointment of Mr. Raajiv Kotia as the Managing Director is with effect from 30th June, 2009. The Board of Directors at its meeting held on 30th June, 2009 revised the terms and conditions of Mr. Raajiv Kotia, subject to approval of Members & the Central Government. Further the Remuneration Committee has also approved the remuneration payable to Mr. Raajiv Kotia during his tenure as Managing Director. Keeping in view the valuable contribution made by Mr. Raajiv Kotia and also new activities to be undertaken by the Company in future, the relevant special resolution for revising the terms and conditions of Mr. Raajiv Kotia, subject to approval of Central Government is proposed for the consideration of the shareholders.

As Managing Director of the Company, Mr. Raajiv Kotia will be responsible for the management and affairs of the Company, subject to the superintendence, control and directions of the Board of Directors.

The terms of re-appointment and remuneration payable to Mr. Raajiv Kotia are set out in the draft Agreement placed before the Meeting. The main terms of salary, perquisites and other allowance payable to Mr. Raajiv Kotia are as under:

Salary: Rs.24, 00,000 per annum. (including perquisites)

Your Directors recommend this resolution for your approval.

None of the Directors are interested in this resolution except Mr. Raajiv Kotia, since it relates to his appointment.

ITEM NO. 9:

A brief profile of Mr. Kedar Jape, his expertise and details of other directorship have been furnished in Section on Corporate Governance elsewhere in the Annual Report.

The term of appointment of Mr. Kedar Jape as Joint Managing Director is with effect from 27th August, 2009 for a period of three years. The Board of Directors at its meeting held on 30th June, 2009, decided the terms and conditions of Appointment & Remuneration of Mr. Kedar Jape, which would be subject to Member's approval..

Further, the Remuneration Committee has also approved the remuneration which would be payable to Mr. Kedar Jape during his tenure as the Joint Managing Director.

Keeping in view the valuable contribution which would be made by Mr. Kedar Jape, the said resolution is proposed for the Member's approval.

The main terms of salary, perquisites and other allowance payable to Mr. Kedar Jape are as under:

Salary: Not Exceeding Rs.6, 00,000/- per annum. (including perquisites)

Your Directors recommend this resolution for your approval.

None of the Directors are interested in this resolution except Mr. Kedar Jape, since it relates to his remuneration

By Order of the Board of Directors

Place: Ahmedabad

Date: 25th July, 2009

Mr. Raajiv Kotia

Chairman & Managing Director

Registered Office:

205, JEET COMPLEX, NR. JAIN TEMPLE,
C.G. ROAD, NAVRANGPURA,
AHMEDABAD - 380 009

ANNEXURE TO NOTICE

Information pursuant to Clause 49 of the Listing Agreement:-

Brief details in respect of the Directors seeking re-appointment at the Annual General Meeting:

Names of Directors	Mr. Ashok Modi
Date of Birth	08/01/1959
Date of Appointment	10/02/1993
Qualifications	Matriculate
Profession	Business
Other Directorships	NIL

Information under Clause 49 of the Listing Agreement with respect to Directors seeking appointment/re-appointment in this Annual General Meeting.

Item No. 2 and 3

Name	Date of Birth	Profession	Qualification	List of other Directorship Held excluding Private companies	Chairman/Member of the Committee of Board of Directors of the company	Chairman / Member of the Committee of Board of Directors of other Companies
Mr. Raajiv Kotia	21-04-1961	Business	B.Com	NIL	NIL	NIL
Mr. Kedar Jape	04-11-1969	Film Director	MBA in Marketing	NIL	NIL	NIL
Mr. D. S. Sharma	03-08-1954	Investment Banker	MBA	NIL	NIL	NIL

MANAGEMENT DISCUSSION AND ANALYSIS

This Management Discussion and Analysis report forms a part of the Annual Report. It indicates the company's movement in the external environment vis-à-vis its own strengths and resources.

I. INDUSTRY STRUCTURE & DEVELOPMENT

The Media and Entertainment Industry is a cyclically sensitive industry and grows faster with expanding economy. During the past few years, the Indian Entertainment and Media Industry have out - performed the Indian Economy and is one of the fastest growing sectors in India. Such phenomenal growth in the entertainment and media sector can be attributed to economic growth, rising. Income levels, rise in consumer spending, technological advancements and policy initiatives taken by the Indian government. The Industry has witnessed marked improvements in all spheres viz from the technology used in marketing films, to themes of movies, exhibition, finance, and marketing and even in business environment. It is increasingly getting more corporatized. Entertainment sectors are going through a transformation stage wherein Indian companies are becoming gradually well versed with the modern production and VFX technologies.

Film Entertainment

The Indian Film Industry is expected to grow by 13% over the next 5 years that is Rs, 176 billion in 2012. Investment level in 2007 was in the order of 10,000 crores and 19% p.a. growth is projected during the period 2007-2012. The increase in multiplex culture and viewership continuous to drive the growth of Indian film Industry rise of similar auditoria is changing the entire complexion of Indian films - The budget they are made with, the way they are made and the kind of audience they are made for.

An added advantage to the entertainment and media industry in India is from the demographic point of view where consumer spending is rising due to increasing disposal incomes on account of sustained growth in income levels and reduction of proposal income tax over the last decade.

In addition to exploiting avenues in the home country, the Entertainment Company's and the production houses are now exploiting the un - explored and tapping overseas market for its films which is certainly a promising avenue.

Indian film industry is also going digital. With more than 120 digital cinemas in the country, it is believed that digital projection will significantly lower cost of distributing films to theatres, which intern will boost box office revenues. The increase in Multiplex culture and viewership continues to drive the growth of Indian Film Industry. The rise of smaller auditoria is changing the entire complexion of Indian films – the budgets they are made with, the way they are made and the kind of audience they are made for.

Satellite television and emerging home video segment are the other distribution formats expected to help expand the Indian Film market.

II. BUSINESS OPERATION

Sungold having noticed such strong indicators has positively taken a step further from its earlier success of its first feature film release, “Kya Hum Zinda Hain? – The heartless life”. It has started two new feature films. The pre-production work is going on with lots of inputs coming from various quarters of the organization. Both the films are driven by good technical hands and creative heads. This part of the industry is production part. In the distribution arena, the company has moved ahead in becoming a technology provider to theatres which want to upgrade itself into digital technology. This space offers tremendous opportunities to midsize players as there are more and more theatre owners wanting to change to digital technology. Also, the exhibition arena provides unlimited retail opportunities which the company has focused on.

Due to the financial uncertainties the financial division is cautious of its NBFC business. There are huge opportunities in this area and also the satisfaction of serving the country at its most grass-root level. We are confident that we will uncover the potential in the fullness of time.

III. OPPORTUNITIES & THREATS, RISKS & CONCERNS

Like any booming industry the Media & Entertainment industry has tremendous opportunities but is loaded with lots of downside, especially for mid-sized companies. The quality of work force in the industry is a big issue and the better known technicians and artists tend to incline themselves towards big production houses as they pay better. The budgets of films tend to go higher. Right now however, the company is looking at talented newcomers who are looking for a platform to prove their worth. The newer technology is making things much easier and cheaper in both productions as well as in the distribution arena.

