Draft Letter of Offer Thursday, November 30, 2023 For Eligible Equity Shareholders Only

Sun Retail Limited SUN RETAIL LIMITED

Our Company was originally incorporated as ShivJosh Foods Private Limited under the provision of the Companies Act, 1956 vide certificate of incorporation dated May 28, 2007, Issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, the name of our Company was changed to Sun Retail Private Limited and a fresh certificate of incorporation dated December 7, 2007 was issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Sun Retail Limited " and a fresh certificate of incorporation dated December 21, 2017 was issued by the Deputy RoC, Registrar of Companies, Ahmedabad. Subsequently the equity shares of our Company got listed on SME exchange of BSE Limited with effect from October 16, 2018. For details see 'General Information' on page 42 of this Draft Letter of Offer.

Corporate Identification Number: L51909GJ2007PLC050974

Registered Office: 7th Floor, 722, Gala Empire, Drive in Road, Opp. TV Tower Thaltej, Ahmedabad-380054, Gujarat, India Contact No: +91 9512521919 | Contact Person: Mr. Parin S. Bhavsar, Company Secretary and Compliance Officer;

Email-ID: <u>sun retail@yahoo.com</u> | Website: <u>www.sunretail.in</u>

THE COMPANY IS A PROFESSIONALLY MANAGED COMPANY AND FUNCTIONS THROUGH THEIR BOARD OF DIRECTORS THE COMPANY DOES NOT HAVE ANY PROMOTER

FOR PRIVATE CIRCULATION TO THE EQUITY SHAREHOLDERS OF SUN RETAIL LIMITED ("OUR COMPANY" OR "ISSUER") ONLY

ISSUE OF UPTO 46,55,04,000* FULLY PAID-UP EQUITY SHARES OF FACE VALUE OF ₹ 1/- EACH ("RIGHTS EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 1/- PER EQUITY SHARE (INCLUDING A PREMIUM OF ₹ NIL PER RIGHT SHARE) ("ISSUE PRICE") AGGREGATING UPTO ₹ 4655.04 LAKHS ON A RIGHTS ISSUE BASIS TO THE ELIGIBLE EQUITY SHAREHOLDERS OF OUR COMPANY IN THE RATIO OF 3 (THREE) RIGHTS EQUITY SHARES FOR EVERY 1 (ONE) FULLY PAID-UP EQUITY SHARE HELD BY SUCH ELIGIBLE EQUITY SHAREHOLDERS AS ON THE RECORD DATE, [•], 2023, ("ISSUE"). THE ISSUE PRICE FOR THE RIGHTS EQUITY SHARES IS 1 (ONE) TIME THE FACE VALUE OF THE EQUITY SHARE. FOR FURTHER DETAILS, KINDLY REFER TO THE SECTION TITLED 'TERMS OF THE ISSUE' BEGINNING ON PAGE 191 OF THIS DRAFT LETTER OF OFFER (the "DLOF").

*Assuming full subscription.

WILFUL DEFAULTERS AND/ OR FRAUDULENT BORROWERS

Neither our Company nor any of our Directors are or have been categorized as Wilful Defaulter or Fraudulent Borrower by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on Wilful Defaulter or Fraudulent Borrower issued by the Reserve Bank of India.

GENERAL RISK

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and this Issue including the risks involved. The Rights Equity Shares have not been recommended or approved by the Securities and Exchange Board of India (*"SEBI"*) nor does SEBI guarantee the accuracy or adequacy of this Draft Letter of Offer. Investors are advised to refer section titled '*Risk Factors*' beginning on page 24 of this Draft Letter of Offer before investing in the Issue.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company has made all reasonable inquiries, accepts responsibility for and confirms that this Draft Letter of Offer contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Letter of Offer is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Letter of Offer as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The existing Equity Shares are listed on the SME Platform of BSE Limited ("BSE") (the "Stock Exchange"). Our Company has received 'in-principle' approval from the Stock Exchange for listing the Rights Equity Shares to be issued pursuant to this Issue vide their letters dated [•]. Our Company will also make applications to the Stock Exchange to obtain their trading approvals for the Rights Entitlements as required under the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020. For the purpose of this Issue, the Designated Stock Exchange is BSE Ltd.

REGISTRAR TO THE ISSUE		
В	IGSHARE SERVICES PRIVATE LIMITED	
A	ddress: Office No S6-2, 6th floor Pinnacle Business Park,	Next to Ahura Centre, Mahakali Caves
R	oad, Andheri (East), Mumbai–400093;	
Em Inv We	mail: <u>rightsissue@bigshareonline.com</u>	
	vestor grievance e-mail: investor@bigshareonline.com	<u>1</u>
	ebsite: www.bigshareonline.com	
	ontact Person: Mr. Ajay Sangle	
Т	el No.: 62638200/22	
SI	EBI Registration No: INR000001385	
ISSUE PROGRAMME		
ISSUE OPENS ON	LAST DATE FOR ON MARKET RENUNCIATION*	ISSUE CLOSES ON**
[•]	[•]	[•]
credited to the demat account of the Renouncees on	rre that renunciation through off-market transfer is completed i or prior to the Issue Closing Date. f will have the right to extend the Issue Period as it may determine	Ŭ

**Our Board or a duly authorized committee thereof will have the right to extend the Issue Period as it may determine from time to time, provided that this Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date. Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.



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(5) Sun Retail Limited

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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

In this Draft Letter of Offer uses the definitions and abbreviations set forth below, which you should consider when reading the information contained herein. The following list of certain capitalized terms used in this Draft Letter of Offer is intended for the convenience of the reader/prospective Applicant only and is not exhaustive.

In this Draft Letter of Offer uses the definitions and abbreviations set forth below, which, unless the context otherwise indicates or implies, or unless otherwise specified, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines, or policies shall be to such legislation, act, regulation, rules, guidelines, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to 'the Company', 'we', 'our', 'Our Company', 'us' or similar terms are to Sun Retail Limited as the context requires, and references to 'you' are to the Eligible Shareholders and/ or prospective Investors in this Rights Issue of Equity Shares.

The words and expressions used in this Draft Letter of Offer, but not defined herein, shall have the same meaning (to the extent applicable) ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, 2013, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in section titled 'Statement of Tax Benefits', 'Industry Overview', 'Financial Information', 'Outstanding Litigations, Defaults, and Material Developments' and 'Terms of the Issue' beginning from page 54, 58, 82, 178 and 191 respectively, shall have the meaning given to such terms in such sections.

Term	Description
Sun Retail Limited/	Sun Retail Limited, a public limited company incorporated under the
SRL / Sun / the	provisions of the Companies Act, 1956, as amended from time to time
Company / our	having its Registered Office situated at 7th Floor, 722, Gala Empire, Drive
Company	in Road, Opp. TV Tower Thaltej, Ahmedabad-380054, Gujarat, India.
We/ us/ our / Our	Unless the context otherwise indicates or implies, refers to Sun Retail
Company	Limited together.

GENERAL / COMPANY RELATED TERMS

Term	Description
AoA/ Articles of	The Articles of Association of Sun Retail Limited, as amended from time to
Association	time;
Audit Committee	The committee of the Board of Directors constituted as our Company's audit committee in accordance with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI (LODR) Regulations;
Audited Financial Statements	The Unaudited Financial Results for the half year ended on September 30, 2023 and Audited Financial Statements of our Company prepared in accordance with Accounting Standards for the Financial Year ending March 31, 2023, March 31, 2022, and March 31, 2021
Auditors/ Statutory Auditors/ Peer Review	The statutory auditor of our Company, being, M/s. N.S. Nanavati & Co., Chartered Accountants;
Auditor Board of Directors/	The Board of Directors of Sun Retail Limited, including all duly constituted
Board	Committees thereof;
Companies Act	The Companies Act, 2013 and rules issued thereunder, as amended;



Term	Description
Company Secretary	The Company Secretary and Compliance Officer of our Company, being Mr.
and Compliance Officer	Parin Bhavsar;
Chief Financial Officer/	The Chief Financial Officer of our Company, being Mr. Dharamjit Mori;
CFO	
Directors	The director(s) on the Board of our Company, unless otherwise specified;
Eligible Shareholder(s)	Eligible holder(s) of the Equity Shares of Sun Retail Limited as on the
	Record Date;
Equity Shares	Equity Share of the Company having Face Value of ₹ 1/- (Rupee One Only),
	unless otherwise specified;
Financial Information	Collectively Audited Financial Statement;
Independent Director	Independent directors on the Board and eligible to be appointed as an
	Independent Director under the provisions of Companies Act and SEBI
	(LODR) Regulations. For details of the Independent Directors, please refer
	to section titled 'Our Management' beginning on page 75;
ISIN	International Securities Identification Number being INE206Z01020;
Key Management	Key management personnel of our Company in terms of Regulation
Personnel/ KMP	2(1)(bb) of the SEBI (ICDR) Regulations and Section 2(51) of the
	Companies Act, 2013. For details, please refer to section titled 'Our
	Management' beginning on page 75;
MoA/ Memorandum of	The Memorandum of Association of Sun Retail Limited, as amended from
Association	time to time;
Nomination and	The committee of the Board of directors reconstituted as our Company's
Remuneration	Nomination and Remuneration Committee in accordance with Section 178
Committee	of the Companies Act, 2013 read with Regulation 19 of the SEBI (LODR)
	Regulations;
Registered Office	The registered office of our Company located at 7th Floor, 722, Gala
	Empire, Drive in Road, Opp. TV Tower Thaltej, Ahmedabad-380054,
	Gujarat
Registrar of	Registrar of Companies, Ahmedabad, Gujarat, situated at ROC Bhavan, Opp
Companies/ RoC	Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad –
	380013, Gujarat;
Shareholders	The equity shareholders of our Company, from time to time, unless
<u> </u>	otherwise specified in the context thereof;
Stakeholders'	The committee of the Board of Directors constituted as our Company's
Relationship	Stakeholders' Relationship Committee in accordance with Section 178 of
Committee	the Companies Act, 2013 read with Regulation 20 of SEBI LODR
	Regulations 2015;

GENERAL ISSUE RELATED TERMS

Term	Description
Abridged Letter of	Abridged Letter of Offer to be sent to the Eligible Shareholders with
Offer	respect to the Issue in accordance with the provisions of the SEBI (ICDR)
	Regulations and the Companies Act;
Additional Rights	The Rights Equity Shares applied or allotted under this Issue in addition
Equity Shares	to the Rights Entitlement;
Allot/ Allotment/	Unless the context requires, the allotment of Rights Equity Shares
Allotted	pursuant to this Issue;
Allotment Account	The account opened with the Banker to the Issue, into which the
	Application Money lying to the credit of the escrow account(s) and
	application amounts by ASBA blocked in the ASBA Account, with respect
	to successful Investors will be transferred on the Transfer Date in
	accordance with Section 40(3) of the Companies Act;
Allotment Advice	The note or advice or intimation of Allotment sent to each successful
	Applicant who has been or is to be Allotted the Rights Equity Shares
	pursuant to this Issue;



Term	Description
Allotment Date	Date on which the Allotment is made pursuant to this Issue;
Allottee(s)	Persons to whom Rights Equity Shares are issued pursuant to the Issue;
Applicant(s)/	Eligible Equity Shareholder(s) and/or Renouncee(s) who make an
Investor(s)	application for the Rights Equity Shares pursuant to this Issue in terms of
A 1'	the Draft Letter of Offer/Letter of Offer, including an ASBA Investor;
Application	Application made through submission of the Application Form or plain paper Application to the Designated Branch(es) of the SCSBs or online/
	electronic application through the website of the SCSBs (if made available
	by such SCSBs) under the ASBA process, to subscribe to the Rights Equity
	Shares at the Issue Price;
Application Form/	Unless the context otherwise requires, an application form (including
Common Application	online application form available for submission of application through
Form (CAF)	the website of the SCSBs (if made available by such SCSBs) under the ASBA
	process) used by an Investor to make an application for the Allotment of Equity Shares in the Issue;
Application Money	Aggregate amount payable in respect of the Rights Equity Shares applied
	for in the Issue at the Issue Price;
Application Supported	Application (whether physical or electronic) used by ASBA Investors to
by Blocked amount or	make an application authorizing the SCSB to block the Application Money
ASBA	in the ASBA Account maintained with such SCSB;
ASBA Account	A bank account maintained with a SCSB and specified in the Application
	Form or plain paper application, as the case may be, for blocking the
	amount mentioned in the Application Form or the plain paper application,
	in case of Eligible Shareholders, as the case may be;
ASBA Applicant /ASBA	As per the SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated
Investor	January 22, 2020, all investors (including Renouncees) shall make an
ASBA Bid	application for an Issue only through ASBA facility; Bid made by an ASBA Bidder including all revisions and modifications
ASDA DIU	thereto as permitted under the SEBI (ICDR) Regulations;
ASBA Circulars	Collectively, the SEBI circulars bearing reference numbers
nobii di cului s	'SEBI/CFD/DIL/ASBA/1/2009/30/12 dated December 30, 2009',
	'CIR/CFD/DIL/1/2011 dated April 29, 2011', and
	'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020';
Bankers to the Issue/	Collectively, the Escrow Collection Bank and the Refund Bank to the Issue,
Refund Bank	in this case is Axis Bank Limited;
Bankers to the Issue	Agreement dated [•] entered into by and amongst our Company and the
Agreement	Registrar to the Issue, and the Bankers to the Issue for collection of the
	Application Money from applicants/Investors, transfer of funds to the
	Allotment Account from the Escrow Account and SCSBs, release of funds
	from Allotment Account to our Company and other persons and where
	applicable, refunds of the amounts collected from Investors and providing
	such other facilities and services as specified in the agreement
Basis of Allotment	The basis on which the Rights Equity Shares will be Allotted to successful
	Applicants in the Issue, and is described in the section titled <i>'Terms of the</i>
Cantualli - Di l (<i>Issue'</i> beginning on page 191;
Controlling Branches /	Such branches of the SCSBs which co-ordinate the Registrar to the Issue
Controlling Branches of	and the Stock Exchange, a list of which is available on
the SCSBs	<u>https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</u> updated from time to time or at such other website(s) as may be
	prescribed by the SEBI from time to time;
Demographic Details	Details of Investors including the Investor's address, name of the
Demographic Details	Investor's father/ husband, investor status, occupation and bank account
	details, where applicable;
Designated SCSB	Such branches of the SCSBs which shall collect the ASBA Forms submitted
Branches	by ASBA Bidders, a list of which is available on the website of SEBI at
-	https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=



Term	Description
Term	<u>ves&intmId=35</u> , updated from time to time, or at such other website as may
	be prescribed by SEBI from time to time;
Designated Stock	SME Platform of BSE Limited
Exchange	
Depository(ies)	NSDL and CDSL or any other depository registered with SEBI under the
-ry(y	Securities and Exchange Board of India (Depositories and Participants)
	Regulations, 2018 as amended from time to time read with the
	Depositories Act, 1996;
Draft Letter of Offer/	This Draft Letter of Offer dated September 6, 2023 and revised Draft Letter
, DLoF	of Offer approved on November 30, 2023, filed with SME Platform of BSE
-	Limited in accordance with the SEBI (ICDR) Regulations, for their
	observations and in-principle approval;
Eligible Equity	Existing Equity Shareholders as on the Record Date i.e., [•]. Please note
Shareholders	that the investors eligible to participate in the Issue exclude certain
Sharenotaers	overseas shareholders;
Escrow Account(s)	One or more no-lien and non-interest bearing accounts with the Escrow
	Collection Bank(s) for the purposes of collecting the Application Money
	from resident Investors updated from time to time or at such other
	website(s) as may be prescribed by the SEBI from time to time;
Escrow Collection Bank	Banks which are clearing members and registered with SEBI as bankers to
Listrow concetion bank	an Issue and with whom Escrow Account(s) will be opened, in this case
	being Axis Bank Limited;
Issue/ Rights Issue	Issue of up to 46,55,04,000 (Forty Six Crore Fifty Five Lakhs Four
issue/ Rights issue	Thousand) Fully paid-up Equity Shares of our Company for cash at a price
	of $\gtrless 1$ (Rupee One Only) per Rights Equity share for an amount aggregating
	up to ₹ 4655.04 Lakhs on a rights basis to the Eligible Shareholders of our
	Company in the ratio of 3 (Three) Rights Equity Shares for every 1 (One)
	Fully paid-up Equity Share held by the Eligible Equity Shareholders of our
	Company on the Record Date i.e. [•];
Issue Closing Date	[•], 2023
Issue Material	Collectively, the Letter of Offer, the Abridged Letter of Offer, the Common
issue material	Application Form (CAF)/ Application Form and Rights Entitlement Letter;
Issue Opening Date	[•], 2023
Issue Period	The period between the Issue Opening Date and the Issue Closing Date,
135001 01100	inclusive of both days, during which Applicants/ Investors can submit
	their Applications, in accordance with the SEBI (ICDR) Regulations;
Issue Price	₹ 1/- (Rupee One Only) per Rights Equity Share;
	The proceeds of the Issue that are available to our Company;
Issue Proceeds	* * *
Issue Size	Amount aggregating up to ₹ 4655.04 Lakhs* (*Assuming full subscription);
Letter of Offer/ LoF	The Final Letter of Offer dated [•], filed with the SME Platform of BSE
	Limited after incorporating the observations received from the BSE on the
	Draft Letter of Offer; Multiple complications formed submitted has an Elisible Equity
Multiple Application	Multiple application forms submitted by an Eligible Equity
Forms	Shareholder/Renouncee in respect of the Rights Entitlement available in
	their demat account. However supplementary applications in relation to
	further Equity Shares with/without using additional Rights Entitlements
Not Day and Is	will not be treated as multiple application;
Net Proceeds	Issue Proceeds less the Issue related expenses. For further details, please
	refer to the section titled 'Objects of the Issue' beginning on page 49;
Non-ASBA Investor/	Investors other than ASBA Investors who apply in the Issue otherwise
Non-ASBA Applicant	than through the ASBA process comprising Eligible Shareholders holding
	Equity Shares in physical form or who intend to renounce their Rights
XY 1 1 1	Entitlement in part or full and Renouncees;
Non-Institutional	An Investor other than a Retail Individual Investor or Qualified
Investors/ NIIs	Institutional Buyer as defined under Regulation 2(1)(jj) of the SEBI (ICDR)
	Kogulations
	Regulations;



Term	Description
Offer Documents	The Draft Letter of Offer, Letter of Offer, Abridged Letter of Offer including
oner Documents	any notices, corrigendum thereto;
Off Market	The renunciation of Rights Entitlements undertaken by the Investor by
Renunciation	transferring them through off market transfer through a depository
	participant in accordance with the SEBI Rights Issue Circulars and the
	circulars issued by the Depositories, from time to time, and other
	applicable laws;
On Market	The renunciation of Rights Entitlements undertaken by the Investor by
Renunciation	trading them over the secondary market platform of the Stock Exchange
	through a registered stock broker in accordance with the SEBI Rights Issue
	Circulars and the circulars issued by the Stock Exchange, from time to
	time, and other applicable laws, on or before [•];
QIBs or Qualified	Qualified institutional buyers as defined under Regulation 2(1)(ss) of the
Institutional Buyers	SEBI (ICDR) Regulations;
Record Date	Designated date for the purpose of determining the Equity Shareholders eligible to apply for Rights Equity Shares, being [•] Day, [•] Date;
Refund through	Refunds through NECS, Direct Credit, RTGS, NEFT or ASBA process, as
electronic transfer of	applicable;
Funds	
Registrar to the	Bigshare Services Private Limited
Issue/Registrar/RTA	
Registrar Agreement	Agreement dated August 14, 2023 entered into between our Company and
	the Registrar in relation to the responsibilities and obligations of the
	Registrar to the Issue pertaining to this Issue;
Renouncees	Any person(s) who, not being the original recipient has/have acquired the
	Rights Entitlements from the Equity Shareholders through renunciation in
	accordance with the SEBI ICDR Regulations read with the SEBI Rights Issue Circulars;
Renunciation Period	The period during which the Investors can renounce or transfer their
Renunciación i crioa	Rights Entitlements which shall commence from the Issue Opening Date
	i.e. [•]. Such period shall close on [•] in case of On Market Renunciation.
	Eligible Shareholders are requested to ensure that renunciation through
	off-market transfer is completed in such a manner that the Rights
	Entitlements are credited to the demat account of the Renouncee on or
	prior to the Issue Closing Date i.e. [•];
Retail Individual	An individual Investor (including an HUF applying through karta) who has
Investors/ RIIs	applied for Rights Equity Shares and whose Application Money is not more than $\frac{\pi}{2}$ 2.00,000 ((Rungess True Lakes Only) in the Laws as defined under
	than ₹ 2,00,000/- (Rupees Two Lakhs Only) in the Issue as defined under Regulation 2(1)(vv) of the SEBI (ICDR) Regulations;
Rights Entitlement (s)/	The number of Rights Equity Shares that an Investor is entitled to in
REs	proportion to the number of Equity Shares held by the Investor on the
-	Record Date, in this case being 3 (Three) Rights Equity Shares for every 1
	(One) Equity Share held by an Eligible Equity Shareholder;
	The Rights Entitlements with a separate ISIN '[•]' will be credited to your
	demat account before the date of opening of the Issue, against the Equity
	Shares held by the Equity Shareholders as on the Record Date, pursuant to
	the provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue
	Circular, the Rights Entitlements shall be credited in dematerialized form
	in respective demat accounts of the Eligible Equity Shareholders before
	the Issue Opening Date;
Rights Entitlement	Letter including details of Rights Entitlements of the Eligible
Letter Rights Equity Shares	Shareholders; Equity Shares of our Company to be Allotted pursuant to this Issue, on fully
rights Equity shales	paid-up basis on Allotment;
SEBI Rights Issue	Collectively, SEBI circulars bearing reference number
Circulars	'SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020',
	, , , , , , , , , , , , , , , , , , ,



Term	Description	
	'SEBI/HO/CFD/CIR/CFD/DIL/67/2020 dated April 21, 2020',	
	'SEBI/HO/CFD/DIL2/CIR/P/2020/78 dated May 6, 2020',	
	'SEBI/HO/CFD/DIL1/CIR/P/2020/136 dated July 24, 2020'	
	'SEBI/HO/CFD/DIL1/CIR/P/2021/13 dated January 19, 2021' and	
	'SEBI/HO/CFD/SSEP/CIR/P/2022/66 dated May 19, 2022';	
Self-Certified Syndicate	The banks registered with SEBI, offering services (i) in relation to ASBA	
Banks/ SCSB(s)	(other than through UPI mechanism), a list of which is available on the	
	website of SEBI at	
	<u>https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=</u>	
	<u>ves&intmId=34</u> or	
	https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=	
	<u>yes&intmId=35</u> , as applicable, or such other website as updated from time	
	to time, and (ii) in relation to ASBA (through UPI mechanism), a list of	
	which is available on the website of SEBI at	
	https://sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&i	
The sector Data	<u>ntmld=40</u> or such other website as updated from time to time;	
Transfer Date	The date on which the amount held in the escrow account(s) and the amount blocked in the ASBA Account will be transferred to the Allotment	
	Account, upon finalization of the Basis of Allotment, in consultation with	
	the Designated Stock Exchange;	
Wilful Defaulter/	A Company or person, as the case may be, categorized as a wilful defaulter	
Fraudulent Borrower	or a fraudulent borrower by any bank or financial institution or	
Fraddulent borrower	consortium thereof, in accordance with the guidelines on wilful defaulters	
	issued by the RBI, including any company whose director or promoter is	
	categorized as such;	
Working Day(s)	In terms of Regulation 2(1)(mmm) of SEBI (ICDR) Regulations, Working	
Working Day(3)	day means all days on which commercial banks in Gujarat are open for	
	business. Further, in respect of Issue Period, working day means all days,	
	excluding Saturdays, Sundays, and public holidays, on which commercial	
	banks in Ahmedabad are open for business. Furthermore, the time period	
	between the Issue Closing Date and the listing of the Rights Equity Shares	
	on the Stock Exchange, working day means all trading days of the Stock	
	Exchange, excluding Sundays and bank holidays, as per circulars issued by	
	SEBI;	

BUSINESS AND INDUSTRY-RELATED TERMS

Term	Description
CAD	Current Account Deficits
CAGR	Compound Annual Growth Rate
CAPEX	Capital Expenditure
DDU-GKY	Deen Dayal Upadhyaya Grameen Kaushalya Yojana
EMDEs	Emerging Market and Developing Economies
FY	Financial Year
GDP	Gross domestic product
GOI	Government of India
GVA	Gross Value Added
MMT	Million Metric Ton
МОС	Memorandum Of Cooperation
MOU	Memorandum of Understanding
MSDE	Ministry of Skill Development and Entrepreneurship
MSME	Micro, Small, and Medium Enterprises
MT	Million Tones
NOS	National Occupation Standards
NSDC	National Skill Development Corporation



Term	Description
NSDM	National Skill Development Mission
NSP	National Steel Policy
NSQF	National Skills Qualification Framework
PLI	Production Linked Incentive
PM	Pradhan Mantri
PMKVY	Pradhan Mantri Kaushal Vikas Yojana
QP	Qualification Packs
UT	Union Territories

Term	Description
One Million	Ten Lakhs;
One Billion	Ten Thousand Lakhs;
One Trillion	One Crore Lakhs;
Sq. ft.	Square Foot;
USA	United States of America;
USD	United States Dollar;
WEO	World Economic Outlook;

ABBREVIATIONS

Term	Description			
₹/Rs. /Rupees /INR	Indian Rupees, the official currency of the Republic of India;			
AGM	Annual General Meeting;			
AIF	Alternative Investment Fund as defined and registered with SEBI under			
	the Securities and Exchange Board of India (Alternative Investment Funds)			
	Regulations, 2012;			
AS	Accounting Standards issued by the Institute of Chartered Accountants of			
	India;			
AY	Assessment Year;			
BSE	BSE Limited;			
CAF	Common Application Form;			
CDSL	Central Depository Services (India) Limited;			
CFO	Chief Financial Officer;			
CIN	Corporate Identification Number;			
CIT	Commissioner of Income Tax;			
CLRA	Contract Labour (Regulation and Abolition) Act, 1970;			
Companies Act, 2013	Companies Act, 2013 along with rules made thereunder;			
Companies Act, 1956	Companies Act, 1956, and the rules thereunder (without reference to the			
	provisions thereof that have ceased to have effect upon the notification of			
	the Notified Sections);			
COVID-19	A public health emergency of international concern as declared by the			
	World Health Organization on January 30, 2020 and a pandemic on March			
	11, 2020;			
CSR	Corporate Social Responsibility;			
Depository	A depository registered with SEBI under the Securities and Exchange			
	Board of India (Depositories and Participant) Regulations, 2018;			
Depositories Act The Depositories Act, 1996;				
DP/ Depository	Depository Participant as defined under the Depositories Act;			
Participant				
DIN	Director Identification Number;			
DP	Depository Participant;			
DP-ID	Depository Participant's Identification;			
DR	Depository Receipts;			



Term	Description
EBITDA	Profit/(loss) after tax for the year adjusted for income tax expense, finance
	costs, depreciation, and amortization expense, as presented in the
	statement of profit and loss;
EGM	Extraordinary General Meeting;
EPS	Earning per Equity Share;
FCNR Account	Foreign Currency Non-Resident (Bank) account established in accordance
	with the FEMA;
FDI	Foreign Direct Investment;
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations
	made thereunder;
FEMA Rules	Foreign Exchange Management (Non-debt Instruments) Rules, 2019;
FII(s)	Foreign Institutional Investors registered with SEBI under applicable laws;
FIPB	Foreign Investment Promotion Board;
FPIs	A foreign portfolio investor who has been registered pursuant to the SEBI
FF15	FPI Regulations, provided that any FII who holds a valid certificate of
	registration shall be deemed to be an FPI until the expiry of the block of
	three years for which fees have been paid as per the SEBI FPI Regulations;
Fugitive Economic	An individual who is declared a fugitive economic offender under Section
Offender	12 of the Fugitive Economic Offenders Act, 2018;
FVCI	Foreign Venture Capital Investors (as defined under the Securities and
	Exchange Board of India (Foreign Venture Capital Investors) Regulations,
	registered with SEBI;
FY	Period of 12 months ended March 31 of that particular year, unless
	otherwise stated;
GAAP	Generally Accepted Accounting Principles;
GDP	Gross Domestic Product;
GoI / Government	The Government of India;
GST	Goods and Services Tax;
HUF	Hindu Undivided Family;
ICAI	The Institute of Chartered Accountants of India;
ICSI	The Institute of Company Secretaries of India;
IFRS	International Financial Reporting Standards;
Income Tax Act/ IT	The Income Tax Act, 1961 and amendments thereto;
	The medine Tax Act, 1901 and amendments dicreto,
Act Trading	Convition and Evolution Doord of India (Dualibition of Inciden Trading)
Insider Trading	Securities and Exchange Board of India (Prohibition of Insider Trading)
Regulations	Regulations, 2015;
Insolvency Code	Insolvency and Bankruptcy Code, 2016, as amended;
IT	Information Technology;
MCA	The Ministry of Corporate Affairs, GoI;
MN / Mn	Million;
Mutual Funds	Mutual funds registered with the SEBI under the Securities and Exchange
	Board of India (Mutual Funds) Regulations, 1996;
N.A. or NA	Not Applicable;
NAV	Net Asset Value;
NEFT	National Electronic Fund Transfer;
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the
-	MCA and are currently in effect;
NR/ Non-Resident	A person resident outside India, as defined under the FEMA and includes
-, noonaome	an NRI, FPIs registered with SEBI and FVCIs registered with SEBI;
NRE	Non-Resident External Account;
NRI	Non-Resident Indian;
	· · · · · · · · · · · · · · · · · · ·
NSDL OCP	National Securities Depository Limited;
OCB	Overseas Corporate Body;
P.A.	Per annum;
P/E Ratio	Price/Earnings Ratio;
PAN	Permanent Account Number;



Term	Description
РАТ	Profit After Tax;
RBI	Reserve Bank of India;
RBI Act	Reserve Bank of India Act, 1934;
RoNW	Return on Net Worth;
SCORES	SEBI Complaints Redress System;
SCRA	Securities Contracts (Regulation) Act, 1956;
SCRR	Securities Contracts (Regulation) Rules, 1957;
SEBI	Securities and Exchange Board of India;
SEBI Act	Securities and Exchange Board of India Act, 1992;
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012;
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2019;
SEBI (LODR)	Securities and Exchange Board of India (Listing Obligations and Disclosure
Regulations	Requirements) Regulations, 2015, as amended from time to time;
SEBI (ICDR)	Securities and Exchange Board of India (Issue of Capital and Disclosure
Regulations	Requirements) Regulations, 2018 and amendments thereto;
SEBI (SAST)	Securities and Exchange Board of India (Substantial Acquisition of Shares
Regulations	and Takeovers) Regulations, 2011 and amendments thereto;
Securities Act	United States Securities Act of 1933, as amended;
STT	Securities Transaction Tax;
Trade Mark Act	Trade Marks Act, 1999 and the rules thereunder, including subsequent
	amendments thereto;
TDS	Tax deducted at source;
VCF	Venture capital fund as defined and registered with SEBI under the
	Securities and Exchange Board of India (Venture Capital Fund)
	Regulations, 1996 or the SEBI AIF Regulations, as the case may be;
W.E.F	With effect from



NOTICE TO INVESTORS

The distribution of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter ("Issue Material(s)") and the issue of Rights Entitlement and Rights Equity Shares to persons in certain jurisdictions outside India may be restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Draft Letter of Offer, Letter of Offer the Abridged Letter of Offer or CAFs may come are required to inform themselves about and observe such restrictions. Our Company is making this Issue on a rights basis to the Eligible Equity Shareholders and will electronically dispatch through email and physical dispatch through registered post/speed post the Letter of Offer, Abridged Letter of Offer, Application Form and Rights Entitlement Letter only to Eligible Equity Shareholders who have a registered address in India or who have provided an Indian address to our Company. Further, the Letter of Offer will be provided, through email and registered post/speed post/courier, by the Registrar on behalf of our Company to the Eligible Equity Shareholders who have provided their Indian addresses to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard. Investors can also access this, Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company, SEBI, and the Stock Exchange.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer, and, under such circumstances, Issue Materials must be treated as sent for information purpose only and should not be acted upon for subscription to Rights Entitlement and Rights Equity Shares and should not be copied or redistributed. Accordingly, persons receiving a copy of Issue Materials should not, in connection with this Issue of the Rights Equity Shares or Rights Entitlements, distribute or send the same in or into any jurisdiction where to do so would or might contravene local securities laws or regulations. If Issue Material is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Equity Shares, or the Rights Entitlements referred to in the Issue Material.

