

To,
Department of Corporate Services
Bombay Stock Exchange Limited
Floor 25, P. J. Towers,
Dalal Street,
Mumbai – 400 001

Date: May 30, 2024

Dear Sir,

Sub: Outcome of Board Meeting for approval of Audited Standalone Financial Results of the Company for the half year and year ended on 31st March, 2024.

REF.: SUN RETAIL LIMITED (SCRIP CODE: 542025)

With reference to the above-mentioned subject and pursuant to Regulation 30 read with Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby want to inform you that the Board of Directors in their meeting held today, i.e., on Thursday, 30th May 2024 at the registered office of the company which commenced at 06:30 PM and concluded at 07:45 PM inter-alia has:

- Considered and approved the Audited Standalone Financial Results of the Company for the half year and year ended on 31st March, 2024 pursuant to Regulation 33 of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Please take the same on your records.

Thanking You,
For, SUN RETAIL LIMITED

DHARAMJIT BHUPATSINH MORI
WHOLE-TIME DIRECTOR & CFO
DIN: 08038027

SUN RETAIL LIMITED

Reg. Off.: Reg. Off.: 7th Floor, 722, Gala Empire, Drive in Road, Opp. Tv Tower Thaltej Road, Ahmedabad - 380054
CIN :L46305GJ2007PLC050974

(Rs. in Lakhs; Except Face Value of Shares and EPS)

STATEMENT OF STANDALONE AUDITED FINANCIAL RESULTS FOR HALF YEAR & YEAR ENDED MARCH 31, 2024

| Sr. No. | Particulars | Half Year Ended | | | Year ended | |
|-----------|--|-----------------|-----------------|-----------------|------------------|-----------------|
| | | 31-03-2024 | 30-09-2023 | 31-03-2023 | 31-03-2024 | 31-03-2023 |
| | | (Audited) | (Unaudited) | (Audited) | (Audited) | (Audited) |
| 1 | Revenue from Operations | 8,167.33 | 1,534.89 | 957.54 | 9,702.22 | 1,253.86 |
| 2 | Other Income | 515.93 | - | 257.70 | 515.93 | 257.70 |
| 3 | Total Revenue (1 + 2) | 8,683.26 | 1,534.89 | 1,215.24 | 10,218.15 | 1,511.56 |
| 4 | Expenses: | | | | | |
| | Cost of Materials Consumed | - | - | - | | |
| | Purchases of Stock-in-Trade | 8,234.71 | 1,530.86 | 1,082.59 | 9,765.57 | 1,422.76 |
| | Changes in inventories of finished goods work-in-progress and Stock-in-Trade | (123.65) | 85.66 | 49.74 | (37.99) | (0.03) |
| | Employee benefits expense | 2.07 | 13.83 | 50.53 | 15.90 | 67.89 |
| | Finance costs | - | - | - | - | - |
| | Depreciation and amortisation expense | - | - | - | - | - |
| | Other expenses | 570.17 | 58.67 | 110.22 | 628.84 | 146.57 |
| | Total expenses | 8,683.30 | 1,689.02 | 1,293.08 | 10,372.32 | 1,637.19 |
| 5 | Profit before exceptional and extraordinary items and tax | (0.04) | (154.13) | (77.84) | (154.17) | (125.63) |
| 6 | Exceptional items | | | | | |
| 7 | Profit before extraordinary items and tax (5 - 6) | (0.04) | (154.13) | (77.84) | (154.17) | (125.63) |
| 8 | Extraordinary items - Income from Waiver of Liability | 265.88 | - | | 265.88 | |
| 9 | Profit before tax (7 + 8) | 265.84 | (154.13) | (77.84) | 111.71 | (125.63) |
| 10 | Tax expense : (a+b+c) | - | - | - | - | - |
| | (a) Current tax | - | - | - | - | - |
| | (b) Deferred tax | - | - | - | - | - |
| | (c) MAT Credit Entitlement | | | | | |
| 11 | Profit for the period from continuing operations (9-10) | 265.84 | (154.13) | (77.84) | 111.71 | (125.63) |
| 12 | Profit from discontinuing operations | - | - | - | - | - |
| 13 | Tax expense of discontinuing operations | - | - | - | - | - |
| 14 | Profit from Discontinuing operations (after tax) (12-13) | - | - | - | - | - |
| 15 | Profit for the period (11 + 14) | 265.84 | (154.13) | (77.84) | 111.71 | (125.63) |
| 16 | Share of Profit of Associates | | | | | |
| | Minority Interest | | | | | |
| 17 | Profit for the period (15 + 16) | 265.84 | (154.13) | (77.84) | 111.71 | (125.63) |
| 18 | Other Comprehensive Income (Net of Tax) | | | | | |
| 19 | Total Comprehensive Income (After Tax) (17 + 18) | 265.84 | (154.13) | (77.84) | 111.71 | (125.63) |
| 20 | Paid up Equity Share Capital (Face value of Rs. 10/- each) | 1551.68 | 1551.68 | 1551.68 | 1551.68 | 1551.68 |
| | Reserves excluding Revaluation Reserve | | | | 95.10 | (16.61) |
| 21 | Earnings per equity share: | | | | | |
| | (1) Basic | 0.17 | (0.10) | (0.05) | 0.07 | (0.08) |
| | (2) Diluted | 0.17 | (0.10) | (0.05) | 0.07 | (0.08) |

