

Sungold capital limited



19TH ANNUAL REPORT 2010-11

BOARD OF DIRECTORS

Mr. Rajiv Kotia – Chairman & Managing Director

Mr. Sharad Gandhi.

Mr. Ashok G. Modi.

Mr. Keyur Gandhi

Mr. Naresh Kumar Modi

Mr. Rafiullahkhan Pathan

COMPLIANCE & LEGAL DEPARTMENT

Ms Sweta Poddar (Company Secretary)

Ms Anupama Dixit (Compliance Officer)

BANKERS

The Bhuj Mercantile Co. Operative Bank Limited

Bank of Baroda

The Kalupur Commercial Co-Operative Bank Limited

AUDITORS

M/s. Samria & Co

Chartered Accountant

2/E, Court Chambers

35-New Marine Lines

Mumbai - 400 020.

CONSULTANTING COMPANY SECRETARY

SG & Associates

Mr. Suhas Ganpule,

Mumbai – 400 062

Membership No – 5722

REGISTERED OFFICE

205, Jeet Complex, Near Jain Temple

C G Road, Navarangpura

Ahmedabad- 380 009 (Gujarat)

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

Email ID – sungold2006@gmail.com

Web site – www.sungoldcapitallimited.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 Fellow Shareowners,

Today, SUNGOLD CAPITAL LIMITED is confidently marching ahead to reach the next level of success. In our Expedition, we abide by the axiom, "To be prepared is half the victory". We believe that careful and conscientious planning is the precursor to swift, unwavering action. Today, we are planning that our business moves not only to face the challenges, but also to avail of the opportunities that the future offers.

The world, at lightning speed, continues to globalize and become interdependent. This has been a landmark year for us in redefining the industry and the value behind your company's micro & macro economics within a global scenario. The last five years have been very significant in terms of growth and presence and the year 2010-2011, in particular, has been significant increase in profitability.

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, for the Indian film industry, it was the year of refreshing mindsets. In the last 2-3 years, of the film industry witnessed a transformation. The foray of multiplexes witnessed demand of niche cinema as well as higher realization for the main stream cinemas. The multiple modes of broadcasting led to the origination of various rights, resulting in greater avenues of revenue-creation. The Indian cinema and its talent won global recognition at renowned platforms and that also opened a lot doors for partnering with the best studios in the world.

TOUGH TIMES ARE GOOD TIMES

It has been a tough time for business in almost all sector and all segments of industry. Although some believe that the entertainment industry is recession proof, this is not fully true. The financial cycle of film production has been affected and has led to a slow down at the trade level, although consumer confidence in good films continue unabated. The spiraling costs of stars and related production costs have resulted in margins being completely eroded with greatly increased risks of film making.

The year 2010- 2011 also witnessed a global slowdown, originating from liquidity pressures, resulting in lower demand. In such challenging times, the impact was visible in the real economy, the financial markets and the policy options available to the regulators as well as on the Indian film industry with budge-cuts, introduction of stringent cost controls and above all, the project quality reviewed by each of the player. As the global economic growth gradually slowed to near zero levels, the hardest hit was the advanced economics.

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.

THE MACRO PERSPECTIVE

It says, true navigator is the one who navigates successfully through the toughest of terrains. We at SUNGOLD CAPITAL LIMITED have always believed in creating a company that would not only withstand challenges but also grow in such times. Our focus on providing meaningful content and a culture of cost efficiency enabled us emerge a stronger company. I am happy to say that we have not yet faced any significant difficulties in making and completing our projects because of our pre- production planning.



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 would like to end my statement by thanking all the Shareholders, Investors and Customers for their continuous support in inspiring us to define a fresh perspective everyday through the art of film-making. The future remains promising, thanks to the consistent efforts of our employees in creating new frontiers in entertainment. The film has just begun, and let the experience grow on you. I leave you with this positive thought.

Best regards,

Rajiv Kotia

Chairman

NOTICE

NOTICE is hereby given that the **19TH Annual General Meeting of Sungold Capital Limited** will be held on Friday, 30th day of September, 2011 at 9.30 A.M. at the 3rd Floor, Ganesh Plaza, Near Mahavir Nagar, Ranip, Ahmedabad – 382 480 to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1

To receive, consider and adopt the Profit & Loss Account for the year ended 31st March, 2011 and Audited Balance Sheet as on that date together with the Reports of the Board of Directors and the Auditors report and notes thereon.

ITEM NO. 2

To re-appoint Mr. Ashok Modi, Director of the Company who is liable to retire by rotation and being eligible offers himself for re-appointment.

ITEM NO. 3

To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 225 and other applicable provisions, if any, of the Companies Act, 1956, M/s R. K. Somani & Associates Chartered Accountants of Mumbai, be and are hereby appointed as Statutory Auditors of the Company, in place of the retiring Auditors M/S Samria & Co, to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company on a remuneration to be fixed by the Board of Directors of the Company, in consultation with the Auditors of the Company.

The Directors recommend adoption of the Resolution.

None of the Directors is concerned or interested in the resolution.



SPECIAL BUSINESS:

ITEM NO. 4

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

“RESOLVED THAT Mr. Rafiullahkhan Pathan who was appointed as an Additional Director of the Company pursuant to Section 260 of Companies Act,1956 and Article 24(a) of Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect whom the Company has received notice in writing under section 257 of Companies Act,1956 proposing his candidature for the office of Director, be and is hereby as a Director of the company liable to retire by rotation.”

ITEM NO. 5

“RESOLVED THAT Mr. Naresh Kumar Modi who was appointed as an Additional Director of the Company pursuant to Section 260 of Companies Act,1956 and Article 24(a) of Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect whom the Company has received notice in writing under section 257 of Companies Act,1956 proposing his candidature for the office of Director, be and is hereby as a Director of the company liable to retire by rotation.”

ITEM NO. 6

“RESOLVED THAT Mr. Keyur Gandhi who was appointed as an Additional Director of the Company pursuant to Section 260 of Companies Act,1956 and Article 24(a) of Articles of Association of the Company and who holds office upto the date of this Annual General Meeting and in respect whom the Company has received notice in writing under section 257 of Companies Act,1956 proposing his candidature for the office of Director, be and is hereby as a Director of the company liable to retire by rotation.”

ITEM NO. 7.

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

“RESOLVED THAT “Sungold Entertainment” (A Division of Sungold Capital Limited) be demerged subject to compliances of various provisions of the Companies Act, 1956, Listing agreement, BSE/ CDSL / NSDL, High Court approval and any other statutory permissions / approval as the case may be including Members’ approval for such demerger.”

“RESOLVED FURTHER THAT Mr. Rajiv Kotia, Managing Director of the Company be and is hereby authorized to draft such scheme for demerger including all relevant papers / documents including valuation / swap ratio and for that purpose to hire services of any legal firm / advocates/ accountants as the case may be.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized on behalf of the Company to do all such act, deeds and things to give effect to such resolution including convening of postal ballot, Extra-ordinary general meeting and any other thing as may be required to give effect to such demerger.”.

By Order of the Board

Place: Ahmedabad

Date: 22nd August, 2011

Registered Office:

205, Jeet Complex,

Nr. Jain Temple, C. G. Road,

Navrangpura, Ahmedabad – 380 009

**Mr. Rajiv Kotia
Chairman & Managing Director**



NOTES :

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.

1. An explanatory statement setting out the material facts concerning the special business mentioned under item No. 4 to 7 of the Notice as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.
2. The Register of Members and the Shares Transfer Books of the Company will be closed from 24th September 2011 to 30th September 2011 (Both Days Inclusive).
3. 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;
4. 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.
5. 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.
6. 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.
7. 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. 4 TO 8 OF THE NOTICE:

ITEM NO. 4:

Mr. Rafiullah Khan Pathan was appointed as an Additional Director on May 10, 2011 at the Board of Directors of the Company. As per the provisions of section 260 of the Companies Act, 1956, **Mr. Rafiullah Khan Pathan** holds office upto the date of forthcoming Annual General Meeting. The Company has received the notice in writing under Section 257 of the Companies Act, 1956, along with the requisite deposit, proposing his candidature for the office of Director liable to retire by rotation.

Mr. Rafiullah Khan Pathan has an experience of around 15 years over the Media and Entertainment Industries. He is working as a Drama writer & written 65 Dramas in 4 Languages Gujarati, Hindi, Urdu & Persian, as a writer in 16 Gujarati films & has a Directed 5 Gujarati & 1 Hindi film. He has also done 12 Commercial Ad Films & Short Films conveying social messages. He directed a big budget Gujarati Feature Film 'HUN PREMI NO. 1' conveying a good message for young generation. Serial written & directed by him in Gujarati & Urdu were also telecasted on DD1 & DD Urdu.

ITEM NO. 5

Mr. Naresh Kumar Modi was appointed as an Additional Director on May 10, 2011 at the Board of Directors of the Company. As per the provisions of section 260 of the Companies Act, 1956, **Mr. Naresh Kumar Modi** holds office upto the date of forthcoming Annual General Meeting. The Company has received the notice in writing under Section 257 of the Companies Act, 1956, along with the requisite deposit, proposing his candidature for the office of Director liable to retire by rotation.

Mr. Naresh Kumar Modi is an enthusiastic businessman successfully handling his own power loom / handloom factory having good control and command and experience of more than 30 years over all the sphere of business. Beside that the owner of a successfully run rice mill under his control. He shares his great experience in Marketing and Distribution department of the Company. He aims to lead the company to new heights of success and under his supervision and footsteps. He is capable to support the company with his skills and specific knowledge of specialized areas. Company seeks his expert opinion in all related matters.

ITEM No 6

Mr. Keyur Gandhi was appointed as an Additional Director on May 10, 2011 at the Board of Directors of the Company. As per the provisions of section 260 of the Companies Act, 1956, **Mr. Keyur Gandhi** holds office upto the date of forthcoming Annual General Meeting. The Company has received the notice in writing under Section 257 of the Companies Act, 1956, along with the requisite deposit, proposing his candidature for the office of Director liable to retire by rotation.



He has worked as an editor of weekly Financial Analyses News Paper “Sharonomics” for 3 years and has 10 years experience in accounts & administration of his own Petroleum business. He is also expert in Computer Graphics / Designing & Animations. He is also having around 15 years experience in the Print & Electronic Media.

None of the Directors of the Company except Mr. Rafiullah Khan, Mr. Naresh Modi & Mr. Keyur Gandhi are in any way interested or concerned in the resolution.

The Board of Directors of your Company is of the opinion that their appointment would be beneficial to the Company.

ITEM NO. 7

Your Company is considering demerger of its division viz: Sungold Entertainment, as a separate resulting Company from “Sungold Capital Limited”. This decision at this juncture is very primitive in nature and depends on various factors including valuation, approvals of the authorities including SEBI, BSE, ROC and approvals of the Members and so on and so forth.

Management is looking for expansion of its division into a separate company which will focus only in the Media & Entertainment. This decision if approved by the Members will give a thrust and boost to the Company as a whole and to its shareholders.

By Order of the Board

Place: Ahmedabad

Date: 22nd August, 2011

Registered Office:

205, Jeet Complex, Nr. Jain Temple,

C. G. Road, Navrangpura,

Ahmedabad – 380 009

**Mr. Rajiv Kotia
Chairman & Managing Director**

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 G. Modi
Date of Birth	12/01/1959
Date of Appointment	10/02/1993
Qualifications	S.S.C
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. Ashok Modi	12/01/1959	Business	S.S.C.	NIL	0	NIL
Mr.Rafiullah Khan	06/07/1976	Writer& Film Director	M.A	NIL	0	NIL
Mr.Keyur Gandhi	17/07/1974	Graphics Designer	B.Com	NIL	0	NIL
Mr.Naresh Kumar Modi	04/11/1956	Business	S.S.C	NIL	0	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

Indian Media & Entertainment (M&E) industry saw some difficult times in the last two years due to the economic slowdown. The industry is dependent on advertising for almost 38% of its revenues and was hit due to shrinking ad budgets of the corporate world showing a modest growth of round 1.4% in 2009 compared to 12% in 2008. However, disruptive product thinking and cost efficiencies kept sectors afloat. Industry players adopted several innovative content formats and strategies to increase choices for the end consumer and leading to industry evolution. Cost efficiencies identified in the last year proved to be blessings in disguise for the industry, many of which are here to stay.

In spite of the modest growth shown by the Industry in the current year, the estimates are bullish for industry growth in future years. The overall M&E industry size grew from INR 579 billion in 2008 to INR 587 billion at a rate of 1.4% and is expected to increase by ~11% in 2010, as the industry witnesses a recovery. The CAGR from 2006 to 2009 has remained at 10% and the industry is expected to grow at a rate of 13% in next five years. Media spend in India as a percent of GDP is 0.41% which is just half of world's average of 0.80% and much lower compared to developed countries like US and Japan. This indicates a clear opportunity and growth potential for the industry in India.

Key growth drivers in future

- **Digitization** – Digital distribution platforms have improved the reach and content quality for end user
- **Regionalization** – Regional markets contribution to revenues expected to rise due to increase in literacy and higher disposable incomes in Tier 2 & 3 cities. Advertisers are also increasing focus on rural markets due to the saturation of urban markets.
- **New Media** – New media is bringing about a revolution by merging the functionalities of customer end terminal devices and creating new avenues for content monetizing. 3G to be big catalyst in growth story.
- **Markets** – New players continuously emerging to capture newer set of audiences with advancements in their product, marketing and distribution to tap these customer segments.
- **Innovation** – New thinking across product, process, marketing, distribution and business models.

- **Pay Markets** – Subscription revenues are becoming increasingly important in the revenue pie for the M&E industry. Growth is likely to be driven by research in consumption trend and identifying audience willing to pay.
- **360 Degree connects** – Players are looking beyond the traditional mediums by reaching the consumers across multiple platforms/touch points in order to establish a stronger connect.