IV.SEGMENT-WISE PERFORMANCE

The company has started with its two other productions after its first Hindi feature film “Kya Hum Jinda Hain? – The heartless Life”. The pre-production work has kicked off well with rushes being performed for one of the film. The company is confident that it will complete the production of one of the film by early 2009. The second film may take a little longer.

Your company has distributed 4 Hindi films namely: **BHAI - THE LION, MAA KASAM, MERI ADALAT, and YAMRAJ** in the Bombay circuit with thumping success.

Your company has also acquired right of exhibition for 28 digital theaters across the country.

V. INTERNAL CONTROLS AND THEIR ADEQUACY

The company has adequate internal control systems, commensurate with the size and operations of the company. The scope of the internal audit is to ensure the control systems established by the management are correctly implemented and to suggest any additional changes required to strengthen the existing systems. These systems and procedure are reviewed at regular intervals through internal audits, statutory audits and audit committee.

VI.CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis Report, describing the Company’s Objectives, Projections, estimates, expectation may be ‘forward looking statements’ with the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied.

DIRECTORS' REPORT

Your Directors have pleasure in submitting their 17th Annual Report and Accounts for the year ended on 31st March, 2009.

FINANCIAL RESULTS

(Rs in Lacs)

Particulars	Year ended 31 st March, 2009	Year ended 31 st March, 2008
Sales & Other Income from Operation	56.75	1700.78
Other Income	54.00	3.70
Total Expenditure	56.74	1702.77
Profit before Depreciation	56.38	1.71
Depreciation	0.87	0.89
Profit before Tax	55.51	0.82
Provision for Taxation	6.37	0.23
Net Profit after Tax	48.76	1.42

PERFORMANCE

During the year under review, the company achieved a Net Profit after Tax Rs. 48.76 Lacs compared to 1.42 Lacs in previous year.

DIVIDEND

With a view to conserve the financial resources for the future operation and proposed expansion activities of the company, the directors have thought if prudent not to recommend any dividend for the year ended 31st March, 2009.

EMPLOYEES

Information on particulars of Employees' Remuneration as per Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 is not applicable to the company as there were no employees drawing a Salary of Rs. 2,00,000 or more per month.

DIRECTORS

Mr. Ashok Modi is eligible to retire by rotation and being offered himself for re-appointment.

Mr. Pradeep Patel was to be re - appointed as the director of your company. However, due to his pre - occupation, he has shown his unwillingness.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, the Directors report that:

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

FIXED DEPOSITS

The company has not accepted any fixed deposits from general public within the purview of Section 58A, of the Companies Act, 1956, during the year under review.

AUDITORS

M/s Samria & Co., Chartered Accountants, Mumbai, the Statutory Auditor of the Company, retires at the conclusion of the ensuring Annual General Meeting and has expressed their willingness for re-appointment. M/s. Samria & Co., Chartered Accountants, Mumbai have confirmed that the appointment, if made, will be with in accordance with the limits prescribed under Section 224 (1B) of the Companies Act, 1956.

LISTING OF EQUITY SHARES:

The equity shares of your Company are listed on the Bombay Stock Exchange Limited, Mumbai (BSE) and Ahmedabad Stock Exchange Limited.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING & OUTGOINGS:

Information pursuant to Section 217 (1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to the foregoing matters is given hereunder.

a) Conservation of energy	Nil
b) Technology absorption, research & development	Nil
c) Foreign Exchange earning & outgoings	Nil

NEW INITIATIVE:

Your Company, as mentioned in Management Discussion and Analysis Report, has started filming of two new movies.

RBI GUIDELINES:

Your Company has complied with all the RBI guidelines and norms, as applicable.

CORPORATE GOVERNANCE

Your Company's philosophy on corporate Governance is attainment of the higher level of transparency, accountability and equity in all spheres of operations, interactions with the shareholders, employees, government and others.

ACKNOWLEDGEMENT:

Your Directors express their gratitude toward the Company's customer, shareholders, and business partners' viz. distributors for their understanding and support.

Your Directors also record their appreciation and gratitude to Financial Institutions and Bankers for their continual and timely assistance. Finally, your Directors acknowledge the dedicated services rendered by all employees of the Company.

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

**Place: Ahmedabad,
Date: 25th July, 2009**

**Raajiv Kotia
Chairman & Managing Director**

CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance, for the Financial year April 1, 2008 to March 31, 2009 as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below:

1. Company's philosophy on the code of Governance

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in widest sense and meet up its stakeholder's aspirations and societal expectations.

The Company has always endeavored to implement the Corporate Governance process in the most democratic form as maximization of shareholders wealth is cornerstone of your company. For the Company the advent of the revised Clause 49 of the Listing Agreement has paved way for sharing with the stakeholders, the corporate governance practices, which are deeply rooted in the corporate culture of the Company. Your Company has been committed in adopting and adhering to global recognised standards of corporate conduct towards its employees, clients and the society at large. The management team of your Company exerts the strict adherence to corporate governance practices in order to cover the entire spectrum of governance activities and benchmark its practices with the prevailing guidelines of Corporate Governance.

2. Board of Directors

The Board of Company consists of seven Directors with a fair representation of executive, non-executive and independent directors. The Chairman being Executive, as per Listing Agreement, the Company should have minimum three Independent Directors. Accordingly the Company has four independent Directors. There is no institutional nominee on the Board. Details of Directors retiring by rotation and their brief are provided in the notice to Annual General Meeting.

2.1. Composition and category of Directors

Pursuant to the provisions of the Companies Act 1956, Mr. Ashok Modi, retires by rotation and being eligible, offers himself for re-appointment.

<i>Category</i>	<i>Name of Director</i>
Promoter / Executive Director	Mr. Raajiv Kotia Mr. Kedar Jape
Promoter / Non Executive Director	Mr. Sharad Gandhi Mr. Ashok G. Modi
Non Executive and Independent Director	Ms. Anoma M. Contractor Mr. Hemant S. Shah Mr. D. S. Sharma

2.2. Board Meetings

Attendance of each Director at the Board meetings and the last Annual General Meeting:

The Company holds regular Board Meetings. The detailed agenda along with the explanatory notes is circulated to the Directors well in advance. The Directors can suggest inclusion of any item(s) in the agenda at the Board Meeting.