- The financial results for the half yearly ended March 31, 2024 have been prepared in accordance with applicable Accounting Standard as per section 133 of the Companies Act, 2013 and other recognised accounting practices and policies to the extent applicable.
- The statutory Auditors of the company have carried out audit of the above results as per Regulation 33 of the SEBI [Listing Obligation and Disclosure Requirements] Regulations, 2015.
- Company operates in Trading of Edible Oils, Commodities and Skill Development Work segments.
- Earnings per share for the quarter ended has been calculated as per weighted average formula and diluted Earnings per share has been calculated as required.
- The above financial results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on May 30, 2024.
- As per MCA Notification dated February 16, 2015, the companies whose shares are listed on SME Platform as referred to chapter XB of SEBI (ICDR) Regulation, 2009 are exempted from compulsory adoption of IND-AS and as the company falls under exempt category, it has not adopted IND-AS for preparation of financial statement.

For, SUN RETAIL LIMITED

Date: 30.05.2024

Place: Ahmedabad

DHARAMJIT BHUPATSIH MORI
WHOLE TIME DIRECTOR – CFO
DIN.: 08038027

SUN RETAIL LIMITED

Reg. Off.: 7th Floor, 722, Gala Empire, Drive in Road, Opp. Tv Tower Thaltej Road, Ahmedabad - 380054

(CIN:L46305GJ2007PLC050974)

STANDALONE BALANCE SHEET AS AT March 31, 2024

All amounts in rupees Unless otherwise stated (Rs. In Lakhs)

| Particulars | Notes | As At March 31, 2024 | As At March 31, 2023 |
|--|-------|-------------------------|-------------------------|
| I EQUITY AND LIABILITIES | | | |
| 1 EQUITY | | | |
| a) Equity Share Capital | 1 | 1551.68 | 1551.68 |
| b) Reserves and surplus | 2 | 95.10 | -16.61 |
| c) Money received against share warrants | | | |
| Total Equity | | 1646.78 | 1535.07 |
| 2 LIABILITIES | | | |
| A. NON-CURRENT LIABILITIES | | | |
| a) Long term borrowing | 3 | 206.90 | 656.04 |
| b) Deferred Tax Liability (Net) | 4 | 00.54 | 00.54 |
| c) Other Non-Current Liability | | | |
| d) Long Term Provisions | | | |
| Total Non-Current Liabilities (A) | | 207.44 | 656.58 |
| B. CURRENT LIABILITIES | | | |
| a) Short Term Borrowing | | | |
| b) Trade Payables | 5 | | |
| A) Total Outstanding to Micro and Small Enterprise | | 00.00 | 00.00 |
| B) Total Outstanding to Others | | 2091.87 | 983.00 |
| c) Other Current Liabilities | 6 | 527.47 | 02.02 |
| c) Short Term Provision | 7 | 131.24 | 131.69 |
| Total Current Liabilities (B) | | 2750.58 | 1116.71 |
| Total Liabilities (A + B) | | 2958.03 | 1773.29 |
| TOTAL EQUITY AND LIABILITIES (1 + 2) | | 4604.80 | 3308.36 |
| II. ASSETS | | | |
| 1 NON-CURRENT ASSETS | | | |
| a) Property, Plant and Equipment | 8 | 00.00 | 00.00 |
| Tangible assets | | | |
| Intangible assets | | | |
| Capital Work in Progress | | | |
| b) Investment | | | |
| c) Deferred tax assets (net) | | | |
| d) Long Term Loans and Advances | 9 | 2516.24 | 1732.58 |
| e) Other Non-Current Assets | 10 | 00.00 | 430.00 |
| Total non-current assets | | 2516.24 | 2162.57 |
| 2 CURRENT ASSETS | | | |
| a) Inventories | 11 | 137.39 | 99.40 |
| b) Investment | | | |
| c) Trade Receivables | 12 | 1686.13 | 925.90 |
| d) Cash and Cash Equivalents | 13 | 06.32 | 06.45 |
| e) Shortterm Loans and Advances | 14 | 33.58 | 60.44 |
| f) Other Current Assets (to be specified) | 15 | 225.15 | 53.59 |
| Total Current Assets | | 2088.56 | 1145.78 |
| TOTAL ASSETS (1 + 2) | | 4604.80 | 3308.35 |