II. INDIAN FILM INDUSTRY

The Indian film industry is one of the biggest in the world and eclipses even Hollywood in terms of number of films produced and admissions (annual theatrical admissions in Indian cinemas are around 3 billion, as compared to 1.5 billion tickets sold annually in the US). However, Indian film industry cannot match the revenue numbers with Hollywood on account of lower ticket prices and relative lack of multiplexes.

2009 was a tough year for the film industry with multiplex strike, general elections, and swine flu keeping the audience away. Lack of good content also contributed to the low success ratio of the industry. The global film studios strengthened their India presence with Fox Star studios and Warner Brothers producing Indian movies and new technologies paving the way for several 3D movies to be released.

Film industry saw a declining trend this year by an estimated 14% to INR 89.3 billion from INR 104.4 billion in 2008, largely on account of lower domestic theatrical collections in 2009 compared to the previous year. Indian Film industry is expected to grow at a rate of 8% in 2010; and then at a CAGR of 9% between 2010 and 2014 in the subsequent years. The key growth drivers are increased occupancy levels at multiplexes, higher number of digital screens, and diversified monetizing opportunities with 3G services.

III. FILM ENTERTAINMENT

Indian filmed entertainment industry, that painted rewarding performances since past few years, pictured a relatively grim scenario in 2010. Pressured by challenges elicited within the industry and the turbulence in global economy, the industry registered a dismal growth for the year gone by. It however picked up reigns in the second half of 2010 mainly owing to the release of several of good films. This acceleration is expected to run incessantly in the next five years.

2009 was a difficult year for the media and entertainment industry, as the overall economy passed through a slowdown. Advertising, which constitutes 38% of the industry's revenue, declined significantly on account of shrinking ad budgets in the corporate world. Sectors like films, radio and out-of-home media (OOH) recorded negative growth during the year. However, the television industry witnessed decent growth, along with the internet, gaming and animation industries touching double digit growth, albeit on a smaller base. Hence, the industry as a whole grew marginally by 1.4% to Rs. 58,700 crores, against a 12% growth in 2008. With improvement in liquidity and global economies, showing a sign of recovery, India's GDP is



expected to touch 9% annually by 2011-12, according to the Economic Advisory Council. The media and entertainment industry is, therefore, estimated to register 13% CAGR for the next five years, till 2014.

Traditionally, India's total media spend has been significantly lower compared to other countries globally. In fact, at 0.40%, the media spend, as a percentage of GDP, is almost half of the world's average of 0.80%, and is much lower compared to developed countries like the US and Japan. Even a country like China with the world's largest population, enjoys a media spend ratio at 0.75%, in line with the world average. This indicates the potential India holds for growth in spends, going forward. Even though it is challenging to reach the levels of countries like the US, Japan and UK, due to a very large population base and lower spending power per capita, there is an ample scope to follow China and enhance this ratio.

IV. TELEVISION:

Television & Advertising Industry has shown a great increase of around 11.5 % in four years and slowed down a bit last year. There was an increment found in subscription revenues and growth in television across households Last year was a good earning period for the Television Industry. The Television content growth was also impeded downturn and the shrinking demand for generalized content.

TELEVISION DISTRIBUTION:

Subscription Revenues forms the biggest share for the Television Industry It forms 62% while the rest goes to the Advertisement and content revenue. It consists of total households divided into pay television households (consisting of cable and DTH households) and terrestrial households (which receive the free-to-air channels).It equated by summing up the average revenue per user (ARPU) generated for each pay television household.

TELEVISION HOUSEHOLDS:

The television has become an indispensable part of Indian Houses. From being a luxury a few decades back, it is today considered a necessity. It indicates a penetration of 60% within the country. While the absolute number of television households seems copious, the penetration in India is significantly lower than many developed country.

V. MEDIA & OUTLOOK REPORT

Media business is successful today due to content .Depending on what part of the value chain one belongs to the content and packaging place and predominant role in driving audiences and revenues to the table. Hence maximizing the intellectual properties. That helps to make a better position and capitalize on their assets while amplifying profits.

VI. CONTENT OF ACQUISITION:

Contents forms core of the entertainment & media industries organizations either creates contents or by other entities hence content sourcing is a key business decision that affects :-

- Profitability
- Pricing of end product(s)
- Internal capability development

Managing the complexity of digital contents i.e streaming videos, sound bites , images , logos , animations documents and so on can be most effectively managed by IT enabled solution.

VII. DIGITAL RIGHTS MANAGEMENT

DRM has been a point of conflict, fundamentally, because of the nature of the existing, distribution channels, the open nature of the Internet and social sharing media. Given that the conventional channels are also going digital in near future, The critical success factors would primarily revolve around-

1. Innovative Distribution & Monetizing Models
2. A Integrated and collaborative environment which would acquire place from across the value change to work together with transparency.

VIII. KEY REVENUE STREAMS:

Indian Film Industry like most film industries globally , is highly dependant on appealing contents and certain individual stars. A few good movies in a year can spell an excellent year for the industry as well as participant, While the lack of good contents or dearth of new movies from few super stars can set back the Industry and can impact all the revenue streams. There are four revenue streams from Indian Film Entertainment Industry

Box Office Collection- Domestic
Box Office Collection – Overseas
Home Video- Domestic & Overseas
Ancillary Revenues

IX. REGIONAL FILMS IN INDIA:

Hindi Films rule mainstream Cinema in India and typically make up a significant portion of total domestic box office collection. However over the last few years, regional language films have shot in popularity with release in greater number of theatres both within and outside Indian Territories.

Within regional languages, the south Indian segment is pivotal in terms of number of films releases within the four southern states comprising Andhra Pradesh, Tamil Nadu, Karnataka and Kerala together accounting for the majority of the total number of Films releases in India. Other regional languages markets in India includes films made in Bengali, Bhojpuri, Marathi , Punjabi & others The total Domestic box Office Collection from regional language films in India are estimated to be Rs. 15 Billion.



X. DUBBING IN REGIONAL LANGUAGES:

Number of Hollywood & Hindi films have realized the potential of regional Cinema & there have been increase instances of international bollywood films being dub in other languages like Avatar & Ninja Assassin is dub in Hindi, English , Tamil , Telugu.

XI. DIGITIAZTION OF INDIAN CINEMA:

Many single screen cinemas are going digital in line with multiplex screens to enhance users experience. There are currently approximately 3000 digital cinema screens in India. Which have been put up by companies such as UFO movies and real image. There are several advantages of digital cinema screens , most prominent of which includes saving on print cost & reducing piracy.

Advantages of Digital Cinemas

Benefits	Producer	Distributor	Exhibitor	Audience	Nation
Saving in print cost	Nominal one time investment in digital prints	No investment for digital prints	No investment for digital prints	No increase in Ticket cost	Saving of Foreign exchange in importing Films
Wide release of films	Early release in all centres protects films from piracy and adverse publicity	No investment for digital prints allows distributors to give as a wide release as possible with no extra cost	Digital distribution reaches even c & D centers on the day of release	Audience in C & D centres will get access to new releases on day of release	Increase in cinema collection means increase entertainment tax revenues
Durability of media	As a post to optical prints which deteriorates in quality , digital prints will have virtually unlimited shelflife life	No expense on reprints in case of a Hit film and nom loss on in case of flop film	No hassles such as bad quality prints delivery dates and so on	Good and uniform viewing experience	Good quality prints shall results in increase collection

Curb in piracy	Digital contents protection software restricts piracy	No expense on reprints in case of a Hit film and nom loss on in case of flop film	Maximizes a film theoretical potential in the initial period thus increasing revenues	Access to good quality theatres viewing in the early part of the films life	Curb on piracy will increase cinema collection
Promoters niche cinema	Producers are able to experiment with newer genres of cinema	No risk situation since investment in prints and copyrights is minimal	Provide access to newer variety of cinema	Provide access to newer variety of cinema	Encourages film production and enhances revenue potential
Promotes regional specific films	Golden opportunity to invest in regional films	Generates newer revenue streams	Provides access to new varieties of cinemas	Provides access to new varieties of cinemas	Encourages film production and enhances revenue production
Lower break even point	A wide release ensures early recovery of money	Early recovery of investment in copyrights , prints and publicity	Decrease expenses on account of running costs of theatres	Encourages producers to make good and meaning ful cinemas	Production of more films will increase the cinema collection

XII. KEY CHALLENGES IN FILM ENTERTAINMENT INDUSTRY:

INCREASING TALENT COST:

Though the talent costs to took a dip in 2009. They have been rising ever since the market has ameliorated. In the Indian Market , there are limited starts and hence limited talent to market. Since talent cost is a major part of overall production cost it would also result in increase in movie cost.



XIII. BUSINESS OPERATION

Sungold Entertainment [A Division of Sungold Capital Limited] has completed and released Gujarati Feature Film “**HUN PREMI NO.1**”. The concept of Movie is unique in various aspects. Mr. Rajiv Kotia [Executive Producer] & Mr. Rafique Pathan [Director] has chosen a totally different & untouched subject which has attracted the Gujarati audience. Its romantic & comedy kind of movie but at the same time it also given message to our youth to understand their parents love & do not get confuse between the necessity of life & the goal of life. It has given a very emotional & social Message to our youngsters which could stop old age home practice. The Movie has achieved great success in Cities as well as small towns in Gujarat.

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.

In the coming years Sungold Entertainment is going to produce two Telgu , two Hindi and one Gujarati Movies based on suspense thriller, drama, comedy etc.

Sungold Entertainment is also moving forward in this direction and making its space in Gujarati as well as Hindi Telescope. Sungold Entertainment is going to work on two Daily soaps in Hindi based on different two different and new subjects. Sungold Entertainment will produce Two Daily soaps in Gujarati Language.

Sungold Entertainment [A Div. of Sungold Capital Limited had tie – up with Big 92.7 FM of Reliance Broadcast Network Limited. A Company made an agreement for next 5 years to provide Sponsorship for Award Function, which will be organized by Big 92.7 FM. Recently, the Sungold Big Gujarati Entertainment Awards, 2010 was conducted on 30th October, 2010. The Award Function has shown on E TV, on 28th November, 2010

SUNGOLD ENTERTAINMENT (Division of **SUNGOLD CAPITAL LIMITED** a BSE listed company) is an entertainment company entered in field of media and entertainment just couple of years back and already have strong foothold in industry by making a high budget Guajarati feature film ‘HU PREMI No 1’. The film already successfully completed 25 week and still going strong.

SUNGOLD ENTERTAINMENT just launched a glamorous fashion calendar with known model **POONAM PANDEY**. Many of such major projects are coming soon from **SUNGOLD ENTERTAINMENT**.

This entertainment company launched their first Gujarati play “Gulam Raja Ne Hu” in association with prestigious theatre group ‘SHIVAM’ RUN BY Shri. Rajendra Butala and Smt. Sheela Butala acted by various talented Theatre Artists. The first show saw the light of the day on 24th July, 2011. Looking at the progress pace of SUNGOLD ENTERTAINMENT Gujarati audience surely looked forward to a real good play. Bravo!!! Keep it up SUNGOLD.

Company had arranged a Musical Night at Bareilly with so many stars as Dhol artist & Pop singer Sonu Thakral,”Munni Badnam frame Singer Mamta Sharma”, Kaliyo ka chaman girl” Meghna Naidu, hilarious comedian Ehsan Qureshi and many more.

Distribution of Movies I.

Few films were distributed and 28 digital cinemas acquired exhibited in Gujarat, Mumbai and other parts of India.

Digital Theatres in Pipeline II.

The Company has started cinema chain this year where the company has fitted their projector of very good quality and has install the server of one of the reputed company.

XIV. STRENGTH, WEAKNESSES, 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 end 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 area.

The Entertainment Division, has produced Gujarati Feature Film “HUNPREMI NO. 1” and also released in Gujarat. The success of movie is totally depending upon public, but they have given good response to the movie. We have made this film with newcomers as well as senior and famous artists of Gujarat. We are thankful of the public, who liked the subject and made is successful.



XV. SEGMENT-WISE PERFORMANCE

As a NBFC Company has been growing day by day and also performing well in various sectors. Sungold Capital Ltd. has taken stake in two Unlisted Public Companies i.e. Shree Krishna Infrastructure Limited and Shree Krishna Holiday Home and Farms Limited.

Shree Krishna Infrastructure is engaged in business of Infrastructure, which will be beneficial to the company for the entertainment division.

The Shree Krishna Holiday Home and Farms Limited is engaged in business of construction and acquisition of resorts, hotels, etc which can benefit company for the shooting purposes.

The Magic Touch Infotech Limited is undergoing the process of merge with Sungold Capital Limited. Magic Touch Infotech Limited is also engaged in business of investment company to underwrite or finance industrial enterprises.

Sungold Capital Limited will become financially stronger after merging with Magic Touch Infotech Limited. Company has received an order of Hon'ble High Court of Gujarat in response of the Application submitted to the court pursuant to Scheme of Amalgamation between Magic Touch Infotech Limited and Sungold Capital Limited u/s 391-394 of Companies Act 1956.

In the segment of Media & Entertainment Company has released Gujarati Feature Film "Hun Premi No. 1" in Gujarat not only in cities but also in small - small towns of Gujarat. We have dubbed the film in Hindi also with the name "Hum Hain Premi No 1" and release it in overall India. Besides this Company is also planning to Dub the film in other languages also.

Company also launched successfully its mid financial year fashion calendar

"First Click 2011-2012" posing famous and glamorous model

Ms Poonam Pandey as a cover girl also and other rising models at a grand event in the presence of various film and T.V artists. Company had arranged a Musical Night at Bareilly with so many stars as artist & Pop singer Sonu Thakral, "Munni Badnam frame Singer Mamta Sharma", "Kaliyo ka chaman girl" Meghna Naidu, hilarious comedian Ehsan Qureshi and many more.