Any person who makes an application to acquire Equity Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that she/he is authorized to acquire the Rights Equity Shares in compliance with all applicable laws and regulations prevailing in her/his jurisdiction. Our Company, the Registrar to the Issue or any other person acting on behalf of us reserve the Rights to treat any CAF as invalid where we believe that CAF is incomplete or acceptance of such CAF may infringe applicable legal or regulatory requirements and we shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such CAF. Neither the delivery of Letter of Offer, Abridged Letter of Offer and CAFs nor any sale hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of the Letter of Offer.

Neither the delivery of this Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, Application Form and Rights Entitlement Letter nor any sale hereunder, shall, under any circumstances, create any implication that there has been no change in our Company's affairs from the date hereof or the date of such information or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer, Letter of Offer and the Abridged Letter of Offer and the Application Form and Rights Entitlement Letter or the date of such information.

THE CONTENTS OF THIS LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF THE OFFER RIGHTS OF EQUITY SHARES OR RIGHTS ENTITLEMENTS. ACCORDINGLY, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX AND RELATED MATTERS CONCERNING THE OFFER OF EQUITY SHARES. IN ADDITION, OUR COMPANY IS NOT MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE EQUITY

SHARES REGARDING THE LEGALITY OF AN INVESTMENT IN THE EQUITY SHARES BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The Rights Entitlement and the Rights Equity Shares of our Company have not been and will not be registered under the United States Securities Act of 1933, as amended *(the "US Securities Act")*, or any U.S. State Securities Laws and may not be offered, sold, resold, or otherwise transferred within the United States of America or the territories or possessions thereof, except in a transaction exempt from the registration requirements of the Securities Act. The rights referred to in the Draft Letter of Offer are being offered in India, but not in the United States. The offering to which the Draft Letter of Offer relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said Equity Shares or rights. Accordingly, the Issue Materials should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe is in the United States when the buy order is made. Envelopes containing an Application Form and Rights Entitlement Letter should not be postmarked in the United States or otherwise dispatched from the United States or any other jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Equity Shares and wishing to hold such Equity Shares in registered form must provide an address for registration of the Equity Shares in India. Our Company is making the Rights Equity Shares to Eligible Shareholders of our Company on the Record Date and issue materials will be dispatched only to Equity Shares who have an Indian address. Any person who acquires rights and the Rights Equity Shares will be deemed to have declared, represented, warranted, and agreed, that:

- 1. It is not and that at the time of subscribing for the Rights Equity Shares or the Rights Entitlements, it will not be, in the United States when the buy order is made,
- 2. It does not have a registered address (and is not otherwise located) in the United States,
- 3. It is authorized to acquire the rights and the Equity Shares in compliance with all applicable laws and regulations.
- 4. Our Company believes that Application Form (CAF) is incomplete or acceptance of such Application Form (CAF) may infringe applicable legal or regulatory requirements; and
- 5. Our Company shall not be bound to allot or issue any Rights Equity Shares or Rights Entitlement in respect of any such Application Form.

Our Company reserves the rights to treat as invalid any Application form which:

- 1. Does not include the certification set out in the Application Form to the effect that the subscriber is authorised to acquire the Rights Equity Shares or Rights Entitlement in compliance with all applicable laws and regulations;
- 2. Appears to our Company or its agents to have been executed in or dispatched from the United States;
- 3. Where a registered Indian address is not provided; or
- 4. Where our Company believes that Application Form is incomplete, or acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to allot or issue any Equity Shares or Rights Entitlement in respect of any such Application Form.

Rights Entitlements may not be transferred or sold to any person in the United States.

The Rights Entitlements and the Equity Shares have not been approved or disapproved by the US Securities and Exchange Commission (*the "US SEC"*), any state securities commission in the United States or any other U.S regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the merits of the offering of the Rights Entitlements, the Equity Shares or the accuracy or adequacy of this Draft Letter of Offer, Letter of Offer. Any representation to the contrary is a criminal offence in the United States.



The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Rights Equity Shares applied for do not exceed the applicable limits under laws or regulations.

THIS DOCUMENT IS SOLELY FOR THE USE OF THE PERSON WHO RECEIVED IT FROM OUR COMPANY OR FROM THE REGISTRAR. THIS DOCUMENT IS NOT TO BE REPRODUCED OR DISTRIBUTED TO ANY OTHER PERSON.

CERTAIN CONVENTIONS, USE OF FINANCIAL INFORMATION AND USE OF CURRENCY OF PRESENTATION

CERTAIN CONVENTIONS

Unless otherwise specified or the context otherwise requires, all references to "*India*" contained in this Draft Letter of Offer are to the Republic of India and the "*Government*" or "*Gol*" or the "*Central Government*" or the "*State Government*" are to the Government of India, Central or State, as applicable.

Unless otherwise specified or the context otherwise requires, all references here into the *"US" or "U.S."* or the *"United States"* are to the United States of America and its territories and possessions.

Unless otherwise specified, all references in this Draft Letter of Offer are in Indian Standard Time. Unless indicated otherwise, all references to a year in this Draft Letter of Offer are to a calendar year.

Unless stated otherwise, all references to page numbers in this Draft Letter of Offer are to the page numbers of this Draft Letter of Offer.

In this Draft Letter of Offer, unless otherwise indicated or the context otherwise requires, all references to the/our *"Company"*, *"we"*, *"our"*, *"us"* or similar terms are to Sun Retail Limited or, as the context requires, and references to *"you"* are to the Equity Shareholders and/ or prospective Investors in the Equity Shares.

FINANCIAL DATA

Unless stated otherwise, the financial data in this Draft Letter of Offer is derived from the Unaudited Financial Statements for the six months period ended September 30, 2023 and Audited Financial Statements for the year ended March 31, 2023, March 31, 2022, and March 31, 2021. For further details, please refer to the section titled '*Financial Information*' beginning on page 82. The financial year of our Company commences on April 1 and ends on March 31.

Unless stated otherwise, the financial data in this DLoF is derived from the Unaudited Financial Statements for the six months period ended September 30, 2023 and Audited Financial Statement and for the Financial Years ending March 31, 2023, March 31, 2022, and March 31, 2021 which have been prepared in accordance with accounting standards as prescribed under Section 133 of Companies Act, 2013 and other the relevant provisions of the Companies Act, 2013. Our Company publishes its financial statements in Indian Rupees.

There are significant differences between GAAP, IFRS and U.S. GAAP. Our Company has not attempted to also explain those differences or quantify their impact on the financial data included in this Draft Letter of Offer and you are urged to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Letter of Offer will provide meaningful information is entirely dependent on the reader's level of familiarity with accounting policies and practice, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with these accounting principles and regulations on our financial disclosures presented in this Draft Letter of Offer should accordingly be limited. For further information, please see section titled '*Financial Information'* beginning on page 82.

In this Draft Letter of Offer, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off, and unless otherwise specified, all financial numbers in parenthesis represent negative figures.

CURRENCY OF PRESENTATION

All references in this Draft Letter of Offer to *"Rupees"*, *"Rs."*, *"*₹*"*, *"Indian Rupees" and "INR"* are to Rupees, the official currency of the Republic of India.

All references to *"U.S. \$", "U.S. Dollar" "USD"* or *"\$"* are to United States Dollars, the official currency of the United States of America.

Please Note:

One million is equal to 1,000,000/10 lakhs; One billion is equal to 1,000 million/100 crores; One lakh is equal to 100 thousand; One crore is equal to 10 million/100 lakhs;

Except as otherwise set out in this Draft Letter of Offer, certain monetary thresholds have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables may not be an arithmetic aggregation of the figures which precede them.

INDUSTRY AND MARKET DATA

Unless stated otherwise, industry and market data used in this Draft Letter of Offer has been obtained or derived from publicly available information as well as industry publications and sources.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable, but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Letter of Offer is reliable, it has not been independently verified by us. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled **'Risk Factors'** beginning on page 24. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Letter of Offer is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted and methodologies and assumptions may vary widely among different industry sources.



FORWARD LOOKING STATEMENTS

Our Company has included statements in this Draft Letter of Offer which contain words or phrases such as 'anticipate', 'believe', 'continue', 'can', 'could', 'estimate', 'expect', 'expected to', 'future', 'intend', 'is likely', 'may', 'objective', 'plan', 'potential', 'project', 'pursue', 'shall', 'should', 'will', 'will continue', 'would', or other words or phrases of similar import. Similarly, statements that describe our objectives, strategies, plans or goals are also forward-looking statements. However, these are not the exclusive means of identifying forward looking statements. Forward-looking statements are not guarantees of performance and are based on certain assumptions, future expectations, describe plans and strategies, contain projections of results of operations or of financial condition or state other forward-looking information. All statements regarding our Company's expected financial conditions, results of operations, business plans and prospects are forward-looking statements.

Further, actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties or assumptions associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes, changes in competition in its industry and incidents of any natural calamities and/or acts of violence.

Important factors that could cause actual results to differ materially from our Company's expectations include, but are not limited to, the following:

- Uncertainty in relation to continuing effect of the COVID-19 pandemic on our business and operations;
- The largely unorganized structure of the market can affect the systematic functioning of the Company.
- Our ability to successfully implement our growth strategy and expansion plans, and to successfully launch and implement various business plans;
- Geo political tensions and impact of war is seen in fluctuating raw materials prices like Metals and bullions. Also currency rate fluctuations due to this global scenario can impact business.
- There is an increased global outlook of rising interest rates and inflation which can adversely impact wider economy.
- General economic and business conditions Globally, in India and in the markets in which we operate and in the local, regional, and national economies;
- Inability to comply conditions and restrictions on our operations, additional financing and capital structure under agreements governing our indebtedness;
- Changes in laws and regulations relating to the sectors and industry in which we operate;
- Our ability to manage our operating costs and impact on the financial results
- Our ability to Successfully implement our business strategies and expansion plans;
- Changes in general, political, social and economic conditions in India and elsewhere;
- Fluctuations in the exchange rate between the Indian rupee and foreign currencies;

For a further discussion of factors that could cause the actual results to differ, please refer to the section titled '*Risk Factors*', '*Business Overview (Our Business)*' and '*Management's Discussion and Analysis of Financial Position and Results of Operations*' beginning on page 24, 66 and 171 respectively. By their nature, certain market risk disclosures are only estimates and could materially be different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated and are not a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as at the date of this Draft Letter of Offer and are not a guarantee or assurance of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are



reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Accordingly, we cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct and given the uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialize, or if any of our Company's underlying assumptions prove to be incorrect, the actual results of operations or financial condition of our Company could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to our Company are expressly qualified in their entirety by reference to these cautionary statements. None of our Company, our Directors nor any of their respective affiliates has any obligation to update or otherwise revise any statements reflecting circumstances arising after the date of this Draft Letter of Offer or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with the SEBI (ICDR) Regulations, our Company will ensure that investors are informed of material developments from the date of this Draft Letter of Offer until the time of receipt of the listing and trading permission.



SECTION II – SUMMARY OF THE DRAFT LETTER OF OFFER

The following is a general summary of certain disclosures included in this Draft Letter of Offer and is neither exhaustive, nor does it purport to contain a summary of all the disclosures in this Draft Letter of Offer or all details relevant to prospective Investors. This summary should be read in conjunction with and is qualified by, the more detailed information appearing in this Draft Letter of Offer, including the sections titled '*Risk Factors'*, '*Objects of the Issue*', '*Business Overview*' and '*Outstanding Litigations, Defaults and Material Developments*' beginning on page 24, 49, 66 and 178 respectively.

SUMMARY OF THE INDUSTRY IN WHICH OUR COMPANY OPERATES

<u> Agro Commodities & Edible – Non-edible oil:</u>

The agriculture sector is the largest source of livelihood in India. The country is one of the largest producers of agriculture and food products in the world. The sector has a vast potential for growth and offers a huge opportunity for businesses engaged in trading of agro commodities. The demand for edible oils and agro commodities is high in India due to its growing population and increasing disposable income. In 2022-23, India's agriculture sector growth rate was estimated to be at 3.5% and it was 3.0% in 2021-22. Edible oils are indispensable to Indian cooking. Growing population, changing tastes and preferences of consumers, shifting consumption pattern towards branded oils and consistent marketing and distribution initiatives by leading edible oil brands is leading to rising consumption of edible oils in the country. Edible oils constitute an important component of food expenditure in Indian households. The demand for edible oils in India has shown a steady growth, driven by increasing population, rising income levels and living standards.

The global agriculture market grew from \$12,245.63 billion in 2022 to \$13,398.79 billion in 2023 at a compound annual growth rate (CAGR) of 9.4%. The agriculture market is expected to grow to \$19,007.8 billion by 2027 at a CAGR of 9.1%.¹

<u>Metals Industries</u>

Metals are classified into two categories; precious metals and industrial metals. Precious metals include gold, platinum, and silver. Precious metals are considered to be rare and can have a high economic value associated with them. Precious metals also derive their value from what they're used for, such as gold, which is considered a safe-haven investment in times of economic uncertainty. Some precious metals are used in industrial and manufacturing processes. Palladium, for example, is used in electronics. Industrial and base metals are used in the construction, manufacturing, and technology industries and include copper, aluminum, steel, and zinc. Copper and steel are heavily used in manufacturing, particularly in China and India. The price of copper is closely watched by investors since it can serve as an indicator of economic growth. If copper prices are increasing along with demand, it can indicate that manufacturing activity is also on the rise, which could lead to higher economic growth globally.²

The global metal market grew from \$3940.17 billion in 2022 to \$4230.27 billion in 2023 at a compound annual growth rate (CAGR) of 7.4%. The Russia-Ukraine war disrupted the chances of global economic recovery from the COVID-19 pandemic, at least in the short term. The war between these two countries has led to economic sanctions on multiple countries, a surge in commodity prices, and supply chain disruptions, causing inflation across goods and services and affecting many markets across the globe. The metal market is expected to grow to \$5464.83 billion in 2027 at a CAGR of 6.6%.³

<u>Skill Development</u>

Skill Development is for determining the skill gaps and overcome them. Skills are required to define one's ability and this ability is the sole reason behind the successful implementation of plans.

¹ Source: <u>https://www.ibef.org/exports/agriculture-and-food-industry-india</u>

² Source: https://www.investopedia.com/ask/answers/040615/what-metals-and-mining-sector.asp

³ Source: <u>https://www.thebusinessresearchcompany.com/report/metal-global-market-report</u>



Skill development is like a valuable addition to life. In this rapidly changing world if you want to survive by your own then skills are the must.⁴

India is 7th largest economy in the world with unique geographical location to its advantage. It is one the fastest growing economy of the world which is bound to reach greater heights. In terms of population, India ranks 2nd in the world with an estimated population of 1.37 billion. More than 50% and 65% of India's population lies below the age of 25 and 35 respectively; with an average age of 27.⁵

However India has a big challenge ahead as it is estimated that only 4.69% of the total workforce in India has undergone formal skill training as compared to 68% in UK, 75% in Germany, 52% in USA, 80% in Japan and 96% in South Korea. India has a great opportunity to meet the future demands of the world, India can become the worldwide sourcing hub for skilled workforce.^{6&7}

For further details, please refer to the section titled '**Industry Overview'** at page 58.

SUMMARY OF OUR BUSINESS

Our Company was originally incorporated under the provision of the Companies Act, 1956. Our company engaged in trading of agricultural products such as oilseeds, oil cake, groundnuts, mustard, soya, and other agro-products. We are also engaged in trading of edible and non-edible oils such as palmolein and castor oil. In addition, we are involved in the trading of wide range of metals in India. We are also in the sourcing, buying, and selling of precious metals such as gold, silver, copper, steel, aluminium, and nickel. Currently company is also managing the Skill Development Projects of Government in Consortium with Ashray Foundation.

For further details, please refer to the section titled 'Business Overview' on page no. 66.

OUR PROMOTER & PROMOTERS GROUP

Our organisation is a professionally managed company and does not have a promoter in terms of the SEBI Regulations and/or the Companies Act, 2013

INTENTION AND EXTENT OF PARTICIPATION BY OUR PROMOTERS & PROMOTER GROUP IN THE ISSUE

Our organisation is a professionally managed company hence intention and extent of participation by promoters and promoter group in the Issue and lock-in, are not applicable.

OBJECTS OF THE ISSUE

The details of Issue Proceeds are set forth in the following table:

	(₹ in Lakhs)
Particulars	Amount
Gross Proceeds from the Issue [#]	4655.04*
Less: Estimated Issue related Expenses	30.00
Net Proceeds from the Issue	4625.04

#Assuming full subscription

*The Issue Size will not exceed \gtrless 4655.04 Lakhs. If there is any reduction in the amount on account of or at the time of finalisation of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

For further details, please refer to the section titled '*Objects of the Issue*' beginning on page 49.

⁴ Source: <u>https://blog.clrskills.com/the-concept-of-skills-development</u>

⁵ Source: <u>https://events.rdias.ac.in/wp-content/uploads/2021/04/skill-developmen-t-in-India.pdf</u>

⁶ Source: https://ficci.in/sector/74/project_docs/sectorprofile.pdf

⁷ Source: <u>https://www.msde.gov.in/sites/default/files/2019-</u>

^{09/}National%20Policy%20on%20Skill%20Development%20and%20Entreprenurship%20Final.pdf

SUMMARY OF FINANCIAL INFORMATION

The following table sets forth the summary financial information derived from the Unaudited Financial Statements for the six months period ended September 30, 2023, Audited Financial Statements for the Financial Year ending March 31, 2023, March 31, 2022 and March 31, 2021.

				(₹ in lakhs)
Particulars	Sept. 2023	2022-23	2021-22	2020-21
Equity Share Capital	1,551.68	1,551.68	1,551.68	969.80
Net Worth ¹	1380.16	1,535.07	1,660.70	1,668.86
Total Income	1,534.89	1,511.56	206.49	270.53
Profit / (loss) after tax	(154.13)	(125.63)	(8.16)	(2.55)
Basic and diluted EPS (in ₹)	(0.10)	(0.05)	(0.01)	(0.03)
Net asset value per Equity Share (in ₹)	0.89	0.99	1.07	1.72
Total borrowings ²	183.67	656.04	71.32	138.38

¹Equity Share Capital and Other Equity

²consists of long term and short term borrowing

For further details, please refer to the section titled 'Financial Information' beginning on page 82.

OUTSTANDING LITIGATIONS

Name	By / Against	Civil Proceedings	Criminal Proceedings	Tax Proceedings	Actions by Regulatory Authority	Amount Involved*# (₹)
	By	-	-	-	-	-
Company	Against	-	-	1	Assessment Officer of Income Tax	NA#
Directore	By	-	-	-	-	-
Directors	Against	-	-	-	-	-

*To the extent quantifiable

#Demand not raised yet, currently proceedings u/s 148 of The Income-tax Act, 1961 are going on. Company has already submitted its response and waiting for the order.

For further details, please refer to the section titled *'Outstanding Litigations, Defaults and Material Developments'* beginning on page 178.

AUDITOR QUALIFICATIONS

For further details on auditor qualifications, please refer to section titled '*Financial Information*' beginning on page 82.

RISK FACTORS

For details of potential risks associated with our ongoing business activities and industry, investment in Equity Shares, material litigations which impact the business of the Company and other economic factors, please refer to the section titled **'Risk Factors'** beginning on page 24.

CONTINGENT LIABILITIES

For details of the contingent liabilities, as reported in the Financial Statements, please refer to the section titled *'Financial Information'* beginning on page 82.

RELATED PARTY TRANSACTIONS

For details of the related party transactions, as reported in the Financial Statements, please refer to the section titled *'Financial Information'* beginning on page 82.



FINANCING ARRANGEMENTS

There have been no financing arrangements whereby the Directors and their relatives have financed the purchase of Equity Shares by any other person other than in the normal course of the business of the financing entity during the period of 6 (Six) months immediately preceding the date of this Draft Letter of Offer.

ISSUE OF EQUITY SHARES FOR CONSIDERATION OTHER THAN CASH IN THE LAST ONE YEAR

Our Company has not issued any Equity Shares for consideration other than cash during the last 1 (One) year immediately preceding the date of filing this Draft Letter of Offer.

SPLIT OR CONSOLIDATION OF EQUITY SHARES IN THE LAST ONE YEAR

Our Company has not carried out any corporate action to spilt or consolidate its Equity Shares in during the last 1 (One) year immediately preceding the date of filing this Draft Letter of Offer.



SECTION III – RISK FACTORS

An investment in our Equity Shares involves a high degree of risk. You should carefully consider each of the following risk factors and all other information set forth in this Draft Letter of Offer, including in **'Business Overview'**, **'Industry Overview'** and **'Financial Information'** beginning on page 66, 58 and 82 respectively in this Draft Letter of Offer, before making an investment in our Equity Shares.

The risks and uncertainties described below are not the only risks that we currently face; additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also adversely affect our business, financial condition, results of operations, and cash flows. If any or some combination of the following risks, or other risks that are not currently known or believed to be adverse, actually occur, our business, financial condition, and results of operations could suffer, the trading price and the value of your investment in, our Equity Shares could decline, and you may lose all or part of your investment. To the extent the COVID-19 pandemic has adversely affected and may affect our business and financial results, it may also have the effect of increasing many of the other risks described in this section, such as those relating to non-payment or default by borrowers. In making an investment decision with respect to this Issue, you must rely on your own examination of our Company and the terms of this Issue, including the merits and risks involved. You should consult your tax, financial, and legal advisors about the consequences of an investment in our Equity Shares and its impact on you.

This Draft Letter of Offer also contains forward-looking statements that involve risks and uncertainties. Our results could differ materially from such forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Letter of Offer. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context otherwise requires, in this section, reference to "we", "us", "our" refers to our Company.

Materiality

The Risk factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality.

- 1. Some events may not be material individually but may be found material collectively,
- 2. Some events may have material impact qualitatively instead of quantitatively, and
- 3. Some events may not be material at present but may have a material impact in future.

INTERNAL RISK FACTORS

1. A decrease in the availability or an increase in the price of edible oils, agro and non-agro products & precious metals and base metals could raise our costs and could adversely affect our profitability.

Timely procurement of materials such as edible oils, agro and non-agro products & precious metals and base metals, as well as the quality and the price at which they are procured, play an important role in the successful operation of our business. A sudden fall in the market price of materials may affect our ability to recover our procurement costs. Conversely, an increase in the price of edible oils, agro and non-agro products & precious metals and base metals could lead to a decrease in demand for a particular material and/or a decrease in our profit margins. The prices and supply of these and other materials depend on factors beyond our control, including general economic conditions, competition, production levels and regulatory factors such as import duties. We cannot assure you that we will be able to procure quality materials at competitive prices or at all.

2. Our business depends on expertise of our senior management and our ability to attract and retain sales personnel. Any attrition rate of our senior management may affect our business growth.

We believe that the experience of our senior management has been critical to our success and business growth over the years. Their in-depth knowledge of the market and the business operations have ensured our growth in the business.



As a result, any loss of the services of our senior management could materially and adversely affect our business, financial condition and results of operations. The replacement of senior management may not be straightforward or achievable in a timely manner as they have years of knowledge and experience in this business, and we may be required to wait in definitely to fill positions until we find suitable candidates. Furthermore, attracting, hiring and retaining experienced and qualified senior management with years of experience in this business sector could require increasing compensation and benefits payable to such personnel, which could affect our operational costs and accordingly, our financial condition and results of operations. Our success is also dependent on our ability to attract, hire, train and retain experienced and skilled sales personnel, including sales personnel who speak local languages in the various regions in which we operate along with adequate and proper knowledge of the product. In the trading business, the level and quality of sales personnel and customer service are key competitive factors and an inability to recruit, train and retain suitably qualified and skilled sales personnel who maintain consistency in our standards of customer service and overall operations could adversely impact our reputation, business prospects and results of operations.

3. Our ability to retain the clients is heavily dependent upon various factors including our reputation and our ability to maintain a high level of service quality including our satisfactory performance for the customers. Any failure by us to retain or attract customers may impact its business and revenues.

We believe our strong brand reputation has helped us to attract and retain our customers. As a result, our reputation and perception of our brands are critical to our business. Although, we believe that we as well as our customers have a dedicated and talented team that comprise of experienced personnel in our field of business. Our business heavily relies on our reputation as well as the quality and popularity of the service provided by us and our visibility and perception amongst customers. It is important that we retain the trust placed by our customers. We must also continue to attract more and increase the number of our customers at a consistent rate.

We attempt to retain our position by maintaining quality and by our ability to improve and add value to the performance of our customers in their respective areas. This requires constant upgradation of the methodology and technologies are adequately equipped. Further, we rely on a variety of advertising efforts tailored to target the customers. Failure to maintain and enhance our reputation or any actual or perceived reasons leading to reduction of benefits from our customers or any negative publicity against us may affect the retention of customers. Any failure by us to retain or attract customers may adversely impact our business and revenues.

4. Our revenues are significantly dependent upon sales of a few products.

Our core business is spread within in domestic market only. Consequently, our income is significantly dependent on sales of edible oils and metals and over the years, such sales have emerged as the largest contributor to our revenue and business. Our continued reliance on sales of different types of edible oils and metals for a significant portion of our revenue exposes us to risks, including the potential reduction in the demand for such copper, steels etc. in the future; increased competition from domestic players; the invention of superior and cost effective technology; fluctuations in the price and availability of materials; changes in regulations and import duties; and the cyclical nature of our customers' businesses.

5. We are subject to government regulation and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business and results of operations may be adversely affected.

Our operations are subject to government regulation and we are required to obtain and maintain a number of statutory and regulatory permits, certificates and approvals under central, state and local government rules in India, including approvals under the Food Safety and Standards Act, 2006 (the "FSSAI"). For instance, the provisions of the FSSAI along with relevant rules and regulations are applicable to us and products, which sets forth requirements relating to the license and



registration of food businesses and general principles for food safety standards and storage and distribution of food products. Contravention of the requirement to obtain a license or carrying a business without obtaining a license under the FSSAI is punishable with imprisonment for a period of up to six months and fines. Subsequent contraventions are punishable with twice the punishment during the first conviction and higher monetary and other penalties including cancellation of license. As we require statutory and regulatory permits, licenses and approvals in the ordinary course of our business, some of which our Company has either received, applied for or is in the process of application. Any failure by us to apply in time, to renew, maintain or obtain the required permits, licenses or approvals, or the cancellation, suspension, delay in issuance or revocation of any of the permits, licenses or approvals may result in the interruption of our operations and may have a material adverse effect on the business.

6. Our Company had negative cash flow during certain fiscal years; details of which are given below. Sustained negative cash flow could adversely impact our business, financial condition and results of operations.

(Amount in INR Lak				
Particulars	2023	2022	2021	
Net Cash from (used in) Operating activities	(88.37)	661.95	125.41	
Net Cash from (used in) Investing activities	-	-	9.09	
Net Cash from (used in) Financing activities	84.19	(652.03)	(140.83)	

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet its capital expenditure, repay loans and make new investments without raising finance from external resources. If we are not able to generate sufficient cash flow, it may adversely affect our business and financial operations. For further details please refer to the section titled *'Financial Information'* and *'Management's Discussion and Analysis of Financial Condition and Results of Operations'* beginning on page 82 and 171 respectively of this Draft Letter of Offer.

7. We may be subject to fraud, theft, employee negligence or similar incidents.

Our operations may be subject to incidents of theft or damage to inventory in transit, and otherwise. Our industry typically encounters some inventory loss on account of employee theft, shop lifting, robbery, vendor fraud, credit card fraud and general administrative error. Till date we have not reported any instances of theft or fraud in the past, and we have set up various state of the art security measures at every possible place, there can be no assurance that we will not experience any fraud, theft, employee negligence, security lapse, loss in transit or similar incidents in the future, which could adversely affect our results of operations and financial condition.

8. Our Company and our Directors are not involved in legal proceedings. If in future any event occurred, it will adversely affect our business and results of operations.

Our Company and our Directors are currently not involved in any legal proceedings but in future legal proceedings at different levels of adjudication before various courts and tribunals which affect the business operations of the Company. We can give no assurance that the legal proceedings will be decided in our favour and we may incur significant expenses and management time in such proceedings and may have to make provisions in our financial statements, which could increase our expenses and liabilities. The summary of outstanding litigation in relation to Civil, Criminal, Tax matters, actions by regulatory/ statutory authorities and matters above the materiality threshold against our Company, and our Directors, have been set out below.

For further details, please refer section titled **'Outstanding Litigation and Material Developments'** beginning on page 178. Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, results of operations, financial condition and prospects. If the courts or tribunals rule against our Company and/or our Directors, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.



9. Our operations are subject to high working capital requirements. Our inability to maintain sufficient cash flow, credit facilities and other sources of funding, in a timely manner, or at all, to meet requirement of working capital or pay out debts, could adversely affect our operations.

Our business requires significant amount of working capital and major portion of our working capital is utilized towards debtors and inventories. Our growing scale and expansion, if any, may result in increase in the quantum of current assets. Our inability to maintain sufficient cash flow, credit facility and other sourcing of funding, in a timely manner, or at all, to meet the requirement of working capital or pay out debts, could adversely affect our financial condition and result of our operations.

Further, we may have high Debtors which may result in a high risk in case of non-payment by these Debtors. In the event we are not able to recover our dues from our Debtors in future, we may not be able to maintain our Sales level and thus adversely affecting our financial health.

10. Delays or defaults in client payments could result in a reduction of our profits.

We may be subject to working capital shortages due to delays or defaults in payments by clients. If clients defaults in their payments in due time to which we have devoted significant resources it could have a material adverse effect on our business, financial condition and results of operations and could cause the price of our Equity Shares to decline.

11. Termination of agreements/arrangements with Customers, could negatively impact our revenues and profitability.

Our customers typically retain us on a non-exclusive basis. Many of our client contracts can be terminated with or without cause by providing notice and without termination-related penalties. Additionally, most of clients carry no commitment to a specific volume of business or future work. Our business is dependent on the decisions and actions of our customers, and there are a number of factors relating to our clients that are outside our control that might result in the termination of an assignment or the loss of a client, including a demand for price reductions. Therefore our business may be adversely affected if any of our contracts are terminated by our customers.