SUN RETAIL LIMITED

Reg. Off.: 7th Floor, 722, Gala Empire, Drive in Road, Opp. Tv Tower Thaltej Road, Ahmedabad - 380054

(CIN:L46305GJ2007PLC050974)

Statement of Cash Flows for the year ended on March 31, 2024

All amounts in rupees Unless otherwise stated (Rs. In Lakhs)

| Particulars | As at March 31, 2024 | As at March 31, 2023 |
|--|----------------------------|----------------------------|
| A Cash Flow From Operating Activities | | |
| Net profit before tax | 111.71 | -125.63 |
| Adjustments For: | | |
| Preliminary Expense | 00.00 | 00.00 |
| Provision for income tax | 00.00 | 00.00 |
| Depreciation and Amortisation Expenses | 00.00 | 00.00 |
| Deferred Tax | 00.00 | 00.00 |
| Finance Expense | 00.00 | 00.00 |
| Kasar and vatav (Income Tax Provision of earlier Year W/o) | 00.00 | 00.00 |
| Operating (Loss) Before Working Capital Changes | 111.71 | -125.63 |
| Movements in Working Capital : | | |
| (Increase) / Decrease in Inventories | -37.99 | -00.04 |
| Decrease / (Increase) in Trade Receivables | -760.23 | -651.18 |
| (Increase) /Decrease in Other Current Assets | -171.55 | -01.84 |
| (Increase) /Decrease in Shortterm Loans and Advances | 26.86 | 28.75 |
| Increase / (Decrease) in Trade Payables | 1108.87 | 663.75 |
| Increase / (Decrease) in Other Current Liability | 525.45 | -02.17 |
| Increase / (Decrease) in Provision | -00.45 | |
| Cash (used) in operations | 802.68 | -88.36 |
| Direct Taxes Paid (Net of Refunds) | | 00.00 |
| Net Cash Outflow From Operating Activities | 802.68 | -88.36 |
| B. Cash Flows From Investing Activities | | |
| Payment for Purchase of Property, Plant and Equipments and Intangible Assets (Including Capital work in progress and Capital Advances) | | |
| Purchase of Investment | | |
| Sale of Investment | | |
| Interest Received | | |
| Net Cash (Outflow) from Investing Activities | 00.00 | 00.00 |
| C. Cash Flows From Financing Activities | | |
| Increase / (Decrease) in Long Term Borrowing | -449.14 | -500.53 |
| Increase / (Decrease) in non current liabilities | | 584.71 |
| (Increase) /Decrease in Long Term Advance | -783.67 | 00.00 |
| (Increase) /Decrease in non current assets | 430.00 | |
| Finance Exp | 00.00 | |
| Dividend Paid | 00.00 | 00.00 |
| Net Cash Inflow from Financing Activities | -802.81 | 84.18 |
| D. Net Increase in Cash & Cash Equivalents (A + B + C) | -00.13 | -04.18 |
| E. Cash & Cash Equivalents at the beginning of the year / period | 06.45 | 10.63 |
| F. Cash & Cash Equivalents at the end of the year / period | 06.32 | 06.45 |
| Component of Cash and Cash Equivalents | | |
| Cash on hand | | |
| Balances with Scheduled Bank | | |
| - On Current Accounts | 06.32 | 06.45 |
| - Deposits with original maturity of less than three months | | |
| Cash and Cash Equivalents at the end of the year / period | 06.32 | 06.45 |

Notes:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on "Cash Flow Statement" issued by ICAI.
2. The previous year figures have been regrouped/restated wherever necessary to confirm to this year's classification.