This was the first time when company has organized a Gujarati Play in Mumbai "Gulam Raja Ne Hu" in association with prestigious theatre group 'SHIVAM' RUN BY Shri. Rajendra Butala and Smt. Sheela Butala with well known Theatre artists and show was a great success. Shivam Creations presents the new play Gulam Raja Ne Hu at Mumbai which has initiated an unusual phenomenon which is beautiful, social and mysterious.

The play is presented by Mr. Rajendra Butala, produced by Sheela Butala and co-produced by Mr. Rajiv Kotia – Mr. Ashok Modi of **Sungold Entertainment** (A division of SUNGOLD CAPITAL LTD A BSE listed Company) has been appreciated by the audiences open heartedly.

The great co-ordination of marvelous set decorations, music and light settings gives a lively experience to the audience. The direction of Mr. Mehul Buch is worthwhile in the play. The writer Mr. Vilopan Desai through the story brings out momentum. Initially play seems to be a social drama but gradually flies with different colors of drama and touches a mystry line. Without any melodrama it creates a suspense in the audience's mind and beholds them with feeling of curiosity as to what will happen next.....

XVI. GROWTH THROUGH INNOVATION

We are making steady progress in this segment, while being cautious of the environmental changes and their impact on business dynamics. We are looking to garner scale with a more organized approach towards content dissemination, technology innovations and content innovations. Content innovations are expected to play an important role in this business and we are working aggressively towards it by building content and distribution partnerships across our other business segments and with other market participants.

XVII. INTERNAL CONTROLS AND THEIR ADEQUACY

The Company believes in formulating adequate and effective internal control systems and implementing the same to ensure that the assets and interests of the Company are safeguarded and reliability of accounting and its accuracy are ensured with proper checks and balances.

The Company has strong internal audit programme, which examines and evaluates the adequacy and effectiveness of Internal Control Systems. The internal audit ensures that the systems designed and implemented, provide adequate internal control, commensurate with the size and operations of the Company. Management Information System (MIS) forms and integral part of the Company's control mechanism, where all operating parameters are monitored and controlled. An effective budgetary control on all capital expenditure ensures that the actual spends are in line with the capital budget.

The Audit committee on the Board, Statutory Auditors and the Top Management are regularly apprised of internal audit findings. The Audit Committee of the Company consisting of Non-Executive Independent Directors, periodically reviews and recommends the financial statements of the Company.

XVIII. 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.

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

**Place: Ahmedabad
Date: 22nd August, 2011**

**Mr. Rajiv Kotia
Chairman & Managing Director**



DIRECTORS' REPORT

Your Directors have pleasure in submitting their 19th Annual Report and Accounts for the year ended on 31st March, 2011.

FINANCIAL RESULTS:

Particulars	(₹ in Lacs)	
	Year ended 31 st March, 2011	Year ended 31 st March, 2010
Sales & Other Income from Operation	17.58	15.07
Other Income	1.00	18.25
Total Expenditure	16.52	30.75
Profit before Depreciation	2.06	2.57
Depreciation	0.31	0.22
Profit before Tax	1.75	2.35
Provision for Taxation	0.54	(4.81)
Net Profit after Tax	1.21	7.16

PERFORMANCE:

During the year under review, the company has earned a Net Profit after Tax Rs. 1.21 Lacs.

DIVIDEND:

With a view to conserve the financial resources for the future operation and proposed expansion activities of the company, the directors have thought it prudent not to recommend any dividend for the year ended 31st March, 2011.

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.

APPOINTMENT OF ADDITIONAL DIRECTORS:

The Board approved the appointment of Mr. Rafiullah Khan Pathan, Mr. Naresh Kumar Modi, & Mr. Keyur Gandhi as an Additional Directors u/s 260 of Companies Act , 1956.

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:

Then the Chairman informed that the auditors of the Company Samria & Co, Chartered Accountants retire at the conclusion of this meeting and he had expressed his unwillingness to be continued as auditor of the Company. The Board has received confirmation from M/s R. K. Somani & Associates, Chartered Accountant of Mumbai that if he be and hereby appointed as auditor of the company his appointment would be within the limit described 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, Mumbai (BSE) and Ahmedabad Stock Exchange Limited (ASE).



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 dubbing of Gujarati Feature Film under the production of its Division Sungold Entertainment into Hindi. Besides this company is also planning to work on new unnamed Film projects in Gujarati, Hindi & Telugu Languages. Company is also organizing a Drama Play on innovative subject.

HIGH COURT ORDER ON SCHEME OF AMALGAMATION:

Your Company received High Court Order dated 21st July 2011 after submission of Application to Court pursuant to Scheme of Amalgamation between Magic Touch Infotech Limited (a “Transferor Company”) & Sungold Capital Limited (a “Transferee Company”) u/s 391-394 of Companies Act 1956.

DETAILS OF SUBSIDIARIES:

The audited statements of accounts for the year ended 31st March, 2011 of Shree Krishna Holiday Home and Farms Limited and Shree Krishna Infrastructure Limited the subsidiary companies together with Auditor’s Report and Director’s report as required pursuant to section 212 of the Companies Act, 1956, are attached. The Consolidated Financial Results represents of those Sungold Capital Limited and its subsidiaries, viz. Shree Krishna Holiday Home and Farms Limited and Shree Krishna Infrastructure Limited. The Company has consolidated its results based on the Accounting Standard on Consolidation of Financial Statements (AS-21) and Accounting Standard on Accounting for Investments in Associates in Consolidation of Financial Statements (AS-23) issued by the Institute of Chartered Accountants of India.

DEMERGER:

Your company is proposing for approval of Demerger of its division Sungold Entertainment into Sungold Entertainment Limited. Company has taken this step to improvise the business and functions of Entertainment Division. As the Division has so many new projects and various upcoming events in a pipeline so as to seeing the expansion and growth of the business it was felt necessary by the directors of the company to demerge it and make it a separate entity to make the full utilization of resources. The business of entertainment division needs a large space and manpower that's why your directors propose to demerge the division of the company.

RBI GUIDELINES:

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

Place: Ahmedabad
Date: 22nd August, 2011

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

Mr. Rajiv Kotia
Chairman & Managing Director



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: 22nd August, 2011**

**Rajiv Kotia
Chairman & Managing Director**

CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance, for the Financial year April 1, 2010 to March 31, 2011 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 recognized 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.



Category	Name of Director
Promoter / Executive Director	Mr. Rajiv Kotia
Non Executive Director	Mr. Sharad Gandhi Mr. Ashok G. Modi
Non Executive and Independent Director	Mr. Keyur Gandhi Mr. Nareshkumar Modi Mr. Rafiullahkhan Pathan

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 8 (Eight) Board Meetings during the year ended 31st March, 2011. These were held on 6th May 2010, 31st July 2010, 3rd September 2010, 23rd September 2010, 25th November 2010, 1st December 2010, 14th February 2011, 31st March 2011.

The attendance of the Directors at the Board Meeting and the Annual General Meeting held during the year ended 31st March 2011 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. Rajiv Kotia	8	YES	-	-
Mr. Sharad Gandhi	8	YES	-	-
Mr. Ashok G. Modi	8	YES	-	-
Ms. Anoma Contractor	8	YES	-	-
Mr. Hemant Shah	8	YES	-	-
Mr. D. S. Sharma	8	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 52 years, residing at Ahmedabad has been the Director of Sungold Capital Limited since 1993. He has the experience of more than 20 years in the business of Petroleum Products. In addition to this he is also engaged in the business of entertainment for about 2 years and has a good knowledge in infrastructure field also.

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. D.S Sharma - Chairman
2. Mr. Hemant Shah - Member
3. Mr. Sharad Gandhi - Member

3.3 Meetings and Attendance during the year 2010-11

The Audit Committee met 6 (Six) times during the year and the attendance record is as per the table given below

Date of Meeting	Mr. Rajiv Kotia	Mr. Ashok Modi	Mr. Sharad Gandhi
06/05/2010	√	√	√
31/07/2010	√	√	√
03/09/2010	√	√	√
25/11/2010	√	√	√
01/12/2010	√	√	√
14/02/2011	√	√	√
Total Meetings attended	6	6	6

4. Remuneration:

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 29th September, 2010 in accordance with the requirements of Schedule XIII to the Companies Act, 1956, and Clause 49 of the Listing Agreement. 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 2010-2011 are given below:

₹ (in lacs)

<i>Particulars</i>	2010-11	2009-10	2008-09
Salary and Allowances (Rs.)	120000/-	96,000/-	96,000/-
Contribution to PF, Superannuation and Gratuity Funds (Rs.)	-	-	-
Commission (Rs.)	-	-	-
Total (Rs.)	120000/-	96,000/-	96,000/-

The Chairman and Managing Director's compensation has been set at Rs. 1,20,000 as against Rs. 24 Lacs that he is eligible as per the shareholder's approval, reflecting his desire to set a personal example for moderation in managerial compensation levels.

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
- Ms Anoma Contractor - 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. Ms Anoma Contractor
 2. Mr. Hemant Shah

5.3 Compliance Officer

NAME OF THE COMPLIANCE OFFICER	Ms. Anupama Dixit
CONTACT DETAILS	205, Jeet Complex, Nr. Jain Temple, C. G. Road, Navrangpura, Ahmedabad – 380 009 www.sungoldcapitallimited.com sungold2006@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
2007– 2008	30 th September, 2008 at 10.00 a.m.	Registered Office
2008– 2009	27 th August, 2009 at 9.30 a.m.	Registered Office
2009 – 2010	30 th September, 2010 at 9.30 a.m.	3 rd Floor, Ganesh Plaza, Near Mahavir Nagar, Ranip, Ahmedabad – 382 480



6.2 Details of the special resolutions passed at previous three AGM's

Special Resolution was passed in previous AGMs of 30-09-2008, 27-08-2009 & 30-09-2010.

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 along with 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 Friday, the 30th September, 2011. at the 3rd Floor, Ganesh Plaza, Near Mahavir Nagar, Ranip, Ahmedabad – 382 480.

9.2 Financial Year of the Company

1st April, 2010 to 31st March, 2011

9.3 Date of Book Closure

24th September, 2011 to 30th September, 2011 (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 Limited, Mumbai

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

9.9 Market Price Data:

High Low during each month in Financial Year i.e. April 2010 to March 2011

Months	BSE	
	High	Low
April 2010	14.35	9.63
May 2010	11.84	8.75
June 2010	10.96	8.26
July 2010	14.50	8.33
August 2010	21.00	13.55
September 2010	25.90	16.60
October 2010	39.00	25.60
November 2010	39.60	27.70
December 2010	37.95	28.70
January 2011	39.00	31.95
February 2011	31.80	20.60
March 2011	22.70	9.35

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 2010-11.

9.12 Distribution of shareholding and shareholding pattern as on March 31st 2011

Distribution of shareholding

SHARES Category	SHARE HOLDERS		SHARE AMOUNT	
	No of share holders	% to total share holders	Total Equity	% to total equity
Up to - 5000	3184	81.39	4,363,000	6.47
5001 - 10000	235	6.01	2,046,530	3.03
10001 - 20000	145	3.71	2,266,360	3.36
20001 - 30000	84	2.15	2,211,850	3.28
30001 - 40000	43	1.10	1,540,310	2.28
40001 - 50000	39	1.00	1,862,710	2.76
50001 - 100000	89	2.28	6,355,230	9.42
100001 and Above	93	2.38	46,788,860	69.38
TOTAL	3,912	100.00	67,434,850	100.00



Shareholding Pattern as on March 31st, 2011

Category of Shareholder	No. of Shareholders	Total No. of Shares	Total No. of Shares held in Demat 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							
Individuals / Hindu Undivided Family	2	1513200	1158200	22.44	22.44	-	-
Sub Total	2	1513200	1158200	22.44	22.44	-	-
(2) Foreign							
Total shareholding of Promoter and Promoter Group (A)	2	1513200	1158200	22.44	22.44	-	-
(B) Public Shareholding							
(1) Institutions	0	0	0	0	0		
(2) Non-Institutions							
Bodies Corporate	85	842258	725658	12.49	12.49	-	-
Individuals						-	-
Individual shareholders holding nominal share capital up to Rs. 1 lakh	3729	1871239	1131322	27.75	27.75	-	-
Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	67	2437466	1639798	36.15	36.15	-	-
Any Others (Specify)						-	-
Non Resident Indians	2	2800	2800	.04	.04	-	-
Hindu Undivided Families	18	69852	69852	1.04	1.04	-	-
Clearing Members	7	6670	6670	.10	.10	-	-
Sub Total	3908	5230285	3576100	77.56	77.56	-	-
Total Public shareholding (B)	3908	5230285	3576100	77.56	77.56	-	-
Total (A)+(B)	3912	6743485	4734300	100	100	-	-
(C) Shares held by Custodians and against which Depository Receipts have been issued	-	-	-	-	-	-	-
Total (A)+(B)+(C)	3912	6743485	4734300	100	100	-	-

9.13 Dematerialization of Shares

As on 31st March, 2011, 35,26,780 equity shares of Rs.10/- each were in dematerialized form with NSDL and 12,07,520 equity shares of Rs. 10/- each were in dematerialized form with CDSL constituting 52.30% and 17.91% respectively of the paid-up capital.

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

Out of 1000000 fully convertible warrants 3, 35,000 warrants have been converted in to Equity shares at value of Rs. 20 (i.e Rs 10 face value of equity share & Rs. 10 Premium) on 31st March 2011 on the basis of Preferential Allotment to promoter.

9.15 (A) 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
www.sungoldcapitallimited.com
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:

We have reviewed the Financial Statements and the Cash Flow Statements and the Cash Flow Statements for the year 2010 – 2011 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.
- a. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, 2010 – 2011 which are fraudulent, illegal or violative of the Company's code of conduct.
 - b. 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.
 - c. We have indicated to the auditors and the Audit Committee :
 - i) Significant changes in internal controls over financial reporting during the year 2010 - 2011.
 - ii) Significant changes in the accounting policies during the year 2010 - 2011 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.