The Company Held 5 (five) Board Meetings during the year ended 31st March, 2009. These were held on, 30th April, 2008, 31st July, 2008, 31st October, 2008, 31st January, 2009 and 26th February, 2009

The attendance of the Directors at the Board Meeting and the Annual General Meeting held during the year ended 31st March 2009 was as follows

Directors	Board Meetings attended during the year	Whether attended last AGM	Other Directorships/ Board Committees (Numbers)	
			Directorships	Board Committee Membership/ (Chairmanship)
Mr. Raajiv Kotia	5	YES	-	-
Mr. Sharad Gandhi	5	YES	-	-
Mr. Ashok G. Modi	4	YES	-	-
Ms. Anoma Contractor	5	YES	-	-
Mr. Hemant Shah	4	YES	-	-

2.3 Information provided to the Board:

The Board of the Company is presented with all information under the following heads, whenever applicable and materially significant. These are surmised either as part of the agenda will in advance of the Board Meetings or are tabled in the course of the Board Meetings. This, inter-alia, include:

1. Annual operating plans of businesses, capital budgets, updates.
2. Quarterly results of the Company and its operating divisions or business segments.
3. Minutes of the Audit Committee and other committees.
4. Information on recruitment and remuneration of senior officers just below the Board level.
5. Materially important litigations, show cause, demand, prosecution and penalty notices.
6. Fatal or serious accidents.
7. Any material default in financial obligations to and by the Company or substantial non-payment for services rendered by the Company.
8. Details of any joint venture or collaboration agreement or new client win.

9. Any issue, which involves possible public liability claims of substantial nature, including any judgment or order, which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
10. Transactions had involved substantial payments towards good-will, brand equity, or intellectual property.
11. Significant development in the human resources front.
12. Sale of material, nature of investments, subsidiaries, assets which is not in the normal course of business.
13. Quarterly details of foreign exchange exposure and the steps taken by management to limit the risks of adverse exchange rate movement.
14. Quarterly update on the return from deployment of surplus funds.
15. Non-compliance of any regulatory or statutory provisions or listing requirements as well as shareholder services as non-payment of dividend and delays in share transfer.

2.4. Brief resume of Directors who will be retiring by rotation at this Annual General Meeting of the Company

Mr. Ashok Modi, aged 50 years, residing at Ahmedabad has been the Director of Sungold Capital Limited since 1993. He has the experience of more than 32 years in the business of Petroleum Products.

3. Audit Committee

The primary objective of the Audit Committee is to monitor and provide effective supervision of the management's financial reporting progress with a view to ensuring accurate timely and proper disclosures and transparency, integrity and quality of financial reporting.

The Committee oversees the work carried out by the management, internal auditors on the financial reporting process and the safeguards employed by them.

3.1 Brief description of the terms of reference

The terms of reference of the Audit Committee are as follows:

- (a) To oversee the Company's financial reporting process and the disclosure of its financial information and to ensure that the financial statements are correct, sufficient and credible.
- (b) To recommend the appointment / removal of external auditors, fixing auditors fees and to approve payments for any other services.
- (c) To review with management the annual financial statements before submission to the Board, focusing primarily on:
 - Any change in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management Qualifications in the draft audit report.
 - Significant adjustments arising out of audit.
 - The going concern assumption.
 - Compliance with the accounting standards.
 - Compliance with Stock Exchange and legal requirements concerning financial statements.
 - Any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relative etc. that may have potential conflict with the interests of the Company at large.
- (d) To review and approve annual accounts of the Company and recommended to the Board for consideration or otherwise.
- (e) To review with Management; external and internal auditors, and review the efficacy of internal control systems.
- (f) To review the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

-
- (g) To discuss with internal auditors about any significant findings and follow - up thereon.
 - (h) To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - (i) To discuss with external auditors before the audit commences the nature and scope of audit as well as have post - audit discussions to ascertain any area of concern.
 - (j) To review the Company's financial and risk management policies.
 - (k) To look into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non- payment of declared dividends) and creditors.

3.2 Composition, Name of Members and Chairman :

The Audit Committee of the Company consists of three Directors as under.

- 1. Mr. Raajiv Kotia - Chairman
- 2. Mr. Ashok Modi - Member
- 3. Mr. Sharad Gandhi - Member

3.3 Meetings and Attendance during the year 2008-09

The Audit Committee met 4 (Four) times during the year and the attendance record is as per the table given below

Date of Meeting	Mr. Raajiv Kotia	Mr. Ashok Modi	Mr. Sharad Gandhi
30/04/2008	√	√	√
31/07/2008	√	√	√
31/10/2008	√	√	√
31/01/2009	√	√	√
Total Meetings attended	4	4	4

4. Remuneration Committee

The remuneration committee determines and recommends to the Board of Directors, the remuneration payable to the Executive Directors. The Board of Directors approved the remuneration to the Executive Directors on the basis of the performance as well as Company's performance, subject to consents as may be required.

The Non Executive Directors are not paid any remuneration. The resolution for the appointment and remuneration payable to the Executive Director is approved by the shareholders of the company.

The Remuneration Committee was re-constituted by the Board of Directors at their meeting held on 20th August, 2008 in accordance with the requirements of Schedule XIII to the Companies Act, 1956, and Clause 49 of the Listing Agreement with the Stock Exchanges, the Remuneration Committee was constituted comprising of:

1. Mr. Hemant Shah - Chairman
2. Ms. Anoma Contractor - Member
3. Mr. Ashok Modi - Member

The details of remuneration of Whole-time Directors for the financial year 2008-2009 are given below:

(Rupees in Lacs)

<i>Particulars</i>	2008-09	2007-08	2006-07
Salary and Allowances (Rs.)	96,000/-	96,000/-	96,000/-
Contribution to PF, Superannuation and Gratuity Funds (Rs.)	-	-	-
Commission (Rs.)	-	-	-
Total (Rs.)	96,000/-	96,000/-	96,000/-

5. Shareholders' Grievance Committee

The Shareholders Committee looks after requests for share transfers, issue of duplicate share certificates, splitting of shares; transmission of shares Demat requests and remat requests of the shareholders. The Committee comprises of the following directors.

Mr. Ashok G Modi	- Chairman
Mr. Raajiv Kotia	- Member
Mr. Hemant Shah	- Member

5.1 Scope of the Committee

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

5.2 Composition of the Committee

- The Committee is headed by Mr. Ashok G Modi, (Non-Executive Director).
- Other members of the Committee includes
 1. Mr. Raajiv Kotia
 2. Mr. Hemant Shah

5.3 Compliance Officer

NAME OF THE COMPLIANCE OFFICER	Ms. Rameshwari Kalse.
CONTACT DETAILS	1 ST Floor, 16/129, Unnat Nagar 4, CCI Colony, Behind Sainath Auto, off M. G. Road, Goregaon (West), Mumbai - 400 062
E- MAIL ID	rameshwari.kalse@gmail.com

6. General Body Meetings

6.1 Location and time, where last three AGMs were held

Following table details the particulars of the last Three Annual General Meetings of the Company

Financial Year	Date & Time	Venue
2005- 2006	30 September, 2006 at 10.30 a.m.	Registered Office
2006- 2007	30 September, 2007 at 10.00 a.m.	Registered Office
2007- 2008	30 September, 2008 at 10.00 a.m.	Registered Office

6.2 Details of the Special Resolutions passed in the previous three AGMs

No special resolution was passed in the previous 3 AGMs held on 30-09-06, 30-09-07 and 30-09-08.