SUN RETAIL LIMITED

Reg. Off.: Reg. Off.: 7th Floor, 722, Gala Empire, Drive in Road, Opp. Tv Tower Thaltej Road,
Ahmedabad - 380054

CIN :L46305GJ2007PLC050974

Segment - Wise Revenue & Results

(Rs. in Lakhs)

| Particulars | Half Year Ended | | | Year Ended |
|---|-----------------|------------|------------|------------|
| | 31-03-2024 | 30-09-2023 | 31-03-2023 | 31-03-2024 |
| | Audited | Unaudited | Audited | Audited |
| Segment Revenue | | | | |
| a) Trading of Goods | 8167.23 | 1534.89 | 957.54 | 9702.22 |
| b) Skill Development of India Work | 481.38 | 0 | 251.55 | 481.38 |
| Total | 8648.61 | 1534.89 | 1209.09 | 10183.6 |
| Less: Inter Segment Revenue | | 0 | 0 | 0 |
| Net sales/Income From Operations | 8648.61 | 1534.89 | 1209.09 | 10183.6 |
| | | | | |
| Segment Results | | | | |
| a) Trading of Goods | -148.58 | -154.13 | -161.1 | -302.61 |
| b) Skill Development of India Work | 113.89 | 0 | 83.26 | 113.89 |
| Net Profit / (Loss) From Operations [Before Tax] | -34.69 | -154.13 | -77.84 | -188.72 |
| | | | | |
| Segment Assets | | | | |
| a) Trading of Goods | 4037.06 | 3224.4 | 3308.35 | 4037.06 |
| b) Skill Development of India Work | 567.74 | 0 | 0 | 567.74 |
| | | | | |
| Segment Liabilities | | | | |
| a) Trading of Goods | 2657.53 | 1884.24 | 177.03 | 2657.53 |
| b) Skill Development of India Work | 300.49 | 0 | 0 | 300.49 |



Independent Auditor's Report (**Modified Opinion - Qualified Opinion**) on Audited standalone Half yearly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations

To
The Board of Directors
SUN RETAIL LIMITED
7th FLOOR, 722, GALA EMPIRE, DRIVE IN ROAD,
OPP. TV TOWER THALTEJ ROAD,
AHMEDABAD - 380054

Report on the audit of the Standalone Financial Results

Qualified Opinion

I have audited the accompanying standalone half yearly financial result of **SUN RETAIL LIMITED** (the company) for the half year ended 31st March, 2024 and the year-to-date results for the period from 01st April, 2023 to 31st March, 2024, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In my opinion and to the best of our information and according to the explanations given to me these standalone financial results, except for the matters pointed out in basis of qualified opinion paragraph:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. Give True and Fair value of the profit and other financial information of the half year ended on 31st March, 2024 as well as year to date results for the period from 01st April, 2023 to 31st March, 2024.

As per MCA Notification dated February 16, 2015, the companies whose shares are listed on SME Platform as referred to chapter XB of SEBI (ICDR) Regulation, 2009 are exempted from compulsory adoption of IND-AS and as the company falls under exempt category, it has not adopted IND-AS for preparation of financial statement



Basis of Qualified Opinion:

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

- 1. During the year under consideration company has adjusted its outstanding liability towards TJR Agrocom Pvt Limited by otherwise than cash. The total liability adjusted by way of book entry is Rs. 4,30,00,000. As per the management explanation the transaction relates to prior period and company has paid deposit through bank entry. I have not been provided with any audit evidence in this regard and hence unable to comment in detail on the same.*
- 2. During the year under consideration company has settled its liability towards Raj Traders of Rs. 5,00,000/- against its debtor Alpesh Trader for Rs. 4,85,242 in full and final settlement and has received waiver of Rs. 14,757/-. I have not been provided with confirmation of parties for this transaction. In absence of any clear audit evidence regarding existence of right to receive from debtor, liability to pay toward creditors and consent of parties for recorded settlement, I am unable to comment upon existence, reliability and accuracy of recorded transaction.*
- 3. I have not been provided with clear classification of creditors such as creditor for expenses and creditor for goods. Thus, I am unable to comment upon. I have not been provided with classification of creditors and as per management representation all creditors are other than registered under MSMED Act. Thus in absence of clear audit evidence in this regard I am unable to determine the delay in making payment to MSME entities, liability of interest and compliance on such delayed payments in terms of provisions 6f MSMED Act, if any.*
- 4. During the year company has written off its liability towards Oasis Tradelink Ltd. Worth Rs. 26569604/-. The management has taken this decision on the basis of fact that liquidation process has been initiated against the creditor Oasis Tradelink Ltd. As per management the liability was disputed and thus*