For SUNGOLD CAPITAL LIMITED.,

**Place: Ahmedabad
Date: 22nd August, 2011**

**Rajiv 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, 2011, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchange in India.

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 & Co.,
Chartered Accountants,**

**Place: Mumbai
Date: 22nd August, 2011**

**(Shivraj Rathi)
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, 2011 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, 2011, 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, 2011 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, 2011 and
 - b) In the case of Profit & Loss Account, of the Profit for the year ended on that date.

**For Samria & Co.,
Chartered Accountants,**

**Place: Mumbai
Date: 22nd August, 2011**

**(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, 2011 OF SUNGOLD 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) Inventory has been valued at cost price.
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. 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 Lacs Rupees in respect of any party during the year are reasonable having regard to the prevailing market price at the relevant time.

6. The Company has not accepted any deposits from the public during the year.
7. The Company has an internal audit system commensurate with the size and Nature of the Company's business.
8. The Central Government of India has not prescribed the maintenance of the cost records under Section 209 (1) (d) of the Companies Act, 1956, for any of the product of the company.
9. 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, there is no dues of income tax, wealth tax, service tax and cess which have not been deposited on account of any dispute. As informed to us, sales tax, custom duty and excise duty are not applicable to the company for the current year.
10. 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.
11. Based on the information and explanations given to us, the Company has not defaulted in repayment of any dues to financial institutions and banks.
12. 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.
13. 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.
14. The company is not a chit fund, nidhi, mutual benefit fund or a society.
15. 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.
16. 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.
17. 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.



18. The Company has made the preferential allotment of shares to the promoter group by conversion of warrants and to the Non Promoter group against the 51% stake to form subsidiaries during the year.
19. During the year covered under the audit report the company has not issued any secured debentures.
20. The company has not raised any money by public issue during the year covered by our report.
21. 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.

Place: Mumbai
Date: 22nd August, 2011

For Samria & Co.,
Chartered Accountants,

(Shivraj Rathi)
Partner
Membership No: 112376

SUNGOLD CAPITAL LIMITED
Balance Sheet As at 31st March, 2011

	Schedules	As At 31.03.2011 ₹	As At 31.03.2010 ₹
SOURCES OF FUNDS :			
SHAREHOLDERS FUND			
Share Capital	A	70,759,850	61,204,000
Reserves & Surplus	B	11,145,376	6,619,248
Unsecured Loan	C	720,000	-
		<u>82,625,226</u>	<u>67,823,248</u>
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	D	1,070,275	1,021,090
Less: Depreciation		637,927	613,040
Net Block		<u>432,348</u>	<u>408,050</u>
INVESTMENTS	E	8,261,701	19,237,212
CURRENT ASSETS, LOANS & ADVANCES			
Inventory-Films		7,594,516	3,120,903
Sundry Debtors	F	26,663,537	12,450,000
Cash & Bank Balances	G	4,523,257	206,607
Loans, Advances & Deposits	H	35,152,793	30,979,091
		<u>73,934,103</u>	<u>46,756,601</u>
LESS: CURRENT LIABILITIES & PROVISIONS :			
Current Liabilities & Provisions	I	261,398	130,520
		<u>261,398</u>	<u>130,520</u>
NET CURRENT ASSETS		<u>73,672,705</u>	<u>46,626,081</u>
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)			
Preliminary Expenses	J	247,562	1,525,375
Deferred Tax Assets		10,910	26,530
		<u>82,625,226</u>	<u>67,823,248</u>
		0	-

Notes on Accounts

As per our separate report of even date,

For Samria & Co.

Chartered Accountants,

Shivraj Rathi

Partner

M.N.112376

Mumbai

The 22nd August, 2011

For Sungold Capital Limited,

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



SUNGOLD CAPITAL LIMITED

Profit & Loss Account for the year ended 31st March, 2011

	Schedule	Year Ended 31.03.2011 ₹	Year Ended 31.03.2010 ₹
I N C O M E :			
Entertainment Division Income		1,758,433	1,507,631
Profit on Sale of Investments		-	330,000
Other Income		100,793	1,494,596
		<u>1,859,226</u>	<u>3,332,227</u>
E X P E N D I T U R E :			
Entertainment Division Exp.		201,801	437,220
Administrative Expenses	K	1,389,132	845,167
Depreciation		31,262	22,024
Fixed Assets W/off		-	1,792,752
Preliminary Expenses W/off		61,890	
		<u>1,684,085</u>	<u>3,097,163</u>
Profit Before Tax		175,141	235,064
Provision For Tax		38,498	60,690
Deferred Tax		15,620	(542,016)
Fringe Benefit Tax		-	-
Profit After Tax		121,023	716,390
Prior Period Items-Excess Taxation provision of earlier year		(300,370)	-
Balance Brought Down		5,423,197	4,706,807
		<u>5,243,850</u>	<u>5,423,197</u>
Less; Transferred to Special Reserve Fund		24,205	-
Add: Excess provision of Income Tax adjusted		-	-
		<u>5,219,645</u>	<u>5,423,197</u>

Notes on Accounts - "L"

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

**Shivraj Rathi
Partner
M.N.112376**

**Mumbai
The 22nd August, 2011**

For Sungold Capital Limited,

**Mr. Rajiv Kotia,
Managing Director**

**Mr. Ashok G. Modi,
Director**

SUNGOLD CAPITAL LIMITED

**Schedules attached to and forming part of the Balance Sheet as at 31st March, 2011
and
Profit & Loss Account for the year ended on that date**

	As At 31.03.2011	As At 31.03.2010
	₹	₹
SCHEDULE 'A' : SHARE CAPITAL		
AUTHORISED :		
100,00,000 Equity Shares of Rs. 10 each	100,000,000	70,000,000
	<u>100,000,000</u>	<u>70,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP :		
6455400 Equity Shares of Rs. 10 each, Fully Paid	64,554,000	61,204,000
288085 Equity Shares other than cash of Rs. 10 each, Fully Paid	2,880,850	-
Preferential fully Convertible Warrants	13,300,000	-
Less: Calls in arrears	(9,975,000)	-
	<u>70,759,850</u>	<u>61,204,000</u>
SCHEDULE 'B' : RESERVES & SURPLUS		
General Reserves	66,326	66,326
Special Reserve Fund	1,153,930	1,129,725
Profit & Loss Account	5,219,645	5,423,197
Share Premium	4,705,475	-
	<u>11,145,376</u>	<u>6,619,248</u>
SCHEDULE 'C' : UNSECURED LONG TERM DEBTS		
From Director	720,000	-
	<u>720,000</u>	<u>-</u>
SCHEDULE 'E' : INVESTMENTS :		
Quoted Equity Shares	-	-
Unquoted Equity Shares	8,261,701	19,237,212
	<u>8,261,701</u>	<u>19,237,212</u>
SCHEDULE 'F' : SUNDRY DEBTORS		
(Unsecured, considered good)		
Outstanding for more than six months	-	-
Others	26,663,537	12,450,000
	<u>26,663,537</u>	<u>12,450,000</u>
SCHEDULE 'G' : CASH AND BANK BALANCES :		
Cash in Hand	54,220	37,469
Bank Balances	4,469,037	169,138
	<u>4,523,257</u>	<u>206,607</u>



SUNGOLD CAPITAL LIMITED

	As At 31.03.2011 ₹	As At 31.03.2010 ₹
SCHEDULE 'H' : LOANS, ADVANCES & DEPOSITS		
(Unsecured, considered good)		
Advances recoverable in cash or kind or for value to be received	35,037,248	30,979,091
Advances & deposits to corporate and other	111,830	
Advances to revenue authorities	3,715	
	<u>35,152,793</u>	<u>30,979,091</u>
SCHEDULE 'I' : CURRENT LIABILITIES :		
Sundry Creditors	13,163	69,830
Provision for Income Tax	38,498	60,690
Audit Fees Payable	27,575	-
Tds Payable	182,162	-
	<u>261,398</u>	<u>130,520</u>
SCHEDULE 'J': MISCELLANEOUS EXPENDITURE :		
(To the extent not written off)		
Preliminary Expenses	309,452	1,525,375
Less: Written off during the Year	61,890	-
	<u>247,562</u>	<u>1,525,375</u>

SUNGOLD CAPITAL LIMITED

SCHEDULE 'D': Fixed Assets & Depreciation

Description	Rate	GROSS BLOCK				Lease	DEPRECIATION		NET BLOCK	
		Opening Balance as on 4/1/2010 ₹	Addition During the Year ₹	Closing Balance as on 3/31/2011 ₹	Adjust- ment ₹		Opening Balance as on 4/1/2010 ₹	For the Year ₹	Closing Balance as on 3/31/2011 ₹	As at 3/31/2011 ₹
Computer	16.21	321,042	0	321,042	0	266,797	3,433	270,230	50,812	54,245
Typewriter	10.34	15,000	0	15,000	0	14,999	0	14,999	1	1
Printer	10.34	0	5,850	5,850	0	0	605	605	5,245	0
Mobile	10.34	0	23,620	23,620	0	0	2,442	2,442	21,178	0
Air- Conditioner	10.34	118,035	0	118,035	0	44,083	8,326	52,409	65,626	73,952
Furniture	6.33	431,282	0	431,282	0	189,940	9,172	199,112	232,170	241,342
Electrical Installation	10.34	66,456	0	66,456	0	54,306	509	54,815	11,641	12,150
Fax Machine	10.34	34,200	0	34,200	0	34,199	0	34,199	1	1
Refridgerator	10.34	5,200	0	5,200	0	424	538	962	4,238	4,776
LCD Television	10.34	23,500	7,190	30,690	0	1,917	3,173	5,090	25,600	21,583
Film Harddisk	16.21	0	18,900	18,900	0	0	3,064	3,064	15,836	0
		1,014,715	55,560	1,070,275	0	606,665	31,262	637,927	432,348	408,050

**SUNGOLD CAPITAL LIMITED**

	For the year ended 31.03.2011	For the year Ended 31.03.2010
	₹	₹
SCHEDULE 'K' : ADMINISTRATIVE EXPENSES :		
Insurance charges	15,965	-
Interest Paid	-	65,364
Salary	412,474	149,599
Bank Charges	4,049	9,226
Audit Fees	27,575	27,575
Conveyance	-	2,269
Repair and Maintenance	26,125	16,397
General Expenses	6,902	7,505
Petrol Expenses	-	51,114
Sales Promotion Expenses	36,561	15,802
Digital Signature Expenses	3,600	-
Diwali Expenses	2,997	-
Stationery & Printing	23,626	20,352
Advertisement Expenses	8,144	16,020
Electricity Expenses	35,720	10,340
Membership Expenses	2,110	10,900
Registrar Fees	23,103	26,300
Rent Expenses	181,000	163,900
Listing Fees	126,845	18,170
Office Expenses	112,330	48,282
Post & Telegram	23,575	2,862
Professional Charges	156,816	66,089
NSDL-CDSL Fees	62,871	38,478
Telephone Expenses	23,628	19,656
Travelling Expenses	61,374	40,233
Zerox Expenses	3,107	-
Stamp Charges	3,037	18,734
Roc filling charges	5,600	-
	1,389,132	845,167

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

Shivraj Rathi
Partner
M.N.112376

Mumbai
The 22nd August, 2011

L

For Sungold Capital Limited,

Shri Rajiv Kotia,
Managing Director

Shri Ashok G. Modi
Director

SUNGOLD CAPITAL LIMITED

Cash Flow for the year ended 31st March, 2011

	₹	₹
A. Cash Flow from Operating Activities :		
Net Profit/Loss before Tax & Extraordinary items	175,141	
Adjustments for :		
Preliminary Expenses	61,890	
Depreciation	31,262	
Operating Profit before Working Capital Changes	<u>268,293</u>	
Adjustments for :		
Trade and Other Receivables	(14,213,537)	
Inventories	(4,473,613)	
Loans and Advances	(4,173,702)	
Trade Payables	130,878	
Preliminary Expenses	<u>(309,452)</u>	
Cash Flow from Operations	(22,771,133)	
Direct Tax Paid	<u>(18,868)</u>	
Net Cash Flow From Operating Activities	<u>(22,790,001)</u>	(22,790,001)
B. Cash Flow From Investing Activities :		
Sale of Investments	10,975,511	
Purchase of Fixed Assets	<u>(55,560)</u>	
Net Cash Flow From Investing Activities	<u>10,919,951</u>	10,919,951
C. Cash Flow from Financing Activities :		
Warrant Application Money	3,325,000	
Long Term Borrowings	720,000	
Issue of Share Capital	6,230,850	
Share Premium	<u>5,910,850</u>	
Net Cash Flow From Financing Activities	<u>16,186,700</u>	16,186,700
Net Increase in Cash and Cash Equivalent		<u>4,316,650</u>
Cash and Cash Equivalent at beginning of the year		<u>206,607</u>
Cash and Cash Equivalent at the end of the year		<u>4,523,257</u>

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

Shivraj Rathi
Partner
Mumbai
The 22nd August, 2011

For Sungold Capital Limited,

Mr. Rajiv Kotia,
Managing Director

Mr. Ashok G. Modi,
Director



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	3/31/2011

II. Capital raised during the year

Public Issue (and Promoters)	3,350
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	2,881

III. Position of Mobilisation and Deployment of Funds

Total Liabilities	82,625
Total Assets	82,625

Sources of Funds :

Paid Up Capital	70,760
Reserves & Surplus	11,145
Deferred Tax Liability	-
Secured Loans	-
Unsecured Loans	720

82,625

Application of Funds :

Net Fixed Assets	432
Investments	8,262
Net Current Assets	73,673
Misc Expenditure	248
Deferred Tax Assets	11

82,625

IV. Performance of Company

Income from Operations	1,859
Total Expenditure	1,684
Profit Before Tax	175
Profit After Tax	121
Earning Per Share	0.02
Dividend Rate	-

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 separate report of even date

For Samria & Co.