7. Disclosures

7.1 Disclosures regarding materially significant related party transactions

No transaction of material nature has been entered into by the Company with its Promoters or Directors or management or relatives etc. that may have potential conflict with the interest of the Company.

All transactions with the Related Parties were in the ordinary course of business and at arms length.

7.2 Disclosure of non-compliance by the Company

There was no non-compliance during the year and no penalties were imposed on the Company by the Stock Exchange, SEBI or any other statutory authority. The Company obtained a certificate from the statutory auditor of the Company with respect to compliance with the conditions of corporate governance and annexed the certificate with the Directors' Report and sent the same to all the shareholders of the Company and to all the concerned Stock Exchanges alongwith the annual reports filed by the Company.

7.3 Prevention of Insider Trading

In compliance With the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations 1992, as amended till date on prevention of Insider Trading, the Company has a comprehensive code of conduct and the same is being strictly adhered by its management staff and relevant business associates. The code expressly lays down the guidelines and the procedure to be followed and disclosures to be made while dealing with shares of the company and cautioning them on the consequences on non-compliance thereof.

The Company follows quiet periods (closure of trading window) prior to its publication of unpublished price sensitive information. During the quiet period, the Company has set up a mechanism where the management and relevant staff and business associates of the Company are informed not to trade in Company's securities.

The company also affirms that no personnel have been denied access to the audit committee.

7.4 Code of conduct

In terms of Clause 49 of the Listing Agreement(s), the Company has adopted a Code of Conduct for the board of Directors and Senior Management Personnel of the Company. The same has been posted on the Company's website. The Declaration by the Chairman and Managing Director of the Company forms part of this Report.

7.5 Details of Compliance with Clause 49 of the Listing Agreement

The Company has complied with the provisions of Clause 49 of the Listing Agreement.

8 Means of Communication

(a) The Company placed all the quarterly results and annual result in daily newspaper in Gujarati and English.

(b) The Management Discussion and Analysis (MD&A) report has been included in this Annual Report.

9.1 Forth Coming Annual General Meeting

The forthcoming Annual General Meeting of the Company is scheduled to be held on Thursday, the 27th day of August, 2009. at the Registered Office of the Company at 9.30 a.m. at 205, Jeet Complex, Near Jain Temple, C.G Road, Navrangpura, Ahmedabad, 380 009 (Gujarat)

9.2 Financial Year of the Company

1st April to 31st March

9.3 Date of Book Closure

24th August, 2009 to 27th August, 2009 (both days inclusive)

9.4 Listing on Stock Exchange

The Bombay Stock Exchange Limited, Mumbai

The Ahmedabad Stock Exchange Limited, Ahmedabad

9.5 Stock Code

531433 The Bombay Stock Exchange

38315 The Ahmedabad Stock Exchange, Ahmedabad

9.6 The ISIN NO. NSDL and CDSL: INE271D01013

9.7 NBFC Registration No. 01-00174

9.8 IMMPA Membership No. 8368

9.9 Market Price Data:

High Low during each month in Financial Year i.e. April 2008 to March 2009

Months	BSE	
	High	Low
April 2008	17.70	16.85
May 2008	18.90	17.15
June 2008	16.30	16.30
July 2008	16.30	15.50
August 2008	14.75	13.35
September 2008	13.35	12.06
December 2008	12.06	12.06
January 2009	12.06	8.89
February 2009	8.45	7.72
March 2009	10.25	8.73

9.10 Registrar and Share Transfer agents

Satellite Corporate Services Pvt. Ltd.

B-302, Sony Apartment, Opp. St. Jude's High
School, Off Andheri-Kurla Road,
Jarimari, Sakinaka, Mumbai -400072.

9.11 Share Transfer System

Shares sent for transfer in physical form are registered and returned by Registrar and Share transfer agents within 30 days from the date of receipt of documents, provided the documents are found in order. Share under objection are returned within 21 days. There have been no instances if transfer of shares in the physical form during the financial year 2008-09

9.12 Distribution of shareholding and shareholding pattern as on March 31, 2009**Distribution of shareholding**

SHARES		SHARE HOLDERS		SHARE AMOUNT	
Category	No of share holders	% to total share holders	Total Equity	% to total equity	
Up to - 5000	2802	89.89	3482660	5.69	
5001 - 10000	125	4.01	1085690	1.77	
10001 - 20000	51	1.64	831350	1.36	
20001 - 30000	36	1.15	932220	1.52	
30001 - 40000	14	0.45	496770	0.81	
40001 - 50000	5	0.16	244000	0.40	
50001 - 100000	24	0.77	1875000	3.06	
100001 and Above	60	1.92	52256310	85.38	
TOTAL	3117	100.00	61204000	100.00	

Shareholding Pattern as on March 31, 2009

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Dematerialized Form	Total Shareholding as a % of total No. of Shares		Shares pledged or otherwise encumbered	
				As a % of (A+B)	As a % of (A+B+C)	Number of shares	As a % of Total No. of Shares
(A) Shareholding of Promoter and Promoter Group							
(1) Indian	3	1,78,200	7,34,000	19.25	19.25		
(2) Foreign	0	0	0	0.00	0.00		
Total shareholding of Promoter and Promoter Group (A)	3	1,178,200	734,000	19.25	19.25	-	-
(B) Public Shareholding							
(1) Institutions	0	0	0	0.00	0.00		
(2) Non-Institutions							
Bodies Corporate	17	350,168	30,068	5.72	5.72	-	-
Individuals	3096	4591232	2298832	75.02	75.02	-	-
Non Resident Indians	1	800	-	0.01	0.01	-	-
Total Public shareholding (B)	3,114	4,942,200	2,328,900	80.75	80.75	-	-
Total (A)+(B)	3,117	6,120,400	3,062,900	100.00	100.00	-	-
(C) Shares held by Custodians and against which Depository Receipts have been issued							
	-	-	-	-	-	-	-
Total (A)+(B)+(C)	3,117	6,120,400	3,062,900	-	100.00	-	-

9.13 Dematerialization of Shares

As on 31st March, 2009, 2740992 equity shares of Rs.10/- each were in dematerialized form with NSDL and 321908 equity shares of Rs. 10/- each were in dematerialized form with CDSL constituting 44.78 % and 5.26 % respectively of the paid-up capital.

9.14 Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date and likely impact on equity

Not issued

9.15 Address for correspondence

For any Query relating to the Shares of the Company

Satellite Corporate Services Pvt. Ltd.

B-302, Sony Apartment,

Opp. St. Jude's High School,

Off Andheri-Kurla Road,

Jarimari, Sakinaka,

Mumbai - 400072

Any other Query

Secretarial Department

Sungold Capital Limited

205, Jeet Complex, Near Jain Temple

C G Road, Navrang Pura

Ahmedabad, 380 009 (Gujarat)

Tel: +91-079-2656 5441, Fax: +91-079-2646 4441

Email: sungold2006@gmail.com

**9.15 (B) ADOPTION OF NEW CORPORATE GOVERNANCE
CLAUSE**

Compliance with mandatory and non mandatory list of items

The company has adopted non-mandatory requirement relating to the setting up of a remuneration committee the board may consider adoption of the other non-mandatory requirements, when considered appropriate.