- company is not liability to pay. As per management they have not received any communication from appointed liquidator. Liquidation process has been initiated against creditor Oasis Tradelink Ltd. and matter is admitted and pending before NCLT Ahmedabad- case number CP(IB) 433 of 2018. However, I have not been provided with any audit evidence regarding existence of dispute, communication records with liquidator and thus I am unable to comment on this adjustment. In case liability arise in future then this may impact financial position adversely.
5. Significant number of creditors are outstanding for more than 2 years. Moreover, as the amount remains outstanding for more than six months; the input tax credit availed in relation to these transactions needs to be reversed as required under GST Laws. This may impact financial statement adversely. In absence of clear bifurcation of Input Tax Credit in the books of account, I am unable to quantify effect of the same.
 6. During the year company has adjusted prior period wrong accounting entry against its deposit - Performance Security (GSDM)-2. Company has adjusted total Rs.32,67,289. This has resulted into decrease in assets by Rs. 32,67,289. I have not been provided with any supportive audit evidence in relation to this transaction. Hence, I am unable to comment upon existence, accuracy, and value involved in the transaction.
 7. The closing stock includes significant quantity of slow or non-moving goods. The slow and non-moving goods are identified on the basis of its movement during reporting period. Closing stock includes total 53 items of stock worth Rs. 9918167.67/- for which no single transaction is observed during the reporting period. It constitutes almost 72% of the closing stock. Company may have to reverse input tax credit availed and utilized, if any, for this non or slow-moving goods. This indicates doubt on marketability of the goods. I have not been given an opportunity to physically verify these items and thus I am unable to comment upon its existence, accuracy and realizability of the slow and non-moving stock. This may affect financial statement adversely.
 8. The amount recorded as balance receivable from revenue is on the basis of management representation and are not in conformity with records of income tax and GST department. I have not been provided any audit evidence in this regard and thus, I am unable to comment upon existence, realizability, accuracy of the same.
 9. Company has obtained DDU-GKY project from Gujarat Livelihood Promotion Company Limited for skilling Rural Youth in the state of Gujarat and project from Government of Jammu and Kashmir for skill development and has recorded grant income of Rs. 48138797/- from these projects. This income has been recorded as grant income under head other income. Debtor includes amount receivable from Gujarat Skill Development Mission Rs. 1,73,28,087 and Grant receivable Rs. 3,94,46,103. Company has incurred total booked skilled development expenses of Rs. 3,67,49,375 as expenses in profit and loss account of which significant amount remains payable. I have not been provided audit evidence highlighting detailed



terms and conditions regarding recoverability of this grant. Thus, I am unable to comment upon the same.

10. There were no sale transactions during first five months of year under audit. Total revenue recoded against head sale of services comes from transaction executed during last seven month of the year. The indicates unusual trend in the sales.

11. The total profit of the company for the period includes more than forty percent on account of book adjustment entries regarding writing of debtors and creditor.

Management's Responsibilities for the Standalone Financial Results

These half yearly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements . The Company's Board of Directors are responsible for the preparation of these financial results that give a true and fair view of the net profit/loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Accounting Standard 25 (AS-25), 'Interim Financial Reporting' prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists.



Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



The standalone annual financial results include the results for the half year ended 31st March, 2024 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the half year of the current financial year which were subject to limited review by us for the half year ended 30th September, 2023.