Chartered Accountants,

Shivraj Rathi
Partner
Mumbai
The 22nd August, 2011

For Sungold Capital Limited

Sri Rajiv 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, wherever necessary.
4. Related Party Disclosures as per AS-18 issued by the Institute of Chartered Accountants of India, for the year ended 31st March, 2011.

(A) Relationship

(i) Key Management Personnel and Relatives

Mr. Rajiv Kotia, Managing Director

(ii) Associate - 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.

	2010-11	2009-10
Profit After Tax (Rs. In Lacs)	1.21	7.16
Weighted Average Number of Equity Shares of Rs. 10 each fully paid up	6743485	6120400
Earning Per Share	0.02	0.12

6. Prior Period Items amounting to Rs.320000/-pertains to expenses relating to short payment of Stamp duty on shares issued in earlier years, paid during the year.



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

Inventories primarily consist of cost of feature film production and cost of serials which are valued at cost. During the year the company has incurred film promotion expenses & publicity expenses, which have been added to the inventory.

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, 2011. 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 & Co.,
Chartered Accountants,**

**Place: Mumbai
Date: 22nd August, 2011**

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



STATEMENT PURSUANT TO SECTION 212(1) (e) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

Name of the Subsidiary Company : **SHREE KRISHNA INFRASTRUCTURE LTD**

Holding Company's Interest : 1, 39,267 Equity Shares of Rs. 10 each fully paid up

Extent Holding : 51%

The Financial Year of the Subsidiary Company ended on : 31st March, 2011

Net aggregate amount of the Subsidiary Company's profits / (losses) dealt with in the Holding Company's accounts:

For the Subsidiary's aforesaid financial year : Nil

For the previous financial years : N.A.

Net aggregate amount of the Subsidiary Company's profits / (losses) not dealt with in the Holding Company's accounts:

For the Subsidiary's aforesaid financial year : Rs. 7,233

For the previous financial years : N.A.

Name of the Subsidiary Company : **SHREE KRISHNA HOLIDAY HOMES AND FARMS LTD**

Holding Company's Interest : 1, 48,818 Equity Shares of Rs. 10 each fully paid up

Extent Holding : 51%

The Financial Year of the Subsidiary Company ended on : 31st March, 2011

Net aggregate amount of the Subsidiary Company's profits / (losses) dealt with in the Holding Company's accounts:

For the Subsidiary's aforesaid financial year : Nil

For the previous financial years : N.A.

Net aggregate amount of the Subsidiary Company's profits / (losses) not dealt with in the Holding Company's accounts:

For the Subsidiary's aforesaid financial year : Rs. 8,191

For the previous financial years : N.A.

For and on behalf of the Board of Directors

Rajiv R. Kotia
Managing Director

Ashok Modi
Director

Place: Ahmedabad

Date: 22/08/2011

BOARD OF DIRECTORS
SHREE KRISHNA INFRASTRUCTURE LIMITED

BOARD OF DIRECTORS

Ms. Maltiben .K. Wani

Ms. Kavita .S. Pawar.

Mr. Hitesh Suthar

BANKERS

The Bhuj Mercantile Co. Operative Bank Limited

The Kalupur Commercial Co-Operative Bank Limited

AUDITORS

M/s. Samria & Co

Chartered Accountant

2/E, Court Chambers

35-New Marine Lines

Mumbai - 400 020.

REGISTERED OFFICE

406 KALASH-II B/4 NAVRANGPURAPOST OFFICE

NAVRANGPURA AHMEDABAD

Gujarat

E- mail id: skifl2007@gmail.com



SHREE KRISHNA INFRASTRUCTURE LIMITED
DIRECTOR'S REPORT TO THE SHAREHOLDER

Your Directors have pleasure in submitting their Annual Report and Account for the year ended on 31st March, 2011.

FINANCIAL RESULTS

	YEARS ENDED 31-03-2011 (RS. IN LACS)	YEARS ENDED 31-03-2010 (RS. IN LACS)
Income from Operation	3.39	3.25
Profit / (loss) before tax	0.07	0.05
Provision for Taxation	0.02	0.02
Profit (Loss) after Tax	0.05	0.04
Balance Carried to Balance Sheet	0.05	0.04

OPERATING PERFORMANCE

The working of the company has resulted in a net profit after tax of Rs. 0.05 Lacs.

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, 2011.

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.

FIXED DEPOSITS

The company has not accepted any fixed deposits from general public.

AUDITORS:

M/s Samria & Co., Chartered Accountants, Mumbai, the Statutory Auditor of the Company, retires at the conclusion of the ensuing 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.

DIRECTOR'S RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- That the selected accounting policies were applied consistently and the directors made judgments and estimated that are reasonable and prudent so as to give a true and fair view of the state affairs of the company as at March 31, 2011 and of the profit or loss of the company for the year ended on that date.
- That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance, with the provisions of the Companies Act, 1956 for safeguarding assets of the company and for preventing and detecting fraud and other irregularities.
- That the annual account has been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNING & OUTSTANDING.

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 forgoing matters is given here under.

1. Conservation of energy	Nil
2. Technology absorption, research & dev.	Nil
3. Foreign Exchange earning & outgoing	Nil

COMPLIANCE CERTIFICATE

Pursuant to provisions of Section 383 A of the Companies Act, 1956, Compliance Certificate obtain from Company Secretaries is enclosed here with.

For and on behalf of the Board of Directors

Place : Ahmedabad

Date : 22th August, 2011

Maltiben Wani

(Director)

Hitesh Suthar

(Director)



AUDITOR'S REPORT

We have audited the attached Balance Sheet of **M/S. SHREE KRISHNA INFRASTRUCTURE LIMITED** as at 31st March, 2011, and the Profit & Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our Audit.

1. 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also includes assessing the accounting principles used and significant estimate made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) order, 2003 issued by the Central Government in terms of Section 227(4A) of the Company's Act, 1956, we enclose in the annexure a statement on the matters referred to in Para 4 and 5 of the said order.
3. Further to our comments in the Annexure referred to in paragraph 1 above we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of the books of accounts.
 - c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of the company.
 - d) Subject to the foregoing, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with other Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - I) In the case of Balance Sheet, of the state affairs of the Company as at 31st March, 2011 and
 - II) In the case of Profit & Loss Account the profit of the company for the period ended on that date.
4. In our opinion and to the best of our information the Balance Sheet and the Profit and Loss Account comply with Accounting Standards referred to in section 211(3C) of the Companies Act, 1956.

5. On the basis of written representation received from the directors, as on 31st March, 2011 and taken on record by the Board of Director, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

**For Samria & Co.,
Chartered Accountants,**

**Place: Mumbai
Date: 22nd August, 2011**

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



ANNEXURE TO THE AUDITORS REPORT

Referred to in paragraph 3 of our Report of even date on the Accounts of M/s. **SHREE KRISHNA INFRASTRUCTURE LIMITED** for the year ended on 31st March, 2011.

1. The company does not have any Fixed Assets.
2. Investments are held in physical form and management have followed reasonable and adequate procedure for physical verification in relation to the size of the company and nature of its business.
3. Company is maintaining proper records of investments.
4. According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the registers maintained under Section 301 of the Companies Act, 1956.
5. The Company has not granted any loans Secured or Unsecured to Companies, Firm or other parties listed in the register maintained Under Section 301 of the Companies Act or from Companies under the same management defined U/s.372 A of the Companies Act 1956.
6. In our opinion and according to the information and explanations given to us during the course of Audit, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of materials and capital assets and with regard to sale of goods.
7. In our opinion and according to the information and explanations given to us the transaction of purchase of goods and materials and sale of goods and materials made in pursuance of contracts of arrangements entered in the register maintained under section 301 of the Companies Act 1956 and aggregating during the year to Rs. 500000/- or more in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices for such goods and materials or the prices at which transactions for similar goods and materials have been made with other parties, where applicable.
8. The Company has not accepted any deposits from the public and therefore question of complying with the provisions of section 58A and Section 58AA of the Companies Act 1956 and the rules framed there under, does not arise.
8. The Company has no separate internal Audit system.
9. The Central Government has not prescribed maintenance of cost records Under Section 209 (I) (d) of the Companies Act 1956 for the Company's products.

10. As informed by the management, Provident Fund & E.S.I.C. Acts are not applicable to the company.
11. According to the information and explanations given to us, no undisputed amounts are payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty which are outstanding as at 31st March 2011 for a period of more than six months from the date they became payable.
12. The Company does not have accumulated or cash losses at the end of the year.
13. During the course of our examination of books of account carried out in accordance with the generally accepted auditing practices, we have not come across any personal expenses charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
15. Others points specified in the said orders are not applicable to the company

**For Samria & Co.,
Chartered Accountants,**

**Place: Mumbai
Date: 22nd August, 2011**

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



COMPLIANCE CERTIFICATE

CIN NO.:U45201GJ1990PLC013979

Nominal Capital: Rs. 60,00,000/-

Paid up Capital: Rs. 43,55,200/-

To,

The Members,

M/S. SHREE KRISHNA INFRASTRUCTURE LIMITED

406, Kalash II, B.H. Navarangapura, P.O. Ahmedabad-380009.

I have examined the registers, records, books and papers of **M/s. SHREE KRISHNA INFRASTRUCTURE LIMITED** as required to be maintained under the **Companies Act 1956**, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March 2011**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and representatives, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Gujarat, with Regional Director, Central Government, Company Law Board, or other authorities within the time prescribed under the Act and the rules made there under.
3. The Company being a public limited Company, comments with respect to compliance of Section 3(1)(iii) of the Act are not required.
4. The Board of Directors duly met 5 (Five) times respectively on **19th June 2010, 13th July 2010, 25th September 2010, 10th December 2010, 15th March 2011** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Books maintained for the purpose.
5. The Company **has not** closed its Register of Members during the year under review.
6. The annual general meeting for the financial year ended on **31st March 2010** was held on **24th July, 2010** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. **No** extra-ordinary general meeting was held during the year under review.

8. The company has not advanced any loans to its directors or persons of firms or companies referred to under Section 295 of the Act during the financial year under review.
9. The Company has not entered into any contract falling under the provisions of Section 297 of the Act during the year under review.
10. The Company was not required to pass any entries in the register maintained under Section 301 of the Act during the year under review.
11. There **was no** instance falling within the purview of Section 314 of the Act during the year under review and hence the company has not obtained any approvals from the Board of directors, members or Central Government.
12. The Company **has not** issued any duplicate certificates during the year under review.
13. The Company :
 - (a) **Was not required to** deliver the certificates on allotment of securities and on lodgment thereof for transfer as there **was no** allotment/transmission of securities during the year under review.
 - (b) **has not** declared any dividend during the year under review.
 - (c) **was not** required to post warrants to any members of the Company as no dividend was declared during the year under review.
 - (d) Has not transferred the amount to Investor Education and Protection Fund as **no amount is** lying in the Books of Account in respect of unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon.
 - (e) Has complied with the requirements of Section 217 of the Act.
14. Mr. Hitesh Suthar had given resignation from the Directorship of the Company and Mrs. Kavita Pawar has been inducted as a Director into the Company during the year under review.
15. The Company **has not** appointed any managing director / whole-time director/manager during the year under review.
16. The Company **has not** appointed any sole selling agents during the year under review.
17. The Company **was not** required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act during the year under review.
18. The directors **have disclosed** their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under during the year under review.



19. The Company **has not** issued any shares, debentures or other securities during the year under review.
20. The Company **has not** bought back any shares during the financial year ended on **31st March 2011**.
21. There **being no** preference shares or debentures hence question of redemption does not arise.
22. There **were no** transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares during the year under review.
23. The company **has not** invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the year under review.
24. The company has not made any borrowings during the financial year ended **31st March 2011**.
25. The Company **has not** made any investments in other bodies corporate (Including advances) under Section 372A of the Act during the year under review.
26. The Company **has not** altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under review.
27. The Company **has not** altered the provisions of the memorandum with respect to the objects of the Company during the year under review.
28. The Company **has not** altered the provisions of the memorandum with respect to name of the Company during the year under review.
29. The Company **has not** altered the provisions of the memorandum with respect to share capital of the Company during the year under review.
30. The Company **has not** altered its articles of association during the year under review.
31. As confirmed by the management, there **were no** prosecutions initiated against or show cause notices received by the Company, during the year under review, for offences under the Act.
32. As confirmed by the management, the Company **has not** received any money as security from its employees during the year under review.
33. As confirmed by the management, the Company has not constituted any trust of PF for its employees pursuant to section 418 of the Act nor has it made any contributions to the PF authorities.

** The Company entered into Share Purchase Agreement on 3rd Day of September 2010 with the Sungold Capital Limited whereby shares representing 51% of the Paid up Capital of the Company were transferred and became subsidiary of Sungold Capital Limited.

Place: Mumbai
Date: 22nd August, 2011

For, SG & Associates
Company Secretaries

Suhas Ganpule
(Proprietor)
C. P. No. 5722
Membership No. 12122



ANNEXURE-‘A’

Statutory & Other Registers maintained by the Company:

- | | |
|---|-------------|
| 1. Register of Members | u/s. 150(1) |
| 2. Minutes of the General Meetings | u/s. 193(1) |
| 3. Minutes of the Board Meetings | u/s. 193(1) |
| 4. Register of Contracts | u/s. 301(1) |
| 5. Register of Directors, Managing Directors etc. | u/s. 303(1) |
| 6. Register of Director's Shareholdings | u/s. 307(1) |
| 7. Register of Charges | u/s. 146 |
| 8. Register of Share Transfers | u/s. 108 |

ANNEXURE 'B'

Forms and returns filed by the Company with Registrar of Companies, Gujarat (MCA Portal) during the financial year ended 31st March 2011.