12. Our Company doesn't own the premises where its registered and corporate office is situated and leave & license agreement have been executed for the same. Any termination or dispute in relation to these lease/ rental agreement may have an adverse effect on our business operations and results thereof.

Our registered and corporate office is/are located on leased premises. These lease agreements may be terminated in accordance with their respective terms, and any termination or non - renewal of such leases could adversely affect our operations. In addition, these leases generally have annual escalation clauses for rent payments. There can be no assurance that we will be able to retain or renew such leases on same or similar terms, or that we will find alternate locations for the existing offices on terms favorable to us, or at all. Failure to identify suitable premises for relocation of existing properties, if required, or in relation to new or proposed properties we may purchase, in time or at all, may have an adverse effect on our production and supply chain, the pace of our projected growth as well as our business and results of operations.

13. Our Company has incurred losses in the last three financial years.

We have incurred loss after tax of $\mathbb{F}(125.63)$ Lakhs in the F.Y. 2022-23 and as a result our Company had negative EPS for this period. Further, we may incur losses in future for a number of reasons, including the other risks described in this Draft Letter of Offer and we may also encounter unforeseen expenses, difficulties, complications, delays and other unknown events. If we incur losses in the future, our financial condition, our reputation and the market price of our Equity Share could suffer.



14. Limited or Sporadic trading of any specified securities of the Issuer on the Stock Exchanges.

Prior to the Rights Issue, there has been infrequent public market for the Equity Shares and an active public market for the Equity Shares may not develop or be sustained after the Rights Issue. Listing and quotation does not guarantee that a trading market for the Equity Shares will develop or, if a market does develop, the liquidity of that market for the Equity Shares. Although we currently intend that the Equity Shares will remain listed on the Stock Exchange, there is no guarantee of the continued listing of the Equity Shares. Failure to maintain our listing on the Stock Exchange or other securities markets could adversely affect the market value of the Equity Shares.

15. Potential conflict of interest of the directors of the Issuer if involved with one or more ventures which are in the same line of activity or business as that of the Issuer.

The main business object / activities of firm permit it to undertake similar business to that of our business, which may create a potential conflict of interest and which in turn, may have an implication on our operations and profits. Conflicts of interests may arise in allocating business opportunities between our Company in circumstances where our respective interests diverge.

16. Interests of the directors or key management personnel of the Issuer, other than reimbursement of expenses incurred or normal remuneration or benefits. Any portion of the issue proceeds that is proposed to be paid by the Issuer to the directors or key managerial personnel of the Issuer.

Certain of our Directors and Key Management Personnel may be regarded as interested to the extent of, among other things, remuneration, sitting fee, commission, performance bonus, long term incentives, and other perquisites.

17. Summary of all outstanding litigations and other matters disclosed in the section titled 'Outstanding Litigations and Material Developments' in a tabular format along with amount involved, where quantifiable. Issuer shall also separately highlight any criminal, regulatory or taxation matters which may have any material adverse effect on the Issuer.

There are certain outstanding legal proceedings involving our Company, Directors which are currently outstanding. Please see the section titled *'Outstanding Litigation and Other Material Developments'* beginning on page 178 of this Draft Letter of Offer.

A Summary of material outstanding legal proceedings involving our Company, Directors as on date of this Draft Letter of Offer, including the approximate amount involved to the extent ascertainable, is set out below:

(₹ in Lakhs)					
Name of the Cases	Number of	Total amount			
	cases	involved			
Against our Company					
Тах	1	NA			
Civil	NIL	NIL			
Criminal	NIL	NIL			
Action taken by Statutory or Regulatory Proceedings	NIL	NIL			
Against our directors					
Tax	NIL	NIL			
Civil	NIL	NIL			
Criminal	NIL	NIL			
Action taken by Statutory or Regulatory Proceedings	NIL	NIL			
By our directors					
Тах	NIL	NIL			
Civil	NIL	NIL			
Criminal	NIL	NIL			
Action taken by Statutory or Regulatory Proceedings	NIL	NIL			



There can be no assurance that these proceedings or other legal proceedings which we may get involved in, in the future, will be decided in our favor or in favor of our Company, our directors (as the case may be). In addition, we cannot assure you that no additional liability will arise out of these proceedings that could divert our management's time and attention and consume financial resources. Any adverse order or direction in these cases by the concerned authorities even though not quantifiable, may have an adverse effect on our business, results of operations and financial condition.

Further, we cannot assure you that the outcome of any outstanding legal proceedings will not have an adverse effect on our business, results of operations and financial condition.

18. The company has not registered any of its Trade Mark. The company in future may register it depending on the future requirements. Any delay in making an application and/or granting registration or in obtaining registration could result in loss of brand equity and the company's Rights to use the said brand.

The Company is required to make an application to the Trade Mark Registry, Gujarat to register its brands - Company name - "Sun Retail" and logo " Sun Retail Limited". The company has not made application for registration of its trademarks. The Company depending on the future requirements may make an application to the Trade Mark Registry, Gujarat to register its brand/logo. While filing application for registration if the same is not accepted or if the oppositions filed against the trademark application if any, are successful, the Company may lose the statutory protection available to it under the Trade Marks Act, 1999 for such trademarks.

19. Our Company has entered into certain related party transactions in the past and may continue to do so in the future.

Our Company has entered into certain transactions with our related parties including Directors and their relatives. While we believe that all such transactions have been conducted on the arm's length basis, we cannot assure you that we might have obtained more favourable terms had such transactions been entered into with unrelated parties.

Furthermore, it is likely that we may enter into related party transactions in the future. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition. For details, please refer 'section titled **'Financial Information'** on Page 82.

20. Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors.

The amount of our future dividend payments, if any, will depend upon various factors such as our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends in the future. Additionally, the terms of any financing which we may seek in future, may contain restrictive covenants which may also affect some of the rights of our shareholders, including the payment of the dividend.

21. We may not be successful in implementing our business strategies.

The success of our business depends substantially on our ability to implement our business strategies effectively or at all. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations.



22. Our Company has not taken any insurance coverage which may protect us against all losses and this may have an adverse impact on the financial conditions of the business.

Our Company has not taken any insurance cover at present. Hence, we may not be able to protect ourselves from any damage or loss suffered by us. To the extent that we suffer any loss or damage, the operational results of the company could be adversely affected. The company does not maintain a directors and officers liability insurance policy for the directors or key managerial personnel of the Company.

23. We could be harmed by employee misconduct or errors that are difficult to detect and any such incidences could adversely affect our financial condition, results of operations and reputation.

Employee misconduct or errors could expose us to business risks or losses, including regulatory sanctions and serious harm to our reputation. There can be no assurance that we will be able to detect or deter such misconduct. Moreover, the precautions we take to prevent and detect such activity may not be effective in all cases. Our employees and agents may also commit errors that could subject us to claims and proceedings for alleged negligence, as well as regulatory actions on account of which our business, financial condition, results of operations and goodwill could be adversely affected.

24. Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

25. The price of the Equity Shares may be highly volatile after the Issue.

The price of the Equity Shares on the Indian stock exchanges may fluctuate after this Issue as a result of several factors including volatility in the Indian and global securities market, our operations and performance, performance of our competitors and perception in the market about investments in the our industry, adverse media reports on us or the industry, changes in the estimates of our performance or recommendations by financial analysts, significant developments in India's economic liberalization and deregulation policies and significant developments in India's fiscal and environmental regulations. There can be no assurance that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently.

26. As the Equity Shares of our Company are listed on the Stock Exchanges, our Company is subject to certain obligations and reporting requirements under the SEBI (LODR) Regulations and comply with other SEBI Regulations. Any non-compliances/delay in complying with such obligations and reporting requirements may render us liable to prosecution and/or penalties.

The Equity Shares of our Company are listed on Stock Exchanges, therefore we are subject to the obligations and reporting requirements prescribed under the SEBI (LODR) Regulations, to the extent applicable, and have to adhere to and comply with other applicable Regulations framed by SEBI. Our Company endeavors to comply with all such obligations and reporting requirements, any non-compliance which might have been committed by us, may result into Stock Exchange and/or SEBI imposing penalties, issuing warnings and show cause notices against us and/or taking actions as provided under the SEBI Act and the rules and regulations made there under and applicable SEBI Circulars. Any such adverse regulatory action or development could affect our business reputation, divert management attention, and result in a material adverse effect on our business prospects and financial performance and on the trading price of the Equity Shares.



27. Insufficient cash flows to meet required working capital requirements could adversely affect our Company's operations and financial results.

The business of our Company requires a significant amount of working capital to finance the payments for Trading of Oils, Metals and Agri & Non Agri Commodities. The working capital requirements of our Company are also affected by the credit lines that our Company extends to its customers, in line with industry practice. Moreover, our Company may need to raise term loans and working capital loans in the future to meet its capital expenditure and to satisfy its working capital requirements. There can be no assurance that our Company will continue to be successful in arranging adequate working capital and term loans for its existing or expanded operations on acceptable terms or at all, which could adversely affect our Company's operations and financial results.

28. During the Financial Year ending March 31, 2023, the secretarial auditor has noted out certain qualifications with respect to non-compliances with certain provisions of the laws and regulations.

The Company has not complied with the following disclosures with the relevant applicable provisions of the various laws and regulations, which are specifically mentioned hereinafter:

- a. Non-compliance has been observed during the year under the review in timely filing up the casual vacancy caused due to the resignation under Rule 3 of Companies (Appointment and Qualification of Directors) Rules, 2014.
- b. Non- During the year under the review, it has been observed that the company has made delay in recording the entries in Structured Digital Database

We cannot assure you that our Secretarial Auditor's observations for any future Financial Years will not contain similar remarks, emphasis of matters or other matters, will not form part of our financial statements for the future fiscal periods and that such matters will not otherwise affect our results of operations.

29. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control.

30. We could face customer complaints or negative publicity about our customer service.

Customer complaints or negative publicity about our customer service could diminish consumer confidence in, and the attractiveness of, our Company and brand and effect our sales and growth. We believe in providing quality services to our customers at all times. However, we have in the past experienced customer complaints, which we endeavor to resolve through prompt and effective customer service methods in a timely manner and satisfy the customer needs and grievances. Any inability by us to properly manage or train our sales staff, employees and managerial personnel who handle customer complaints and disputes could compromise our ability to handle customer complaints effectively in the future. If we do not handle customer complaints effectively, our reputation may suffer, and we may lose our customers' confidence, which could have a material adverse effect on our business, financial condition and results of operations.

31. We have not commissioned an industry report for the disclosures made in the chapter titled "Industry Overview" and made disclosures on the basis of the data available on the internet and such data has not been independently verified by us.



We have neither commissioned an industry report nor sought consent from the quoted website source for the disclosures which need to be made in the chapter titled "Industry Overview" of this Draft Letter of Offer.

We have made disclosures in the said chapter on the basis of the relevant industry-related data available online for which relevant consents have not been obtained. We have not independently verified such data.

Further, the industry data mentioned in this Draft Letter of Offer or sources from which the data has been collected are not recommendations to invest in our Company. Accordingly, investors should read the industry-related disclosure in this Draft Letter of Offer in this context.

32. The business involves risks of liability for news content and related risks, which could result in significant costs.

The Company relies on reporters, editorial staff, news presenters and freelance journalists/ stringers as well as news wires and agencies for news and other content for the digital news platforms. While we have established systems and protocols to ensure that the content is diligently gathered and news reporting is duly vetted by editors before it is broadcast, posted or published, any failure by them to follow these systems and protocols may lead to, posting or publishing of defamatory content or result in inaccurate reporting thereby exposing us and our employees to litigation for libel or defamation charges. Any adverse order in such litigation may affect our reputation and damage the credibility of our content in the perspective of the viewers. Our digital platforms are further open to censure and other penalties by the Ministry of Information and Broadcasting (MIB) for posting and publishing objectionable content.

33. We operate in an unorganized industry and face significant competition. Our inability to compete effectively, market our products relative to our competitors may lead to lower market share, and adversely affect our operations and profitability.

Our Company operates in highly competitive markets and faces competition; however it is not possible to compute the present market share of our Company since the edible oil and metial Industry is largely an unorganized industry and there are no reliable source / report which carry this data on market share. Further, the competition in these markets is based primarily on demand creation and as a result, to remain competitive in our markets, we must continuously strive to effectively market our products. In each of our markets, we face competition primarily from the unorganized market. In the event of price competition from our competitors, we may be required to reduce the price of our products while maintaining quality standards and our Company may not always be able to do so. Some of our competitors may have greater financial resources, generate higher revenues, and therefore, be able to better respond to market changes and shifts in consumer spending patterns and changes in consumer sentiments and tastes.

They also may be in a better position than us to sustain losses in revenue due to pricing pressures. Accordingly, we cannot be certain that we will be able to compete effectively with these competitors or that we will not lose customers to these competitors. If we are not able to compete effectively, our business, results of operations and financial condition could be adversely affected.

34. Our funding requirements and proposed deployment of the Net Proceeds are based on management estimates and have not been independently appraised, and may be subject to change based on various factors, some of which are beyond our control.

Our funding requirements and deployment of the Net Proceeds are based on internal management estimates based on current market conditions, and have not been appraised by any bank or financial institution or another independent agency. Furthermore, in the absence of such independent appraisal, our funding requirements may be subject to change based on various factors which are beyond our control. For further details, please see the section titled "Objects of the Issue" beginning on page no. 49 of this document.

ISSUE SPECIFIC RISKS

35. Failure to exercise or sell the Rights Entitlements will cause the Rights Entitlements to lapse without compensation and result in a dilution of shareholding.

The Rights Entitlements that are not exercised prior to the end of the Issue Closing Date will expire and become null and void, and Eligible Shareholders will not receive any consideration for them. The proportionate ownership and voting interest in our Company of Eligible Shareholders who fail (or are not able) to exercise their Rights Entitlements will be diluted. Even if you elect to sell your unexercised Rights Entitlements, the consideration you receive for them may not be sufficient to fully compensate you for dilution of your percentage ownership of the equity share capital of our Company that may be caused as a result of the Issue. Renouncees may not be able to apply in case of failure in completion of renunciation through off-market transfer in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees prior to the Issue Closing Date. Further, in case, the Rights Entitlements do not get credited in time, in case of On Market Renunciation, such Renouncee will not be able to apply in this Issue with respect to such Rights Entitlements.

36. SEBI has recently, by way of circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, October 01, 2021 and May 19, 2022 streamlined the process of rights issues. You should follow the instructions carefully, as stated in such SEBI circulars and in this Draft Letter of Offer.

The concept of crediting Rights Entitlements into the demat accounts of the Eligible Equity Shareholders has recently been introduced by the SEBI. Accordingly, the process for such Rights Entitlements has been recently devised by capital market intermediaries. Eligible Equity Shareholders are encouraged to exercise caution, carefully follow the requirements as stated in the SEBI circulars dated January 22, 2020, May 6, 2020, January 19, 2021, April 22, 2021, October 01, 2021 and May 19, 2022, and ensure completion of all necessary steps in relation to providing/updating their demat account details in a timely manner. For details, please refer the section titled *'Terms of the Issue'* beginning on page 191.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to (i) the demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and (ii) a demat suspense escrow account opened by our Company, for the Eligible Equity Shareholders which would comprise Rights Entitlements relating to (a) Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI Listing Regulations; or (b) Equity Shares held in the account of IEPF authority; or (c) the demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or (d) credit of the Rights Entitlements returned/reversed/failed; or (e) the ownership of the Equity Shares currently under dispute, including any court proceedings.

37. Our company will not distribute the draft letter of offer, letter of offer and application form to certain overseas Shareholders who have not provided an address in India for service of documents.

Our Company will dispatch the Letter of Offer, the Abridged Letter of Offer, Rights Entitlement Letter and Application Form *(the "Offering Materials/Issue Materials")* to such Shareholders who have provided an address in India for the service of documents. The Offering Materials will not be distributed to addresses outside India on account of restrictions that apply to the circulation of such materials in various overseas jurisdictions. However, the Companies Act requires companies to serve documents at any address, which may be provided by the members as well as through e- mail. Presently, there is a lack of clarity under the Companies Act, 2013, and the rules thereunder, with respect to the distribution of Offering Materials to retail individual shareholders in overseas jurisdictions.



38. Applicants to this Issue are not allowed to withdraw their Applications after the Issue Closing Date.

Applicants in this Issue are not allowed to withdraw their Applications after the Issue Closing Date. The Allotment in this Issue and the credit of such Rights Equity Shares to the Applicant's demat account with its depository participant shall be completed within such period as prescribed under the applicable laws. There is no assurance, however, that material adverse changes in the international or national monetary, financial, political or economic conditions or other events in the nature of force majeure, material adverse changes in our business, results of operation, cash flows or financial condition, or other events affecting the Applicant's decision to invest in the Rights Equity Shares, would not arise between the Issue Closing Date and the date of Allotment in this Issue. Occurrence of any such events after the Issue Closing Date could also impact the market price of our Equity Shares. The Applicants shall not have the Rights to withdraw their applications in the event of any such occurrence. We cannot assure you that the market price of the Equity Shares will not decline below the Issue Price. To the extent the market price for the Equity Shares declines below the Issue Price after the Issue Closing Date, the shareholder will be required to purchase Equity Shares at a price that will be higher than the actual market price for the Equity Shares at that time. Should that occur, the shareholder will suffer an immediate unrealized loss as a result. We may complete the Allotment even if such events may limit the Applicants' ability to sell our Equity Shares after this Issue or cause the trading price of our Equity Shares to decline.

39. Any further issuance of Equity Shares by Our Company or sales of Equity Shares by any significant shareholders may adversely affect the trading price of the Equity Shares.

Any future issuance of Equity Shares by our Company could dilute the investor's shareholding. Any such future issuance of Equity Shares or sales of Equity Shares by any of our significant shareholders may also adversely affect the trading price of the Equity Shares, and could impact our ability to raise capital through an offering of securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

40. Investors may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares.

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if STT has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the equity shares are sold. It is pertinent to note that pursuant to the Finance Bill, 2017, it has been proposed, that with effect from April 1, 2017, this exemption would only be available if the original acquisition of equity shares was chargeable to STT. The Central Government is expected to, however notify the transactions which would be exempt from the application of this new amendment. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to applicable short-term capital gains tax in India. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption is provided under a treaty between India and the country of which the seller is resident, subject to the availability of certain documents. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the Equity Shares. For more details, please refer to 'Statement of Tax Benefits' beginning on page 54 of this Draft Letter of Offer.

41. There is no guarantee that our Equity Shares will be listed in a timely manner or at all which may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, final approval for listing and trading of the Equity Shares will not be granted by the Stock Exchanges until after those Equity Shares have been issued



and allotted. Approval will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on Stock Exchanges. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares. Further, historical trading prices, therefore, may not be indicative of the prices at which the Equity Shares will trade in the future which may adversely impact the ability of our shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares at that point of time.

42. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

43. In the event there is any delay in the completion of the Issue, there would be a corresponding delay in the completion of the objects / schedule of implementation of this Issue which would in turn affect our revenues and results of operations.

The funds that we receive would be utilized for the Objects of the Issue as has been stated in the section titled **'Objects of the Issue'** beginning on page 49. The proposed schedule of implementation of the objects of the Issue is based on our management's estimates. If the schedule of implementation is delayed for any other reason whatsoever, including any delay in the completion of the Issue, we may have to revise our business, development and working capital plans resulting in unprecedented financial mismatch and this may adversely affect our revenues and results of operations.

44. Investors will be subject to market risks until the Issued Shares credited to their demat accounts are listed and permitted to trade.

Investors can start trading the Issue Shares allotted to them only after they are listed and permitted to trade. Since the Equity Shares are currently traded on the Stock Exchange, investors will be subject to market risk from the date they pay for the Issue Shares to the date when trading approval is granted for them. Further, we cannot assure you that the Issue Shares allocated to an Investor will be credited to the Investor's demat account or that trading in the Equity Shares will commence in a timely manner.

45. Investors will not have the option of getting the Allotment of Rights Equity Shares in physical form and the Rights Entitlement of Eligible Equity Shareholders holding Equity Shares in physical form ("Physical Shareholders") may lapse in case they fail to furnish the details of their demat account to the Registrar.

In accordance with Regulation 77A of the SEBI ICDR Regulations read with the SEBI Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialised form only. Accordingly, the Rights Entitlements of the Physical Shareholders shall be credited in a suspense escrow demat account opened by our Company during the Issue Period. The Physical Shareholders are requested to furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date to enable the credit of their Rights Entitlements in their demat accounts at least one day before the Issue Closing Date. The Rights Entitlements of the Physical Shareholders who do not furnish the details of their demat account to the Registrar not later than two Working Days prior to the Issue Closing Date, shall lapse. Further, pursuant to a press release dated December 3, 2018 issued by the SEBI, with effect from April 1, 2019, a transfer of listed Equity Shares cannot be processed unless the Equity Shares are held in dematerialized form (except in case of transmission or transposition of the Issue – *Procedure*



for Application by Eligible Equity Shareholders holding Equity Shares in physical form' on page 213 of this Draft of Letter of Offer.

EXTERNAL RISK FACTORS

46. Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.

Our business and industry are regulated by different laws, rules and regulations framed by the Central and State Government. These regulations caxn be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may have to incur costs or may be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

47. Taxes and other levies imposed by the Government of India or other State Governments and any other statutory authorities, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.

Taxes and other levies imposed by the Central or State Governments and any other statutory authorities in India that affect our industry include:

- Custom duties (including anti-dumping duties, etc.) on imports of products;
- Goods and Service Tax
- Direct Taxes

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

48. Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. Our business and the market price and liquidity of our Equity Shares may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

49. Global economic, geo political and social conditions may harm our ability to do business, increase our costs and negatively affect our stock price.

Global economic and geo political factors that are beyond our control, influence forecasts and directly affect performance. These factors include interest rates, rates of economic growth, fiscal and monetary policies of governments, inflation, deflation, foreign exchange fluctuations, consumer credit availability, fluctuations in commodities markets, consumer debt levels, unemployment trends and other matters that influence consumer confidence, spending and tourism. Increasing volatility in financial markets may cause these factors to change with a greater degree of frequency and magnitude, which may negatively affect our stock prices.

50. Foreign investors are subject to foreign investment restrictions under Indian law that limits our ability to attract foreign investors, which may adversely impact the market price of the Equity Shares.



Under the foreign exchange regulations currently in force in India, transfer of shares between nonresidents and residents are freely permitted (subject to certain exceptions) if they comply with the pricing guidelines and reporting requirements specified by the RBI. If the transfer of shares, which are sought to be transferred, is not in compliance with such pricing guidelines or reporting requirements or fall under any of the exceptions referred to above, then the prior approval of the RBI will be required. Additionally, shareholders who seek to convert the Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India will require a no objection/ tax clearance certificate from the income tax authority. There can be no assurance that any approval required from the RBI or any other government agency can be obtained on any particular terms or at all.

51. The extent and reliability of Indian Infrastructure could adversely affect the Company's results of operations and financial condition.

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt the Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt the Company's business operations, which could have an adverse effect on its results of operations and financial condition.

52. Natural calamities could have a negative impact on the Indian economy and cause the Company's business to suffer.

Our Country in the past has experienced natural calamities such as earthquakes, tsunami, floods etc. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operations as well as the price of the Equity Shares.

53. Terrorist attacks, civil unrests and other acts of violence or war involving India or other countries could adversely affect the financial markets, our business, financial condition and the price of our Equity Shares.

Any major hostilities involving India or other acts of violence, including civil unrest or similar events that are beyond our control, could have a material adverse effect on India's economy and our business. Incidents such as the terrorist attacks in India, other incidents such as those in US, Indonesia, Madrid and London, and other acts of violence may adversely affect the Indian stock markets where our Equity Shares will trade as well the global equity markets generally. Such acts could negatively impact business sentiment as well as trade between countries, which could adversely affect the Company's business and profitability. Additionally, such events could have a material adverse effect on the market for securities of Indian companies, including the Equity Shares.

54. The outbreak of Novel Coronavirus, or outbreak of any other severe communicable disease could have a potential impact on our business, financial condition and results of operations.

The outbreak, or threatened outbreak, of any severe epidemic caused due to viruses (particularly the Novel Coronavirus) could materially adversely affect overall business sentiment and environment, particularly if such outbreak is inadequately controlled. The spread of any severe communicable disease may also adversely affect the operations of our customers and suppliers, which could adversely affect our business, financial condition, and results of operations. The outbreak of Novel Coronavirus has resulted in authorities implementing several measures such as travel bans and restrictions, quarantines, shelter in place orders, and shutdowns. These measures have impacted and may further impact our workforce and operations, the operations of our customers, and those of our respective vendors and suppliers. There is currently substantial medical uncertainty regarding Novel Coronavirus and no government-certified treatment or



vaccine is available. A rapid increase in severe cases and deaths where measures taken by governments fail or are lifted prematurely, may cause significant economic disruption in India and in the rest of the world. The scope, duration and frequency of such measures and the adverse effects of Novel Coronavirus remain uncertain and could be severe. Our ability to meet our ongoing disclosure obligations might be adversely affected, despite our best efforts. If any of our employees were suspected of contracting Novel Coronavirus or any other epidemic disease, this could require us to quarantine some or all these employees or disinfect the facilities used for our operations. In addition, our revenue and profitability could be impacted to the extent that a natural disaster, health epidemic or other outbreak harms the Indian and global economy in general.

The outbreak has significantly increased economic uncertainty. It is likely that the current outbreak or continued spread of Novel Coronavirus will cause an economic slowdown and it is possible that it could cause a global recession. The spread of Novel Coronavirus has caused us to modify our business practices (including employee travel, employee work locations, and cancellation of physical participation in meetings, events, and conferences), and we may take further actions as may be required by government authorities or that we determine are in the best interests of our employees, customers, partners, and suppliers. There is no certainty that such measures will be sufficient to mitigate the risks posed by the outbreak, and our ability to perform critical functions could be harmed.

The extent to which the Novel Coronavirus further impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions taken globally to contain the coronavirus or treat its impact, among others. Existing insurance coverage may not provide protection for all costs that may arise from all such possible events. We are still assessing our business operations and system supports and the impact Novel Coronavirus may have on our results and financial condition, but there can be no assurance that this analysis will enable us to avoid part or all any impact from the spread of Novel Coronavirus or its consequences, including downturns in business sentiment generally or in our sector. The degree to which Novel Coronavirus impacts our results will depend on future developments, which are highly uncertain and cannot be predicted, including, but not limited to, the duration and spread of the outbreak, its severity, the actions taken to contain the outbreak or treat its impact, and how quickly and to what extent normal economic and operating conditions can resume. The above risks can threaten the safe operation of our facilities and cause disruption of operational activities, environmental harm, loss of life, injuries and impact the wellbeing of our people.

Further in case the lockdown is extended, it could result in muted economic growth or give rise to a recessionary economic scenario, in India and globally, which could adversely affect the business, prospects, results of operations and financial condition of our Company.

55. An outbreak of other infectious or virulent diseases, if uncontrolled, may have an adverse effect on our operations.

An outbreak of other infectious or virulent diseases, such as severe acute respiratory syndrome, the H1N1 virus, avian influenza (bird flu), the Zika virus or the Ebola virus, if uncontrolled, may have a material adverse effect on the economies of certain countries and our operations. If any of our employees or the employees of our suppliers and/or customers are infected with such diseases or if a signification portion of our workforce refuses to work for fear of contracting an infectious disease, our Company, our suppliers and/or our customers may be required to shut down operations for a period of time, and this could adversely affect our business, results of operations and financial condition.

56. Inflation in India could have an adverse effect on our profitability and if significant, on our financial condition.

Inflation rates in India have been volatile in recent years, and such volatility may continue in the future. India has experienced high inflation in the recent past. Increased inflation can contribute to an increase in interest rates and increased costs to our business, including increased costs of



salaries, and other expenses relevant to our business. High fluctuations in inflation rates may make it more difficult for us to accurately estimate or control our costs. Any increase in inflation in India can increase our expenses, which we may not be able to pass on to our customers, whether entirely or in part, and the same may adversely affect our business and financial condition. In particular, we might not be able to reduce our costs or increase our rates to pass the increase in costs on to our customers. In such case, our business, results of operations, cash flows and financial condition may be adversely affected. Further, the GoI has previously initiated economic measures to combat high inflation rates, and it is unclear whether these measures will remain in effect. There can be no assurance that Indian inflation levels will not worsen in the future.

SECTION IV – INTRODUCTION

THE ISSUE

This Issue has been authorised by way of a resolution passed by our Board of Directors on March 24, 2023 in pursuance of Section 62 and other applicable provisions of the Companies Act, 2013. The terms of the Issue including the Record Date and Rights Entitlement Ratio have been determined by Board of Directors at their meeting held on [•].

The following is a summary of the Issue, which should be read in conjunction with, and is qualified in its entirety by, more detailed information in section titled *'Terms of the Issue'* beginning on page 191.

Equity Shares Outstanding Prior to The Issue15,51,68,000 Equity Shares;Rights Equity Shares Offered In The IssueUp to 46,55,04,000 Rights Equity Shares;Equity Shares outstanding after the Issue (Assuming full subscription for and allotment of the Rights Entitlement)62,06,72,000 Equity Shares;Rights Entitlement3 Rights Equity Shares for every 1 Equity Shares held of			
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	on the		
Record Date;	JII the		
	[•];		
	₹1/- each		
	The Right Equity Shares are being offered on a rights basis to		
existing Eligible Shareholders in the ratio of 3 Right Shareholders	existing Eligible Shareholders in the ratio of 3 Right Shares for		
every 1 Equity Share held as on the Record Date. As per	every 1 Equity Share held as on the Record Date. As per SEBI		
Rights Issue Circulars, the fractional entitlements are	Rights Issue Circulars, the fractional entitlements are to be		
	ignored.		
8	₹ 1/- each Share (including a premium of ₹ NIL per Rights		
Equity Share);			
	Up to 46,55,04,000 fully Paid-up Equity Shares of face value of		
₹ 1/- each for cash at a price of ₹ 1 per Rights Equity			
	Share		
aggregating upto of ₹ 4655.04 Lakhs.			
<i>* Assuming full subscription.</i> Terms of The Issue Please refer to the section titled ' <i>Terms of the Issue</i> ' begin	innina		
, , , , , , , , , ,	mmng		
on page 191.			
Use of Issue Proceeds Please refer to the section titled 'Objects of the	Issue'		
	beginning on page 49		
Security Code/ Scrip Details ISIN: INE206Z01020	ISIN : INE206Z01020		
BSE Scrip Code: 542025			
ISIN for Rights Entitlements: [•]	ISIN for Rights Entitlements: [•]		

For details in relation fractional entitlements, see "Terms of the Issue - Fractional Entitlements" beginning on page 198 of this Draft Letter of Offer.

TERMS OF PAYMENT

Amount payable per rights equity share	Face Value	Premium	Total
On Application	1.00/-	NIL	1.00/-
Total	1.00/-	NIL	1.00/-

ISSUE SCHEDULE

Issue Opening Date	[•]
Last date for On Market Renunciation of Rights*	[•]
Issue Closing Date**	[•]



*Eligible Equity Shareholders are requested to ensure that renunciation through off- market transfer is completed in such manner that the Rights Entitlement are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

**The Board of Directors or a duly authorized committee thereof will have the right to extend the Issue period as it may determine from time to time, provided that the Issue will not remain open in excess of 30 (thirty) days from the Issue Opening Date.