As per our attached report of even date

For, N.S. NANAVATI & CO.,

Chartered Accountants

Firm No **134235W**



(CA NITESH NANAVATI) 30/5/24

(Proprietor)

M No: - 143769

UDIN: 24143769BKFPBZ5772

Place: Ahmedabad

Date: 30.05.2024

ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results - (Standalone)

| Sr. No. | Particulars | Audited Figures (as reported before adjusting for qualifications) (Rs. In Lacs) | Adjusted Figures (audited figures after adjusting for qualifications) (Rs. In Lacs) |
|---------|---|--|--|
| 1 | Turnover / Total income | 10,218.15 | 10,218.15 |
| 2 | Total Expenditure | 10,372.32 | 10,372.32 |
| 3 | Net Profit/(Loss) | 111.71 | 111.71 |
| 4 | Earnings Per Share | 0.07 | 0.07 |
| 5 | Total Assets | 4604.80 | 4604.80 |
| 6 | Total Liabilities | 2958.02 | 2958.02 |
| 7 | Net Worth | 1646.78 | 1646.78 |
| 8 | Any other financial item(s) (as felt appropriate by the management) | Nil | Nil |

| Sr. No. | Audit Qualification (each audit qualification separately): | |
|---------|--|--|
| a. | Details of Audit Qualification: | During the year under consideration company has adjusted its outstanding liability towards TJR Agrocom Pvt Limited by otherwise than cash. The total liability adjusted by way of book entry is Rs. 4,30,00,000. As per the management explanation the transaction relates to prior period and company has paid deposit through bank entry. I have not been provided with any audit evidence in this regard and hence unable to comment in detail on the same. |
| b. | Type of Audit Qualification | Qualified Opinion |
| c. | Frequency of qualification | First Time |
| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views | NA. The transaction is netting off in nature. |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor: | NA |
| (i) | Management's estimation on the impact of audit qualification: | NA |
| (ii) | If management is unable to estimate the impact, reasons for the same | TJR Agrocom Pvt Limited had received deposit/advance from company for utilising TJR Agrocom Pvt Limited's plant and machineries and buy new machineries. But the deal did not materialise, so company has adjusted the amount it had received from TJR Agrocom Pvt Limited as loan against company's liability towards TJR Agrocom Pvt Limited. The transaction is netting off in nature. |
| (iii) | Auditors' Comments on (i) or (ii) above: | Considered and disclosed. |

| Sr. No. | Audit Qualification (each audit qualification separately): | |
|---------|--|---|
| a. | Details of Audit Qualification: | During the year under consideration company has settled its liability towards Raj Traders of Rs. 5,00,000/- against its debtor Alpesh Trader for Rs. 4,85,242 in full and final |

| | | |
|-------|--|--|
| | | settlement and has received waiver of Rs. 14,757/-. I have not been provided with confirmation of parties for this transaction. In absence of any clear audit evidence regarding existence of right to receive from debtor, liability to pay toward creditors and consent of parties for recorded settlement, I am unable to comment upon existence, reliability and accuracy of recorded transaction. |
| b. | Type of Audit Qualification | Qualified Opinion |
| c. | Frequency of qualification | First Time |
| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views | NA. The transaction is netting off in nature. |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor: | NA |
| (i) | Management's estimation on the impact of audit qualification: | NA |
| (ii) | If management is unable to estimate the impact, reasons for the same | The transaction is of transferring of actionable claim i.e. transfer of right to receive and is of netting in nature and thus it will not have significant impact over financial statement. |
| (iii) | Auditors' Comments on (i) or (ii) above: | Considered and disclosed. |

| Sr. No. | Audit Qualification (each audit qualification separately): | |
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| a. | Details of Audit Qualification: | I have not been provided with clear classification of creditors such as creditor for expenses and creditor for goods. Thus, I am unable to comment upon. I have not been provided with classification of creditors and as per management representation all creditors are other than registered under MSMED Act. Thus, in absence of clear audit evidence in this regard I am unable to determine the delay in making payment to MSME entities, liability of interest and compliance on such delayed payments in terms of provisions of MSMED Act, if any. |
| b. | Type of Audit Qualification | Qualified Opinion |
| c. | Frequency of qualification | First Time |
| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views | NA. The is classification of creditors. |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor: | NA |
| (i) | Management's estimation on the impact of audit qualification: | NA |
| (ii) | If management is unable to estimate the impact, reasons for the same | The creditors are classified as per accounting policies and will have no material impact over value stated as it relates with presentation aspect. |
| (iii) | Auditors' Comments on (i) or (ii) above: | Considered and disclosed. |