CEO / CFO CERTIFICATION

To,
The Board of Directors,
SUNGOLD CAPITAL LIMITED.

We hereby certify to the Board that:

- a. We have reviewed the Financial Statements and the Cash Flow Statements and the Cash Flow Statements for the year 2008 - 2009 and that to the best of our knowledge and belief :
 - i) These statements do not contain any materially untrue statement or omit any material fact or contains statements that might be misleading.
 - ii) These statements together present a true and fair view of Companies affair and are in Compliance with existing Accounting Standards, Applicable Laws and Regulations.
- b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, 2008 - 2009 which are fraudulent, illegal or violative of the Company's code of conduct.
- c. We accept the responsibility for establishing and maintaining the internal controls for the Financial Reporting and that we have evaluated the effectiveness of the internal control systems of the company pertaining to the financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operations of such internal controls, if any, of which we are aware and steps we have taken or proposed to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit Committee :

- i) Significant changes in internal controls over financial reporting during the year 2008 -2009.
- ii) Significant changes in the accounting policies during the year 2008- 2009 and that the same have been disclosed in the notes to financial statements; and
- iii) Instances of significant fraud, if any of which we have become aware, and involvement therein, if any, of the Management or an Employees having a significant role in Companies internal control system over financial reporting.

Place : Ahmedabad

For, SUNGOLD CAPITAL LIMITED

Date : 25th July, 2009

Raajiv R Kotia
Chairman & Managing Director

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE:

TO THE MEMBERS OF SUNGOLD CAPITAL LIMITED

We have examined the compliance conditions of Corporate Governance by Sun Gold Capital Limited (the Company) for the year ended 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange.

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.

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 Samria & Company,
Chartered Accountants,**

Place : Mumbai

Date : 25th July, 2009

(Shivraj Rath)

Partner

Membership No : 112376

AUDITORS' REPORT

Auditors Report to the members of Sungold Capital Limited

1. We have audited the attached Balance-Sheet of Sungold Capital Limited Ahmedabad as at 31st March, 2009 and relative Profit & Loss Account of the Company for the year ended on that date, both of which we have signed under reference to this report. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provided a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government Of India in terms of Sub Section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii. 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;
 - iii. The Balance-Sheet and Profit & Loss Account referred to in this report are in agreement with the Books of Accounts of the Company.

-
- iv. In our opinion, the Profit & Loss Account and Balance Sheet comply with the mandatory Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act 1956.
- v. Based on the representation received from the Directors of the Company as on 31st March, 2009, and taken on record by the Board of Directors of the Company, we report that none of the Directors of the Company are disqualified as on 31st March, 2009 from being appointed as directors in terms of clause (g) of Sub-Section (1) of Section 274 of the Companies Act. 1956.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the Significant Accounting Policies and other notes thereon give the information required by The Companies Act, 1956 ('the Act') in the manner so required, and give a true and fair view in conformity with the accounting principles generally accepted in india:
- a) In the case of Balance Sheet, of the State of Affairs of the Company as at 31st March, 2009 and
- b) In the case of Profit & Loss Account, of the Profit for the year ended on that date.

**For Samria & Company,
Chartered Accountants,**

Place : Mumbai

Date : 25th July, 2009

(Shivraj Rathi)

Partner

Membership No : 112376

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009 OF M/S SUN GOLD CAPITAL LIMITED

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

1.
 - a) The Company has maintained proper records showing full particulars, including quantitative detail and situation of its fixed assets.
 - b) The fixed assets have been physically verified during the year by the management in accordance with a program of verification, the frequency of which is reasonable. According to the information given to us, no material discrepancies were noticed on such verification.
 - c) The Company has not disposed off any substantial part of its fixed assets.
2. In respect of the inventories:
 - a) The company does not have any inventory at the end of the year.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. According to the information and explanations given to us, the Company has neither granted not taken unsecured loans to/from Companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business. During the course of our audit, no major weakness has been noticed in the internal controls and there is no continuing failure for the same.

-
5. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business. During the course of our audit, no major weakness has been noticed in the internal controls and there is no continuing failure for the same.
 6.
 - a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need be entered into the register maintained under Section 301 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 and exceeding the value of five lakh rupees in respect of any party during the year are reasonable having regard to the prevailing market price at the relevant time.
 7. The Company has not accepted any deposits from the public during the year.
 8. The Company has an internal audit system commensurate with the size and nature of the Company's business.
 9. The maintenance of the cost records has not been prescribed by the Central Government Under Section 209 (1) (d) of the Companies Act, 1956, for the year under review.
 10. Statutory and other dues:
 - a) According to information and explanations given to us Provident Fund and Employee's State Insurance Scheme are not applicable to the Company.
 - b) According to the information and explanations given to us and the records examined by us, the company is regular in depositing undisputed statutory dues including Income-Tax, Sales-Tax, Custom Duty and Excise Duty and there were no undisputed statutory dues outstanding as on 31st March, 2009 for a period of more than six months from the date they became payable except MAT payable Rs. 88248/- of the financial year 2006 -07.
 11. The company does not have accumulated losses at the end of the year. The company has not incurred any cash loss during the financial year.
 12. Based on the information and explanations given to us, the Company has not defaulted in repayment of any dues to financial institutions and banks.

13. The company does not have accumulated losses at the end of the year. The company has not incurred any cash loss during the financial year.
14. Based on our examination of the records and the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other similar securities.
15. To the best of our knowledge and belief and according to the information and explanations given to us, the company has maintained proper records of the transactions for dealing in shares, securities and other investments and timely entries have been made therein. The shares, securities and other investments have been held by the company in its own name.
16. The company is not a chit fund, nidhi, mutual benefit fund or a society.
17. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
18. According to the information and explanations given to us, the company has not raised any working capital loan. Therefore, the question of its use does not arise.
19. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investment by the company or vice-versa.
20. The Company has not made any preferential allotment of shares during the year.
21. During the year covered under the audit report the company has not issued any secured debentures.
22. The company has not raised any money by public issue during the year covered by our report.
23. As per the information given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For Samria & Company,
Chartered Accountants,**