Sr. No	Form No.	Filed U/S	Purpose of filing	Date of filing	Whether filed within prescribed time Yes / No	If delay in filing, whether requisite additional fee paid Yes / No
1	Form 32	264(2) or 266(1)(a) and 266(1)(b)(iii)	Appointment of Mrs. Kavita Pawar and Resignation of Mr. Hitesh Suthar from the Directorship of the Company.	13.07.2010	YES	NO
2	Form 66	383A	Compliance Certificate for the Financial Year ended on 31 st March, 2010	29.07.2010	YES	NO
3	Form 23AC & 23 ACA	220	Balance Sheet and Profit & Loss Account for the Financial Year ending 31.03.2010	21.08.2010	YES	NO
4	Form 20B	159	Annual Return for the Financial Year 2010	24.09.2010	No	Yes

**For, SG & Associates
Company Secretaries**

**Place: Mumbai
Date: 22nd August, 2011**

**Suhas Ganpule
(Proprietor)
C. P. No. 5722
Membership No. 12122**



SHREE KRISHNA INFRASTRUCTURE LIMITED

AUDITED BALANCESHEET AS AT 31ST MARCH,2011

	SCHEDULE	As At 31.03.2011 ₹	As At 31.03.2010 ₹
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS :			
Share Capital	A	4,355,200	4,355,200
Reserves & Surplus	B	1,590,000	1,590,000
Unsecured Loans	C	20,865,550	21,323,550
		<u>26,810,750</u>	<u>27,268,750</u>
APPLICATION OF FUNDS			
INVESTMENTS	D	740,500	23,034,150
CURRENT ASSETS, LOANS & ADVANCES :			
Cash & Bank Balances	E	41,990	11,485
Sundry debtors	F	24,256,150	2,164,500
Loans,Advances & Deposits	G	1,687,500	1,957,500
		<u>25,985,640</u>	<u>4,133,485</u>
LESS:CURRENT LIABILITIES & PROVISIONS :			
Current Liabilities & Provisions	H	7,750	41,113
		<u>7,750</u>	<u>41,113</u>
NET CURRENT ASSETS		<u>25,977,890</u>	<u>4,092,372</u>
MISCELLANEOUS EXPENDITURE (To the extent not written off or adjusted)			
Preliminary Expenses	I	-	44,870
Profit & Loss account (Dr.)		92,360	97,358
		<u>26,810,750</u>	<u>27,268,750</u>
		-	-

Notes on Accounts

As per our Audit Report of even dated Annexed,
For Samria & Co.
Chartered Accountants,

K

FOR SHREE KRISHNA INFRASTRUCTURE LTD.

Shivraj Rathi
Partner
Mumbai
22nd August, 2011

Ms. Maltiben Wani
Director

Mr. Hitesh Suthar
Director

SHREE KRISHNA INFRASTRUCTURE LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH,2011

	Schedule	As At 31.03.2011 ₹	Year Ended 31.03.2010 ₹
INCOME :			
Gross Income		339,340	325,155
		<u>339,340</u>	<u>325,155</u>
EXPENDITURE			
Direct expenses		-	-
Indirect & administrative expenses	J	287,237	319,982
Preliminary expenses w/off		44,870	-
		<u>332,107</u>	<u>319,982</u>
Net profit/loss before depreciation		7,233	5,173
Depreciation		-	-
Profit / loss before tax		<u>7,233</u>	<u>5,173</u>
Provision for tax		-	-
Current tax		2,235	1,598
Deferred tax		-	-
Fringe benefit tax		-	-
Profit / loss after tax		<u>4,998</u>	<u>3,575</u>
Prior period adjustment		-	(1,370)
Previous year balance b/f		(97,358)	(99,563)
Profit transferred to balance sheet		<u>(92,360)</u>	<u>(97,358)</u>

Notes on Accounts
As per our Audit Report of even dated
Annexed,
For Samria & Co.
Chartered Accountants,

K

FOR SHREE KRISHNA INFRASTRUCTURE LTD.

Shivraj Rathi
Partner
Mumbai
22nd August, 2011

Ms. Maltiben Wani
Director

Mr. Hitesh Suthar
Director



SHREE KRISHNA INFRASTRUCTURE LIMITED

**Schedules attached to and forming part of the Balance Sheet as at 31st March, 2011
and
Profit & Loss Account for the year ended on that date**

	As At 31.03.2011 ₹	As At 31.03.2010 ₹
SCHEDULE 'A' : SHARE CAPITAL		
AUTHORISED :		
500,000 Equity Shares of Rs. 10 each	5,000,000	5,000,000
	5,000,000	5,000,000
ISSUED, SUBSCRIBED AND PAID UP :		
435520 Equity Shares of Rs. 10 each, Fully Paid	4,355,200	4,355,200
	4,355,200	4,355,200
SCHEDULE 'B' : RESERVES & SURPLUS		
SHARE PREMIUM	1,590,000	1,590,000
	1,590,000	1,590,000
SCHEDULE 'C' : UNSECURED LOANS		
From Directors	-	-
From Others	20,865,550	21,323,550
	20,865,550	21,323,550
SCHEDULE 'D' : INVESTMENTS :		
Unquoted Equity Shares	740,500	23,034,150
	740,500	23,034,150
SCHEDULE 'E' : CASH AND BANK BALANCES :		
Cash in Hand	31,834	4,404
Bank Balances	10,156	7,081
	41,990	11,485
SCHEDULE 'F' : SUNDRY DEBTORS		
Less Than Six Months	-	-
Others	24,256,150	2,164,500
	24,256,150	2,164,500

SHREE KRISHNA INFRASTRUCTURE LIMITED

	As At 31.03.2011 ₹	As At 31.03.2010 ₹
SCHEDULE 'G' : LOANS, ADVANCES & DEPOSITS (Unsecured, considered good)		
Advances recoverable in cash or kind or for value to be received	1,687,500	1,957,500
	1,687,500	1,957,500
SCHEDULE 'H' : CURRENT LIABILITIES :		
Sundry Creditors	-	-
Audit fees Payable	5,515	5,515
Professional Fees Payable	-	-
Provision for Income Tax	2,235	1,598
Salary Payable	-	22,000
Accounting Charges Payable	-	12,000
	7,750	41,113
SCHEDULE 'I' : MISCELLANEOUS EXPENDITURE : (To the extent not written off)		
Preliminary Expenses	44,870	44,870
Less: Written off during the Year	44,870	-
	-	44,870
SCHEDULE 'J': INDIRECT & ADMINISTRATIVE EXPENSES :		
Audit Fee	5,515	5,515
Bank Charges	500	50
Rent Expenses	48,000	40,000
Misc Expenses	4,350	6,307
Accounting charges	9,000	13,200
Post & teligraph	4,320	3,876
Office Expenses	9,240	13,364
Professional fees	15,000	-
SALARY	180,000	198,000
Printing & Stationery	8,190	7,910
ROC Filing Fees	2,500	31,750
Sundry Balance W/off	622	10
	287,237	319,982

Notes on Accounts

As per our Audit Report of even dated Annexed,
For Samria & Co.
Chartered Accountants,

K

FOR SHREE KRISHNA INFRASTRUCTURE LTD.

Shivraj Rathi
Partner
Mumbai
22nd August, 2011

Ms. Maltiben Wani
Director

Mr. Hitesh Suthar
Director



M/S. SHREE KRISHNA INFRASTRUCTURE LIMITED.

SCHEDULE -K

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011.

1. SIGNIFICANT ACCOUNTING POLICIES :

- a) The Company does not have Fixed Assets at the end of the year.
- b) Accounts are prepared generally following the mercantile basis of accounting.
- c) The Company does not have any Inventory.
- d) Investments are stated at Cost.

2. NOTES ON ACCOUNTS:

- a) In the opinion of the management, the Current Assets, Loans and Advances are expected to realise at the values stated in the Balance Sheet and adequate provisions have been made in the accounts for all known liabilities.
- b) Previous year's figures have been regrouped or rearranged wherever found necessary.

**For Samria & Co.,
Chartered Accountants,**

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

**Place: Mumbai
Date: 22nd August, 2011**

**For And On Behalf of the Board of Directors
SHREE KRISHNA INFRASTRUCTURE LIMITED**

**Ms. Maltiben Wani
Director**

**Mr. Hitesh Suthar
Director**

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	31/03/2011

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	26,811
Total Assets	26,811

Sources of Funds :

Paid Up Capital	4,355
Reserves & Surplus	1590
Deferred Tax Liability	-
Secured Loans	-
Unsecured Loans	20,866
	26,811

Application of Funds :

Net Fixed Assets	-
Investments	741
Net Current Assets	25,978
Misc Expenditure	92
Deferred Tax Assets	-
	26,811

IV. Performance of Company

	(Rupees In Thousands)
Income from Operations	339
Total Expenditure	332
Profit Before Tax	7
Profit After Tax	5
Earning Per Share	0.01
Dividend Rate	-

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 separate report of even date

For Samria & Co.

Chartered Accountants,

Shivraj Rathi

Partner

Mumbai

The 22nd August, 2011

For Shree Krishna Infrastructure Limited

Ms. Maltiben Wani

Director

Mr. Hitesh Suthar

Director



BOARD OF DIRECTORS

SHREE KRISHNA HOLIDAY HOME AND FARMS LIMITED

BOARD OF DIRECTORS

Mr. Makbulhusen Rathod

Ms. Priyaben Soni

Ms. Reena Rajendra Shah

BANKERS

The Bhuj Mercantile Co. Operative Bank Limited

The Kalupur Commercial Co-Operative Bank Limited

AUDITORS

M/s. Samria & Co

Chartered Accountant

2/E, Court Chambers

35-New Marine Lines

Mumbai - 400 020.

REGISTERED OFFICE

406 KALASH-II B/4 NAVRANGPURAPOST OFFICE

NAVRANGPURA AHMEDABAD

Gujarat - 380009

E- mail id: skhhf12007@gmail.com

SHREE KRISHNA HOLIDAY HOME AND FARMS LIMITED
DIRECTOR'S REPORT TO THE SHAREHOLDER

Your Directors have pleasure in submitting their Annual Report and Account for the year ended on 31st March, 2011.

FINANCIAL RESULTS

PARTICULARS	YEARS ENDED	YEARS ENDED
	31-03-2011	31-03-2010
	(RS. IN LACS)	(RS. IN LACS)
Income from Operation	2.31	1.63
Profit / (loss) before tax	0.08	0.05
Provision for Taxation	0.02	0.2
Profit (Loss) after Tax	0.06	0.3
Balance Carried to Balance Sheet	0.06	0.04

OPERATING PERFORMANCE

The working of the company has resulted in a profit after tax of Rs. 0.06 Lacs.

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, 2011.

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.

FIXED DEPOSITS

The company has not accepted any fixed deposits from general public.

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.



DIRECTOR'S RESPONSIBILITY STATEMENT:

The Board of Directors of the Company confirms:

- That in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure.
- That the selected accounting policies were applied consistently and the directors made judgments and estimated that are reasonable and prudent so as to give a true and fair view of the state affairs of the company as at March 31, 2011 and of the profit or loss of the company for the year ended on that date.
- That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance, with the provisions of the Companies Act, 1956 for safeguarding assets of the company and for preventing and detecting fraud and other irregularities.
- That the annual account has been prepared on a going concern basis.

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

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 forgoing matters is given here under.

1. Conservation of energy	Nil
2. Technology absorption, research & dev.	Nil
3. Foreign Exchange earning & outgoing	Nil

COMPLIANCE CERTIFICATE:

Pursuant to provisions of Section 383 A of the Companies Act, 1956, Compliance Certificate obtain from Company Secretaries is enclosed here with.

For and on behalf of the Board of Directors

Place: Ahmedabad

Date: 22nd August, 2011

Ms. Reena Shah

Director

Mr. Mukbulhusen Rathod

Director

AUDITOR'S REPORT

We have audited the attached Balance Sheet of **M/S. SHREE KRISHNA HOLIDAY HOME AND FARMS LIMITED** as at 31st March, 2011, and the Profit & Loss Account of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our Audit.

1. 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 misstatement. An audit include examining, on a test basis, evidence supporting the amounts and disclosure in the financial statements. An audit also include assessing the accounting principles used and significant estimate made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor`s Report) order, 2003 issued by the Central Government in terms of Section 227(4A) of the Company's Act, 1956, we enclose in the annexure a statement on the matters referred to in Para 4 and 5 of the said order.
3. Further to our comments in the Annexure referred to in paragraph 1 above we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of the books of accounts.
 - c. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of the company.
 - d. Subject to the foregoing, in our opinion and to the best of our information and according to the explanations given to us, the said accounts read with other Notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view :
 - i. In the case of Balance Sheet, of the state affairs of the Company as at 31st March, 2011and
 - ii. In the case of Profit & Loss Account the profit of the company for the period ended on that date.
4. In our opinion and to the best of our information the Balance Sheet and the Profit and Loss Account comply with Accounting Standards referred to in section 211(3C) of the Companies Act, 1956.



5. On the basis of written representation received from the directors, as on 31st March, 2011 and taken on record by the Board of Director, we report that none of the directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

**For Samria & Co.,
Chartered Accountants,**

**Place: Mumbai
Date: 22nd August, 2011**

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

ANNEXURE TO THE AUDITORS REPORT

Referred to in paragraph 3 of our Report of even date on the Accounts of **M/s. SHREE KRISHNA HOLIDAY HOME AND FARMS LIMITED** for the year ended on 31st March, 2011.