GENERAL INFORMATION

Our Company was incorporated as "ShivJosh Foods Private Limited" under the provision of the Companies Act, 1956 vide certificate of incorporation dated May 28, 2007 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, the name of our Company was changed to Sun Retail Private Limited and fresh certificate of incorporation dated December 7, 2007 was issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Sun Retail Limited " and fresh certificate of incorporation dated December 21, 2017 was issued by the Deputy RoC, Registrar of Companies, Ahmedabad. Subsequently the equity shares of our Company got listed on SME exchange of BSE Limited with effect from October 16, 2018. The Scrip code and ISIN of our Company is 542025 and 'INE206Z01020'. The Corporate Identity Number of our Company is L51909GJ2007PLC050974.

CHANGES IN OUR REGISTERED OFFICE

The registered office of our Company is situated as follow:

Ad	Effective	Reason For	
From	То	From	Change
213/214, Phase II, G.I.D.C, Naroda, Ahmedabad – 382330, Gujarat.	B/107, First Floor, Sakar-9, Nr. Old Reserve Bank, Opp. Times of India, Ashram Road, Ahmedabad-380009, Gujarat	April 30,	To reduce the overhead expenses
B/107, First Floor, Sakar-9, Nr. Old Reserve Bank, Opp. Times of India, Ashram Road, Ahmedabad- 380009, Gujarat	$/$ \parallel HOOR $////$ L-212 HMDIRG LIRIVG IN		Convenient for business operation

REGISTERED OFFICE AND CORPORATE OFFICE OF OUR COMPANY

SUN RETAIL LIMITED

Registered Office Address: 7th Floor, 722, Gala Empire, Drive in Road, Opp. TV Tower Thaltej, Ahmedabad-380054, Gujarat, India

Contact No.: +91-9512521919 Email: <u>sun retail@yahoo.com</u> Website: <u>www.sunretail.in</u> CIN: L46305GJ2007PLC050974 Registration Number: 050974

REGISTRAR OF COMPANIES

THE REGISTRAR OF COMPANIES, AHMEDABAD

Address: ROC Bhavan, Opp Rupal Park Society, Behind Ankur Bus Stop, Naranpura, Ahmedabad – 380013, Gujarat Contact No.: 079-27438531

Email id: <u>roc.ahmedabad@mca.gov.in</u>

BOARD OF DIRECTORS OF OUR COMPANY

Name	Age	Designation	DIN	Address
Dharamjit Bhupatsinh Mori	33	Whole time Director & CFO	08038027	G-504, Ganesh Genesis, Nr. Bsnl Regional Training Centre, Jagatpur Road, Jagatpur, Ahmedabad-382481, Gujarat
Rakesh Nareshchandra Kapadia	50	Director		169, Floor Grd Ramdeo Nagar, Sane Guruji Marg, Arthur Road, Jail Jacob Circle, Mumbai - 400011 Maharashtra
Rajat Raja Kothari	32	Director		H. No1, Jodhavato Ki Pol, Vard No. 8, Salumbar, Udaipur - 313027 Rajasthan



	Name	Age	Designation	DIN	Address
Sejal Parmar	Kanjibhai	35	Additional Director	10093528	9/215, Goverment D-Colony, Opp. Vijay Mill, Naroda, Saijpur Bogha, Ahmedabad Gujarat 382345

For further details of our Board of Directors, please refer to the section '**Our Management**' beginning on page 75.

COMPANY SECRETARY AND COMPLIANCE OFFICER

PARIN SHIRISHKUMAR BHAVSAR

Address: A 603 Rugved Residency, Near Shrinath Bus Depo, Akhbarnagar, Naranpura Vistar, Ahmedabad- 380013, Gujarat Tel No: +91-9512521919 Email: <u>sun retail@yahoo.com</u> Website: <u>www.sunretail.in</u>

CHIEF FINANCIAL OFFICER

DHARAMJIT BHUPATSINH MORI

Address: G-504, Ganesh Genesis, Nr. Bsnl Regional Training Centre, Jagatpur Road, Jagatpur, Ahmedabad-382481, Gujarat Tel No: 9512521919 Email: <u>sun retail@yahoo.com</u> Website: <u>www.sunretail.in</u>

REGISTRAR TO THE ISSUE

BIGSHARE SERVICES PRIVATE LIMITED

Address: Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093. Contact Person: Mr. Ajay Sangle Tel No.: 022-62638200/22 Email: rightsissue@bigshareonline.com Investor grievance e-mail: investor@bigshareonline.com Website: www.bigshareonline.com SEBI Registration No: INR000001385

BANKER TO THE ISSUE/ REFUND BANK

AXIS BANK LIMITED

Address: S.G. Highway Branch, Opposite Rajpath Club, S.G. Highway, Ahmedabad - 380054 Tel: +91 - 8758101081 Email: archita.shah@axisbank.com Website: www.axisbank.com Contact Person: Archita Shah SEBI Registration No.: INBI00000017

BANKERS TO THE COMPANY

HDFC Bank Ltd. Punjab National Bank			
Address: Ground Floor, Astral Tower Near,	Address: 1st Floor, Arambh Complex, Swastik		
Mithakhali Six Road, Ellsbridge, Ahmedabad -	Society, Opp. Kalash Tower, Commerce,		
380006	Navrangpura, Ahmedabad - 380009		
Tel: + 91-9924754749	Tel: + 91- 8511132717		
Email: kishan.patel1@hdfcbank.com	Email: <u>bo0969@pnb.co.in</u>		
Website: www.hdfcbank.com	Website: <u>www.pnbindia.in</u>		
Contact Person: Mr. Kishan Patel Contact Person: Mr. Mukul Sinha			



The Jammu & Kashmir Bank Ltd.	Indusind Bank			
Address: Shop No 108, 113 Samaan Complex,	Address: Shop no. 5, Thakorbhai House Nr.			
opp. Nalanda, Prem Chand Nagar Road, Satellite,	Shubhash Chowk, Gurukul Rd, Memnagar,			
Ahmedabad - 380015	Ahmedabad, Gujarat 380052			
Tel: +079 26742573	Tel: + 91 - 9099687148			
Email: <u>satlit@jkbmailc.om</u>	Email: Kruti.bhatt@indusind.com			
Website: <u>www.jkbank.com</u>	Website: <u>www.indusind.com</u>			
Contact Person: Ms. Dipa Pathak	c Contact Person: Ms. Kruti			

ICICI Bank Ltd.

Address: Shop no.3 Gr. Floor, Dev Auram,100 FT Road Prahlad Nagar Ahmedabad, Gujarat-380015, Ahmedabad, Gujarat - 380015, Tel: +91 - 9099075312 Email: <u>manish.gajjar@icicibank.com</u> Website: <u>www.icicibank.com</u> Contact Person: Mr. Manish Gajjar

LEGAL ADVISOR TO THE ISSUE

HIMANSHU S K GUPTA & ASSOCIATES

Address: 23, Sarthik Complex, Nr. Gulmohar Mall, Satellite, Ahmedabad-380015, Gujarat Tel: +91- 9033907734 Email: <u>himanshuskgupta@live.com</u> Contact Person: Himanshu Gupta

STATUTORY AUDITOR OF OUR COMPANY

M/S. N.S. NANAVATI & CO., CHARTERED ACCOUNTANTS

Address: - 6, Shree Nivas, Ghanshyam Plot, Veraval - 362265 Tel No: +91-9998962014 Email: caniteshnanavati@gmail.com Contact Person: CA Nitesh Nanavati Membership No.: 143769 Firm Registration No.: 134235W Peer Review No.: 013930

INTER – SE ALLOCATION OF RESPONSIBILITIES

The Company has not appointed any merchant banker to the Issue and hence there is no inter-se allocation of responsibilities.

GRIEVANCES RELATING TO ISSUE RELATED MATTER

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer of our Company for any pre-Issue or post-Issue related matters. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e-mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked. ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip. For details on the ASBA process, please refer to the section titled *'Terms of the Issue'* beginning on page 191.

EXPERT

Except as stated below, our Company has not obtained any expert opinion:

Our Company has received a written consent dated August 28, 2023 from our Statutory Auditors, M/s. N. S. Nanavati & Co., Chartered Accountants, to include their name in this Draft Letter of Offer and as an 'expert', as defined as defined under Section 2(38) of the Companies Act, 2013, to the extent and in their



capacity as statutory auditors of our Company and in respect of the inclusion of the Audited Financial Statements and the Statement of Special Tax Benefits dated August 28, 2023, included in this Draft Letter of Offer and such consent has not been withdrawn as of the date of this Draft Letter of Offer.

SELF-CERTIFIED SYNDICATE BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA process is provided at the website of the SEBI <u>https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</u> and updated from time to time. For details on Designated Branches of SCSBs collecting the Application Forms, refer to the website of the SEBI <u>https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</u>. On Allotment, the amount will be unblocked and the account will be debited only to the extent required to pay for the Rights Equity Shares Allotted.

ISSUE SCHEDULE

The subscription will open upon the commencement of the banking hours and will close upon the close of banking hours on the dates mentioned below:

Last Date for credit of Rights Entitlements	[•]
Issue Opening Date	[•]
Last Date for On Market Renunciation of Rights	[•]
Entitlements#	L J
Issue Closing Date*	[•]
Finalization of Basis of Allotment (on or about)	[•]
Date of Allotment (on or about)	[•]
Date of credit (on or about)	[•]
Date of listing (on or about)	[•]

#Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date;

*Our Board or a duly authorized committee will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date). Further, no withdrawal of Application shall be permitted by any Applicant after the Issue Closing Date.

The above schedule is indicative and does not constitute any obligation on our Company.

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date or who have not provided the details of their demat accounts to our Company or to the Registrar to the Issue, they are required to provide their demat account details to our Company or the Registrar to the Offer not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., [•], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least 1 (One) day before the Issue Closing Date, i.e., [•].

Investors are advised to ensure that the Applications are submitted on or before the Issue Closing Date. Our Company or the Registrar to the Issue will not be liable for any loss on account of non-submission of Applications on or before the Issue Closing Date. Further, it is also encouraged that the applications are submitted well in advance before the Issue Closing Date. For details on submitting Application Forms, please refer to the section titled *'Terms of the Issue'* beginning on page 191.

The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Shareholders on the website of the Registrar to the Issue at <u>www.bigshareonline.com</u> after keying in their respective details along with other security control measures implemented there at. For further details, please refer to the paragraph titled see 'Credit of Rights Entitlements in demat accounts of Eligible Shareholders' under the section titled '*Terms of the Issue'* beginning on page 191.

Please note that if no Application is made by the Eligible Shareholders of Rights Entitlements on or before Issue Closing Date, such Rights Entitlements shall get lapsed and shall be extinguished after the



Issue Closing Date. No Equity Shares for such lapsed Rights Entitlements will be credited, even if such Rights Entitlements were purchased from market and purchaser will lose the premium paid to acquire the Rights Entitlements. Persons who are credited the Rights Entitlements are required to make an application to apply for Equity Shares offered under Rights Issue for subscribing to the Equity Shares offered under this Issue.

CREDIT RATING

As this proposed Issue is of Rights Equity Shares, the appointment of a credit rating agency is not required.

DEBENTURE TRUSTEE

As this proposed Issue is of Rights Equity Shares, the appointment of debenture trustee is not required.

MONITORING AGENCY

Since the Issue Size does not exceed ₹ 10,000 Lakhs, there is no requirement to appoint a monitoring agency in relation to the Issue in terms of SEBI (ICDR) Regulation.

APPRAISING ENTITY

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution or any other independent agency.

UNDERWRITING

This Issue is not underwritten, and our Company has not entered into any underwriting arrangement.

FILING

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 w.e.f. September 28, 2020, has amended Regulation 3 (b) of the SEBI (ICDR) Regulations as per which the threshold of the rights Issue Size under Regulation 3 of the SEBI (ICDR) Regulations has been increased from ₹ 10 Crores to ₹ 50 Crores.

Since the size of this Issue falls below this threshold, this Draft Letter of Offer will be filed with the Stock Exchanges and not with SEBI. However, the Draft Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchanges.

MINIMUM SUBSCRIPTION

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020, our Company is not required to achieve minimum subscription for the Rights Issue in case of the following reason:

Objects of the issue being other than capital expenditure for a project.

The objects of the Issue are meeting the Working Capital Requirements and General Corporate Purpose, and do not involve financing of capital expenditure for a project.

Accordingly, in terms of Regulation 86(1) of the SEBI ICDR Regulations, the requirement of minimum subscription is not applicable to the Issue.



CAPITAL STRUCTURE

The capital structure of our Company and related information as on date of this Draft Letter of Offer, prior to and after the proposed Issue, is set forth below:

(Amount in V Lakits, except data relating to si			
Particular	Aggregate Nominal Value	Aggregate Value at Issue Price	
Authorized Equity Share capital			
62,50,00,000 Equity Shares of face value of ₹ 1 each	6250.00	-	
Issued, subscribed and paid-up Equity Share capital before this Issue			
15,51,68,000 Equity Shares of face value of ₹ 1 each	1,551.68	-	
Present Issue in terms of this Draft Letter of Offer (a) (b)			
46,55,04,000 Equity Shares of face value of ₹ 1 each	4655.04	4655.04 ^(b)	
Issued, subscribed and paid-up Equity Share capital after the Issue			
62,06,72,000 Fully Paid Equity Shares of face value of ₹ 1 each	6206.72		
Subscribed and paid-up Equity Share capital			
62,06,72,000 Fully Paid Equity Shares of face value of ₹ 1 each	620)6.72	
Securities Premium account			
Before the Issue	119.86		
After the Issue	119.86		

(Amount in $\mathbf{\xi}$ Lakhs, except data relating to shares)

Notes:

- (a) The present Issue has been authorized by our Board of Directors pursuant to the resolution passed in their meeting conducted on March 24, 2023.
- (b) Assuming full subscription for allotment of Rights Equity Shares;
- (c) Subject to finalization of Basis of Allotment, Allotment and deduction of Issue expenses;
- (d) Assuming full subscription by the Eligible Equity Shareholders of the Rights Equity Shares.

NOTES TO THE CAPITAL STRUCTURE

- 1. Our Company is a professionally managed company and does not have a promoter in terms of the SEBI Regulations or the Companies Act, 2013. Therefore, the disclosures in relation to shareholding, lock-in, pledge of and encumbrance on shares held, acquisition of shares by the promoter and promoter group in the last one year immediately prior to the date of filing of the Draft Letter of offer/Letter of Offer, intention and extent of participation by promoters and promoter group in the Issue and lock-in, are not applicable.
- **2.** The Equity Shares of our Company are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Letter of Offer;
- **3.** At any given time, there shall be only one denomination of the Equity Shares. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time;
- **4.** As on the date of this Draft Letter of Offer, our Company has not issued any special voting Rights Equity Shares and there are no outstanding Equity Shares having special voting rights;
- **5.** The Ex-rights price arrived in accordance with the formula prescribed Regulation 10(4)(b) of the SEBI (SAST) Regulations, in connection with the Issue is ₹ [•]/- (Rupees [•] Only);



6. Details of outstanding warrants, outstanding instruments with an option to convert or securities which are convertible at a later date into Equity Shares

As on the date of this Draft Letter of Offer, our Company has no outstanding warrants, options to be issued or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Prospectus.

7. Details of stock option scheme of our Company

As on the date of this Draft Letter of Offer, our Company does not have a stock option scheme.

8. Intention and participation by the promoter and promoter group

Our Company is a professionally managed company and does not have a promoter in terms of the SEBI Regulations or the Companies Act, 2013 and hence intention and extent of participation by promoters and promoter group in the Issue are not applicable.

In case this Issue remains unsubscribed, the Board of Directors may dispose of such unsubscribed portion in the best interest of the Company and in compliance with the applicable laws.

No person connected with this Issue shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Investor for making an application in this Issue, except for fees or commission for services rendered in relation to the Issue;

9. Shareholding Pattern of our company

The shareholding pattern of our Company as on March 31, 2023 and September 30, 2023 are as follows:

- *a)* The details of the shareholding pattern of our Company as on March 31, 2023 can be accessed on the website of exchange at <u>https://www.bseindia.com/stock-share-price/sun-retailltd/sunretail/542025/shareholding-pattern/</u>
- b) The details of shareholders of our Company holding 1% or more of the paid-up capital as on March 31, 2023, can be accessed on the website of exchange at <u>https://www.bseindia.com/corporates/shpdrPercnt.aspx?scripcd=542025&qtrid=117.00&Co</u> <u>mpName=Sun%20Retail%20Ltd&QtrName=March%202023&Type=TM</u>
- *c)* The details of the shareholding pattern of our Company as on September 30, 2023 can be accessed on the website of exchange at <u>https://www.bseindia.com/stock-share-price/sun-retail-ltd/sunretail/542025/shareholding-pattern/</u>
- d) The details of shareholders of our Company holding 1% or more of the paid-up capital as on September 30, 2023, can be accessed on the website of exchange at https://www.bseindia.com/corporates/shpdrPercnt.aspx?scripcd=542025>rid=119.00&Co mpName=Sun%20Retail%20Ltd&OtrName=September%202023&Tvpe=TM



SECTION V – PARTICULARS OF THE ISSUE

OBJECTS OF THE ISSUE

Our Company proposes to utilize the Net Proceeds towards the following objects:

- 1. To meet Working Capital Requirement; and
- 2. General Corporate Purposes

(Collectively, referred to herein as the "Objects").

We intend to utilize the gross proceeds raised through the Issue *(the "Issue Proceeds")* after deducting the Issue related expense *("Net Proceeds")* for the abovementioned Objects.

The main object clause of the Memorandum of Association of our Company enables us to undertake the existing activities for which the funds are being raised through the Issue. Further, we confirm that the activities which we have been carrying out till date are in accordance with the object clause of our Memorandum of Association.

ISSUE PROCEEDS

The details of Issue Proceeds are set forth in the following table:

	(₹ in Lakhs)
Particulars	Amount
Gross Proceeds from the Issue*	4655.04#
Less: Estimated Issue related Expenses	30.00
Net Proceeds from the Issue	4625.04

#Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.

*The Issue Size will not exceed \gtrless 4655.04 Lakhs. If there is any reduction in the amount on account of or at the time of finalisation of Issue Price and Rights Entitlements Ratio, the same will be adjusted against General Corporate Purpose.

REQUIREMENT OF FUNDS AND UTILISATION OF NET PROCEEDS

The intended use of the Net Proceeds of the Issue by our Company is set forth in the following table:

	(₹ in Lakhs)		
Particulars	Estimated Deployment of Net Proceeds		
To meet Working Capital Requirements	3520.50		
Funding Expenditure for General Corporate Purposes [#]	1104.54		
Total Net Proceeds**	4625.04		

**The amount to be utilized for General corporate purposes will not exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds;*

**Assuming full subscription in the Issue and subject to the finalisation of the basis of Allotment and the allotment of the Rights Equity Shares.

The above stated fund requirements are based on our current business plan, management estimates and have not been appraised by any bank or financial institution or independent agency. Our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our Board. In case the Net Proceeds are not completely utilised in a scheduled financial year due to any reason, the same would be utilised (in part or full) in the next financial year as may be determined by our Company, in accordance with applicable law.

Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business strategy and external factors such as market conditions, competitive environment, interest or exchange rate



fluctuations, taxes and duties, working capital margin and other external factors which may not be within the control of our management. This may entail rescheduling or revising the planned expenditure and funding requirements, including the expenditure for a particular purpose, at the discretion of our management. Subject to applicable law, if the actual utilisation towards meeting incremental working capital requirements is lower than the proposed deployment, the balance will be used towards general corporate purposes to the extent that the total amount to be utilized towards general corporate purposes will not exceed 25% of the gross proceeds.

In case of a shortfall in raising requisite capital from the Net Proceeds towards meeting the Objects, business considerations may require us to explore a range of options including utilising our internal accruals and seeking additional debt from existing and future lenders. We believe that such alternate arrangements would be available to fund any such shortfalls. To the extent our Company is unable to utilise any portion of the Net Proceeds towards the aforementioned objects as per the estimated scheduled of deployment specified above, our Company shall deploy the Net Proceeds in subsequent financial years towards the aforementioned objects.

For further details, please refer the section titled '*Risk factors* - *The deployment of the Net Proceeds* from the Issue is based on management estimates and have not been independently appraised by any bank or financial institution and is not subject to any monitoring by any independent agency and our Company's management will have flexibility in utilizing the Net Proceeds from the Issue' on page no. 24.

MEANS OF FINANCE

Our Company proposes to meet the entire requirement of funds for the objects of the Issue from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75% (Seventy-Five Percent) of the stated means of finance for the aforesaid object, excluding the amount to be raised from the Issue.

The fund requirement and deployment are based on our management estimates and has not been appraised by any bank or financial institution or any other independent agencies. The fund requirement above is based on our current business plan and our Company may have to rise these estimates from time to time on account of various factors beyond our control, such as market conditions, competitive environment and interest or exchange rate fluctuations. Consequently, our Company's funding requirements and deployment schedules are subject to revision in the future at the discretion of our management.

DETAILS OF THE OBJECTS OF THE ISSUE

The details in relation to objects of the Issue are set forth herein below:

1. To meet Working Capital Requirements

Our business is predominantly working capital intensive. We fund the majority of our working capital requirements in the ordinary course of our business from our Equity capital. We operate in a highly competitive and dynamic market conditions and may have to revise our estimates from time to time on account of external circumstances, business or strategy, foreseeable opportunity. Consequently, our fund requirements may also change.

The details of estimation of Working Capital Requirement are as under:

		(₹ in Lakhs)
Particulars	2022-23 (Audited)	2023-24 (Projected)
Current Assets		
Inventories	99.40	1,444.00
Trade Receivables	925.90	2,166.00
Cash and Cash Equivalents	6.45	690.00
Loans and Advances	60.44	140.00



Particulars	2022-23 (Audited)	2023-24 (Projected)
Other current Assets	53.59	85.00
Total Current Assets (A)	1,145.78	4,525.00
Current Liabilities		
Trade Payables	983.00	712.50
Other Current Liabilities	2.02	-
Provisions	131.69	170.00
Total Current Liabilities (B)	1,116.71	882.50
Working Capital Requirements (A-B)	29.07	3,642.50
Proceeds from the Issue	-	3,520.50
Working Capital Limit from Bank	29.07	-
Internal Accruals	-	122.00

2. General Corporate Purpose

The remaining Net Proceeds, if any, shall be utilized towards general corporate purposes and the amount to be utilized for general corporate purposes shall not exceed 25.00% (Twenty-Five Percent) of the Gross Proceeds. Such utilization towards general corporate purposes shall be to drive our business growth, including, amongst other things including but not limited to funding our growth opportunities, strengthening marketing capabilities and brand building exercises, and strategic initiatives and any other purpose as permitted by applicable laws; subject to meeting regulatory requirements and obtaining necessary approvals/ consents, as applicable.

Our management will have flexibility in utilizing any amounts for General Corporate Purposes under the overall guidance and policies of our Board. The quantum of utilization of funds towards any of the purposes will be determined by the Board, based on the amount available under this head and the business requirements of our Company, from time to time.

3. Expenses for the Issue

The Issue related expenses are estimated to be approximately $\mathfrak{F}[\bullet]$ Lakhs. The Issue related expenses include fees payable to the legal counsel, amounts payable to regulators including the SEBI, the stock exchanges, Registrar's fees, printing and distribution of issue stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchange.

Activity	Estimated Expense (₹ in lakhs)	% of Total Estimated Issue Expenses	% of Total Issue Size
Registrar to the Issue	[•]	[•]	[•]
Legal Advisors	[•]	[•]	[•]
Advertising and marketing expenses	[•]	[•]	[•]
Regulators including stock exchanges	[•]	[•]	[•]
Printing and distribution of issue stationary	[•]	[•]	[•]
Others, if any (to be specified)	[•]	[•]	[•]
Total estimated Issue expenses*	[•]	[•]	[•]

The break-down of the estimated Issue expenses is disclosed below:

*Subject to finalization of Basis of Allotment and actual Allotment. Above mentioned fees are excluding Taxes.



In case of any difference between the estimated Issue related expenses and actual expenses incurred, the shortfall or excess shall be adjusted with the amount allocated towards general corporate purposes. All Issue related expenses will be paid out of the Gross Proceeds from the Issue.

APPRAISAL OF THE OBJECTS

None of the Objects of the Issue for which the Net Proceeds will be utilized have been appraised by any bank or financial institution.

STRATEGIC AND/OR FINANCIAL PARTNERS

There are no strategic and financial partners to the objects of the issue.

SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

Our Company proposes to deploy the entire Net Proceeds towards the Objects as described herein during Fiscal year 2023-24.

The funds deployment described herein is based on management estimates and current circumstances of our business and operations. Given the dynamic nature of our business, we may have to revise our funding requirements and deployment on account of variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. Accordingly, the Net Proceeds of the Issue would be used to meet all or any of the purposes of the funds requirements described herein.

BRIDGE FINANCING FACILITIES

Our Company have not raised or availed any bridge financing facilities for meeting the expenses as stated under the Objects of the Issue as on the date of this Draft Letter of Offer.

INTERIM USE OF FUNDS

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934 or make any such investment as may be allowed by SEBI from time to time.

MONITORING OF UTILIZATION OF FUNDS

Since the proceeds from this Issue are less than \mathbf{E} 10,000 Lakhs, there is no requirement for the appointment of a monitoring agency for this Issue. However, as per SEBI (LODR) Regulation, the Board of Directors of the Company would be monitoring the utilization of the proceeds of the Issue. Our Company will disclose the utilization of the Issue Proceeds, including interim use, under a separate head in our balance sheet along with the relevant details, for all such Issue Proceeds that have not been utilized. Our Company will indicate investments, if any, of unutilized Issue Proceeds in the Financial Statements of the Company for the relevant Financial Years subsequent to receipt of listing and trading approvals from the BSE Limited.

We will also on an annual basis, prepare a statement of the funds which have been utilized for purposes other than those stated in this Draft Letter of Offer, if any, and place it before the Audit Committee and the Board. Such disclosure will be made only until all the Issue Proceeds have been utilized in full. The statement shall be certified by our Statutory Auditor. Further, in accordance with Regulation 32 of the SEBI (LODR) Regulation, Our Company shall, on a quarterly basis, disclose to the Audit Committee the uses and applications of the Issue Proceeds. In accordance with Regulation 32 of the SEBI (LODR) Regulation, the Company shall furnish to the Stock Exchanges, on a quarterly basis, a statement on



material deviations, if any, in the utilization of the Issue Proceeds from the objects of the Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results after placing the same before the Audit Committee.

KEY INDUSTRY REGULATIONS FOR THE OBJECTS OF THE ISSUE

No additional provisions of any acts, regulations, rules and other laws are or will be applicable to the Company for the proposed Objects of the Issue.

INTEREST OF PROMOTER, PROMOTER GROUP AND DIRECTORS IN THE OBJECTS OF THE ISSUE

No part of the proceeds of the Issue will be paid by us as consideration to the Directors or Key Management Personnel.

OTHER CONFIRMATIONS

Except disclosed above, there is no material existing or anticipated transactions in relation to the utilization of the Net Proceeds with our Directors or Key Management Personnel of our Company and no part of the Net Proceeds will be paid as consideration to any of them. Except disclosed above, none of our Directors are interested in the Objects of the Issue. No part of the proceeds from the Issue will be paid by the Company as consideration to our Directors or Key Managerial Personnel.

Our Company does not require any material government and regulatory approvals in relation to the Objects of the Issue.



STATEMENT OF TAX BENEFITS



N.S. Nanavati & Co. Chartered Accountants

STATEMENT OF SPECIAL TAX BENEFITS

To,

The board of Directors, Sun Retail Limited B/107, First Floor, Sakar-9, Old Reserve Bank, Opp. Times of India, Ashram Road, Ahmedabad, Gujarat - 380009

Re: Proposed rights issue of equity shares of face value of 1 each (the "Equity Shares" and such offering, the "Issue") of Sun Retail Limited (the "Company") pursuant to Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("SEBI Regulations") and the Companies Act, 2013, as amended (the 'Act')

Dear Sirs,

We M/s. N.S. NANAVATI & CO., Chartered Accountants, the statutory auditors of the Company. hereby report that the enclosed Statement prepared by Sun Retail Limited (the "Company") states the possible special tax benefits available to the Company and to the shareholders of the Company under the Income-tax Act, 1961 and Income tax Rules, 1962 including amendments made by Finance Act, 2022 (hereinafter referred to as "Income Tax Laws"), the Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017, respective State Goods and Services Tax Act, 2017, Customs Act, 1962, Customs Tariff Act, 1975 as amended. the rules and regulations there under, Foreign Trade Policy, presently in force in India under the respective tax laws of their country as on the signing date, for inclusion in the Draft Letter of Offer and the Letter of Offer for the proposed rights issue of the Company to the existing shareholders. These benefits are dependent on the Company or the shareholders of the Company fulfilling the conditions prescribed under the relevant provisions of the Tax Laws. Hence, the ability of the Company or the shareholders of the Company to derive the special tax benefits is dependent upon fulfilling such conditions, which is based on business imperatives the Company may face in the future and accordingly, the Company or the shareholders of the Company may or may not choose to fulfill.

The benefits discussed in the enclosed Statement cover only special tax benefits available to the Company and to the shareholders of the Company and are not exhaustive and also do not cover any general tax benefits available to the Company. Further, any benefits available under any other laws within or outside India have not been examined and covered by this Statement.

Further, the preparation of the enclosed Statement and its contents was the responsibility of the management of the Company. We were informed that this Statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed offer.



Page 1 of 2

 "SHRI NIVAS", Ghanshyam Plot, Veraval-362265, Dist.: GIR-SMONATH (Guj.) Mob.: 09998962014 • Email : nanavatinitesh@gmail.com We have conducted our examination in accordance with the 'Guidance Note on Reports or Certificates for Special Purposes (Revised 2016)' ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Performs Audits and Reviews of Historical Financial information and Other Assurance and Related Services Engagements.

We do not express any opinion or provide any assurance whether:

- the Company or the shareholders of the Company will continue to obtain these benefits in future; or
- the conditions prescribed for availing the benefits, where applicable, have been / would be met with.

The contents of the enclosed Statement are based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. Our views expressed herein are based on the facts and assumptions indicated to us. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes. We shall not be liable to the Company for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith or intentional misconduct. We will not be liable to any other person in respect of this Statement.

We will not be liable to any other person in respect of this Statement.

This statement is solely for your information and not intended for general circulation or publication and is not to be reproduced or used for any other purpose without our prior written consent, other than for inclusion of extracts of this statement in the Draft Letter of Offer and Letter of Offer and submission of this statement to the Securities and Exchange Board of India, the stock exchanges where the Equity Shares of the Company are proposed to be listed, in connection with the proposed Issue, as the case may be.

For, N. S. NANAVATI & CO. Chartered Accountants FRN: 134235W 28/08

CA NITESH SHIRISHCHANDRA NANAVATI Proprietor Membership No.: 143769 UDIN: 23143769BGWTJX3135 Date: 28.08.2023 Place: Ahmedabad

Page 2 of 2

Sun Retail Limited



Annexure-I

ANNEXURE TO THE STATEMENT OF SPECIAL TAX BENEFITS AVAILABLE TO SUN RETAIL LIMITED ("THE COMPANY") AND ITS SHAREHOLDERS

I. UNDER THE INCOME TAX LAWS

1. Special tax benefits available to the Company

There are no special tax benefits available to the Company.