**Place : Mumbai
Date : 25th July, 2009**

**(Shivraj Rathi)
Partner
Membership No : 112376**

SUNGOLD CAPITAL LIMITED

Balance Sheet As at 31st March, 2009

	Schedules	As At 31.03.2009 Rs.	As At 31.03.2008 Rs.
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS :			
Share Capital	A	61,204,000	61,204,000
Reserves & Surplus	B	5,902,858	1,005,871
Deferred Tax Liability		515,486	511,668
		<u>67,622,344</u>	<u>62,721,539</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
	C		
Gross Block		3,866,261	3,866,261
Less: Depreciation		<u>2,010,200</u>	<u>1,923,265</u>
Net Block		1,856,061	1,942,996
INVESTMENTS	D	20,057,211	25,457,211
CURRENT ASSETS, LOANS & ADVANCES :			
Sundry Debtors	F	12,364,757	3,124,757
Cash & Bank Balances	G	1,446,000	773,771
Loans, Advances & Deposits	H	<u>33,735,926</u>	<u>32,629,926</u>
		47,546,683	36,528,454
LESS: CURRENT LIABILITIES & PROVISIONS :			
Current Liabilities & Provisions	I	<u>3,362,986</u>	<u>2,732,497</u>
		<u>3,362,986</u>	<u>2,732,497</u>
NET CURRENT ASSETS		44,183,697	33,795,957
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)	J	<u>1,525,375</u>	<u>1,525,375</u>
		<u>67,622,344</u>	<u>62,721,539</u>

Notes on Accounts
As per our separate report of even date,
For Samria & Co.
Chartered Accountants,

Shivraj Rathi
Partner

Mumbai
The 25th July, 2009

For Sungold Capital Limited,

Sri Raajiv Kotia,
Managing Director

Sri Ashok G. Modi,
Director

SUNGOLD CAPITAL LIMITED

Profit & Loss Account for the year ended 31st March, 2009

	Schedule	Year Ended 31.03.2009 Rs.	Year Ended 31.03.2008 Rs.
INCOME :			
Entertainment Division Income		5,857,000	5,500,000
Sales Cotton Division		0	164,577,995
Profit on Sale of Investments		5,400,000	0
Other Income		125	369,746
		<u>11,275,125</u>	<u>170,447,741</u>
EXPENDITURE :			
Purchases - Cotton Division		0	165,522,751
Entertainment Division Exp.		4,337,611	2,400,000
Administrative Expenses	K	1,336,320	2,354,199
Depreciation		86,935	88,918
		<u>5,760,866</u>	<u>170,365,868</u>
Profit Before Tax		5,514,259	81,873
Provision For Tax		625,000	15,000
Deferred Tax		3,818	(83,624)
Fringe Benefit Tax		9,194	8,253
Profit After Tax		4,876,247	142,244
Prior Period Items – MAT Tax Provision		0	88,248
Balance Brought Down		751,635	885,549
		<u>5,627,882</u>	<u>939,245</u>
Less; Transferred to Special Reserve Fund		941,815	187,910
Add: Excess provision of Income Tax adjusted		20,740	0
		<u>4,706,807</u>	<u>751,635</u>

Balance Carried to Balance Sheet

Notes on Accounts - "L"

As per our separate report of even date,

For Samria & Co.

Chartered Accountants,

Shivraj Rathi

Partner

Mumbai

The 25th July, 2009

For Sungold Capital Limited,

Sri Raajiv Kotia,
Managing DirectorSri Ashok G. Modi,
Director

SUNGOLD CAPITAL LIMITED

Schedules attached to and forming part of the Balance Sheet as at 31st March, 2009 and Profit & Loss Account for the year ended on that date

	As At 31.03.2009 Rs.	As At 31.03.2008 Rs.
SCHEDULE 'A' : SHARE CAPITAL		
AUTHORISED :		
70,00,000 Equity Shares of Rs. 10 each	70,000,000	70,000,000
	<u>70,000,000</u>	<u>70,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP :		
61,20,400 Equity Shares of Rs. 10 each, Fully Paid	61,204,000	61,204,000
	<u>61,204,000</u>	<u>61,204,000</u>
SCHEDULE 'B' : RESERVES & SURPLUS		
General Reserves	66,326	66,326
Special Reserve Fund	1,129,725	187,910
Profit & Loss Account	4,706,807	751,635
	<u>5,902,858</u>	<u>1,005,871</u>
SCHEDULE 'D' : INVESTMENTS :		
Unquoted Equity Shares	0	0
Magic Touch Infotech Ltd.	20,057,211	25,457,211
	<u>20,057,211</u>	<u>25,457,211</u>
SCHEDULE 'F' : SUNDRY DEBTORS		
(Unsecured, considered good)		
Outstanding for more than six months	0	0
Others	12,364,757	3,124,757
	<u>12,364,757</u>	<u>3,124,757</u>
SCHEDULE 'G' : CASH AND BANK BALANCES :		
Cash in Hand	1,441,669	749,812
Bank Balances	4,331	23,959
	<u>1,446,000</u>	<u>773,771</u>

SUNGOLD CAPITAL LIMITED

	As At 31.03.2009 Rs.	As At 31.03.2008 Rs.
SCHEDULE 'H' : LOANS, ADVANCES & DEPOSITS		
(Unsecured, considered good)		
Advances recoverable in cash or kind or for value to be received	33,735,926	32,629,926
	<u>33,735,926</u>	<u>32,629,926</u>
SCHEDULE 'I' : CURRENT LIABILITIES :		
Sundry Creditors	2,640,544	2,605,996
Provision for Income Tax	625,000	30,000
MAT Tax Payable-(Ass.Year-2007/08)	88,248	88,248
Fringe Benefit Tax Payable	9,194	8,253
	<u>3,362,986</u>	<u>2,732,497</u>
SCHEDULE 'J': MISCELLANEOUS EXPENDITURE :		
(To the extent not written off)		
Preliminary Expenses	1,525,375	1,525,375
Less: Written off during the Year	0	0
	<u>1,525,375</u>	<u>1,525,375</u>

SUNGOLD CAPITAL LIMITED

SCHEDULE 'C': Fixed Assets & Depreciation

Description	Rate	GROSS BLOCK			Lease	DEPRECIATION			NET BLOCK	
		Opening	Additio	Closing		Opening	For the	Closing	As at	As at
		Balance	n	Balance		Balance	Year	Balance	31/03/09	31/03/08
		as on	During	as on	Adjust-	as on		as on		
		01/04/08	the Year	31/03/09	ment	01/04/08		31/03/09		
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Computer	16.21	284,542	0	284,542	0	258,854	4,510	263,364	21,178	0
Typewriter	10.34	15,000	0	15,000	0	14,819	180	14,999	1	181
Air-Cooler	10.34	5,000	0	5,000	0	4,913	87	5,000	0	87
Cycle	7.07	1,375	0	1,375	0	1,351	24	1,375	(0)	24
Air-Conditioner	10.34	37,515	0	37,515	0	34,647	2,867	37,514	1	2,868
Furniture	6.33	222,895	0	222,895	0	166,659	14,109	180,768	42,127	56,236
Electrical	10.34	53,798	0	53,798	0	51,511	2,286	53,797	1	2,287
Installation						0	0	0		
Fax Machine	10.34	34,200	0	34,200	0	30,929	3,270	34,199	1	3,271
		654,325	0	654,325	0	563,683	27,333	591,016	63,309	90,642
Leased Assets										
Coal Fired vapour Absorption	10.34	3,211,936	0	3,211,936	59,602	1,359,582	59,602	1,419,184	1,792,752	1,852,354
		3,211,936	0	3,211,936	59,602	1,359,582	59,602	1,419,184	1,792,752	1,852,354
Grand Total		3,866,261	0	3,866,261	59,602	1,923,265	86,935	2,010,200	1,856,061	1,942,996