| Sr. No. | Audit Qualification (each audit qualification separately): | |
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| a. | Details of Audit Qualification: | During the year company has written off its liability towards Oasis Tradelink Ltd. Worth Rs. 26569604/-. The management has taken this decision on the basis of fact that liquidation process has been initiated against the creditor Oasis Tradelink Ltd. As per management the liability was disputed and thus company is not liability to pay. As per management they have not received any communication from appointed liquidator. Liquidation process has been initiated against creditor Oasis Tradelink Ltd. and matter is admitted and pending before NCLT Ahmedabad- case number CP(IB) 433 of 2018. However, I have not been provided with any audit evidence regarding existence of dispute, communication records with liquidator and thus I am unable to comment on this adjustment. In case liability arise in future then this may impact financial position adversely. |
| b. | Type of Audit Qualification | Qualified Opinion |
| c. | Frequency of qualification | First Time |
| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views | Self-Explanatory. |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor: | NA |
| (i) | Management's estimation on the impact of audit qualification: | NA |
| (ii) | If management is unable to estimate the impact, reasons for the same | The management has taken this decision on the basis of fact that liquidation process has been initiated against the creditor Oasis Tradelink Ltd. The liability was disputed and became time barred. Moreover, creditor has not demanded amount till date. This indicates that the liability does not exist. This adjustment was done to make financial statement more reliable and capable to present true and fair view. |
| (iii) | Auditors' Comments on (i) or (ii) above: | Considered and disclosed. |

| Sr. No. | Audit Qualification (each audit qualification separately): | |
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| a. | Details of Audit Qualification: | Significant number of creditors are outstanding for more than 2 years. Moreover, as the amount remains outstanding for more than six months; the input tax credit availed in relation to these transactions needs to be reversed as required under GST Laws. This may impact financial statement adversely. In absence of clear bifurcation of Input Tax Credit in the books of account, I am unable to quantify effect of the same. |
| b. | Type of Audit Qualification | Qualified Opinion |
| c. | Frequency of qualification | First Time |
| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views | Self-Explanatory. |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor: | NA |

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| (i) | Management's estimation on the impact of audit qualification: | NA |
| (ii) | If management is unable to estimate the impact, reasons for the same | The creditors are part of routine business transactions and company has not received any demand from the creditors. Company has taken step to contact them. Management will try to discharge its liability in best possible way. In absence of any confirmation, company will write off the same in accordance with accounting policies laid down under Accounting Standards and other accounting framework. This qualification will not have any material impact on financial statement. |
| (iii) | Auditors' Comments on (i) or (ii) above: | Considered and disclosed. |

| Sr. No. | Audit Qualification (each audit qualification separately): | |
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| a. | Details of Audit Qualification: | During the year company has adjusted prior period wrong accounting entry against its deposit – Performance Security (GSDM)-2. Company has adjusted total Rs.32,67,289. This has resulted into decrease in assets by Rs. 32,67,289. I have not been provided with any supportive audit evidence in relation to this transaction. Hence, I am unable to comment upon existence, accuracy, and value involved in the transaction. |
| b. | Type of Audit Qualification | Qualified Opinion |
| c. | Frequency of qualification | First Time |
| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views | Self-Explanatory to rectify prior period mistake |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor: | NA |
| (i) | Management's estimation on the impact of audit qualification: | NA |
| (ii) | If management is unable to estimate the impact, reasons for the same | The accounting entry was necessary to rectify prior period mistake and to make financial statement more reliable. |
| (iii) | Auditors' Comments on (i) or (ii) above: | Considered and disclosed. |

| Sr. No. | Audit Qualification (each audit qualification separately): | |
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| a. | Details of Audit Qualification: | The closing stock includes significant quantity of slow or non-moving goods. The slow and non-moving goods are identified on the basis of its movement during reporting period. Closing stock includes total 53 items of stock worth Rs. 9918167.67/- for which no single transaction is observed during the reporting period. It constitutes almost 72% of the closing stock. Company may have to reverse input tax credit availed and utilized, if any, for this non or slow-moving goods. This indicates doubt on marketability of the goods. I have not been given an opportunity to physically verify these items and thus I am unable to comment upon its existence, accuracy and realizability of the slow and non-moving stock. This may affect financial statement adversely. |