2. Special tax benefits available to the shareholders

There are no special tax benefits available to the shareholders of the Company.

Notes:

- a. The above Statement sets out the provisions of law in a summarized manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.
- b. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law.
- c. The above statement of possible tax benefits is as per the current direct tax laws relevant for the assessment year 2023-24.
- d. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investment in the shares of the Company.
- e. In respect of non-residents, the tax rates and consequent taxation will be further subject to any benefits available under the relevant DTAA, if any, between India and the country in which the non-resident has fiscal domicile.





Annexure- II

STATEMENT OF INDIRECT TAX BENEFITS AVAILABLE TO SUN RETAIL LIMITED (THE "COMPANY") AND ITS SHAREHOLDERS

II. The Central Goods and Services Tax Act, 2017 / the Integrated Goods and Services Tax Act, 2017

("GST Act"), the Customs Act, 1962 ("Customs Act") and the Customs Tariff Act, 1975 ("Tariff

Act") (collectively referred to as "Indirect Tax Laws")

1. Special tax benefits available to the Company under the Indirect Tax Laws

There are no special tax benefits available to the Company.

2. Special tax benefits available to the shareholders under the Indirect Tax Laws There are no special indirect tax benefits applicable in the hands of shareholders for investing in the shares of the Company.

Notes:

- a. The above statement is based upon the provisions of the specified Indirect Tax Laws, and judicial interpretation thereof prevailing in the country, as on the date of this Annexure.
- b. The above statement covers only above-mentioned tax laws benefits and does not cover any direct tax law benefits or benefit under any other law.
- c. This statement is intended only to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice.
- d. No assurance is given that the revenue authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and its interpretation, which are subject to changes from time to time. We do not assume responsibility to update the views consequent to such changes.



SECTION VI - ABOUT OUR COMPANY

INDUSTRY OVERVIEW

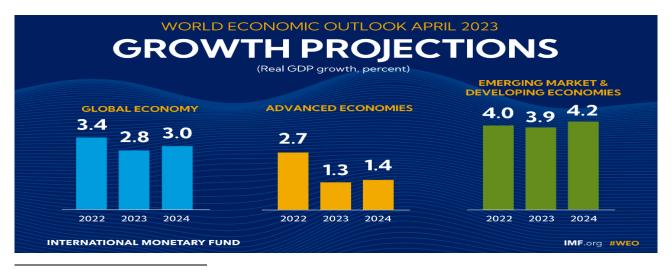
The information in this section has been extracted from various websites and publicly available documents from various industry sources. The data may have been re-classified by us for the purpose of presentation. None of the Company and any other person connected with the Issue have independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed, and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projection forecasts and assumptions that may prove to be incorrect.

Before deciding to invest in the Equity Shares, prospective investors should read this entire Draft Letter of Offer, including the information in the sections **'Risk Factors'** on page 24. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, please see the section titled **'Risk Factors'** on page 24. Accordingly, investors should not place undue reliance on information.

GLOBAL ECONOMIC OUTLOOK

Global growth is expected to decelerate sharply to 1.7 percent in 2023, the third weakest pace of growth in nearly three decades, overshadowed only by the global recessions caused by the pandemic and the global financial crisis. This is 1.3 percentage points below previous forecasts, reflecting synchronous policy tightening aimed at containing very high inflation, worsening financial conditions, and continued disruptions from Russia's invasion of Ukraine. The United States, the euro area, and China are all undergoing a period of pronounced weakness, and the resulting spill overs are exacerbating other headwinds faced by emerging market and developing economies (EMDEs). The combination of slow growth, tightening financial conditions, and heavy indebtedness is likely to weaken investment and trigger corporate defaults. Further negative shocks such as higher inflation, even tighter policy, financial stress, deeper weakness in major economies, or rising geopolitical tensions could push the global economy into recession. In the near term, urgent global efforts are needed to mitigate the risks of global recession and debt distress in EMDEs.⁸

The baseline forecast is for growth to fall from 3.4 percent in 2022 to 2.8 percent in 2023, before settling at 3.0 percent in 2024. Advanced economies are expected to see an especially pronounced growth slowdown, from 2.7 percent in 2022 to 1.3 percent in 2023. In a plausible alternative scenario with further financial sector stress, global growth declines to about 2.5 percent in 2023 with advanced economy growth falling below 1 percent. Global headline inflation in the baseline is set to fall from 8.7 percent in 2022 to 7.0 percent in 2023 on the back of lower commodity prices but underlying (core) inflation is likely to decline more slowly. Inflation's return to target is unlikely before 2025 in most cases.



⁸ Source : <u>https://openknowledge.worldbank.org</u>

https://www.imf.org/en/Publications/WE0/Issues/2023/04/11/world-economic-outlook-april-2023



<u>Global Metals Industry:</u>

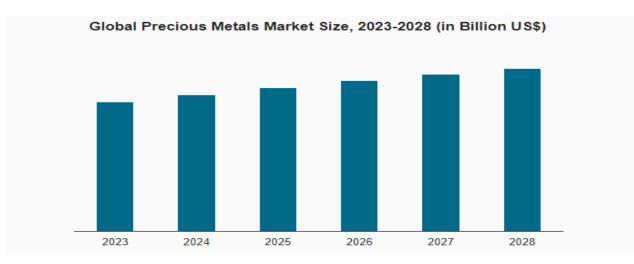
There are several kinds of metals that investors can take a position on. These are usually categorised as 'precious' or 'base'. The most well-known precious metals are gold, silver, platinum and palladium, and the most well-known base metals are copper, lead, nickel and zinc.⁹

<u>Precious Metals:</u> Precious metals are rare, organically occurring, metallic elementals that have an inherent value. They don't usually oxidise or corrode, and they don't naturally tarnish

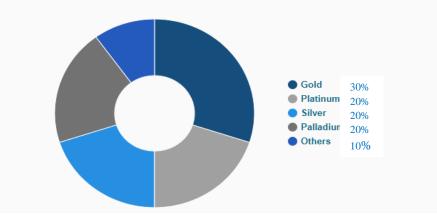
<u>Base Metals:</u> Base metals are common metals that will naturally oxidise, corrode or tarnish. Examples include copper, lead, nickel and zinc.

Precious Metals:

The global precious metals market size reached US\$ 198.5 Billion in 2022. Looking forward, it will reach US\$ 267.5 Billion by 2028, exhibiting a growth rate (CAGR) of 5.49% during 2023-2028. The rising investments in precious metals, increasing utilization of precious metals in a variety of industrial applications, and the growing adoption of precious metals to mint coins represent some of the key factors driving the market.¹⁰



Global Precious Metals Market Share, By Metal Type (in %)



Global Base Metals:

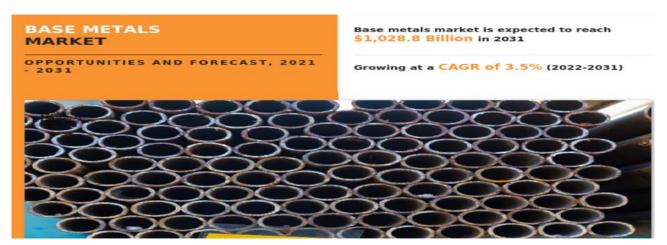
The base metal segment is divided into lead, copper, aluminum, and others. In 2022, the lead segment dominated the market with the largest market share of 32.6% and market revenue of 257.25 billion. This growth is attributed to the increasing demand for base metals from the electrical, electronics, construction, and automotive sectors. Additionally, lead is used as a dependable source for batteries, zinc is used to coat galvanized steel, and nickel is used to strengthen & harden metal alloys.

⁹ Source : <u>www.Ig.com</u>

¹⁰ Source : <u>https://www.marketresearchfuture.com</u>



The global base metals market size was valued at \$722.4 billion in 2021, and is projected to reach \$1028.8 billion by 2031, growing at a CAGR of 3.5% from 2022 to 2031.¹¹

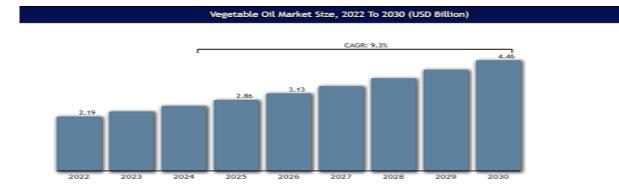


Edible Oil:

The global cooking oil market is being driven by increased consumption of high-quality edible oils/cooking oils by health-conscious consumers and growing demand from various applications, such as confectionery, primarily in the production of candies. Furthermore, refined olive oil and coconut oil are increasingly being used in various bakery applications because they are bland in flavour and allow the food to retain its original flavour.

Global Edible Oil market is valued at USD 2.19 Billion in 2022 and estimated to reach a value of USD 4.46 Billion by 2030 at a CAGR of 9.30% during the forecast period, 2022–2028. Edible Oil is being used for various purposes including in the manufacture of soaps, biodiesel, cosmetics, insecticide and many other applications.¹²

Growing demand for organic edible oil and rapid growth and expansion in the food sector is expected to enhance the growth of the edible oil market. Also, the emerging application of corn oil in industries is projected to provide immense market opportunities in upcoming period. Canola oil is a healthier and cheaper alternative to olive oil because of its lowest fat content around 6 percent among all other type of edible oils. As a result of various benefits of edible oil, increase the demand for this oil which ultimately drives the market growth.¹³



Two-thirds of the world's population is falling behind in critical skills, including 90% of developing economies. Countries that rank in the lagging or emerging categories in at least one domain make up 66% of the world's population, indicating a critical need to upskill the global workforce. Such a large proportion of ill-prepared workers call for greater investment in learning to ensure they remain competitive in the new economy¹⁴

¹¹ Source: <u>https://www.alliedmarketresearch.com</u>

¹² Source: <u>https://www.vantagemarketresearch.com</u>

¹³ Source: https://www.databridgemarketresearch.com

¹⁴ Source: <u>https://www.vantagemarketresearch.com</u>

INDIAN ECONOMIC OUTLOOK

Despite the three shocks of COVID-19, Russian-Ukraine conflict and the Central Banks across economies led by Federal Reserve responding with synchronised policy rate hikes to curb inflation, leading to appreciation of US Dollar and the widening of the Current Account Deficits in net importing economies, agencies worldwide continue to project India as the fastest-growing major economy at 6.5 - 7.0 per cent in FY 2023.

Economic survey 2022-23 projects a baseline GDP growth of 6.5 per cent in real terms in FY24. The optimistic growth forecasts stem from a number of positives like the rebound of private consumption given a boost to production activity, higher Capex, near universal vaccination coverage enabling people to spend on contact-based services, such as restaurants, hotels, shopping malls, and cinemas, as well as the return of migrant workers to cities to work in construction sites leading to a significant decline in housing market inventory, the strengthening of the balance sheets of the Corporates, a well-capitalised public sector banks ready to increase the credit supply and the credit growth to the MSME etc.

In conclusion, despite the challenges posed by the depreciating rupee and global economic shocks, India's economy is projected to remain strong and resilient. The growth of the Indian economy can be attributed to the rebound in domestic consumption and the growth of manufacturing and investment activities.¹⁵

Indian Industry

The industry holds a prominent position in the Indian economy contributing about 30 percent of total gross value added in the country. In FY23, the Indian industry faced some extraordinary challenges as Russian-Ukraine conflict broke out. That led to a sharp rise in the prices of many commodities. Prices of edible oil, crude oil, fertilisers and food grains rose sharply. They remained at elevated levels for several months. The risk of another round of supply chain disruptions emerged, but they were not as severe as feared. Nonetheless, both the price and the availability of essential commodities had the potential to dent the industry's optimism on consolidating the recovery of FY22 and further accelerating it. It is fair to say that the Indian industry acquitted itself rather well under trying circumstances. Overall GVA by the Industrial Sector, based on data available for the first half of the FY23, rose 3.7 per cent, which is higher than the average growth of 2.8 per cent achieved in H1 of the last decade.

Industrial production is a means to increase industrial income in the country. As measured by industrial GVA, growth in industrial income has kept pace with overall GVA growth in the economy since the prepandemic year of FY20. Manufacturing GVA, which contributes more than 50 per cent of industrial GVA, has grown at an even higher rate when compared to overall GVA. In FY23, the Industry sector witnessed modest growth of 4.1 per cent compared to the strong growth of 10.3 per cent in FY22. This is likely on account of input cost-push pressures, supply chain disruptions and the China lockdown impacting the availability of essential inputs and slowing the global economy. The fading away of the base effect must have also weighed on growth in FY23. On a positive note, estimates of FY23 shows improvement in overall industrial growth, especially in the manufacturing sector, both yearly and sequentially. Easing input prices and conducive demand conditions will support growth, ceteris paribus.¹⁶

	Growth	Growth in Per cent		Real GVA growth in	Share in total
	H1:FY23	H2:FY23 (Estimated)	FY23 over FY22	FY23 over FY20	GVA FY23
Industry	3.7	4.5	4.1	11.1	30.0
Mining & quarrying	2.2	2.6	2.4	4.4	2.3
Manufacturing	0.1	3.0	1.6	11.0	17.3
Electricity, gas, water supply & other utility services	10.0	7.9	9.0	13.0	2.3
Construction	11.5	7.3	9.1	12.8	8.1
Overall GVA	9.0	4.7	6.7	9.8	-

Table IX.1: Growth and Share of Industrial Components (in Per cent)

Source: National Statistical Office (NSO), Ministry of Statistics and Programme Implementation (MoSPI) Note: Data for FY23 presents the First Advance Estimates

¹⁵ Source: <u>https://www.indiabudget.gov.in</u>

¹⁶ Source: <u>https://www.indiabudget.gov.in</u>



Metal Industry:

The metal industry is one of the most flourishing industries and one of the core industries of India contributing more than 2% to the total GDP of India.

The present condition of the metal industry in India is quite decent and every year the total production of steel is multiplying significantly. At present, the metal industry of India provides raw materials to the Automobile industry, construction industry, and other metallurgical industries. Every year the metal industry of India provides revenue of more than Rs 5000 crores to the GOI. Also with the advancement in technology and with the help of the state of the art technology the metal industry of India developed many alloys from the existing metals. In past times India was only a major producer of Raw steel, Mild steel, stainless steel, and aluminium. But today a variety of high-grade metals and alloys are available in the Indian Metal industry like titanium, Hastelloy, Inconel, Monel, etc. The metal industry of India directly or indirectly employs more than 25 lacs people in India and thus acts as one of the major industries of India.¹⁷

Edible oil & Non-Edible oil:

The India edible oil market size reached 24.3 Million Tons in 2022. Looking forward, IMARC Group expects the market to reach 26.7 MT by 2028, exhibiting a growth rate (CAGR) of 1.55% during 2023-2028.¹⁸

India is the 4th largest oilseeds producer in the world. It has 20.8% of the total area under cultivation globally, accounting for 10% of global production. The country produces groundnut, soybean, sunflower, sesamum, niger seed, mustard and safflower oilseeds.

India is fortunate in having a wide range of oilseeds crops grown in its different agro climatic zones. Groundnut, mustard. Rapeseed, sesame, safflower, linseed, nigerseed, castor are the major traditionally cultivated oilseeds, Soyabean and sunflower have also assumed importance in recent years. Coconut is most important amongst the plantation crops. Efforts are being made to grow oil palm in Andhra Pradesh, Karnataka, Tamil Nadu and North- Eastern parts of the country in addition to Kerala and Andaman & Nicobar Islands. Among the non-conventional oils, rice bran oil and cottonseed oil are the most important. In addition, oilseeds of tree and forest origin, which grow mostly in tribal inhabited areas, are also a significant source of oils. Figures pertaining to estimated production of major cultivated oilseeds, availability of edible oils from all domestic sources.

India currently represents the world's largest importer of edible oil in the world. Increasing disposable incomes, rising urbanization rates, changing dietary habits and the growth of the food processing sector represent some of the key factors driving the demand of edible oil in India.

Oilseeds & edible oils are 2 of the most vital produces. India is one of the major manufacturers of oilseeds in the world & this segment conquers a significant place in the agricultural business. The India vegetable oil market attained a volume of about 25.66 MMT in 2021. The market is further expected to grow in the forecast period of 2022-2027 at a CAGR of 14.30% to reach nearly 57.22 MMT by 2027.¹⁹

In India, the rising consumer health concerns towards the high prevalence of coronary heart diseases, diabetes, obesity, gastrointestinal disorders, etc., are primarily driving the demand for healthy edible oil. Additionally, the market is further catalysed by the growing awareness towards several health benefits of organic and low-cholesterol edible oil. As a result, various regional manufacturers are launching healthy product variants enriched with omega-3, vitamins, and natural antioxidants. Moreover, the changing consumer dietary patterns and their hectic work schedules have led to the increasing consumption of processed food items. The rising demand for edible oil in the food processing sector as food preservatives and flavouring agents is also catalysing the market growth in the country. Additionally, the elevating consumer living standards coupled with the increasing penetration of international culinary trends are further augmenting the demand for high-quality product variants, such

¹⁷ Source: https://www.geeksforgeeks.org

¹⁸ Source: <u>https://www.giiresearch.com</u>

¹⁹ Source: <u>https://www.tritonmarketresearch.com/reports/india-edible-oil-market</u>

https://www.ibef.org/exports/oilseeds-industry-india



as olive oil, sesame oil, flaxseed oil, etc. Apart from this, the expanding agriculture sector along with the launch of several initiatives for enhancing the production of oilseeds in the country is also propelling the market. Furthermore, the Indian government is making continuous efforts to increase the domestic availability of edible oil and reduce import dependency. ²⁰

Skill Development in India:

The objective of Skill Development is to create a workforce empowered with the necessary and continuously upgraded skills, knowledge and internationally recognized qualifications to gain access to decent employment and ensure India's competitiveness in the dynamic global market. It aims at increasing the productivity and employability of workforce (wage and self-employed) both in the organized and the unorganized sectors. It seeks increased participation of youth, women, disabled and other disadvantaged sections of the society and to synergize efforts of the various sectors and to reform the present system with the enhanced capability to adapt to the changing technologies and the labour market demands.²¹

India currently faces a severe shortage of well-trained, skilled workers. It is estimated that only 2.3 % of the workforce in India has undergone formal skill training as compared to 68% in the UK, 75% in Germany, 52% in USA, 80% in Japan and 96% in South Korea.

The Ministry of Skill Development and Entrepreneurship was set up in November 2014 to drive the 'Skill India' agenda in a 'Mission Mode' in order to converge existing skill training initiatives and combine scale and quality of skilling efforts, with speed

The Ministry, therefore, proposes to launch the NSDM (known henceforth as, the Mission), which will provide the overall institutional framework to rapidly implement and scale up skill development efforts across India.

The government has launched various schemes like PMKVY, NSDC, and Skill India Mission to provide skilling opportunities to the youth. The market has huge potential, and the company can leverage the opportunity to expand its services and reach.

Skills and knowledge are the driving forces of economic growth and social development for any country. Countries with higher and better levels of skills adjust more effectively to the challenges and opportunities of world of work. Potentially, the target group for skill development comprises all those in the labour force, including those entering the labour market for the first time (12.8 million annually), those employed in the organized sector (26.0 million) and those working in the unorganized sector (433 million) in 2004-05. The current capacity of the skill development programs is 3.1 million.²²

GOVERNMENT INITIATIVES

Government Initiatives for the Agriculture:

- Rs 2 lakh crore for the entire year will be introduced by the centre under "PM Garib Kalyan Anna Yojana" which will aim to supply free food grains for one year to all Antyodaya and priority households.
- The government will introduce a sub-scheme under the PM Matsya Sampada Yojana with a total of Rs 6,000 crore to encourage those who are involved in fishing.
- PM Pranam is to be launched to incentivize states and UT to promote alternative fertilizers and balanced use of chemical fertilizers.
- Indian Institute of Millet Research will be supported as a centre of excellence.

²¹ Source: <u>https://loksabhadocs.nic.in</u>

²⁰ Source: <u>https://www.imarcgroup.com</u>

²² Source: <u>https://labour.gov.in/policies/national-policy-skill-development</u>



- Ms. Nirmala Sitharaman said that the government will adopt a cluster-based approach and will promote collaboration between farmer state and industry for input supply, extension service sand market linkages.
- The government will launch the Atmanirbhar Clean Plant Programme to improve the availability of disease-free quality planting material for high-value horticultural crops at an outlay of Rs 2,200 crore.
- The government will also bring in Agriculture Accelerator Fund to boost agriculture startups by young professionals. It will aim for bringing affordable solutions to challenges faced by farmers and will provide modern technology to increase productivity and profitability.²³
- In the Budget 2022-23, the Government of India allocated a total of Rs. 1,500 crore (US\$ 197 million) towards developing the oilseed industry. Out of this, Rs. 900 crore (US\$ 118 million) have been allocated towards the edible oil palm programme and the rest Rs. 600 crore (US\$ 79 million) have been allocated to the oilseed programme.

Government Initiatives for the Development of Metal Industries:

- Russia and India signed a MoU together on the research and development of the production of coking coals which is an active ingredient required in the making of steel.
- The Government of India allocated a fund of Rs 47 crores for the steel industry of India to boost the economic growth of the nation.
- The Ministry of Economic and trade of India has signed a MOC with the government of Japan to expand the joint trade between the two nations.
- The import duty and other taxes on steel items have been reduced by 2.5% twice by the government of India to boost the foreign trade.
- The NSP, 2017 has been approved by the union government as it aims to increase the domestic production capacity of steel up to 300 MT per year by 2030 and the consumption of 160 kg per capita.
- The GOI also promoted the defense, railway, transport, road, and highway sectors to increase of use of domestic steel.
- The GOI approved the PLI scheme for the steel industry through which the GOI aimed to attract Rs 400 billion in the Indian metal industry.²⁴

Government Initiatives for Skill Development:

The government has designed a number of critical programs to ensure that the 'Skill India Mission' programs are carried out across the country. The following are the schemes under the Skill India initiative:

- Pradhan Mantri Kaushal Vikas Yojana
- Jan Shikshan Sansthan (JSS)
- Pradhan Mantri Kaushal Kendra
- Pre-Departure Orientation Training (PDOT)
- India International Skill Centres (IISCs)
- Pradhan Mantri YUVA Yojana (PM YUVA)
- SANKALP (Skills Acquisition and Knowledge Awareness for Livelihood Promotion)²⁵

²³ <u>https://www.ibef.org</u>

²⁴ https://pib.gov.in/PressReleasePage.aspx?PRID=1895315

²⁵ Source: <u>https://scripbox.com</u>

The government has made a big push for skill development in its 2023 budget. With an outlay of Rs 3,517.31 crores, the MSDE has allocated funds to a number of programs that are intended to create job opportunities, improve the employability of Indian youth, and provide training and education.²⁶

ROAD AHEAD

Metals and Mining sector:

The Metals and Mining sector in India is expected to witness a major reform in the next few years, owing to reforms such as Make in India Campaign, Smart Cities, Rural Electrification, and a focus on building renewable energy projects under the National Electricity Policy as well as the rise in infrastructure development.

Due to the huge availability of minerals in the country, metal sector can play a major role in the country's ambitious plans of Self-Reliant India and USD 5 trillion economy by 2024-25.²⁷

Edible Oils and Seeds:

India is one of the world's leading producers of oilseeds. Since 2016-17, India's oilseed production has consistently increased. From 2015-16 to 2020-21, India's oilseed production increased by over 43%. India is expected to sustain a 2.6 percent annual increase in per capita vegetable oil consumption, reaching 14 kg/capita by 2030.²⁸ India is one of the largest oilseed product exporters. The country exports soybeans, mustard seeds, groundnuts, sesame seeds, niger seeds, cotton seeds, castor seeds and sunflower & safflower seeds. In 2021, India exported mustard seeds worth US\$ 28.2 million. The total quantity exported during the same period was about 31.5 million kg. India is among the top exporter of mustard oilseeds, meals and flour and in 2019, it was the fourth-largest mustard seed exporting country. In FY22 India exported US\$ 1.01 billion (Rs. 8,310 crore) worth of Oilseeds. In February 2023 (Provisional), India exported US\$ 106.59 million worth of Oilseeds, an increase of 20.49% year-on-year (YoY).

Skill Development:

For harnessing the demographic advantage that it enjoys, India needs to build the capacity and infrastructure for skilling/reskilling/up-skilling existing and new entrants to the labour force. The goals to be met for upcoming years are as follows:

- Increase the proportion of formally skilled labour from the current 5.4 percent of India's workforce to at least 15 percent.
- Ensure inclusivity and reduce divisions based on gender, location, organized/unorganized, etc.
- India's skill development infrastructure should be brought on par with global standards by.
 - I. Developing internationally compliant NOS and QP that define a job role.
 - II. Making all training compliant with the NSQF.
 - III. Anticipating future skill needs to adapt skill development courses.
- Skill development should be made an integral part of the secondary school curriculum.

Sun Retail Limited

²⁶ Source: <u>https://www.financialexpress.com</u>

²⁷ Source: <u>https://www.drishtiias.com</u>

²⁸ Source: <u>https://www.niir.org</u> <u>https://www.ibef.org/exports/oilseeds-industry-india</u>

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BUSINESS OVERVIEW

Some of the information in this section, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. Before deciding to invest in the Equity Shares, Shareholders should read this entire Draft Letter of Offer. An investment in the Equity Shares involves a high degree of risk.

For a discussion of certain risks in connection with investment in the Equity Shares, you should read the section titled **'Risk Factors'** beginning on page 24, for a discussion of the risks and uncertainties related to those statements, as well as **'Financial Information'** and **'Management's Discussion and Analysis of Financial Condition and Results of Operations'** beginning on page 82 and 171 respectively, for a discussion of certain factors that may affect our business, financial condition or results of operations. Our actual results may differ materially from those expressed in or implied by these forward-looking statements. Unless otherwise stated, the financial information used in this section is derived from our Financial Statements.

OUR BUSINESS

Our Company was incorporated as "ShivJosh Foods Private Limited" under the provision of the Companies Act, 1956 vide certificate of incorporation dated May 28, 2007 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, the name of our Company was changed to Sun Retail Private Limited and fresh certificate of incorporation dated December 7, 2007 was issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Sun Retail Limited" and fresh certificate of incorporation dated December 21, 2017 was issued by the Deputy RoC, Registrar of Companies, Ahmedabad. Subsequently the equity shares of our Company got listed on SME exchange of BSE Limited with effect from October 16, 2018.

BUSINESS OF THE COMPANY

• Our company is engaged in the business of trading of oils and agro commodities in India. We specialize in sourcing, supplying, and distributing a wide range of commodities including edible oils, oilseeds and other agro commodities. We have a strong presence in the market and a well-established network of suppliers and buyers, which enables us to provide high-quality products at competitive prices. The trading of oils and agro commodities involves the buying and selling of agricultural products such as edible and non-edible oils like palmolein, castor oil etc., oilseeds, oil cake, groundnuts, mustard, soya and other agro-products. The business is conducted through a network of farmers, traders, processors, importers and exporters. The trading of these products is influenced by various factors such as weather conditions, government policies, global market trends, and demand and supply.

We focus on sourcing, supplying, and distributing a wide range of commodities including edible oils, oilseeds and other agro commodities. The business is conducted through a network of farmers, traders, processors, importers and exporters. We source our products from reliable suppliers across the country and ensure that they meet the highest quality standards.

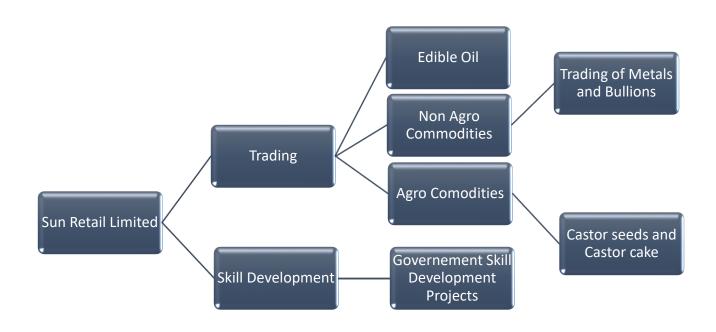
• Our Company is also engaged in the trading of metals in India. We focus on sourcing, buying, and selling a wide range of metals including gold, silver, copper, steel, aluminum, and nickel. Our aim is to provide high-quality metals to our customers at competitive prices while ensuring excellent customer service. We maintain close relationships with our suppliers and customers, which allows us to provide efficient and reliable services. We also stay up-to-date with market trends and developments, which helps us make informed decisions and stay ahead of the competition.

Our target market includes businesses and individuals who require metals for their operations, such as construction companies, jewellery manufacturers, electronics companies, and traders.



• Our Company engaged in providing skill development solutions for the government of India's various projects aimed at upskilling the country's workforce. With a vision to make India a skilled nation, Sun Retail Limited is committed to delivering high-quality training and development services to enhance the employability of people from diverse backgrounds. The Indian government has launched various initiatives to provide skills to the youth and unemployed population to improve employability and income. The company's objective is to support these initiatives by providing quality training and skilling services to the youth across India.

Our company is also engaged in the skill development sector in India, engaged in implementing skill development projects under the Government of India's Skill India initiative. We are committed to addressing the growing skills gap in the country by providing quality training programs and empowering individuals to become self-sufficient.



> Edible Oils and Agro Commodities Segment:

Product Line:

Our company deals in a wide range of oils and agro commodities, including:

- Edible oils such as palm oil, soybean oil, groundnut oil, cotton seed oil, sunflower oil and mustard oil.
- Non-edible oils such as castor oil.
- Agro commodities such as Castor seeds, Groundnuts soya, mustard etc.

Challenges:

The trading of oils and agro commodities is subject to various challenges. The sector is highly regulated, and traders need to comply with various laws and regulations. The market is also subject to price fluctuations, which can impact the profitability of the business. Additionally, the quality of the products is essential, and traders need to maintain quality standards to ensure customer satisfaction.

Key Success Factors:

Successful trading of oils and agro commodities requires a good understanding of the market and its dynamics. Traders need to keep themselves updated with the latest market trends, global supply and demand patterns, and weather conditions. Building strong relationships with suppliers, processors, and customers is also essential for the success of the business. Maintaining quality standards, complying with regulations, and managing risks are other critical success factors.



Marketing Strategy:

Our marketing strategy is focused on building strong relationships with our customers and suppliers. We believe that customer satisfaction is the key to our success, and we strive to provide the best products and services to our customers.

We have a diverse customer base, including large food processing companies, retail chains, and small traders. We focus on building long-term relationships with our customers by providing them with high-quality products and excellent service. We also leverage technology to reach out to potential customers, including through online trading platforms and social media.

Competitive Landscape:

The market for oils and agro commodities in India is highly competitive, with several players operating in the space. However, we have a competitive advantage over our peers due to our strong supplier relationships, efficient logistics and supply chain, and focus on customer satisfaction. We have also invested in technology to improve our trading operations, including market intelligence tools, trading platforms, and risk management systems.

Operations:

Our operations are run through connections with our suppliers and customers and are spread across India like Gujarat, Maharashtra, Rajasthan, Madhya Pradesh etc. We have established relationships with several suppliers and transporters, which enables us to source and supply products efficiently. We also have a connection of experienced traders who monitor market trends and make trading decisions accordingly.

Conclusion:

In conclusion, our company is well-positioned to capture a larger market share in the Indian market for oils and agro commodities. We have a strong supplier network, efficient logistics and supply chain, and a focus on customer satisfaction. We are committed to providing high-quality products and services to our customers and expanding our business in the coming years.