1. The company does not have any Fixed Assets.
2. Investments are held in physical form and management has followed reasonable and adequate procedure for physical verification in relation to the size of the company and nature of its business.
3. Company is maintaining proper records of investments.
4. According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the registers maintained under Section 301 of the Companies Act, 1956.
5. The Company has not granted any loans Secured or Unsecured to Companies, Firm or other parties listed in the register maintained Under Section 301 of the Companies Act or from Companies under the same management defined U/s.372 A of the Companies Act 1956.
6. In our opinion and according to the information and explanations given to us during the course of Audit, there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard to the purchase of materials and capital assets and with regard to sale of goods.
7. In our opinion and according to the information and explanations given to us the transaction of purchase of goods and materials and sale of goods and materials made in pursuance of contracts of arrangements entered in the register maintained under section 301 of the Companies Act 1956 and aggregating during the year to Rs. 500000/- or more in respect of each party have been made at prices which are reasonable having regard to the prevailing market prices for such goods and materials or the prices at which transactions for similar goods and materials have been made with other parties, where applicable.
8. The Company has not accepted any deposits from the public and therefore question of complying with the provisions of section 58A and Section 58AA of the Companies Act 1956 and the rules framed there under, does not arise.
9. The Company has no separate internal Audit system.
10. The Central Government has not prescribed maintenance of cost records Under Section 209 (I) (d) of the Companies Act 1956 for the Company's products.
11. As informed by the management, Provident Fund & E.S.I.C. Acts are not applicable to the company.
12. According to the information and explanations given to us, no undisputed amounts are payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty and Excise Duty which are outstanding as at 31st March 2011 for a period of more than six months from the date they became payable.
13. The Company does not have accumulated or cash losses at the end of the year.



14. During the course of our examination of books of account carried out in accordance with the generally accepted auditing practices, we have not come across any personal expenses charged to revenue account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
15. Others points specified in the said orders are not applicable to the company.

**For SAMRIA & CO.
Chartered Accountants**

**(S. R. RATHI)
Partner
Membership. No. 112376**

**Place : Mumbai
Date : 22/08/2011**

COMPLIANCE CERTIFICATE

CIN No.: U55101GJ1995PLC024944

Nominal Capital: 50,00,000/-

Paid up Capital: 47,90,700/-

To

The Members,

M/S. SHREE KRISHNA HOLIDAY HOME AND FARMS LIMITED

406, Kalash II, B.H. Navarangapura, P.O. Ahmedabad-380 009.

We have examined the registers, records, books and papers of **M/S. SHREE KRISHNA HOLIDAY HOME AND FARMS LIMITED** as required to be maintained under the Companies Act 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st March 2011**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and representatives, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Gujarat with Regional Director, Central Government, Company Law Board, or other authorities during the year under review within the time prescribed under the Act and the rules made there under.
3. The Company being a public limited Company, comments with respect to compliance of Section 3(1)(iii) of the Act are not required.
4. The Board of Directors duly met 5 (Five) times respectively on **10^h April 2010, 19th June 2010, 20th August 2010, 15th Dec, 2010, 10th March, 2011** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Books maintained for the purpose.
5. The Company **has not** closed its Register of Members during the year under review.
6. The annual general meeting for the financial year ended on **31st March 2010** was held on **24th July, 2010** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. **No** extra-ordinary general meeting was held during the year under review.



8. The company has not advanced any loans to its directors or persons of firms or companies referred to under Section 295 of the Act during the financial year under review.
9. The Company has not entered into any contract falling under the provisions of Section 297 of the Act during the year under review.
10. The Company was not required to pass any entries in the register maintained under Section 301 of the Act during the year under review.
11. There **was no** instance falling within the purview of Section 314 of the Act during the year under review and hence the company has not obtained any approvals from the Board of directors, members or Central Government.
12. The Company **has not** issued any duplicate certificates during the year under review.
13. The Company :
 - a) **Was not required to** deliver the certificates on allotment of securities and on lodgment thereof for transfer as there **was no** allotment/transmission of securities during the year under review.
 - b) **has not** declared any dividend during the year under review.
 - c) **was not** required to post warrants to any members of the Company as no dividend was declared during the year under review.
 - d) Has not transferred the amount to Investor Education and Protection Fund as **no amount** is lying in the Books of Account in respect of unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon.
 - e) Has complied with the requirements of Section 217 of the Act.
14. Mr. Rajendra Shah has resigned from the Directorship of the Company during the year under review.
15. The Company **has not** appointed any managing director / whole-time director/manager during the year under review.
16. The Company **has not** appointed any sole selling agents during the year under review.
17. As Confirmed by the Management, the Company **was not** required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and/or such authorities prescribed under the various provisions of the Act during the year under review.

18. The directors **have disclosed** their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under during the year under review.
19. The Company **has not** issued any shares, debentures or other securities during the year under review.
20. The Company **has not** bought back any shares during the financial year ended on **31st March 2011**.
21. There **being no** preference shares or debentures hence question of redemption does not arise.
22. There **were no** transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares during the year under review.
23. The company **has not** invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the year under review.
24. The company has not made any borrowings during the financial year ended **31st March 2011**.
25. The Company **has not** made any investments in other bodies corporate (Including advances) under Section 372A of the Act during the year under review.
26. The Company **has not** altered the provisions of the memorandum with respect to situation of the Company's registered office from one state to another during the year under review.
27. The Company **has not** altered the provisions of the memorandum with respect to the objects of the Company during the year under review.
28. The Company **has not** altered the provisions of the memorandum with respect to name of the Company during the year under review.
29. The Company **has not** altered the provisions of the memorandum with respect to share capital of the Company during the year under review.
30. The Company **has not** altered its articles of association during the year under review.
31. As confirmed by the management, there **were no** prosecutions initiated against or show cause notices received by the Company, during the year under review, for offences under the Act.
32. As confirmed by the management, the Company **has not** received any money as security from its employees during the year under review.



33. As confirmed by the management, the Company has not constituted any trust of PF for its employees pursuant to section 418 of the Act nor has it made any contributions to the PF authorities.

** The Company entered into Share Purchase Agreement on 3rd Day of September 2010 with the Sungold Capital Limited whereby shares representing 51% of the Paid up Capital of the Company were transferred and became subsidiary of Sungold Capital Limited.

Place: Mumbai
Date: 22nd August, 2011

For, SG & Associates
Company Secretaries

Suhas Ganpule
(Proprietor)
C. P. No. 5722
Membership No. 12122

ANNEXURE-‘A’

Statutory & Other Registers maintained by the Company:

- | | |
|---|-------------|
| 1. Register of Members | u/s. 150(1) |
| 2. Minutes of the General Meetings | u/s. 193(1) |
| 3. Minutes of the Board Meetings | u/s. 193(1) |
| 4. Register of Contracts | u/s. 301(1) |
| 5. Register of Directors, Managing Directors etc. | u/s. 303(1) |
| 6. Register of Director's Shareholdings | u/s. 307(1) |
| 7. Register of Charges | u/s. 146 |
| 8. Register of Share Transfers | u/s. 108 |



ANNEXURE-‘B’

Forms and returns filed by the Company with Registrar of Companies, Gujarat (MCA Portal) during the financial year ended 31st March 2011.

Sr. No.	Form No.	Filed U/S	Details of Forms	Date of filing	Whether filed within prescribed time Yes / No	If delay in filing, whether requisite additional fee paid Yes / No
1	Form 32	303(2), 264(2) or 266(1)(a)) and 266(1)(b) (iii)	Resignation of Mr. Rajendra Shah w.e.f 10/04/2010.	13/04/2010	Yes	No
2	Form 66	383A	Compliance Certificate for the Financial Year 2010	29/07/2010	Yes	No
3	Form 23AC & 23 ACA	220	Balance Sheet and Profit & Loss Account for the Financial Year 2010	02/09/2010	No	Yes
4	Form 20B	159	Annual Return for the Financial Year 2010	24/09/2010	NO	YES

**For, SG & Associates
Company Secretaries**

**Place: Mumbai
Date: 22nd August, 2011**

**Suhas Ganpule
(Proprietor)
C. P. No. 5722
Membership No. 12122**

SHREE KRISHNA HOLIDAY HOME AND FARMS LIMITED

AUDITED BALANCESHEET AS AT 31ST MARCH, 2011

	SCHEDULE	As At 31.03.2011 ₹	As At 31.03.2010 ₹
SOURCES OF FUNDS :			
SHAREHOLDERS' FUNDS :			
Share Capital	A	4,790,700	4,790,700
Reserves & Surplus	B	699,840	694,180
Unsecured Loans	C	8,314,400	8,364,400
		<u>13,804,940</u>	<u>13,849,280</u>
APPLICATION OF FUNDS			
INVESTMENTS	D	-	9,557,000
CURRENT ASSETS, LOANS & ADVANCES			
Sundry Debtors		8,657,000	-
Cash & Bank Balances	E	914,986	87,118
Loans, Advances & Deposits	F	4,241,000	4,254,000
		<u>13,812,986</u>	<u>4,341,118</u>
LESS:CURRENT LIABILITIES & PROVISIONS :			
Current Liabilities & Provisions	G	8,046	96,981
		<u>8,046</u>	<u>96,981</u>
NET CURRENT ASSETS		13,804,940	4,244,137
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)			
Preliminary Expenses	H	-	48,143
		<u>13,804,940</u>	<u>13,849,280</u>
		-	-

Notes on Accounts
As per our Audit report of even dated annexed
For Samria & Co.
Chartered Accountants,

FOR SHREE KRISHNA HOLIDAY
HOME AND FARMS LIMITED.

Shivraj Rathi
Partner
Mumbai
22nd August, 2011

Ms. Reena Shah
Director

Mr. Mukbulhusen Rathod
Director



SHREE KRISHNA HOLIDAY HOME AND FARMS LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2011

	Schedule	Year Ended 31.03.2011 ₹	Year Ended 31.03.2010 ₹
INCOME :			
Gross Income		230,520	162,560
		<hr/>	<hr/>
		230,520	162,560
EXPENDITURE :			
<u>EXPENDITURE</u>			
Direct expenses		-	-
Indirect & administrative expenses	I	174,186	157,816
Preliminary expenses w/off		48,143	-
		<hr/>	<hr/>
		222,329	157,816
Net profit/loss before depreciation		8,191	4,744
Depreciation		-	-
		<hr/>	<hr/>
Profit / loss before tax		8,191	4,744
Provision for tax		-	-
Current tax		2,531	1,466
Deferred tax		-	-
Fringe benefit tax		-	-
		<hr/>	<hr/>
Profit / loss after tax		5,660	3,278
Prior period adjustment		-	(900)
Previous year balance b/f		4,180	1,802
		<hr/>	<hr/>
Profit transferred to balance sheet		9,840	4,180

Notes on Accounts - J
As per our Audit report of even dated
annexed
For Samria & Co.
Chartered Accountants,

FOR SHREE KRISHNA HOLIDAY
HOME AND FARMS LTD.

Shivraj Rathi
Partner
Mumbai
22nd August, 2011

Reena Shah
Director

Mukbulhusen Rathod
Director

SHREE KRISHNA HOLIDAY HOME AND FARMS LIMITED

Schedules attached to and forming part of the Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date

	As At 31.03.2011 ₹	As At 31.03.2010 ₹
SCHEDULE 'A' : SHARE CAPITAL		
AUTHORISED :		
600000 Equity Shares of Rs. 10 each	6,000,000	6,000,000
	6,000,000	6,000,000
ISSUED, SUBSCRIBED AND PAID UP :		
479070 Equity shares of Rs.10/- each		
Fully Paid	4,790,700	4,790,700
	4,790,700	4,790,700
SCHEDULE 'B' : RESERVES & SURPLUS		
SHARE PREMIUM	690,000	690,000
PROFIT & LOSS ACCOUNT	9,840	4,180
	699,840	694,180
SCHEDULE 'C' : UNSECURED LOANS		
From directors	-	-
From Others	8,314,400	8,364,400
	8,314,400	8,364,400
SCHEDULE 'D' : INVESTMENTS :		
Unquoted Equity Shares	-	9,557,000
	-	9,557,000
SCHEDULE 'E' : CASH AND BANK BALANCES :		
Cash in Hand	6,353	5,283
Bank Balances	908,633	81,835
	914,986	87,118
Notes on Account	J	
As per our Audit Report of even dated annexed		
For Samria & Co.		
Chartered Accountants,		
Shivraj Rathi	Reena Shah	Mukbulhusen Rathod
Partner	Director	Director
Mumbai		
22nd August, 2011		



M/S. SHREE KRISHNA HOLIDAY HOME AND FARMS LIMITED.

SCHEDULE -J

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2011.

1. SIGNIFICANT ACCOUNTING POLICIES :

- a. The Company does not have Fixed Assets at the end of the year.
- b. Accounts are prepared generally following the mercantile basis of accounting.
- c. The Company does not have any Inventory.
- d. Investments are stated at Cost.

2. NOTES ON ACCOUNTS:

- a. In the opinion of the management, the Current Assets, Loans and Advances are expected to realise at the values stated in the Balance Sheet and adequate provisions have been made in the accounts for all known liabilities.
- b. Previous year's figures have been regrouped or rearranged wherever found necessary.

For SAMRIA & CO.
Chartered Accountants

(S. R. RATHI)
PARTNER

Membership. No. 112376

ON BEHALF OF THE BOARD OF

SHREE KRISHNA HOLIDAY HOME AND FARMS
LIMITED

REENA SHAH
DIRECTOR

MAKBULHUSEN RATHOD
DIRECTOR

Place : Mumbai

Date: 22/08/2011

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	31/03/2011

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	13,805
Total Assets	13,805

Sources of Funds :

Paid Up Capital	4,791
Reserves & Surplus	700
Deferred Tax Liability	-
Secured Loans	-
Unsecured Loans	8,314

13,805

Application of Funds : Application of Funds :

Net Fixed Assets	-
Investments	-
Net Current Assets	13,805
Misc Expenditure	-

13,805

IV.Performance of Company

(Rupees In Thousands)

Income from Operations	231
Total Expenditure	222
Profit Before Tax	8
Profit After Tax	6
Earning Per Share	0.01
Dividend Rate	-

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 separate report of even date For Samria & Co.