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| b. | Type of Audit Qualification | Qualified Opinion |
| c. | Frequency of qualification | First Time |
| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views | NA. |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor: | NA |
| (i) | Management's estimation on the impact of audit qualification: | NA |
| (ii) | If management is unable to estimate the impact, reasons for the same | Management will take necessary steps to market the slow and non-moving goods and in case if the same is not possible, company write off the same in accordance with accounting policies laid down under Accounting Standards and other accounting framework. |
| (iii) | Auditors' Comments on (i) or (ii) above: | Considered and disclosed. |

| Sr. No. | Audit Qualification (each audit qualification separately): | |
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| a. | Details of Audit Qualification: | The amount recorded as balance receivable from revenue is on the basis of management representation and are not in conformity with records of income tax and GST department. I have not been provided any audit evidence in this regard and thus, I am unable to comment upon existence, realizability, accuracy of the same. |
| b. | Type of Audit Qualification | Qualified Opinion |
| c. | Frequency of qualification | First Time |
| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views | NA. |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor: | NA |
| (i) | Management's estimation on the impact of audit qualification: | NA |
| (ii) | If management is unable to estimate the impact, reasons for the same | These dues are as per disputed taxation matters. Company will give appropriate accounting effect in accordance with accounting policies laid down under Accounting Standards and other accounting framework as and when competent authority will pass necessary orders. |
| (iii) | Auditors' Comments on (i) or (ii) above: | Considered and disclosed. |

| Sr. No. | Audit Qualification (each audit qualification separately): | |
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| a. | Details of Audit Qualification: | Company has obtained DDU-GKY project from Gujarat Livelihood Promotion Company Limited for skilling Rural Youth in the state of Gujarat and project from Government of Jammu and Kashmir for skill development and has recorded grant income of Rs. 48138797/- from these projects. This income has been recorded as grant income under head other income. Debtor includes amount receivable from Gujarat Skill Development Mission Rs. |

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| | | 1,73,28,087 and Grant receivable Rs. 3,94,46,103. Company has incurred total booked skilled development expenses of Rs. 3,67,49,375 as expenses in profit and loss account of which significant amount remains payable. I have not been provided audit evidence highlighting detailed terms and conditions regarding recoverability of this grant. Thus, I am unable to comment upon the same. |
| b. | Type of Audit Qualification | Qualified Opinion |
| c. | Frequency of qualification | First Time |
| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views | NA. |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor: | NA |
| (i) | Management's estimation on the impact of audit qualification: | NA |
| (ii) | If management is unable to estimate the impact, reasons for the same | There are no such condition attached to right to receive of grant and this observation does not affect financial position significantly. |
| (iii) | Auditors' Comments on (i) or (ii) above: | Considered and disclosed. |

| Sr. No. | Audit Qualification (each audit qualification separately): | |
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| a. | Details of Audit Qualification: | There were no sale transactions during first five months of year under audit. Total revenue recorded against head sale of services comes from transaction executed during last seven month of the year. The indicates unusual trend in the sales. |
| b. | Type of Audit Qualification | Qualified Opinion |
| c. | Frequency of qualification | First Time |
| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views | NA. |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor: | NA |
| (i) | Management's estimation on the impact of audit qualification: | NA |
| (ii) | If management is unable to estimate the impact, reasons for the same | Company was having some internal issues due to which it could not initiate business transaction during first five months. The transactions executed are recorded on GST Portal and are done through proper channel. This indicates the genuineness of transactions. |
| (iii) | Auditors' Comments on (i) or (ii) above: | Considered and disclosed. |

| Sr. No. | Audit Qualification (each audit qualification separately): | |
|---------|--|--|
| a. | Details of Audit Qualification: | The total profit of the company for the period includes more than forty percent on account of book adjustment entries regarding writing of debtors and creditor. |
| b. | Type of Audit Qualification | Qualified Opinion |

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| c. | Frequency of qualification | First Time |
| d. | For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views | NA. |
| e. | For Audit Qualification(s) where the impact is not quantified by the auditor: | NA |
| (i) | Management's estimation on the impact of audit qualification: | NA |
| (ii) | If management is unable to estimate the impact, reasons for the same | This adjustment was done as per requirement of accounting standards and necessary disclosures are made in detailed financial statement. |
| (iii) | Auditors' Comments on (i) or (ii) above: | Considered and disclosed. |

Please take the same on your records.

Thanking You,
For, SUN RETAIL LIMITED

DHARAMJIT BHUPATSINH MORI
WHOLE-TIME DIRECTOR & CFO
DIN: 08038027