Metal Trading Segment:

Our Target Market:

Our target market includes businesses and individuals who require metals for their operations, such as construction companies, jewellery manufacturers, electronics companies, and traders. We aim to establish long-term relationships with our clients and provide them with customized solutions to meet their specific requirements.

Our Products and Services:

We offer a wide range of metals, including gold, silver, steel, copper, aluminum and nickel. We source our metals from reputed suppliers, ensuring that they meet the highest quality standards. In addition to trading metals, we also offer services such as metal refining, metal testing, and metal recycling.

Our Competitive Advantage:

We believe that our competitive advantage lies in our ability to provide high-quality metals at competitive prices while offering excellent customer service. We have established relationships with reputed suppliers and have a robust distribution network, enabling us to provide timely deliveries to our clients.

Marketing and Sales Strategy:

We will leverage various marketing channels to promote our business, such as social media, email marketing, and search engine optimization. We will also participate in industry events and exhibitions to showcase our products and services. Our sales strategy will focus on establishing long-term relationships with our clients and offering them customized solutions to meet their specific requirements.



> <u>Skill Development Segment:</u>

Services:

Our company provides a range of services related to skill development, including:

- **Training and Capacity Building:** We provide training programs in various sectors such as healthcare, tourism, hospitality, retail, and more. Our training programs are designed to meet the needs of industry-specific skills and offer hands-on experience.
- **Placement Assistance:** We assist candidates in securing employment opportunities through partnerships with various organizations across different industries. Our placement team connects candidates with employers and helps them with the interview process.
- **Skill Mapping and Assessment:** We provide skill mapping and assessment services to identify the skills gaps in different industries. Our assessment tools are designed to provide an accurate picture of the skills required for a particular job profile.

Skill Development Projects With Company:

Our company has implemented various skill development projects under the Skill India initiative of the Government of India. Some of our projects include:

- **Pradhan Mantri Kaushal Vikas Yojana (PMKVY):** This is a flagship scheme of the Government of India for skill training of youth in the country. Our company has implemented PMKVY projects in multiple states across different sectors.
- **National Skill Development Corporation (NSDC):** Our Company is a partner of NSDC and has implemented skill development projects in various sectors such as healthcare, retail, hospitality, and more.
- **Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY):** Our Company has implemented DDU-GKY projects in various states to provide skill training and placement to rural youth.

Competitor Analysis:

The skill development industry in India is highly competitive, and the company has to compete with other established players. These companies have a strong presence in the market and have established partnerships with various state and central government organizations. However, the company can differentiate itself by providing customized training programs and innovative solutions to address the skill gap in the country.

MAIN OBJECTS

- 1. To manufacture, produce, process, make, buy, acquire, purchase, procure, import, sell, distribute, dispose of, export, trade or otherwise deal in and engage in the business of edible and non-edible oils, oil seeds, oil cakes, de-oiled cakes, fats, soaps, agricultural produce and commodities, food products, eatables, mineral water and beverages, alloy, iron, special steels, stainless steel, cold and hot rolled steel, gold, silver, natural and synthetic diamonds, precious stones and metals, and any other goods, merchandise, commodities or products.
- 2. To carry on business as proprietors, partners, developers, builders, managers, operators, hirers, traders and dealers of all kinds of immovable properties, including but not limited to that of residential or commercial or industrial buildings, lands, plots, premises, farms; and to carry on all incidental or allied activities and business as are usually carried on by the builders, estate developers or construction contractors.

CHANGES IN MEMORANDUM OF ASSOCIATION

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	Change the name of the Company from ShivJosh Foods Private Limited to Sun Retail Private Limited	November 30, 2007	Extra-Ordinary General Meeting
2.	The authorized share capital of 1,00,000 divided into 10,000 equity Shares of ₹ 10 each was increased to ₹ 5,00,000 divided into 50,000 equity shares of ₹ 10 each	July 26, 2008	Extra-Ordinary General Meeting
3.	The authorized share capital of ₹ 5,00,000 divided into 50,000 equity shares of ₹ 10 each was increased to ₹ 10,00,000 divided into 1,00,000 equity shares of ₹ 10 each.	June 25, 2009	Extra-Ordinary General Meeting
4.	The authorized share capital of \gtrless 10,00,000 divided into 1,00,000 equity shares of \gtrless 10 each was increased to \gtrless 1,00,00,000 divided into 10,00,000 equity shares of \gtrless 10 each.	December 31, 2012	Extra-Ordinary General Meeting
5.	Inserting Clause 2 in the Main Object Clause of Memorandum of Association: To establish, operate, run, manage agriculture marketing yard as may be permitted by the Government Authorities from time to time, to buy, sale, trade or otherwise deal in agricultural and allied commodities through marketing yard or by agencies and to own, possess and dispose of the movable and immovable properties	July 16, 2015	Extra-Ordinary General Meeting
6.	 Conversion from Private Company to Public Company Re-aligned as per the Provision of Companies Act, 2013 and adopt New Sets of Memorandum and Article of Association of the Company. Inserting Clause 3,4 & 5 in the Main Object Clause of Memorandum of Association To manufacture, process, extract, refine, produce, blend and prepare for the market, store, buy, sell, transport, export, import and to deal in all kinds of Oils including, Edible Oil, Vegetable Oil, Hydro generated Oil, Refined, Bleached and/ or De- odorized oils relating to the manufacture and preparations of oils and allied products and saponaceous substances, unguent and ingredients. To carry on the business of seeds crushers by all mechanical and chemical process for the expansion and/or extraction of oil from oil seeds for refining solvent extraction and hydro generating the same to manufacture of all kinds of oils from inseeds, cottonseeds, ground-nut, soyabean, sunflower, reseed Husk and Rice Bran and other oil cakes, extracts by crushing, chemical processed oil refiners. To run oil mills, and plants/refinery for the purpose of filtering, removing the free fatty acids by bleaching, deodorizing and purifying the oils, storing, giving preliminary treatment, cleaning, decorticating, disintegrating, grinding the oil seeds, cooking the meal, moulding, pressing, recovering the oil from oilseeds, 	November 11, 2017	Extra-Ordinary General Meeting



Sr. No.	Particulars	Date of Meeting	Type of Meeting
	hydrogenation of the oils, manufacturing Vanaspati, Bakery, sorting and vegetable fats therefrom.		
	 4. The authorized share capital of ₹ 1,00,00,000 divided into 10,00,000 equity shares of ₹ 10 each was increased to ₹ 10,00,00,000 divided into 1,00,00,000 equity shares of ₹ 10 each. 		
7.	The authorized share capital of \gtrless 10,00,00,000 divided into 1,00,00,000 equity shares of \gtrless 10 each was altered to \gtrless 10,00,00,000 divided into 10,00,000 equity shares of \gtrless 1 each	07 th August, 2021	Postal Ballot
8.	The authorized share capital of the company has been increased from Rs. $10,00,000$ divided into $1,00,00,000$ equity shares of $₹$ 1 to Rs. Rs. $16,00,00,000/$ - divided into $16,00,000,000$ equity shares of Rs. $1/$ - each.	07 th August, 2021	Postal Ballot
9.	The authorized share capital of the company has been increased from Rs. 16,00,00,000/- divided into 16,00,00,000 equity shares of Rs. 1/- to Rs. Rs. 62,50,00,000/- divided into 62,50,00,000 equity shares of Rs. 1/- each.	28th April, 2023	Postal Ballot
10.	Changes in Clauses 1 & 2 and remove other clauses in the Main Object Clause of Memorandum of Association		
	1. To manufacture, produce, process, make, buy, acquire, purchase, procure, import, sell, distribute, dispose of, export, trade or otherwise deal in and engage in the business of edible and non-edible oils, oil seeds, oil cakes, de-oiled cakes, fats, soaps, agricultural produce and commodities, food products, eatables, mineral water and beverages, alloy, iron, special steels, stainless steel, cold and hot rolled steel, gold, silver, natural and synthetic diamonds, precious stones and metals, and any other goods, merchandise, commodities or products.	28th April, 2023	Postal Ballot
	2. To carry on business as proprietors, partners, developers, builders, managers, operators, hirers, traders and dealers of all kinds of immovable properties, including but not limited to that of residential or commercial or industrial buildings, lands, plots, premises, farms; and to carry on all incidental or allied activities and business as are usually carried on by the builders, estate developers or construction contractors.		

BUSINESS PROCESS FLOW

Business process flow of our company engaged in trading of oils, agro commodities, and metals:

1) Sourcing and Procurement:

The company will need to source and procure the raw materials for trading. The company needs to identify reliable suppliers who can provide high-quality oils, agro commodities and metals. This can involve negotiating with suppliers, assessing the quality of their products, and establishing long-term relationships with them.



2) Quality Control:

Once the raw materials have been sourced, the company needs to ensure that they meet the required quality standards. This can involve testing the raw materials in a laboratory, and inspecting them visually to check for defects or damage.

3) Storage and Handling:

Once the raw materials are procured, they will be stored in a warehouse or storage facility. The company will need to ensure proper handling and storage of these materials to maintain their quality and avoid any damage or loss.

4) Sales and Marketing:

The company will need to market its products and services to potential customers. This process involves identifying potential buyers and negotiating deals with them. The sales team will need to be skilled in negotiation, communication, and relationship building to ensure successful deals.

5) Logistics and Transportation:

After the products are sold, they will need to be transported to the customers. The company will need to manage logistics and transportation to ensure timely delivery of products. This process involves coordinating with transportation companies and ensuring that the products are delivered to the customers in good condition.

6) Risk Management:

Trading in oils, agro commodities, and metals involves risks such as price fluctuations, quality issues, and supply chain disruptions. The company will need to have a risk management plan in place to mitigate these risks. This plan may include hedging strategies, insurance, and contingency plans.

7) Payment and Invoicing:

Finally, the company needs to ensure that it is paid for its products. This involves invoicing customers and managing payments, as well as dealing with any disputes or issues that arise.

8) Accounting and Finance:

The company will need to manage its finances and ensure that it is profitable. This process involves maintaining accurate records of transactions, monitoring cash flows, and managing accounts payable and accounts receivable.

9) Compliance and Legal:

The company will need to comply with various legal and regulatory requirements. This process involves obtaining licenses and permits, complying with tax regulations, and ensuring that the products are of the required quality and comply with safety standards.

Throughout the process, the company needs to ensure that it is complying with all relevant regulations and standards, and that it is operating in an ethical and sustainable manner. It may also need to manage risks associated with price fluctuations, supply chain disruptions, and other factors that could affect its operations.

BUSINESS STRATEGIES

I. Diversify the product portfolio: To increase the revenue and customer base, we can expand our product portfolio by including more varieties of oils, agro commodities, and metals. This will also help us to mitigate the risks associated with fluctuations in the demand for a particular product.



- **II. Explore new markets**: We can identify new markets for our existing products or explore new geographies to expand our business. We can leverage technology to analyze the demand for our products in various regions and identify the most lucrative markets.
- **III. Optimize the supply chain:** Improving the efficiency of our supply chain can help us to reduce costs and improve the quality of our products. We can achieve this by streamlining our logistics, implementing better inventory management systems, and building strong relationships with our suppliers.
- **IV. Enhance our online presence**: Building a strong online presence can help us to attract more customers and increase our brand awareness. We can invest in building a user-friendly website, create social media accounts, and launch digital marketing campaigns to target potential customers.
- **V. Collaborate with government agencies:** As we are engaged in skill development projects of government, we can explore more collaboration opportunities with the government agencies to increase our reach and impact. This will also help us to access more resources and funding to scale up our projects.
- **VI. Foster partnerships with local communities**: Building partnerships with local communities can help us to build goodwill and trust among our stakeholders. We can involve them in our projects, hire them for our operations, and create social impact through our CSR activities.
- **VII. Focus on sustainability**: As the demand for sustainable products is increasing, we can differentiate ourselves by focusing on sustainability. We can implement eco-friendly practices in our operations, source products from sustainable sources, and educate our stakeholders about the importance of sustainability.
- **VIII. Invest in technology**: Adopting new technologies can help us to improve our operations, reduce costs, and enhance the quality of our products. We can explore opportunities to implement automation, data analytics, and blockchain in our supply chain and operations.

STRENGTHS

- Loyal and renowned customer base
- Huge market having unabsorbed demand
- Strong past record for skill development initiatives
- Experienced trainers and subject matter experts
- Presence across multiple states in India

OPPORTUNITIES

- Due to changing habits of the consumers more and more consumers are shifting their traditional consumption habits to refined oil.
- Growing demand for skilled professionals in various sectors
- Partnerships with private organizations to provide skilling opportunities
- Expansion into new geographies

WEAKNESSES

- Limited brand recognition and awareness
- Dependence on government contracts for revenue
- Limited capacity to scale up operations

THREATS

- Competition from established players in the market
- Economic slowdown and reduced government spending on skill development
- Regulatory changes impacting the industry



CAPCITY AND UTILISATION CAPACITY OF OUR COMPANY

Collaborations

We do not have any collaborations currently.

Insurance

As on date of this Draft Letter of Offer, our Company has not obtained any insurance pertaining to its business. The Company will work towards taking insurance coverage to such amounts that will be sufficient to cover all normal risks associated with its operations and is in accordance with the industry standard.

Human Resources

The human resource function has been significant for our Company. It plays a pivotal role in the change of management and triggers the unlocking of human potential, which results in organisation transformation and success. Our learning and development philosophy is to ensure that real learning takes place and endures. We believe that real learning takes place when a learner can develop a new skill, competency and behaviour and is able to internalise and apply consistently to relevant work-life situations. As on this date, our Company had a workforce of < 10 (Ten), and on Contractual more than 50 employees are there for skill development, which may increase further as the Company's business is in expansion.

Competition

We operate in a highly competitive market and there are large numbers of players in organized sector as well as in unorganized sector. Our competition primarily depends on the quality and authenticity of Agro and Metal Commodities purchased and sold in the market. Besides these, other factors like price, quality, quantity, category, logistic after sale service and timely delivery also play an important role in competing with our unorganized sector and from both small and big regional and national players. Our experience in this business has enabled us to provide quality products in response to customer's demand for best quality.

Health Safety and Environment

We are committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. To help ensure effective implementation of our safety policies and practices, at the beginning of each project we identify potential material hazards, evaluate all material risks and institute, implement and monitor appropriate risk mitigation measures. We endeavour to minimize accidents at our project sites. Our Company equips labourers with safety equipment and material that covers them from the risk of potential health hazards. Project heads are principally responsible for ensuring that safety standards are met at project sites.

MARKETING AND SALES ARRANGEMENT

The company can adopt a multi-pronged approach to market its services. It can leverage digital marketing channels like social media and search engines to reach out to the target audience. The company can also participate in industry events and job fairs to showcase its services and establish partnerships with potential clients. Additionally, the company can establish partnerships with private organizations to provide skilling opportunities and reach out to the untapped market.

INTELLECTUAL PROPERTY

As on the date of this Draft Letter of Offer, our trademark (logo) of our Company is not registered with the Trademark Registry.

BOARD OF DIRECTORS

Our Articles of Association provide that our Board shall consist of minimum 3 (Three) Directors and not more than 15 (Fifteen) Directors, unless otherwise determined by our Company in a General Meeting.

As on date of this Draft Letter of Offer, our Company currently has 4 (Four) directors on its Board. The present composition of our Board of Directors and its committees are in accordance with the corporate governance requirements provided under the Companies Act and SEBI (LODR) Regulations.

The following table sets forth details regarding our Board of Directors as on the date of this Draft Letter of Offer:

Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age	Other Directorships
MR. DHARAMJIT BHUPATSINH MORI Designation: Whole-time Director DIN: 08038027 Date of Birth: 22.02.1990 Occupation : Business Address: G-504, Ganesh Genesis, Nr. Bsnl Regional Training Centre, Jagatpur Road, Jagatpur, Ahmedabad- 382481, Gujarat Nationality: Indian Original Date of Appointment: 28.12.2017 Term: For a term of 5 year from 28.12.2022 to 27.12.2027	33	• NIL
MR. RAKESH NARESHCHANDRA KAPADIA Designation: Non-executive Director DIN: 09361904 Date of Birth: 19.07.1972 Occupation : Business Address: 169, Floor Grd Ramdeo Nagar, Sane Guruji Marg, Arthur Road, Jail Jacob Circle, Mumbai - 400011 Maharashtra Nationality: Indian Original Date of Appointment: 03.11.2021 Term: NA	50	 Anubhuti Mining Private Limited Anubhuti Metcom Private Limited
MR. RAJAT RAJA KOTHARI Designation: Independent Director DIN: 09604960 Date of Birth: 23.12.1990 Occupation : Business Address: H. No1, Jodhavato Ki Pol, Vard No. 8, Salumbar, Udaipur - 313027 Rajasthan Nationality: Indian Original Date of Appointment: 14.05.2022 Term: For a term of 5 year from 14.05.2022 to 13.05.2027	32	 Excel Realty N Infra Limited Aero plast limited Kontor space limited



Name, Designation, Address, Occupation, Term, Nationality, Date of Birth and DIN	Age	Other Directorships
MS. SEJAL KANJIBHAI PARMAR	35	• NIL
Designation: Additional Independent Director		
DIN: 10093528		
Date of Birth: 11/08/1987		
Occupation : Business		
Address: 9/215, Goverment D-Colony, Opp. Vijay Mill,		
Naroda, Saijpur Bogha, Ahmedabad Gujarat 382345		
Nationality: Indian		
Original Date of Appointment: 30.03.2023		
Term: For a term of 5 year from 30.03.2023 to		
29.03.2028		

BRIEF DETAILS OF OUR DIRECTORS

1. MR. DHARAMJIT BHUPATSINH MORI

Mr. Dharamjit Bhupatsinh Mori is a 33-year-old whole-time director and CFO of Sun Retail Ltd, who holds a graduate degree and is also a qualified company secretary. He has nine years of experience in corporate finance and management.

As a whole-time director, Mr. Mori is involved in the overall management and strategic decisionmaking of the company, as well as overseeing various departments and functions within the organization. His role as CFO is managing the financial operations of the company, including financial planning and analysis, accounting, tax compliance, and investor relations.

He also has experience in managing budgets, financial reporting, and developing financial strategies to support business goals.

2. MR. RAKESH NARESHCHANDRA KAPADIA

Mr. Rakesh Nareshchandra Kapadia is 50 years old, and appointed as a non-executive director of Sun Retail Ltd. He is a graduate with a strong background in finance and digital marketing, having worked in the field for 21 years.

With his deep knowledge of finance, Mr. Kapadia can provide valuable insights into financial strategy, risk management, and investment decisions of the Company. In addition to his financial expertise, Mr. Kapadia is well-versed in digital marketing.

With his extensive experience will provide an independent viewpoint and offer guidance and advice to the Company.

3. MS. SEJAL KANJIBHAI PARMAR

Ms. Sejal Kanjibhai Parmar is 35 years old, having more than 6 years of experience in customer relationship management, marketing, and sales in the field of logistics. She is 12th pass. She is a professional with more than 6 years of experience in the logistics sector who is proactive and results-driven. She has extensive experience in marketing, sales, and client relationship management.

Her area of competence is in determining client needs and offering solutions. Her experience in sales and customer relationship management will be crucial in assisting the business in creating and implementing successful growth strategies.

4. MR. RAJAT RAJA KOTHARI

Mr. Rajat Raja Kothari is a qualified Company Secretary with a degree in Commerce from Mohan Lal Sukhadiya University, Udaipur. He is an Associate Member of the Institute of Company Secretaries of India and has extensive knowledge and experience in corporate and securities laws, finance, and management.

He has over 6 years of expertise in corporate governance, compliance, and regulatory affairs and is actively involved in Company Law, SEBI LODR Compliances, as well as accounting and taxation



understanding. He is committed to helping Company meet their compliance obligations while achieving their business objectives.

Confirmations

- 1) Neither Company nor our Directors are declared as fugitive economic offenders as defined in Regulation 2(1) (p) of the SEBI ICDR Regulations and have not been declared as a 'fugitive economic offender' under Section 12 of the Fugitive Economic Offenders Act, 2018.
- 2) None of the Directors of our Company have held or currently hold directorship in any listed company whose shares have been or were suspended from being traded on any of the stock exchanges in the five years preceding the date of filing of this Draft Letter of Offer, during the term of his/ her directorship in such company.
- 3) None of our Directors of our Company are or were associated in the capacity of a director with any listed company which has been delisted from any stock exchange(s) at any time in the past.
- 4) None of our Directors have been debarred from accessing capital markets by the Securities and Exchange Board of India. Additionally, none of our Directors are or were, associated with any other company which is debarred from accessing the capital market by the Securities and Exchange Board of India.
- 5) None of our Directors have been identified as a wilful defaulter or fraudulent borrower, as defined in the SEBI Regulations and there are no violations of securities laws committed by them in the past and no prosecution or other proceedings for any such alleged violation are pending against them.
- 6) Our Company has not entered into any service contracts with our Directors, which provide for benefits upon termination of their directorship.

RELATIONSHIP BETWEEN DIRECTORS

None of the Directors of the Company are related to each other:

PAST DIRECTORSHIPS IN SUSPENDED COMPANIES

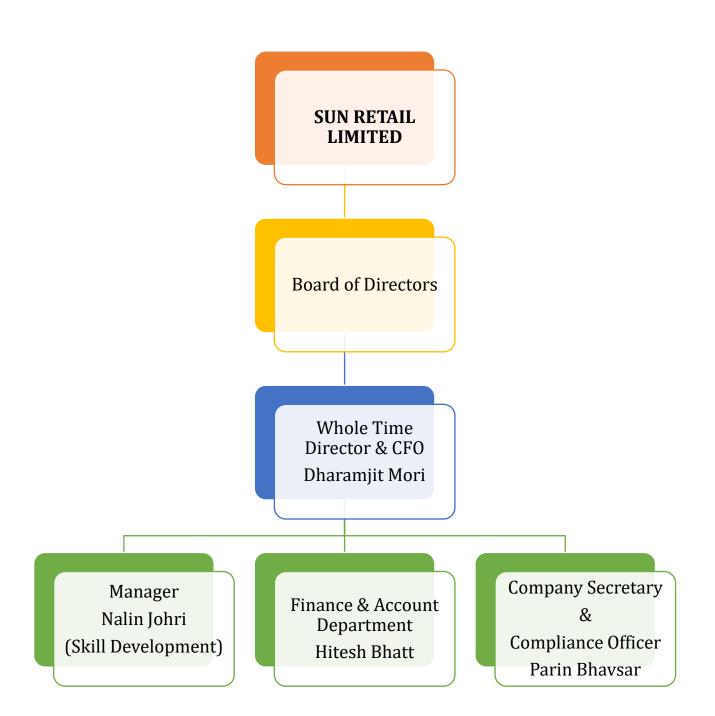
None of our Directors are, or were a director of any listed company, whose shares have been, or none of our directors were suspended from being traded on any of the stock exchanges during the term of their directorships in such companies during the last 5 (Five) years preceding the date of this Draft Letter of Offer.

PAST DIRECTORSHIPS IN DELISTED COMPANIES

None of our Directors are or were a director of any listed company, which has been, or none of our directors were delisted from any stock exchange during the term of their directorship in such Company during the last 10 (Ten) years preceding the date of this Draft Letter of Offer.



MANAGEMENT ORGANIZATIONAL STRUCTURE





COMMITTEES OF OUR BOARD

Our Company stands committed to good corporate governance practices based on the principles such as accountability, transparency in dealings with our stakeholders, emphasis on communication and transparent reporting.

We have a Board constituted the Board Committees in compliance with the Companies Act. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Our Board has constituted following committees in accordance with the requirements of the Companies Act and SEBI Listing Regulations:

- 1. Audit Committee
- 2. Nomination Remuneration Committee
- 3. Stakeholders Relationship Committee

Details of each of these committees are as follows:

1. Audit Committee

The Company has an Audit Committee with scope of activities as set out in Part C of Schedule II with reference to the Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 177 of the Companies Act, 2013. The Committee acts as a link between the Statutory, Internal Auditors and the Board of Directors of the Company.

Sr. No.	Name	Designation	Position in Committee
1	Sejal Kanjibhai Makwana	Additional Independent Director	Member
2	Rakesh Nareshchandra Kapadia	Non-Executive Director	Member
3	Rajat Raja Kothari	Independent Director	Member

2. Nomination Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in accordance with the provisions of Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

Sr. No.	Name	Designation	Position in Committee
1	Sejal Kanjibhai Makwana	Additional Independent Director	Member
2	Rakesh Nareshchandra Kapadia	Non-Executive Director	Member
3	Rajat Raja Kothari	Independent Director	Member

3. Stakeholders Relationship Committee

The Stakeholders' Relationship Committee is constituted in accordance with the provisions of Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

Sr. No.	Name	Designation	Position in Committee
1	Rakesh Nareshchandra Kapadia	Non-Executive Director	Chairperson
2	Dharamjit Bhupatsinh Mori	Whole Time Director	Member
3	Sejal Kanjibhai Makwana	Additional Independent Director	Member

Below are the Details of our other Key Managerial Personnel as on date of filing of this Draft Letter of Offer:

1. Mr. Nalin Ranbahadur Johari (Manager)

Mr. Nalin is 45 years old, PGDBM by qualification has more than 21 years in the field of Marketing, Administration, Management & Social Welfare. As the company has been in consortium with Ashray Social Welfare Foundation undertakes the project of the skill development from National Skill Development Corporation. Mr. Nalin Ranbahadur Johari has been appointed as manager of the company since 23rd July, 2019 and has been assigned the said vertical. He handles the responsibility for designing, implementing, monitoring, evaluating, managing budgets and coordinating with other departments for the successful implementation of training programs.

Sun Retail Limited

2. Mr. Parin Shirishkumar Bhavsar (Company Secretary and Compliance Officer)

Mr. Parin Shirishkumar Bhavsar is an Associate Member of The Institute of Company Secretaries of India and has been appointed as Company Secretary and Compliance Officer of the company with effect from 07th August, 2021. Mr. Parin has more than 4 years of experience in the field of legal and regulatory compliances.

He is responsible for ensuring that the company complies with all relevant laws, regulations, and guidelines and maintaining the company's records, preparing reports, and communicating with stakeholders.

Moreover, he is also responsible for ensuring that the company's policies and procedures are in line with industry best practices and that the company's activities are conducted in an ethical and responsible manner.

Status of Employment of our Key Managerial Personnel

All our Key Managerial Personnel are permanent employees of our Company.

Nature of any family relationship between any of the Key Managerial Personnel

None of the aforementioned KMP's are related to each other

SHAREHOLDING PATTERN OF OUR COMPANY

The shareholding pattern of Bank as on March 31, 2023 as per the latest filing with the Stock Exchanges pursuant to the SEBI Listing Regulations, is as reproduced below:

Category of sharehold er	No. of sharehol ders	No. of fully paid up equity shares held	Total no. shares held	Sharehol ding as a % of total no. of shares (calculat ed as per SCRR, 1957)As a % of (A+B+C2)		Total as a % of Total Voting right	shares held in dematerialize d form	si Share sh Sub	ategorizat hares (XV holding (ares) und Sub Category II	ſ) No. of
(A) Promoter & Promoter Group				0.00		0.00				
(B) Public	1636	155168000	155168000	100.00	155168000	100.00	155166240			
(C1) Shares				0.00		0.00				



underlyin g DRs									
(C2) Shares held by Employe e Trust				0.00		0.00		 	
(C) Non Promoter -Non Public				0.00		0.00		 	
Grand Total	1636	155168000	155168000	100.00	155168000	100.00	155166240	 	

The Company has not declared any dividends for the last 3 Fiscals and from April 1, 2020 till the date of this Draft Letter of Offer.



SECTION VII – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Sr. No.	Particulars	Page No.
1	Limited Review Report and Unaudited Financial Results for the Half year ended	83
	September 30, 2023	
2	Audited Financial Statements as at Financial Years ended March 31, 2023, March 31,	87
2	2022 and March 31, 2021	
3	Statement of Accounting Ratios	168
4	Statement of Capitalization	169





N.S. Nanavati & Co.

Chartered Accountants

Limited Review Report on Half yearly Standalone Financial Results of SUN RETAIL LIMITED pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015) for the half year ended September 30, 2023

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

I have reviewed the accompanying statement of unaudited standalone financial results of SUN RETAIL LIMITED, having registered office situated at 7th FLOOR, 722, GALA EMPIRE, DRIVE IN ROAD, OPP. TV TOWER THALTEJ ROAD, AHMEDABAD – 380054 for the half year ended on September 30, 2023. This statement has been prepared by the Company pursuant to the requirements of Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 Dated July 5, 2016. This Statement is the responsibility of the Company's Management and has been prepared and approved by the Board of Directors in accordance with recognition and measurement principles laid down in Indian Accounting Standards 34" Interim Financial Reporting" as prescribed under section 133 of the Companies Act, 2013("The Act") read with relevant rules issued thereunder and other Accounting Principles generally accepted in India. My responsibility is to issue a report on these financial statements based on my review.

I conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, Engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that I plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. I have not performed an audit and accordingly, I do not express an audit opinion. 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

Based on my review conducted as above, nothing has come to my attention that causes me to believe that the accompanying statement prepared in accordance with applicable Indian Accounting standards as per Section 133 of the Companies Act, 2013 read with relevant rules framed thereunder and other recognized accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016 including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Ahmedabad Date: 07.11.2023 For N.S. Nanavati & Co. Chartered Accountants FRN: 134235W

: 2/11/202

CA NITESH SHIRISHCHANDRA NANAVATI Proprietor Membership No.: 143769 UDIN: 23143769BGWTLS7170

6, "SHRI NIVAS", Ghanshyam Plot, Veraval-362265, Dist.: GIR-SOMNATH (Guj.) Mob. : 09998962104 | Email : nanavatinitesh@gmail.com



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

-		(Rs. in Lakh	s; Except Fac	e Value of Sha	res and EPS)
	Statement of Unaudited Financial Results for th	e Half Year En	ded Septembe	er 30, 2023	
Sr.		1	Ialf Year Ende		Year ended
No.	Particulars	30-09-2023	31-03-2023	30-09-2022	31-03-2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
1	Revenue from Operations	1,534.89	957.54	296.32	1,253.86
2	Other Income	10	257.70	17	257.70
3	Total Revenue (1 + 2)	1,534.89	1,215.24	296.32	1,511.56
4	Expenses:				
	Cost of Materials Consumed		14		
	Purchases of Stock-in-Trade	1,530.86	1,082.59	340.17	1,422.76
	Changes in inventories of finished goods work-in-progress and	85.66	49.74	(49,77)	(0.03)
	Stock-in-Trade		1516.01	(,	(/
	Employee benefits expense	13.83	50.53	17.36	67.89
	Finance costs	17		1.0	
	Depreciation and amortisation expense			-	-
	Other expenses	58.67	110.22	36.35	146.57
	Total expenses	1,689.02	1,293.08	344.11	1,637.19
5	Profit before exceptional and extraordinary items and tax	(154.13)	(77.84)	(47.79)	(125.63)
6	Exceptional items				
7	Profit before extraordinary items and tax (5 - 6)	(154.13)	(77.84)	(47.79)	(125.63)
8	Extraordinary items	() -			
9	Profit before tax (7 - 8)	(154.13)	(77.84)	(47.79)	(125.63)
10	Tax expense : (a+b+c)	-	-	-	-
	(a) Current tax	(7)			-
	(b) Deferred tax	0.50	2.7	0.00	
	(c) MAT Credit Entitlement		5.51		
11	Profit for the period from continuing operations	(154.13)	(77.84)	(47.79)	(125.63)
12	(9-10) Profit from discontinuing operations				-
	Tax expense of discontinuing operations		(<u>1</u> 1)		
	Profit from Discontinuing operations (after tax) (12-13)	-		-	
	Profit for the period $(11 + 14)$	(154.13)	(77.84)	(47.79)	(125.63)
	Share of Profit of Associates	(154.15)	(77.84)	(47.79)	(125.03)
10	Minority Interest				
17	Profit for the period (15 + 16)	(154.13)	(77.84)	(47.79)	(125.63)
18	Other Comprehensive Income (Net of Tax)	(154.15)	(77.84)	(47.75)	(125.05)
100000	Total Comprehensive Income (After Tax) (17 + 18)	(154.13)	(77.84)	(47.79)	(125.63)
20	Paid up Equity Share Capital (Face value of Rs. 10/- each)	1551.68	1551.68	1551.68	1551.68
20	Reserves excluding Revaluation Reserve	1551.08	1221.00	1331.08	1331.08
21	Earnings per equity share:				
21	(1) Basic	(0.10)	(0.05)	(0.03)	(0.08)
	(2) Diluted	(0.10)	(0.05)	(0.03)	(0.08)

1. The financial results for the half yearly ended September 30, 2023 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 a limited review of the above results as per Regulation 33 of the SEBI [Listing Obligation and Disclosure Requirements] Regulations, 2015.