SUNGOLD CAPITAL LIMITED

	For the year ended 31.03.2009 Rs.	For the year ended 31.03.2008 Rs.
SCHEDULE 'K' : ADMINISTRATIVE EXPENSES :		
Accounting Charges	60,000	66,000
Interest on FBT	910	0
Salary	476,000	602,241
Bank Charges	9,958	15,645
Insurance	0	20,295
Audit Fees	27,575	19,663
Conveyance	75,200	85,096
Repair and Maintenance	12,100	13,287
Vatav & Kasar	0	1,307
General Expenses	65,750	72,577
Municipal Tax	0	22,699
Sales Promotion Expenses	27,705	9,621
Cartage	0	44,398
Packing Expenses	1,750	3,755
Rate Difference	0	321,369
Stationery & Printing	14,780	18,543
Electrical Repairing Expenses	0	0
Electricity Expenses	14,630	17,937
Membership Expenses	0	6,000
Registrar Fees	21,907	22,500
Rent Expenses	170,900	159,680
Listing Fees & Expenses	16,925	310,901
Office Expenses	102,200	168,572
Post & Telegram	7,952	11,764
Professional Charges	87,687	59,727
NSDL-CDSL Fees	22,473	144,323
Telephone Expenses	70,720	76,747
Travelling Expenses	47,998	55,074
Zerox Expenses	1,200	2,498
Toll Tax Expenses	0	1,980
	1,336,320	2,354,199

Notes on Accounts

As per our separate report of even date,
For Samria & Co.
Chartered Accountants,

Shivraj Rathi
Partner

Mumbai
The 25th July, 2009

For Sungold Capital Limited,

Sri Raajiv Kotia,
Managing Director

Sri Ashok G. Modi,
Director

SUNGOLD CAPITAL LIMITED

Cash Flow for the year ended 31st March, 2009

	Rs.	Rs.
A. Cash Flow from Operating Activities :		
Net Profit/Loss before Tax & Extraordinary items	5,514,259	
Adjustments for :		
Depreciation	86,935	
Operating Profit before Working Capital Changes	5,601,194	
Adjustments for :		
Trade and Other Receivables	(9,240,000)	
Inventories	0	
Loans and Advances	(1,106,000)	
Trade Payables	630,489	
Cash Flow from Operations	(4,114,317)	
Direct Tax Paid	613,454	
Net Cash Flow From Operating Activities		(4,727,771)
B. Cash Flow From Investing Activities :		
Sale of Investments	5,400,000	
Purchase of Fixed Assets	0	
Net Cash Flow From Investing Activities		5,400,000
C. Cash Flow from Financing Activities :		
Repayment of Share Application Money	0	
Repayment of Long Term Borrowings	0	
Net Cash Flow From Financing Activities		0
Net Decrease in Cash and Cash Equivalent		672,229
Opening Cash Balance		773,771
Closing Cash Balance		1,446,000

As per our seperate report of even date,
For Samria & Co.
Chartered Accountants,

Shivraj Rath
Partner

Mumbai
The 25th July, 2009

For Sungold Capital Limited,

Sri Raajiv Kotia,
Managing Director

Sri Ashok G. Modi,
Director

SUNGOLD CAPITAL LIMITED

SCHEDULE 'L' NOTES ON ACCOUNTS:

1. Contingent Liabilities not provided for: Nil
2. Estimated amounts of contracts remaining to be executed on Capital Account, not provided for Rs. Nil (previous year Rs. Nil).
3. Previous year figures have been regrouped/ rearranged, whenever necessary.
4. Related Party Disclosures as per AS-18 issued by the Institute of Chartered Accountants of India, for the year ended 31st March, 2009.

(A) Relationship

- (i) Key Management Personnel and Relatives
Sri Rajiv Kotia, Managing Director

- (ii) Associates
Nil

- (iii) Enterprises over which key management personnel and/or their relatives have significant influence – Nil

5. Statement showing calculation of Earning per Share, as per AS-20 issued by the Institute of Chartered Accountants of India.

	2008-09	2007-08
Profit After Tax (Rs. In Lacs)	48.76	1.42
Weighted Average Number of Equity Shares of Rs. 10 each fully paid up	6120400	6120400
Earning Per Share	0.80	0.02

6) SIGNIFICANT ACCOUNTING POLICIES

1. System of Accounting -

- (i) The company generally follows mercantile system of accounting and recognizes Income and Expenditure on accrual basis.
- ii) The financial statements are prepared on historical cost basis and as a going concern, in accordance with normally accepted Accounting principles and the provisions of the Companies Act, 1956 as followed consistently by the company.

2. Fixed Assets and Depreciation

A. Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. No revaluation has been made in any fixed assets.

B. Depreciation is charged on fixed assets on following basis:

i) On straight line method applying rates as per schedule XIV of the Companies Act, 1956 for the assets in use for full year.

ii) On the assets added during the year, on pro-rata basis with reference to the date of addition.

3. Investment

All investments are held as Long Term Investments, unless otherwise mentioned and are stated at cost, unless there is a permanent fall in the value of investments.

4. Inventories

i) The Company does not have any inventory at the end of the year.

5. Taxation:

(i) Provision for current tax is made on the assessable income computed for the accounting period in accordance with the Income Tax Act, 1961.

(ii) Deferred Tax is recognized, subject to the consideration of prudence, on timing differences, calculated by applying tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets arising mainly on account of business losses and capital losses under tax laws are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. At each balance sheet date, the carrying amount of deferred tax assets is reviewed to reassure realization.

AUDITORS'S CERTIFICATE

We have examined the attached Cash Flow Statement of Sun Gold Capital Limited for the year ended 31st March, 2009. The statement has been prepared by the company in accordance with the requirements of Clause 32 of Listing Agreement with the Stock Exchanges and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the company.

For Samria & Company,
Chartered Accountants,

Place : Mumbai
Date : 25th July, 2009

(Shivraj Rathi)
Partner
Membership No : 112376

SUNGOLD CAPITAL LIMITED

9. Additional Information as required under Part IV Of Schedule VI To The Companies Act, 1956.

Balance Sheet Abstract and Company's General Business Profile :

I. Registration Details :

Registration No.	04-18956
State Code	04
Balance Sheet Date	31.03.2009

II.Capital raised during the year

(Rupees In Thousands)

Public Issue (and Promoters)	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil

III.Position of Mobilisation and Deployment of Funds

(Rupees In Thousands)

Total Liabilities	67,622
Total Assets	67,622

Sources of Funds :

Paid Up Capital	61,204
Reserves & Surplus	5,903
Deferred Tax Liability	515
Secured Loans	0
Unsecured Loans	0
	<u>67,622</u>

Application of Funds :

Application of Funds :

Net Fixed Assets	1,856
Investments	20,057
Net Current Assets	44,184
Misc Expenditure	1,525
	<u>67,622</u>

IV.Performance of Company

(Rupees In Thousands)

Income from Operations	11,275
Total Expenditure	5,761
Profit Before Tax	5,514
Profit After Tax	4,876
Earning Per Share	0.80
Dividend Rate	0.00

V. Generic Names of Three Principal Products/Services of Company (As per monetary terms)

Item code No. - NIL

Product Description : N.A.