FOR SHREE KRISHNA HOLIDAY HOME AND FARMS LIMITED

Chartered Accountants,

Shivraj Rathi

Partner

Mumbai

22nd August, 2011

REENA SHAH

DIRECTOR

MAKBULHUSENRATHOD

DIRECTOR



AUDITORS REPORT TO THE BOARD OF DIRECTORS OF SUNGOLD CAPITAL LIMITED ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SUNGOLD CAPITAL LIMITED AND IT'S SUBSIDIARIES "SHREE KRISHNA HOLIDAY HOME AND FARMS LIMITED" AND "SHREE KRISHNA INFRASTRUCTURE LIMITED"

1. We have audited the attached Consolidated Balance sheet of Sungold Capital Limited (the "Holding Company") and its subsidiaries "Shree Krishna Holiday Home And Farms Limited" & "Shree Krishna Infrastructure Limited" ; hereinafter referred to as the "Group" (refer note 6 on schedule 'L' Notes on Accounts to the attached consolidated financial statements) as at March 31, 2011 the related Consolidated Profit and Loss Account for the year ended on that date annexed thereto which we have signed under reference to this report. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.
2. We conducted our audit in accordance with the 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 misstatement. An Audit includes examining. On a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that the consolidated financial statements have been prepared by the Company's management in accordance with the requirements of Accounting Standard (AS) 21 – Consolidated Financial Statements, Accounting Standard (AS) 23 – Accounting for Investments in Associates in Consolidated Financial Statements, notified under sub- section (3C) of Section 211 of the Companies Act, 1956.
4. In our opinion and to the best of our information and according to the explanations given to us, the attached consolidated financial statements give true and fair view in conformity with the accounting principles generally accepted in India:
 - a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2011;
 - b) in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date

**For Samria & Co.,
Chartered Accountants,**

**Place: Mumbai
Date: 22nd August, 2011**

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

SUNGOLD CAPITAL LIMITED (CONSOLIDATED)**SUNGOLD CAPITAL LIMITED (CONSOLIDATED)**
Balance Sheet As at 31st March, 2011

	Schedules	As At 31.03.2011 ₹
SOURCES OF FUNDS :		
SHAREHOLDERS' FUNDS :		
Share Capital	A	70,759,850
Reserves & Surplus	B	11,171,230
Minority Interest		5,560,591
Unsecured Loan	C	29,149,950.00
Deferred Tax Liability		-
		<u>116,641,621</u>
APPLICATION OF FUNDS		
FIXED ASSETS		
Gross Block	D	1,070,275
Less: Depreciation		637,927
Net Block		<u>432,348</u>
INVESTMENTS	E	3,240,501
CURRENT ASSETS, LOANS & ADVANCES :		
Inventory-Films		7,594,516
Sundry Debtors	F	59,576,687
Cash & Bank Balances	G	5,480,233
Loans, Advances & Deposits	H	40,331,293
		<u>112,982,728</u>
LESS: CURRENT LIABILITIES & PROVISIONS :		
Current Liabilities & Provisions	I	272,428
		<u>272,428</u>
NET CURRENT ASSETS		<u>112,710,300</u>
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Preliminary Expenses	J	247,562
Deferred Tax Assets		10,910
		<u>116,641,621</u>
		(0)

Notes on Accounts

As per our separate report of even date,

For Samria & Co.

Chartered Accountants,

Shivraj Rathi

Partner

M.N.112376

Mumbai

The 22nd August, 2011

For Sungold Capital Limited,

Mr. Rajiv Kotia,
Managing DirectorMr. Ashok G. Modi,
Director



SUNGOLD CAPITAL LIMITED (CONSOLIDATED)

Schedules attached to and forming part of the Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended on that date

	As At 31.03.2011
	₹
SCHEDULE `A` : SHARE CAPITAL	
AUTHORISED :	
100,00,000 Equity Shares of Rs. 10 each	100,000,000
	<u>100,000,000</u>
ISSUED, SUBSCRIBED AND PAID UP :	
6455400 Equity Shares of Rs. 10 each, Fully Paid	64,554,000
288085 Equity Shares other than cash of Rs. 10 each, Fully Paid	2,880,850
Preferential fully convertible warrants	13,300,000
Less: Calls in arrears	(9,975,000)
	<u>70,759,850</u>
SCHEDULE `B` : RESERVES & SURPLUS	
General Reserves	66,326
Capital reserves	78,799
Special Reserve Fund	1,153,930
Profit & Loss Account	5,147,070
Share Premium	4,705,475
	<u>11,151,600</u>
SCHEDULE `C` : UNSECURED LONGS	
From Director	720,000
From Other:	28,429,950
	<u>29,149,950</u>
SCHEDULE `E` : INVESTMENTS :	
Quoted Equity Shares	-
Unquoted Equity Shares	3,240,501
	<u>3,240,501</u>
SCHEDULE `F` : SUNDRY DEBTORS	
(Unsecured, considered good)	
Outstanding for more than six months	-
Others	59,576,687
	<u>59,576,687</u>
SCHEDULE `G` : CASH AND BANK BALANCES :	
Cash in Hand	92,407
Bank Balances	5,387,826
	<u>5,480,233</u>

SUNGOLD CAPITAL LIMITED

As At
31.03.2011
 ₹

SCHEDULE 'H' : LOANS, ADVANCES & DEPOSITS

(Unsecured, considered good)

Advances recoverable in cash or kind

or for value to be received

40,215,748

Advances & deposits to corporate and other

111,830

Advances to revenue authorities

3,715

40,331,293

**SCHEDULE 'I' : CURRENT
 LIABILITIES :**

Sundry Creditors

13,163

Provision for Income Tax

38,498

Audit Fees Payable

38,605

Tds Payable

182,162

272,428

SCHEDULE 'J': MISCELLANEOUS EXPENDITURE :

(To the extent not written off)

Preliminary Expenses

309,452

Less: Written off during the Year

61,890

247,562



SUNGOLD CAPITAL LIMITED

For the year
ended
31.03.2011

₹

SCHEDULE 'K' : ADMINISTRATIVE EXPENSES :

Insurance charges	15,965
Salary	477,499
Bank Charges	4,240
Audit Fees	30,388
Repair and Maintenance	26,125
General Expenses	6,902
Sales Promotion Expenses	36,561
Digital Signature Expenses	3,600
Diwali Expenses	2,997
Stationery & Printing	30,006
Advertisement Expenses	8,144
Electricity Expenses	35,720
Membership Expenses	2,110
Registrar Fees	23,103
Rent Expenses	193,240
Listing Fees	126,845
NSDL/CDSL FEES	62,871
Office Expenses	114,788
Post & Telegram	27,639
Professional Charges	174,928
Telephone Expenses	23,628
Travelling Expenses	61,374
Zerox Expenses	3,107
Stamp Charges	3,037
Roc filling charges	5,600
Misc Expenses	4,626
Accounting charges	7,650
Sundry Bal. W/off	319
	<u>1,513,011</u>

Notes on Accounts

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As per our separate report of even date,

For Samria & Co.

Chartered Accountants,

Shivraj Rathi

Partner

M.N.112376

Mumbai

The 22nd August, 2011

For Sungold Capital Limited,

Mr. Rajiv Kotia,
Managing Director

Mr. Ashok G. Modi,
Director

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, wherever necessary.
4. Related Party Disclosures as per AS-18 issued by the Institute of Chartered Accountants of India, for the year ended 31st March, 2011.
 - (A) Relationship
 - (i) Key Management Personnel and Relatives
Mr. Rajiv Kotia, Managing Director
 - (ii) Associate - Nil
 - (iii) Enterprises over which key management personnel and/or their relatives have significant influence – Nil
5. Being, First Year of Consolidated Financial Statements, Cash Flow statements have not been prepared.
6. The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 (AS 21) – “Consolidated Financial Statements” and Accounting Standard 23 (AS 23) – “Accounting for Investments in Associates in Consolidated Financial Statements” issued by the Institute of Chartered Accountants of India and notified under sub-section (36) of Section 211 of the Companies Act, 1956 (‘The Act’) and the relevant provisions of the Act.



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

Inventories primarily consist of cost of feature film production and cost of serials which are valued at cost. During the year the company has incurred film promotion expenses & publicity expenses, which have been added to the inventory.

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.

The subsidiaries (which along with Sungold Capital Limited, the parent constitute the group) considered in the Consolidate Financial Statements are:

Name of the Company	Country of Incorporation	% voting power held as at 31st March, 2011	% Voting power held as at 31st March, 2010
Shree Krishna Infrastructure Ltd	India	51%	N.A.
Shree Krishna Holiday Home And Farms Ltd	India	51%	N.A.

Dear Shareholder,

Sub: Green Initiative in Corporate Governance Service of documents by electronic mode

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" allowing paperless Compliance by Companies. In accordance with the recent circular No. 17/2011 dated 21.04.2011 and circular No. 18/2011 dated 29.04.2011 issued by the MOA Companies can now send various notices and documents including the Annual Reports to its shareholders through electronic mode to the registered email address of shareholders.

If you hold shares in Demat Form we invite you to the contribution to the cause by updating your email id details with your Depository Participant. In case you hold shares in physical form please complete the form given below and send it back to us.

Please note that as a member of the Company you are entitled to receive all such communication in physical form upon request.

Best Regards
Cs & Compliance Officer

.....
E-COMMUNICATION REGISTRATION FORM
(In terms of Circular No. dated 21.04.2011 issued by MINISTRY OF CORPORATE Affairs)

To,
The Sungold Capital Limited,
205, Jeet Complex, Nr Jain Temple,
C.G Road, Navrangpura,
Ahmedabad-380009

Dear Sir/Madam,

I/We agree to receive all communication from the Company in electronic mode. Please register my mail id in your records for sending communication through mail.

Folio no.:

DP ID:

Name of the first holder:

Name of the Joint Holder:

E-mail id (to be registered)

I/We will keep the Company informed as and when there is any change in the email address

Date:

Signature of the first Holder

Important Dates:

1. Please fill in the Capital Letters in legible handwriting.
2. Shareholders are requested to keep the Company informed as and when there is any change in email unless the email id is changed

ELECTRONIC CLEARING SERVICES (ECS) MANDATE FORMAT

To

**Share Department
Sungold Capital Limited
205, Jeet Complex, Nr. Jain Temple,
C.G. Road, Ahmedabad, Gujarat – 380009**

FORM FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

Dear Sirs,

(Please fill- in the information in CAPITAL LETTERS in ENGLISH ONLY. Please TICK (3) where applicable.)
For shares held in physical form

Master Folio No.

_____ For Office Use Only _____ ECS Ref.No: _____
--

For Shares held in electronic form

DP ID

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Client ID

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Name of Sole/First holder											
Bank Name											
Branch Name											
Branch Code	<table border="1" style="display: inline-table; border-collapse: collapse; text-align: center;"> <tr> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> <td style="width: 20px; height: 20px;"></td> </tr> </table> <p style="font-size: small; margin-top: 5px;">(9 Digits Code Number appearing on MICR band of cheque supplied by the Bank.) Please attach the zerox copy of a cheque or a blank cheque of your bank account duly cancelled for ensuring accuracy of the bank's name , branch and code number:</p>										

Account type	Saving		Current		Cash Credit	
--------------	--------	--	---------	--	-------------	--

Ledger No./Ledger Folio No.	
-----------------------------	--

A/c No. (as appearing in the cheque book)	
---	--

Effective date of this mandate	
--------------------------------	--

I hereby declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information supplied of information supplied as above, Sungold Capital Limited, will not be held responsible. I agree to avail the ECS facility provided by RBI, as and when implemented by RBI/Sungold Capital Limited.

I further undertake to inform the Company any change in my Bank/branch and account number, if any.

Place: _____

Date: _____

(Signature of Sole/First Holder)

(Name of the Sole/First Holder)

SUN GOLD CAPITAL LIMITED

Regd. Office: 205, Jeet Complex, Near Jain Temple, C.G. Road, Ahmedabad – 380009

PLEASE FILL THE ATTENDANCE SLIP AND HAND OVER AT THE ENTRANCE OF THE MEETING HALL.
Joint shareholders may obtain additional slip at the venue of the meeting.

DP Id*	
--------	--

Master Folio No.	
------------------	--

Client Id*	
------------	--

No. of Shares	
---------------	--

NAME AND ADDRESS OF SHAREHOLDER

I hereby record my presence at the 19th Annual General Meeting of the company held on Friday, September 30, 2011 at 9.30 a.m. 3rd Floor, Ganesh Plaza, Near Mahavir Nagar, Ranip, Ahmedabad – 382 480 Gujarat

*Applicable for investors holding shares in electronic form.

Signature of Shareholder/proxy

PROXY FORM

SUN GOLD CAPITAL LIMITED

Regd. Office: 205, Jeet Complex, Near Jain Temple, C.G. Road, Ahmedabad – 380009

DP Id*	
--------	--

Master Folio No.	
------------------	--

Client Id*	
------------	--

I/We _____ of _____ being a member of **SUN GOLD 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 **19th ANNUAL GENERAL MEETING** of the company to be held on Friday, the 30th day of September, 2011 at 9.30 A.M. at 3rd Floor, Ganesh Plaza, Near Mahavir Nagar, Ranip, Ahmedabad – 382 480 at any adjournment thereof. As a witness my/our hand(s) this _____ day of _____ 2011.

Affix a 100
Paise
Revenue
Stamp

Date:

(Signature of the Shareholder)

NOTE:

1. The proxy need NOT be the member of the Company.
2. The Proxy Form duly completed and signed across the stamp must reach the Registered Office of the Company not less than 48 hours before the time of holding the aforesaid meeting