3. 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.

4. The above financial results were reviewed by the Audit Committee and thereafter approved by the Board of Directors at their meeting held on November 07, 2023.

 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.

Date: 07.11.2023 Place: Ahmedabad For, SUN RETAIL LIMITED

Dharamjit Bhupatsinh Mori Die austrative University Beautifue and a series of the seri



SUN RETAIL		>				
Registered Office: 7th Floor, 722, Gala Er			p. Tv Tower			
Thaltej Road, Ahmedabad-380054						
CIN.: L46305GJ2007PLC050974						
Standalone Bala	nce She	eet				
			(Rs. in Lakhs)			
Particulars		As at	As at			
	1	30-09-2023	31-03-2023			
A66576		Unaudited	Audited			
ASSETS Non-current assets						
a) Property, plant and equipment		0.00	0.00			
b) Capital work-in-progress		0.00	0.00			
c) Investment property		0.00	0.00			
d) Goodwill		0.00	0.00			
e) Other Intangible assets		0.00	0.00			
f) Intangible assets under development		0.00	0.00			
g) Financial Assets		0.00	0.00			
i) Investments		0.00	0.00			
ii) Trade receivables		0.00	0.00			
ii) Loans		1411.91	1732.58			
iii) Others		0.00	0.00			
h) Deferred tax assets(net)		0.00	0.00			
i) Other non-current assets		65.73	430.00			
Current assets						
a) Inventories		13.73	99.40			
b) Financial Assets		0.00	0.00			
i) Investments		0.00	0.00			
ii) Trade receivables		1672.72	925.90			
iii) Cash and cash equivalents		1.85	6.45			
iv) Bank balances other than (iii) above		0.00	0.00			
v) Loans		0.00	60.44			
vi) Others		58.46	53.59			
c) Current Tax Assets (Net)		0.00	0.00			
d) Other current assets		0.00	0.00			
Total Assets	TOTAL	3224.40	3308.36			
EQUITY AND LIABILITIES						
EQUITY						
(a) Share capital		1551.68	1551.68			
(b) Share suspense account			0.00			
(b) Other equity		-171.52	-16.61			
Minority Interest		0.00	0.00			
LIABILITIES						
Non-current liabilities						
a) Financial liabilities		100				
i) Borrowings		183.67	656.04			
ii) Trade payables iii) Other financial liabilities		0.00	0.00			
b) Provisions		0.00	0.00			
c) Deferred tax liabilities (Net)		0.54	0.54			
d) Other non-current liabilities		0.00	0.00			
Current liabilities						
a) Financial liabilities						
i) Borrowings		0.00	0.00			
ii) Trade payables		1527.16	983.00			
iii) Other financial liabilities		0.00	0.00			
b) Other current liabilities		1.18	2.02			
c) Provisions		131.69	131.69			
d) Current tax liabilities(Net)		0.00	0.00			
Total Equity and Liabilities	TOTAL	3224.40	3308.36			
Total Equity and Liabilities	TOTAL	5224.40	3308.36			



SUN RETAIL LIMITED
Reg. Off.: 7th Floor, 722, Gala Empire,Drive in Road, Opp. Tv Tower Thaltej Road, Ahmedabad - 380054
CIN.: L46305GJ2007PLC050974
Cash Flow Statement for the period ended on September 30, 2023
(Rs. in Lakhs)
PARTICULARS Half Year Ended on Year Ended on March

	PARTICULARS	Half Year September	그 방송 영양 전 경험을 가지 않는 것이 없다.	Year Ended o 31, 20	
A	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit Before Tax		-154.13		-125.63
	Adjustments for:				
	Depreciation	0.00		0.00	
	Transfer to Reserve	0.00		0.00	
	Preliminary Expenses w/off	0.00		0.00	
	Provision for Professional Fees	0.00		0.00	
	Deferred Revenue Expenditure	0.00		0.00	2
	(Profit)/loss on sale of Investments	0.00		0.00	
	Interest & Finance Charges	0.00		0.00	
	Profit or Loss on Extraordinary Items	0.00		0.00	
	Dividend Income	0.00	0.00	0.00	0.00
	Operating Profit before Working Capital Changes		-154.13		-125.63
	Adjustments for:				
	Decrease/(Increase) in Receivables	-746.82		-651.18	
	Decrease/(Increase) in Current Assets	-4.87		-1.84	
	Decrease/(Increase) in Loans & Advances	60.44		28.75	
	(Decrease)/Increase in Borrowings	0.00		0.00	
	Decrease/(Increase) in Inventories	85.67		-0.05	
	(Decrease)/Increase in Provisions	0.00		0.00	
	(Decrease)/Increase in other Current Liabilities	-0.84		-2.17	
	Increase/(Decrease) in Payables	544.16	-62.26	663.74	37.25
	Cash generated from operations		-216.39		-88.38
	Income Tax paid		0.00		0.00
_	Net Cash flow from Operating activities		-216.39		-88.38
в	CASH FLOW FROM INVESTING ACTIVITIES				
	Purchase of Fixed Assets	0.00		0.00	
	Other Non Current Assets	0.00		0.00	
	Increase in Investments	0.00		0.00	
	Interest Income	0.00		0.00	
	Increase in Advances & others	0.00		0.00	
	(Profit)/loss on sale of Investments	0.00		0.00	
	Sale of Investments	0.00		0.00	
	Net Cash used in Investing activities		0.00		0.00
С	CASH FLOW FROM FINANCING ACTIVITIES				
	Increase / (Decrease) from Long term Borrowings	-472.37		584.73	
	(Increase) / Decrease in Long Term Loan & Advances	684.16		-500.53	
	Interest Paid			0.00	
	Net Cash used in financing activities		211.79		84.20
	Net increase/(Decrease) in cash & Cash Equivalents		-4.60		-4.18
	Cash and Cash equivalents Opening		6.45		10.63
-	Cash and Cash equivalents Closing		1.85		6.45

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.



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Chartered Accountants

Independent Auditor's Report

To the Members of SUN RETAIL LIMITED.

Opinion

We have audited the accompanying financial statements of Sun Retail Limited ("the Company"), which comprise the balance sheet as at March 31, 2023, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its **Loss** and cash flows for the year ended on that date.

Basis for opinion

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

Key Audit Matter

Further Information and details were provided by the client after finalization of original general purpose financial statements and based on the further information and explanations financial statements needed certain modifications. Our opinion remains intact on such revised general purpose financial statements too.



Management's Responsibilities for the Standalone Financial Results

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The Statement has been prepared on the basis of the annual financial statements for the year ended March 31, 2023. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that give a true and fair view of the loss and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder 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 the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing Statement, 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 Statement as a whole is 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 this Statement.

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 Statement, 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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to these financial results, in place and the operating effectiveness of such controls.
- 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 ability of the Company 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 Statement 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 Group and of its Joint Venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, 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.

Report on other Legal and Regulatory Requirements

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- 1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and an explanation which is to the best of our knowledge and beliefs were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.
- e) On the basis of written representations received from the directors as on 31 March, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There is no amount required to be transferred, to the investor's education & Protection Fund by the Company.

& C 0 PARISHRAM AKHAL ANGPURA DABAD ED ACCO

Date: 22/05/2023 Place: Ahmedabad

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For, G M C A & Co Chartered Accountants (FRN No.109850W)

Mitt S. Patel Partner Membership No.: 163940 UDIN: 23163940BGPZMR5785

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/S. Sun Retail Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a provide designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial

AHMEDABAD



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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023.

Place: Ahmedabad Date: 22/05/2023



For, G M C A & Co. Chartered Accountants FRN: 109850W

CA. Mitt S. Patel (Partner) Membership No. 163940 UDIN:23163940BGPZMR5785



Annexure: A

Reports under The Companies (Auditor's Report) Order, 2020 (CARO 2020) for the year ended on 31st March, 2023

To,

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² The Members of Sun Retail Limited

² (Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (I) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
 - (B) The Company has maintained proper records showing full particulars of Intangible assets.
 - (b) Property, Plant and Equipment were physically verified by the management in accordance with a planned programme of verifying them at reasonable intervals having regard to the size of the Company and the nature of its assets.
 - (c) The title deeds of all the immovable properties (other than properties where the Company is the lessee, and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company.
 - (d) The Company has not revalued its Property, Plant and Equipment (including Right of use asset) or intangible assets during the year ended March 31, 2023.
 - (e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year. In our opinion the coverage and the procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
 - (b) The Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Therefore, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) (a) During the year the Company has provided loans, advances in the nature of loans, guarantee and security.

Particulars		Loans (In Lakhs)
Aggregate amount granted/ provide - Subsidiaries - Related Parties - Others	* 101 PARISHRAM MITHAKHALI NAVRANGPURA AHMEDABAD	- 1,221.19/-
Balance outstanding as at balance s	heet date where Ett drabour take,	



- Related Parties				1000 C	
- Related Parties			28 A	1 1 1 A	1,652.92/-
- Others		1.00			1,052.52
- Others					

- (b) During the year the investments made and the terms and conditions of the grant of all loans and advances in the nature of loan during the year are, prima facie, not prejudicial to the Company's interest.
- (c) The company has granted interest free loan which is violation of the Act.

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- (d) There are no amounts of loan granted to companies which are overdue for more than ninety days.
- (e) There were no loans which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- (f) The Company has granted loans or advances in the nature of loans, without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013 and the Company has not provided any guarantee or security as specified under Section 186 of the Companies Act, 2013. Further, the Company has complied with the provisions of Section 186 of the Companies Act, 2013 in relation to loans given and investments made.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacturing activities and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues has been subsumed into GST. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
 - (b) The Company is regularly depositing with appropriate authorities undisputed statutory dues. Therefore, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
- (viii) According to the information and explanations given to us and of the records of the Company, the Company has not sufficient of the disclosed any transactions, previously unrecorded as income in the transaction of the Income Tax Act, 1961 as income during the year.



- (ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
 - (b) The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
 - (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
 - (d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

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- (e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- (f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.
- (a) The Company has not raised any money during the year by way of initial public offer /further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
 - (b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
 - (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
 - (b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor and secretarial auditor or by us in Form ADT - 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
 - (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) The Company is not a Nidhi Company as per the provisions of the Company 2013 Therefore, the requirement to report on clause 3(xii)(a),(b) and (c) (c) the Order is to applicable to the Company.

- (xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
 - (b) Internal audit under section 138 of Companies Act, 2013 is applicable.
- (xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.
 - (xvi) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a), (b), (c) & (d) of the Order is not applicable to the Company.
 - (xvii) The Company has not incurred cash losses in the current year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly the requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- (xix) On the basis of the ageing report, financial ratios and expected dates of realization of financial assets and payment of financial liabilities, any other information accompanying the financial statements, management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company.
 - (xx) Corporate social responsibility under section 135(5) of Companies Act, 2013 is not applicable to the Company. Therefore, the requirement to report on clause 3(xx)(a) and 3(xx)(b) of the Order is not applicable to the Company.



For, G M C A & Co. **Chartered Accountants** FRN: 109850W P

CA. Mitt S. Patel Partner Membership No. 163940 UDIN: 23163940BGPZMR5785

Sun Retail Limited

Place: Ahmedabad Date: 22/05/2023

SUN RETAIL LIMITED (CIN:L46305GJ2007PLC050974) BALANCE SHEET AS AT 31/03/2023

	a 22 jan 1		Rs. In Lakhs
Particulars	Note No.	As at 31st March, 2023	As at 31st March, 2022
I. Equity & Liabilities	HO.		
1. Share Holders' Fund		1,535.07	1,660.70
(a) Share Capital	1	1,551.68	1,551.68
(b) Reserve & Surplus	2	-16.61	1,551.62
2. Noncurrent Liabilities		656.58	71.86
(a) Long term borrowing	3	656.04	71.80
(b) Deferred tax liabilities (Net)		0.54	0.54
(c) Other Long term Liabilities	m alla	0.04	0.54
(d) Long Term Provisions			
3. Current Liabilities	and the second of the	1,116.71	455.13
(a) Short Term Borrowings	**************************************		455.13
(b) Trade Payables	4	983.00	319.26
(c) Other Current Liabilities	5	2.02	4.19
(d) Short Term Provisions	6	131.69	4.19
Total	112	3,308.36	2,187.69
II. Assets	and monstane and a		
1. Non-Current Assets		2,162.58	1,662.05
(a) Property, Plant and			
Equipments and Intangible Assets	7	-0.00	
(i) Property, Plant and Equipments	1. A.	39.23	
Less) Depreciation Fund		-39.23	39.23
	-	-33.23	39.23
ii) Intangible Assets		0.35	- 0.35
Less) Depreciation Fund	1.0	-0.35	이 이야지 않는 것이 많이 있었다.
		0.05	-0.35
b) Non-Current Investments			
c) Long Term Loans & Advances	8	1,732.58	1,232.05
d) Other Non-Current Assets	9	430.00	430.00
. Current Assets		1,145.78	430.00 525.65
a) Inventories	10	99.40	99.35
o) Trade Receivables	11	925.90	99.55 274.72
c) Cash & Cash Equivalents	12	6.45	274.72
d) Short term Loans & Advances	13	60.44	10.63 89.19
e) Other Current Assets	14	53.59	
otal		3,308.36	51.75 2,187.69

Contingent Liabilities & Commitments

For Sun Retail Limited,

der.

Dharamjit Mori WholeTime Director & CFO DIN: 08038027

Place : Ahmedabad Date : 22/05/2023

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Nil

Rakesh Kapadia Non Executive Director DIN: 09361904

Farin Ogh ense Parin Bhavsar

(Company Secretary)

For, G M C A & Co. Chartered Accountants FRN : 109850W

CA & 101, PARISHRAM MITHAKHALI NAVRANGPURA AHMEDABAD FRN 109850W 81 CHER CA. Mitt S. Patel Partner REDACCO Membership No. 163940 UDIN:23163940BGPZMR5785



SUN RETAIL LIMITED (CIN:L46305GJ2007PLC050974) Statement of Profit & Loss Account AS AT 31/03/2023

and and				<u>Rs. In Lakhs</u>
tep (Note No.	2022-2023	2021-2022
1	Revenue From Operations	15	1,253.86	200.2
-	Other Income	16	257.70	6.19
Ш	Total Income (I+II)		1,511.56	206.4
IV	Expenses			
	Purchase of Stock in Trade	17		
	Changes in Inventories		1,422.76	191.09
	Employee Benefit Expenses	18	-0.04	-5.15
	Finance Costs	19	67.89	13.88
	Depreciation & Amortisation Expenses	20		1.40
	Other Expenses	21		
	Total Expenses	22	146.59	13.42
w.s.v.	iotai expenses		1,637.19	214.65
v	Profit Before Exceptional & Extraordinary Items & Tax (III-IV)		-125.63	-8.16
VI	Exceptional Items	CAR PERSON ALCONG	220.03	-0.10
/11	Profit Before Extraordinary Items & Tax	a contract	-125.63	-8.16
	Extraordinary Items		600.021	-8.10
/111	Profit Before Tax	5 5 3 S S S	-125.63	-
x	Tax Expenses	ON GROWING STOR	-125.63	-8.16
	Current Tax/ Interest on Income Tax/ Deferred Tax			
x	Profit/(Loss) for the period from Continuing Operations(IX-X)	10 202125255	-125.63	·
KI	Profit/(Loss) from Discontinuing Operations	C C C C C C C C C C C C C C C C C C C	-125.63	-8.16
a	Tax Expense of Discontinuing Operations	1 . L. H.		in the second second
	Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)	C. ELECTRON TO P	Standing and the second stand	
IV	Profit/(Loss) for the Period(XI+XIV)			
WF BALL			-125.63	-8.16
v	Earning Per Equity Share	a states		Medizowa wieka was.
	Basic		0.00	
	Diluted		-0.08 -0.08	-0.01
e N	otes referred to above form an integral part of the Balance Shee		-0.08	-0.01

For Sun Retail Limited

Aur

Dharamjit Mori WholeTime Director & CFO DIN: 08038027

Place : Ahmedabad Date : 22/05/2023

Rakesh Kapadia Non Executive Director

DIN: 09361904 Parin Bhavsar Ohu (Company Secretary)



For, G M C A & Co. Chartered Accountants FRN : 109850W

SI

CA Mitt S. Patel Partner Membership No. 163940 UDIN:23163940BGPZMR5785



SUN RETAIL LIMITED (CIN:L46305GJ2007PLC050974) CASHFLOW STATEMENT AS AT 31/03/2023

Particulars	and the state of the state of the	Rs. In Lakhs
	As at 31st March, 2023	As at 31st March, 20
Cash flow from Operating Activities Net Profit Before Tax		and the second
Adjustments for:	-125.63	
Add Depreciation		
Add Prelimnary Expenses Written Off	한 관계에서 전 문제로 다.	
Add Fixed Assets Written Off		
Add Interest Expenses		
Less Dividend Income	이 제 같은 것이 많이 많이 많이 했다.	
Less Adj. of Depriciation on sale of Assets		
Less Short Term Capital Gain (Mutual Fund)		
Less Short Term Capital Gain (Mutual Fund) Less Profit on sale of Fixed Assets		
Less Front on sale of Fixed Assets		
Operating Profit / (Loss) before Working Capital Changes	-125.63	
Adjustments for:	-123.03	-8
Increase/(Decrease) in creditors	662 7F	
Increase/(Decrease) in other current liabilities	663.75	-26
Increase/(Decrease) in other Provisions	-2.17	4
(Increase)/Decrease in debtors	-	29
(Increase)/Decrease in inventories	-651.18	771
(Increase)/Decrease in other current assets	-0.04	-5.
(Increase)/Decrease in Short Term Loan & Advances	-1.84	-14.
Other Adjustments	28.75	-89.
Cashflow generated from Operating Activities	-88.37	
ncome Tax Paid (Net of Refund)		661.
Net Cashflow generated from Operating Activities A	-88.37	661.
Cash flow from Investment Activities		001.
Purchase of Fixed Assets		
ale of Fixed Assets		
ale of Investments		i ja in secolari
Purchase of Investments		
hare Application Money Received Back		
ividend Income		
et Cashflow generated from Investments Activities B		
i sa hasar kata kata kata kata 🗖		•
ash flow from Financiang Activities		
nort term borrowings	al a service de la factoria de la companya de la c	
nare Alloted		
sue of Equity share		e la persona de la composición de la c
terest Expenses		아이에 관리 것 왜 같은 ㅋ)
ncrease)/Decrease in other non-current assets		e (1997) - Albert -
crease)/Decrease in Long term loans & advances	500 50	
crease/(Decrease) in non current liabilities & provisions	-500.53	-584.97
et Cashflow generated from Financing Activities C	584.72 84.19	-67.06
	64.19	-652.03
t Change in Cash & Cash Equivalents (A+B+C)		
ening Cash & Cash Equivalents	-4.18	9.92
osing Cash & Cash Equivalents	10.63	0.71
	6.45	10.63

GMCA & C

101, PARISHRAM MITHAKHALI NAVRANGPURA AHMEDABAD FRN 109850W

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Dharamjit Mori WholeTime Director & CFO DIN: 08038027

Place : Ahmedabad Date : 22/05/2023

Rakesh Kapadia Non Executive Director DIN: 09361904

Parin Bhavsar (Company Secretary) For, G M C A & Co. Chartered Accountants FRN : 109850W

CA. Mitt S. Patel Partner Membership No. 163940 UDIN:23163940BGPZMR5785

SUN RETAIL LIMITED (CIN:L46305GJ2007PLC050974) Notes to the Financial Statements

1 Share Capital

1.1 Authorized, Issued, Subscribed and Paidup share capital

Particulars	As at 31st i	As at 31st March, 2023	As at 31st	As at 31st March. 2022
	No. of Shares	Amount	No. of Shares	Amount
Equity Shares of Rs. 1 Each	1,600.00	1,600.00	1.600.00	1 600 00
Icual Issued Share Camital	1,600.000	1,600.00	1,600.00	1.600.00
Equity Shares of Rs. 1 Each	1,551.68	1,551.68	1.551.68	1 551 60
rotal Subscribed & Fully Pairl	1,551.68	1,551.68	1,551.68	1,551.68
Equity Shares of Rs. 1 Each	1,551.68	1,551.68	1,551.68	1.551.68
	1,551.68	1,551.68	1,551.68	1.551.68







Rs. In Lakhs



2 Res

Particulars	As at 31st March, 2023	As at 31st March, 2022
Securities Premium Account		
Opening balance	119.86	701.74
+/- Allotment of Shares	1 S 12 24 4 1	-581.88
Closing Balance	119.86	119.86
General Reserve		5 692 6
Opening balance	10	. .
+ Adjustment in persuant to the scheme of Demerger	1. S. S. S. S.	A
Closing Balances	an the second	
Profit & Loss A/c		
Opening balance	-10.84	-2.68
+/- Transfer of Current Year Profit/Loss	43.06	-8.16
-) Adjustment of Depreciation	a the second second	1997 - 1997 - 1998 - 1998 - 1998 - 1998 - 1998 - 1998 - 1998 - 1998 - 1998 - 1998 - 1998 - 1998 - 1998 - 1998 -
Closing balance	32.22	-10.8
Total	152.08	109.0

3 Long term Borrowing

Particulars	As at 31st March, 2023	As at 31st March, 2022
Secured Loans		1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 - 1997 -
· 문화 전 전 문화 전에 가지 않는 것이 같이 많이 하는 것이 같이 있다. 이 가지 않는 것이 있다. 이 가지 않는 것이 있다. 이 가지 않는 것이 있는 것이 있는 것이 있는 것이 있는 것이 있는 가 가지 않는 것이 있는 것이 있는 것이 있는 것이 있는 것이 있는 것이 없는 것이 없다. 이 가지 않는 것이 없는 것이 없는 것이 있는 것이 없는 것이 있는 것이 없는 것이 있	이 왜 있는 것 같이 나라요?	4
Unsecured Loans	化温度 机合理机	
Loan from Holding Company	10 N	
Loan from Directors		্য যা যা বিজ্ঞান বিজ্ঞা
Loan from Others	656.04	71.32
	656.04	71.32
Total	656.04	71.32

4 Trade Payables

Particulars	As at 31st March, 2023	As at 31st March, 2022
For Goods (Incl. of Micro, Small & Medium Enterprises) For Expense	983.00	282.76 36.49
Total	983.00	319.26

4.1 *Trade Payables ageing schedule

and the second	Outstanding for following periods from due date of payment							
Particulars	Not due for payment	Less than 1 year	1-2 years	2-3 years	More than 3 years	Tötal		
MSME	· · · · ·	- 1 a - 2	41 - F - F - F		1. 19 March 1	alay a saideo		
Others**	N 249-	565.95	244.16	170.48	2.41	983.0		
Disputed dues MSME		-		- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1	200 - 10 - 10 - 10	ta a dharait		
Disputed dues Others	-					1		

*Trade Payables ageing schedule

makes were a der ander state er were service	Outstanding for following periods from due date of payment								
Particulars	Not due for payment	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total			
MSME	1	201 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1				ger han ger frig			
Others**	-	45.75	5.32	0.05	268.13	319.26			
Disputed dues MSME		-	•						
Disputed dues Others	· · · · · · · · ·	- R &	-	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1		· · · · · · · · ·			

The Company has not received any intimation on suppliers regarding their status under the Micro, Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosure as required under section 22 of The Micro, Small and Medium Enterprise regarding: (a) Amount due and outstanding to suppliers as at the end of the accounting year; (b) Interest paid during the year; (c) Interest payable at the end of the accounting year; (d) Interest accrued and unpaid at the end of the accounting year; have not been given , the company is making efforts to get the confirmation from the suppliers as regards their status under the said act.





5 Other Current Liabilities

Particulars	As at 31st March, 2023	As at 31st M 2022
Statutory Dues	-	NUT THE A CORRESPONDENCE OF ALL
Others	2.02	1.
Total	2.02	

6 Short term Provisions

Particulars	As at 31st March, 2023	As at 31st 2022
Provision for Expense Provision for Skill Exp. Payable	0.49 131.20	
Total	131.69	

8 Long term Loans & Advances

	Particulars	CONTRACTOR AND A STREET AND A STREET	1st March, 2023	As at 31st Ma 2022
Deposits			33.71	
Other Advances Advance to Supplie	ole in Cash or in Kind hare holders		1,698.87 13.83 1,685.03	1,19 1,18
and the second	Total	A TREAM AND A TREAM	1,732.58	1,23

9 Other Non-current Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deposites	430.00	430.00
Total	430.00	430.00

		Particulars			As at 31st 2023	BOOK STATISTICS	Street Area and the state of State of State	st March,)22
Stock In Trade	1			14		99.40		99.35
	See.	Total	Sec. Skip	112.08		99.40		99.35





7 Property, Plant and Equipments and Intangible Assets

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(i) Property, Plant and Equipments

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Rs. In Lakhs

			DIOCK		And	Depre	Depreciation		Not	Not Block
Particulars	As at 01/04/2022	Addition	Deduction	As at 31/03/2023	As at 01 /04/2022	Depreciation	Deduction	As at	As at	As at
Plant & Machinery Car	30.42	•		30.42		-	1	30.42 30.42	31/03/2023	31/03/2022
	2.08	fil ea lug fia	н н 10 н	5.09 2.08	5.09 2.08	•	1 a	5.09	1. 1. 2. 	
Mobile	0.09	•		60.0		•		0.09		
Computer	1.52			0.03		•		0.03	3 3 1 1	
otal Tangible Assets	39.23	4 (1	-	39.23	39.23	•	1	39.23		

(ii) Intangible Assets

		Gross	ross Block			14. A	Depreciation			Net	Net Block
Particulars	As at 01/04/2022	Addition	Deduction	As at 31/03/2023	As at 01/04/2022	Depreciation 22 Charge	ation Deduction	ion 31/03/2023		As at 31/03/2023	As at 31/03/2022
Trademark				'				•			
Software	0.35			0.35		0.35		- 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1 - 1	- LC	•	1
Total Intangible					SCALED VIEW SCALED		A Design of the second s		0.35	-	-
Assets	0.35	1	1	0.35		035			10.0		





11 Trade Receivables

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As at 31st March, 2023	As at 31st March, 2022
925.90	274,72
	<u>.</u>

11.1 Trade Receivables ageing schedule *

Particulars	The state of the	Outstanding for	As at March 31, following periods fr		iyment.	
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3	Total
Undisputed Trade Receivable- considered good	392.31	186.81	164.44		year	and the strength
Undisputed Trade Receivable- considered doubtful		100.01	104.44	37.69	144.65	925.9
Disputed Trade Receivable- considered good						
Disputed Trade Receivable- considered doubtful	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1					<u></u>

Particulars		Outstanding for	As at March 3 following periods	1, 2022 from due date of p	ayment	
	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3	Total
Undisputed Trade Receivable- considered good	61.54	and the second second second	129.67	And designation of the	year	and the second
Undisputed Trade Receivable- considered doubtful	- Olio +		129.67	64.12	19.38	274.72
Disputed Trade Receivable- considered good						
Disputed Trade Receivable- considered doubtful						

12 Cash & Cash Equivalents

and the second second second		2023	2022
Balances with Banks		0.76	0.63
In Current Account	the sec is	0.76	0.67
Cash on Hand		5.69	9.9

NOTE : 12.1

Cash & cash equivalents	As at 31st March.	As at 31st March.
	2023	2022
Balances with banks	Contraction of the second of the	ARGENTING STATISTICS
In Deposit Accounts:		
Fixed deposits having maturity of less than 3 months		
Other Bank Balances:		
Fixed deposits having maturity of more than 3 months	1. A.	
Fixed deposits having maturity of more than 12 months	32.03	60.69
Sub total	32.03	60.69
Less :Fixed deposits having maturity of more than 12 months	32.03	60.69
(included in Note no. 13- Other Non Current Assets)	52.03	
TOTAL		al assessment and a second second

13 Short term Loans & Advances

Particulars	As at 31st March, 2023	As at 31st March, 2022
Deposits FD with bank Other Loans & Advances Other Loans & Advances Other Loans & Advances VAT Credit Advances Recoverable in Cash or Kind Other Advances	32.03 0.22 28.20	60.69 0.22 28.29
Total	60,44	89,19

14 Other Current Assets

Particulars	As at 31st March, 2023	As at 31st March, 2022
Receivable From Authorities Public Issue Exp	18.16 35.43	16.35 35.40
Total	53.59	51.75





15 Revenue from Operations		
Particulars	As at 31st March, 2023	As at 31st March, 2022
 (A) Sale of Products & Sevices Sale of Oil, Seeds & Tins Skill Development Work Sale of Gold (4) Other sales (B) Profit/(Loss) on Commodities Trading on MCX 	1,253.86 1,253.84 0.03	200.29 177.28 23.02
Total	1,253.86	200.29

16 Other Income

and the second	2023	2022
GRANT INCOME	17.20 240.50	6.19
Total	257.70	6.19

18 Change in Inventory

Particulars	As at 31st March, 2023	As at 31st March, 2022
(A) Opening Stock Finished Goods	99.35	94.2
(1) Oil, Seeds & Tins (2) Goods in Transit		94.2
(A) Closing Stock Finished Goods	99.40	99.3
(1) Oil, Seeds & Tins (2) Goods in Transit		
(2) Goods in Transit (3) Others	99.40	99.35
Total	-0,04	-5.15

1

		al la stille	n An the second		and the second second second	2010-07-07-07-07-07-07-07-07-07-07-07-07-07	-5.15
19	Employ	ee Benefit Expe	nses			1.2247	
			Particulars	1 	As	at 31st March, 2023	As at 31st March, 2022
		Salary & Wages			Providence and and a	67.89	13.88
	200		Total	Maraka (Maraka)	Television State	67.89	13.88





20 Finance Costs

the second s	THE CONTRACTOR	Contraction (Constant)	STREET BLEEL FILT	State of the second state	NOT THE OWN THE AVAILABLE OF
	Particulars	do attained a	P	s at 31st March,	As at 31st Marc
·金玉的印象中的日			Second Second	2023	2022
Interest Expense	AND STATISTICS SPECT AND	an modelet Courts	and an and the second second	150 BES (AACIPHAESA)	
Bank Charges			(X) [2] [3] [4] [4]		10 13

21 Depreciation & Amortization Expenses

Particulars	As at 31st March, 2023	As at 31st March, 2022
Depreciation Total		Part of the second second second
r Expenes		

Particulars	As at 31st March, 2023	As at 31st March, 2022
Payment to Auditors *	0.75	arrestown of a contract of the
Depository Fees		2.5
Annual Listing Fees	0.84	0.7
Director Sitting Fees	3.22	3.0
Office Expenses	35.93	Colling Street, 1
Loss on sale of machinery		
Rent	73.88	0.7
Stationery & Printing	0.30	0.7
Legal & Professional Charges	1.16	0.5
Travelling Expense	4.86	0.5
Consultancy Expenses	0.58	0.1
E Voting Charges	0.58	
Other Miscellaneous Expenses	27.07	0.25
이 2019년 1977년 1977년 1979년 1 1979년 1979년 197	25.07	5.47
Tótal	146.59	13.42
Payment to Auditors	A REAL PROPERTY AND A REAL	THE REPORT OF THE PARTY OF THE
For Audit Fees	0.75	
For Others	0.75	





NOTE : 23

4° * .