As per our separte report of even date

For Samria & Co.

Chartered Accountants,

Shivraj Rathi

Partner

Mumbai

The 25th July, 2009

For Sungold Capital Limited

Sri Raajiv Kotia

Managing Director

Sri Ashok G. Modi

Director

If Shares held in demat Mode

DPID	
CLID	
No. of Shares	

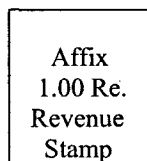
PROXY FORM
SUN GOLD CAPITAL LIMITED
Regd office : 205, Jeet Complex,
Near Jain Temple,
C.G.Road.
Ahmedabad - 380009

If Shares held inPhysical Mode

Reg Folio No	
No. of. Shares	

I/We.....of.....
Being a member/members of **SUNGOLD CAPITAL LIMITED** hereby appoint.....
.....of.....or failing him/her.....of.....
as my/our proxy to vote for me/us and on my/our behalf at the **17th ANNUAL GENERAL MEETING**
of the company to be held on Thursday, the 27th day of August, 2009 at 9.30 A.M. at registered office of
the company situated at "205,Jeet Complex, Near Jain Temple, C.G. Road, C.G. Road, Ahmedabad -
380009", at any adjournment thereof.

Signed this..... day of.....2009.



(Signature of the Shareholder(s))

NOTE : THE PROXY FORM COMPLETED AND STAMPED MUST REACH THE REGISTERED OFFICE OF THE COMPANY NOT LOSS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE AFORESAID MEETING

ATTENDANCE SLIP
SUN GOLD CAPITAL LIMITED

Regd office: 205, Jeet Complex, Near Jain Temple, C. G. Road, Ahmedabad - 380009

17th Annual General Meeting on Thursday, the 27th day of August, 2009 at 9.30 A.M.

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL
joint Shareholders may obtain additional Slips on request.

NAME & ADDREESS OF THE SHAREHOLDER(S)

DPID	
CLID	

Reg. Folio No	
No. of. Shares	

I here by record my presence at the 17th Annual General Meeting of the Company held at the 205,Jeet Complex, Near Jain Temple
C.G. Road, C.G. Road, Ahmedabad - 380 009 Thursday, the 27th day of August, 2009.

SIGNATURE OF THE SHAREHOLDER OR THE PROXY ATTENDING THE MEETING

If Shareholder, Please Sign here

.....

If Proxy, Please Sign her

.....

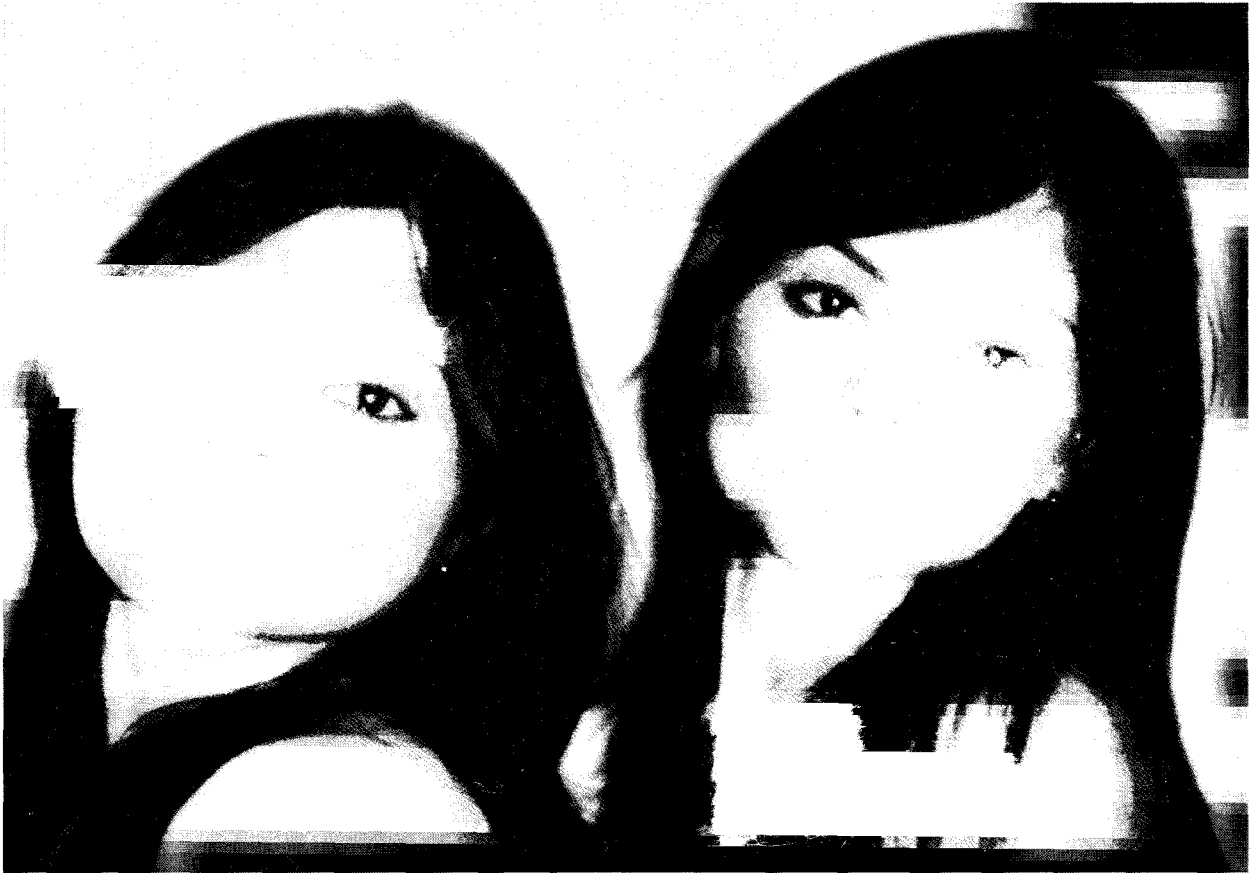
Note: Your copy of Annual Report may please be brought along with you to the meeting hall.



AISHWARYA MAJUMDAR

THE SINGING SENSATION

SINGING FOR OUR FORTH COMING FILM



FREEDOM TO EXPRESS YOURSELF



REGD. OFF. : 205, JEET COMPLEX, NR. JAIN TEMPLE, C.G. ROAD, NAVARNGPURA, AHMEDABAD -

380 009