1.0.1

NOTE : 23		
Other non current assets	As at March 31, 2023	Rs. In Lakhs As at March 31, 2022
Long Term Trade Receivables * Fixed deposits having maturity of more than 12 months Others (Specify Nature)		

*Trade Receivables ageing schedule

1	Sector States			Outsta	A Inding for follo	s at March 31, 2 wing periods fro	022 m due date of pay	ment	
	Particulars	Not due for payment	Unbilled	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	Total
(i)	Undisputed Trade Receivable- considered good								
(ii)	Undisputed Trade Receivable- considered doubtful								
(iii)	Disputed Trade Receivable- considered good				N	L.,			
(iv)	Disputed Trade Receivable- considered doubtful							-	

İ		As at March 31, 2021 Outstanding for following periods from due date of payment								
		Not due for payment	Unbilled	Less than 6 months	6 months - 1 year		2-3 year	More than 3 year	Total	
(i)	Undisputed Trade Receivable- considered good		1							
(ii)	Undisputed Trade Receivable- considered									
(iii)	Disputed Trade Receivable- considered good				N					
(iv)	Disputed Trade Receivable- considered									





NOTE : 23.1

Trade receivables		As at March 31, 2022
Secured, considered good	925.90	274.7
Unsecured, considered good	523.50	2/4./
Doubtful		
Less : Provisions for doubtful trade receivables		
TOTAL	925.90	274.72

	Particulars	As at March 31, 2023 Outstanding for following periods from due date of payment								
		Not due for payment	Unbilled	Less than 6 months	6 months		all the second	More than 3 year	Total	
(i)	Undisputed Trade Receivable- considered good	-	-	392.31	186.81	164.44	37.69	144.65	925.90	
(ii)	Undisputed Trade Receivable- considered	-	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1							
(iii)	Disputed Trade Receivable- considered good	-		10 - 10 - 10 - 10 - 10 - 10 - 10 - 10 -						
(iv)	Disputed Trade Receivable- considered	-		-		-		-		

	Particulars	As at March 31, 2022 Outstanding for following periods from due date of payment								
ł		Not due for payment	Unbilled	Less than 6 months	6 months - 1 year	1	2-3 year	More than 3 year	Total	
(i)	Undisputed Trade Receivable- considered good	-	-	61.54		129.67	64.12	19.38	274.72	
(ii)	Undisputed Trade Receivable- considered doubtful							-	<u> </u>	
(iii)	Disputed Trade Receivable- considered good				-					
(iv)	Disputed Trade Receivable- considered doubtful	-								

NOTE : 24

Cash & cash equivalents		As at March 31, 2022
Balances with banks	2023	2022
In Deposit Accounts:	-	
Fixed deposits having maturity of less than 3 months		10 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Other Bank Balances:		
Fixed deposits having maturity of more than 3 months		
Fixed deposits having maturity of more than 12 months		
Sub total	32.03	60.69
Less :Fixed deposits having maturity of more than 12 months	32.03	60.69
induided a Network do Okushu of the first international statements	32.03	60.69
(included in Note no. 19 - Other Non Current Assets)	and the second second second	ener her die tet haar
TOTAL		





NOTE : 24.1

ved deposite pladead with hard and the	As at March 31, As at March 31, 2023 2022
ixed deposits pledged with banks as security against credit facilities ixed deposits pledged with banks as security against overdraft facility	NIL
TOTAL	

NOTE : 25

Short term loans and advances	As at March 31, As at March 31,
Secured / Unsecured Considered Good)	2023 2022
Repayable on demand :	n na stalina a stalina a stalina e de se se se stalina de se
oans & advances to Promoters, Directors, KMPs and Related parties	NIL
TOTAL	

NOTE : 25.1 Details of Loans & Advances to Promoters, Directors, KMPs and Related parties		1 or advances in the an outstanding	Percentage to total loans and Advances in the nature of loan	
Type of Borrower	As at March 31 2023	, As at March 31, 2022	As at March 31, 2023	As at March 31, 2022
Promoters				
Directors	2			
KMPs		N N	11L	
Related Parties	the second s	1		

....

10 4

nformation pursuant to Section 186(4) of the C	ompanies Act, 2013	. N	March 31, 202	3 March 31, 2022
) Particulars of loans given by Company.	1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1. 1	1. 1. 1. 1. 1.		
	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1980 B.	19 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	
Name of the Directors/Promoters:	Rate of Int.			
XYZ	% p.a.	1	N 14 8 9 9	

een given for b ness activities

b. There is no guarantee given or security provided by the Company.



Note 26

A) Regarding fixed assets Capital-work-in progress

Ageing schedule

Contraction of the second s		I 925			Rs. In Lakhs	
Particulars				ch 31, 2023	a survey a second	
		Amount in CWIP for a period of				
CWIP	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total*	
Projects in progress						
Building under construction						
Plant & machinery	-					
Electrical Installation						
Laboratory Equipments	-		NIL			
all other Assets						
Expenses pending for capitalisation						
Projects temporarily suspended						
Total	-				1.11 (1.11) 1.11	

Particulars	As at March 31, 2022						
, al dealars	Amount in CWIP for a period of	Amount in CWIP for a period of					
CWIP	Less than 1 1-2 years 2-3 years More than 3 years	Total*					
Projects in progress	<u>Morodinan Sinjears</u>	Total					
Building under construction							
Plant & machinery							
Electrical Installation							
Laboratory Equipments	NIL						
all other Assets	영상 가지 않는 것은 것이 가지 않는 것이야.						
Expenses pending for capitalisation							
Projects temporarily suspended							
Total							

* Total should tally with CWIP amount in the Balance Sheet

B) Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan

Completion schedule**:

Particulars	As at March 31, 2023 Amount in CWIP for a period of							
CWIP	Less than 1			More than 3 y		Total*		
Projects 1 Projects 2	10 10 10 10 10 10 10 10 10 10 10 10 10 1		NIL				-	
Total					<u>ing i</u>		-	

	Particulars			As at Marc	n 31, 2022	R
			Ame	ount in CWIP	for a period of	
	CWIP	Less than 1	1-2 years 2	-3 years	More than 3 years	Total*
Projects 1				a la serie de	particular of pourse	Total
Projects 2				NIL		
	Total		-			
			e e spitzel		CARC.	

101, PARISHRAI MITHAKHALI NAVRANGPUR AHMEDABAD FRN 109850V

Note 26.1 (a) Intangible assets under development

Ageing schedule	As at March 31, 2023 Amount in CWIP for a period of					
Intangible assets under development	Less than 1 year			More than 3 years	Total*	
Project in progress			NIL			
Project temporiliy suspended Total		T -	<u> </u>	-		

* Total should tally with the amount of Intangible Assets under development in the Balance Sheet

		A	As at Marc mount in CWI	h 31, 2022 P for a period of		
Intangible assets under development	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total*	
Project in progress			NIL			
Project temporiliy suspended Total	-	-		-		-

* Total should tally with the amount of Intangible Assets under development in

(b) Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

Ageing schedule

1.0.1

		As at Marc	h 31, 2023 npleted in	
Intangible assets under development	Less than 1 1-2 ye		More than 3 years	Total*
Project 1		NIL		-
Project 2		-	-	-

		As at March To be comp		
Intangible assets under development	Less than 1 1-2 years		More than 3 years	Total*
Project 1		NIL		
Project 1 Project 2 Total		1	1	





33. Significant Accounting Policies

Company Overview

Sun Retail Limited ("the company") is a listed company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of trading into refined/filtered edible oils. The company is listed on Bombay Stock Exchange.

Basis for Preparation of Financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, based on going concern under the historical cost convention and also on accrual basis. These financial statements comply, in all material aspects, with the provisions the Companies Act, 2013 (to the extent applicable) and also accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006, which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. All the divisions of the Company have normal operating cycle of less than twelve months, hence a period of twelve months has been considered for bifurcation of assets and liabilities into current and non-current as required by Schedule III to the Companies Act, 2013 for preparation of Financial Statements The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

The preparation of financial statements is conformity with generally accepted accounting principles require management to make assumptions and estimates, which it believes are reasonable under the circumstances that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

Inventories

The inventories as at year end have been taken, valued & certified by the Directors of the company. As informed by the Management, the valuation of the inventories has been made at Cost (FIFO Method).

Cash Flow Statement

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



Fixed Assets are stated at cost less depreciation. Cost comprises of cost of acquisition and any attributable cost of bringing the assets to the condition for its intended use. Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation and Amortization

Depreciation on fixed assets is calculated on a WDV basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013, whichever is higher. The company has used the following useful life of assets to provide depreciation on its fixed assets.

Asset	Useful Life
Computer	3 Years
Office equipment	5 Years
Factory building	30 Years
Vehicle	10 Years
Software	3 Years

Impairment of assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been any change in the estimate of recoverable amount.

Revenue Recognition

The principles of revenue recognition are given below:

- General systems of accounting is mercantile, accordingly the income/expenditure are recognized on accrual basis on reasonable certainty concept.
 - Sales of goods traded accounted net off Indirect Taxes as applicable.
- > Dividend income is recognized when right to receive payment is established.

Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, and it is probable that there will be an outflow of resources. Liabilities which are of contingent nature are not provided but are disclosed at their estimated amount in the notes forming part of the accounts.

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are measured at cost or market value whichever is lower, determined on an individual investment basis. Long Termine stated at 101, PARISHRAM

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cost. Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary.

Event occurring after the Balance Sheet Date

No significant events which could affect the financial position as on 31st March, 2023, to a material extent have been reported by the management, after the Balance Sheet date till the date of Annual General Meeting.

Prior period Items

Prior period expenses/income is accounted for under respective heads. Material items, if any, are disclosed separately by way of note.

Income taxes

Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income-tax Act, 1961. Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognized amounts, and there is an intention to settle the asset and the liability on a net basis. The deferred tax for timing differences between the book and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as of the reporting date. Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and are written-down or written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Preliminary Expense

No Preliminary expense Written off.

Earnings Per Share

The earning considered in ascertaining the Company's Earnings Per Share (EPS) comprises the net profit after tax. The number of shares used in computing Basic and diluted EPS is weighted average number of shares outstanding during the year as per the guidelines of AS-20 and calculation of EPS is shown in notes to account.

24. Notes on Accounts

> Contingent Liabilities

- According to the information & explanation provided by the company, there is no liability of Contingent nature was outstanding as at 31st March, 2023.
- Capital Expenditure Commitments: Nil



Related Party Transactions:-

As per Accounting Standard (AS -18) issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties are given below: List of related parties where control exists and related parties with whom transactions have taken

place and relationships:

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	NT	Relationship
Sr. No.	Name	Manager
1	Nalin Ranbahadur Johari	Independent Director
2	Rajat Raja Kothari	
3	Parin Shirishkumar Bhavsar	Company Secretary
4	Dharamjit Bhupatsinh Mori	CFO(KMP), Whole Time Director
	Rakesh Nareshchandra Kapadia	Non-Executive Director
5	Rakesii Naresiichai Parmar	Independent Director
6	Sejal Kanjibhai Parmar	Independent Director
7.	Ankur Dahyabhai Acharya	Independent 2 meters

D 7	Fransactions with Related Parties			2021-2022
Sr. No.		Name	2022-2023	
1	Ankur Acharya	Sitting Fees Paid Closing Balance		1.55
2	Dharamjit Bhupatsinh Mori	Director Remuneration	3.10	4.54
3	Parth Acharya	Sitting Fees Paid Closing Balance	0.18	0.70 0.18
4	Nalin Ranbahadur Johari	Salary Payable Salary Paid	4.55 4.55	
5	Rajat Raja Kothari	Sitting Fees Payable Sitting Fees Paid	0.38 0.38	
6	Parin Shirishkumar Bhavsar	Salary Payable Salary Paid	0.95 0.95	
7	Rakesh Nareshchandra Kapadia	Sitting Fess Payable Sitting Fees Paid	0.09 0.09	

> Payment to the Auditors

Particulars	2022-2023	2021-2022	
	0.75	0.60	
Audit Fees		-	GMCA & CO
Others			* 101, PARISHRAM *

FOTAT



	the second s	0.00
m + -1	0.75	0.60
Total		

Earnings per Share: ->

The earning considered in ascertaining the company's EPS comprises the profit available for shareholders i.e. profit after tax and statutory/regulatory appropriations. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year as per the guidelines of AS-20 (Kindly verify the Profit & Loss Account for Details).

> Others

In opinion of the management of the company, all loans, advances, and deposits are recoverable in cash or kind for value to be received for which no provision is required.

- Confirmations of the concerned parties for the amount due to them and/or due from them as per accounts of the company are not received. Necessary adjustments, if any, will be made when accounts are reconciled or settled. Balance of sundry debtors and creditors, loans and advances accepted and given in the balance sheet are subject to confirmation.
- The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Sr	Financial Ratios	Particulars	Numerator / Denominator taken	As at 31st March, 2023	As at 31st March, 2022	% change in Ratio	the ratio by more than 25% as compared to the preceding year.
1	Current	Ratio		1.03	1.15	-0.13	
	Ratio	Numerator	Current Assets	1,145.78	525.65	1.1	Within the Limit
((CA/CL)	Denominator	Current Liabilities	1,116.71	455.13		
				0.43	0.04	0.38	
1	Debt-	Ratio		0.43			1
2	Equity Ratio	io (Including Co Maturities o	Total Borrowings (Including Current Maturities of Long	656.04	71.32		Within the Limit
		Numerator	term borrowing)	656.04	/1.52		
	1 1 1	Denominator	Total Equity	1,535.07	1,660.70		CA& CO
						1 101	PARISHRAM THAKHALI VRANGPURA HMEDABAD RN 109850W RD ACCOUNTE

Financial Ratios for the Financial Year 2022-23:



			2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		2		
•	Net Capital	Ratio		25.18	0.50	24.68	
	Turnover Ratio	Numerator	Revenue from Customers	1,253.86	200.29		Within the Limit
	Nauo	Denominator	Average Working Capital	49.79	400.61		
9	Net Profit			-10.02	-4.07	-5.94	
	Ratio (PAT/Rev enue)	Ratio	Profit after Taxes	-125.63	-8.16	1	Within the Limit
		Numerator	Revenue from Customers	1,253.86	200.29		
	<u> </u>	Denominator	customer			1.	
10	on Capital	Ratio		-5.73	-0.39	-5.34	Within the Limit
		Numerator	Profit before tax and Interest expense	-125.63	-6.76		
	employe	Denominator	Capital Employed	2,191.11	1,732.01		
-	d	Denominator	1	14 m			
-	Return	Ratio		0.00	0	0.00	
11			Income From Investment	0	0		Within the Limit
	nt	Denominator	Cost of Investment	191.45	0		

For, Sun Retail Limited,

Dharamjit Mori Whole Time Director & CFO DIN: 08038027

Place: Ahmedabad Date: 22/05/2023

Forin Olwan Parin Bhavsar **Company Secretary**

Rakesh Kapadia

DIN: 09361904

Non-Executive Director

For, G M C A & Co. Chartered Accountants FRN: 109850W

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CA. Mitt S. Patel (Partner) Membership No. 163940 UDIN: 23163940BGPZMR5785





Independent Auditor's Report

To the Members of SUN RETAIL LIMITED.

Opinion

We have audited the accompanying financial statements of Sun Retail Limited ("the Company"), which comprise the balance sheet as at March 31, 2022, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the **Companies Act**, **2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its **Loss** and cash flows for the year ended on that date.

Basis for opinion

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

Key Audit Matter

Further Information and details were provided by the client after finalization of original general purpose financial statements and based on the further information and explanations financial statements needed certain modifications. Our opinion remains intact on such revised general purpose financial statements too.

Management's Responsibilities for the Standalone Financial Results

The Statement has been prepared on the basis of the annual financial statements for the year ended March 31, 2022. The Board of Directors of the Company are responsible for the preparation and presentation of the Statement that give a true and fair view of the loss and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder 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 the 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 Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing Statement, 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 Statement as a whole is 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 this Statement.

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 Statement, 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. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to these financial results, in place and the operating effectiveness of such controls.
- 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 ability of the Company 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 Statement 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 Group and of its Joint Venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, 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.

Report on other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and an explanation which is to the best of our knowledge and beliefs were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with the Companies (Indian Accounting Standard) Rules, 2015, as amended.
- e) On the basis of written representations received from the directors as on 31 March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There is no amount required to be transferred, to the investor's education & Protection Fund by the Company.

For, G M C A & Co Chartered Accountants (FRN No.109850W)

Date: 27/05/2022 Place: Ahmedabad Sd/-Mitt S. Patel Partner Membership No.: 163940 UDIN: 22163940AJTBZX2770

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **M/S. Sun Retail Limited** ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial



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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022.

For, G M C A & Co. Chartered Accountants FRN: 109850W

Sd/-CA. Mitt S. Patel (Partner) Membership No. 163940 UDIN: 22163940AJTBZX2770

Place: Ahmedabad Date: 27/05/2022



Annexure: A

Reports under The Companies (Auditor's Report) Order, 2020 (CARO 2020) for the year ended on 31st March, 2022

Τo,

The Members of Sun Retail Limited

(1) Details of tangible and intangible assets

- Whether the records maintained by the company display the complete particulars on the details, quantity and situation of tangible and intangible assets.
- Yes.
- Whether the management has carried out physical verification of the assets at different intervals reasonable with the size of the company.
- Yes.
- Whether the material discrepancies, if any, noticed on physical verification have been accounted for in the books of accounts.
- Yes.
- Whether the title deeds pertaining to the immovable properties (except properties which are leased by the company with duly executed lease agreements in the company's favour) disclosed in the financial statements are held in the name of the company.
- Yes.
- If the title deeds are not held in the name of the company, the below details should be provided

Description of a property	Gross carrying value	Held in the name of	Whether promoter, director or their relative or employee	Period held: indicate a range, where appropriate	Reason for not being held in the name of company
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

- Whether a revaluation has been done by the company of its property, plant and equipment (including the right of use assets) or intangible assets or both during the year and, if so, whether the revaluation is based on the valuation by a Registered Valuer.
- No revaluation has been done during the year.
- In case of a change in values upon revaluation, specify the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of property, plant and equipment or intangible assets.
- No revaluation has been done during the year. So not applicable

 Whether any proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. If yes, whether the company has appropriately disclosed the details in its financial statements.

🕽 Sun Retail Limited

- As per what the Management said, no such proceedings are going on.

(2) Details of inventory and working capital

- Whether the management has carried out physical verification of inventory at reasonable intervals.
- Yes
- If any discrepancies of 10% or more in the aggregate for each class of inventory were noticed and if so, whether they have been properly dealt with in the books of accounts.
- As per what Management said, no such discrepancies were observed
- Has the company, during any point of time of the year, sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets.
- During the year no, new loan has been sanctioned.
- Are the quarterly returns or statements filed by the company with financial institutions or banks in agreement with the books of account of the Company? In case of non-agreement, to provide details of such non-agreement.
- Yes, wherever applicable.

(3) Details of investments, any guarantee or security or advances or loans given

- If the company has during the year made any investments in, given any guarantee or security or granted any loans or advances which are characterized as loans, unsecured or secured, to LLPs, firms or companies or any other person.
- No.
- If the company has provided advances or provided loans which are characterized as loans, or given guarantee, or given security to any other entity (other than a company carrying on a business of providing loans), the below information should be furnished:
 - The total amount given during the year, and the balances due as at the balance sheet date with respect to such loans or advances and guarantees or security to subsidiaries, joint ventures and associates.
 - Not Applicable
 - The total amount during the year, and the balance due on the balance sheet date of such loans or advances and guarantees or security to persons other than associates, subsidiaries and joint ventures.
 - Not Applicable

- In the case of investments made, guarantee or security provided, loans or advances granted (as mentioned above), the report should indicate:
 - Whether the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
 - Yes, they are not prejudicial to the company's interest.
 - In respect of loans and advances in the nature of loans, whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular.
 - Loans are Interest Free which is violation of Section 186(7) of the Act.
 - If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest.
 - As there is no specific guideline regarding repayment, cannot derive the value of amount overdue.
- In case any loan or advance in the nature of a loan is given which was due for repayment during the year and has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties. If yes, specify the total amount of such dues renewed or extended or settled by fresh loans and the percentage (proportion) of the total to the total loans or advances granted during the year (other than companies whose principal business is to grant loans).
- No such discrepancies were observed.
- In case the company has given any loans or advances in the nature of loans either repayable on demand or without specification of any terms or period of repayment. If so, to specify the total amount, percentage thereof to the total loans granted, the total amount of loans granted to promoters, related parties as defined section 2(76) of the Companies Act, 2013.
- Loans given are without specific instructions.

(4) Compliance in respect of a loan to directors

- If the company has given any loans to directors or any other person in whom the director is interested, or made any investments, whether the company has made compliance with the provisions governing such loans, investments and guarantees.
- No such loans were granted.

(5) Compliance in respect of deposits accepted

In case the company has accepted deposits or deemed deposits, whether the company has
followed the directives of the RBI as under: – Compliance with the provisions prescribed for
accepting deposits under section 73 to 76 of the Companies Act, 2013. – The nature of
contraventions, if the above provisions are not followed. – Compliance with any order passed
by any court or tribunal. – Reporting of any non-compliance with the provisions of Companies
Act, 2013.



- No such deposits or deemed deposits have been accepted by the company.

(6) Maintenance of costing records

- In case the company is required to maintain cost records, whether the records have been maintained during the year and non-compliance if any.
- No.

(7) Deposit of statutory liabilities

- Whether the company has:
 - Regularly deposited statutory dues.
 - Yes
 - Are any statutory dues pending for a period more than 6 months as on the balance sheet date?
 - No.
 - In case of any disputed statutory dues, the amount of such dues, the forum before whom the dues are litigated.

(8) Unrecorded income

- Whether any transactions which are not recorded in the accounts have been disclosed or surrendered before the tax authorities as income during the year. The details of such income tax assessments should be disclosed. – Whether such undisclosed income has been recorded in the accounts during the year.
 - No such Transactions found.

(9) Default in repayment of borrowings

- In case the company has made any default in the repayment of loans to banks, government, debenture-holders, etc. then the amount and period of default.
 - No such default has been done.
- Has the company been declared a wilful defaulter by any bank or financial institution or any other lender?
 - No.
- Have term loans been used for the object for which they were obtained; in case they have not been, the loan funds diverted and disclosure of the end use of such loans.
 - No.
- Has the company used funds raised for a short-term basis for long term purposes? The nature and the amount of such funds.
 - No such transactions found as no such specific instructions have been made while obtaining loan except Bank Overdraft.

- Has the company raised any money from any person or entity for the account of or to pay the obligations of its associates, subsidiaries or joint ventures. The details of the money raised with the description of the transactions and the amounts in each case.
 - No.
- Has the company raised any loans during the year by pledging securities held in their subsidiaries, joint ventures or associate companies. The details of such loans and also the default in the repayment of the loans.
 - No.

(10) Funds raised and utilization

- If the company has raised any funds from a public offer (equity or debt capital), details of the funds applied for the purposes. Also, the details of default or delays and rectification measures taken. Has the company made any private placement or preferential allotment of shares or convertible debentures (fully, partially or optionally convertible) during the year, whether the same is in accordance with section 42 and section 62 of the Companies Act, 2013. Whether the funds raised, have been used for the purposes they were raised and the non-compliance, if any.
 - Not Applicable.

(11) Fraud and whistle-blower complaints

- Has there been any fraud by the company or any fraud done on the company. If any such fraud has been noticed or reported any time of the year. If yes, nature and amount involved have to be reported. Whether the auditors of the company have filed a report in Form ADT-4 with the Central Government as prescribed under the Companies (Audit and Auditors) Rules, 2014. In case of receipt of whistle-blower complaints, whether the complaints have been considered by the auditor.
 - No such event has been occurred.

(12) Compliance by a Nidhi

- Compliance with provisions applicable to a Nidhi company: Maintaining of net owned funds to deposit ratio of 1:20 for meeting liabilities. – Maintaining 10% term deposits (which are unencumbered) for meeting liabilities. – Details of any default in payment of interest on deposits or repayment of for any period.
 - Not Applicable.

(13) Compliance on transactions with related parties

- Whether the company has complied with the provisions of section 188 of the Companies Act, 2013 in respect of transactions with related parties. Also, whether appropriate disclosures are made in the financial statements.
 - Yes.

(14) Internal audit system

- Does the company have an internal audit system in accordance with its size and business activities?
 - Yes.
- Have the reports of the internal auditors been considered by the statutory auditor.
 - Yes.

(15) Non-cash transactions

- In case the company has undertaken non-cash transactions with their directors or other
 persons connected to the directors, whether the restrictions imposed are complied with.
 - No such transactions have taken place.

(16) Registration under Section 45-IA of RBI Act, 1934

- Is the company required to be registered under the RBI Act and whether the company has obtained registration.
 - No.
- Whether the company has carried on any Non-Banking Financial or Housing Finance activities (NBFC or HFC) without having a valid registration certificate from RBI.
 - No.
- Is the company a Core Investment Company (CIC) under the RBI regulations and does it continue to fulfil the criteria of a CIC. In case the company is an exempted or unregistered CIC, does the company continue to fulfil the criteria for exemption.
 No.
- Does the group to which the company belongs have more than one CIC as part of it, then indicate the number of CICs which are in the group?
 - No.

(17) Cash losses

- Has the company incurred any cash losses in the financial year and the immediately preceding financial year, the amount of cash losses incurred.
 - No.

(18) Resignation of statutory auditors

Whether during the year, has there been any resignation of statutory auditors, if yes, has the auditor considered the objections, issues or concerns raised by the outgoing auditors.
 No.

(19) Material uncertainty

• Existence of any material uncertainty on the date of the audit report on an evaluation of: – The ageing report, financial ratios and expected dates of realisation of financial assets and payment of financial liabilities, any other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans. – Opinion whether the company can meet its the liabilities which exist as at the balance sheet date when such liabilities are due in the future.

- No such Material uncertainty exists on the Balance Sheet Date.

(20) Transfer to fund specified under Schedule VII of Companies Act, 2013

- With respect to obligations under Corporate Social Responsibility, whether the company has transferred the unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of 6 months from the expiry of the financial year. Whether any amount which remains unspent has been transferred to a special account in accordance with provisions of section 135 of the Companies Act, 2013.
 - Not Applicable.
- (21) Qualifications or adverse auditor remarks in other group companies
- In case there have been any qualifications or adverse remarks in the audit reports issued by the respective auditors in case of companies included in the consolidated financial statements, to indicate the details of the companies and the paragraph numbers of the respective CARO reports containing the qualifications or adverse remarks.
 - As such no such remarks found.

For, G M C A & Co. Chartered Accountants FRN: 109850W

Sd/-

CA. Mitt S. Patel Partner Membership No. 163940 UDIN: 22163940AJTBZX2770

Place: Ahmedabad Date: 27/05/2022

(5) Sun Retail Limited

SUN RETAIL LIMITED BALANCE SHEET AS AT 31/03/2022

Particula	rs	Note No.	As at 31st March, 2022	As at 31st March, 2021
I. Equity & Liabilities				
1. Share Holders' Fund			16,60,69,772	16,68,85,872
(a) Share Capital		1	15,51,68,000	9,69,80,000
(b) Reserve & Surplus		2	1,09,01,772	6,99,05,872
2. Noncurrent Liabilities			71,86,146	1,38,92,245
(a) Long term borrowing		3	71,31,701	1,38,37,800
(b) Deferred tax liabilities (Net)			54,445	54,445
(c) Other Long term Liabilities			-	1 <u>1</u> 10
(d) Long Term Provisions			-	-
3. Current Liabilities			4,55,13,478	4,48,02,692
(a) Short Term Borrowings			-	
(b) Trade Payables		4	3,19,25,529	3,45,63,029
(c) Other Current Liabilities		5	4,19,428	-,,,
(d) Short Term Provisions		6	1,31,68,522	1,02,39,663
Total			21,87,69,396	22,55,80,808
II. Assets				
1. Non-Current Assets			16,62,04,544	10,77,07,473
(a) Fixed Assets		7	-	3 . 33
(i) Tangible Assets			39,22,608	39,22,608
(Less) Depreciation Fund			(39,22,608)	(39,23,037
(ii) Intangible Assets			34,778	34,778
(Less) Depreciation Fund			(34,778)	(34,778
(b) Non-Current Investments				· · · · · · · · · · · · · · · · · · ·
(c) Long Term Loans & Advances		8	12,32,04,544	6,47,07,473
(d) Other Non-Current Assets		9	4,30,00,000	4,30,00,000
2. Current Assets			5,25,64,852	11,78,73,335
(a) Inventories		10	99,35,340	94,20,580
(b) Trade Receivables		11	2,74,71,657	10,46,66,556
(c) Cash & Cash Equivalents		12	10,63,141	70,980
(d) Short term Loans & Advances		13	89,19,369	,0,500
(e) Other Current Assets		14	51,75,345	37,15,219
Total		14	21,87,69,396	22,55,80,808
Contingent Liabilities & Commi	tments	Nil		
For Sun Retail Limited,				
31				For, G M C A & Co.
Sd/-	Sd/-			Chartered Accountants
Dharamjit Mori	Rakesh Kapadia			FRN : 109850W
WholeTime Director & CFO	Additional Non Executi	ive Direct	or	
DIN: 08038027	DIN: 09361904			
			Sd/-	Sd/-
Place : Ahmedabad			Parin Bhavsar	CA. Mitt S. Patel
Date : 27/05/2022			(Company Secretary)	Partner
				Membership No. 163940
				UDIN: 22163940AJTBZX2770

SUN RETAIL LIMITED STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE PERIOD FROM 01/04/2021 TO 31/03/2022

	Particulars	Note No.	2021-2022	2020-2021
T	Revenue From Operations	15	2,00,29,397	2,68,62,992
п	Other Income	16	6,19,400	1,90,273
III	Total Revenue (I+II)		2,06,48,796.99	2,70,53,264.54
IV	Expenses			
	Purchase of Stock in Trade	17	1,91,08,834	3,42,69,71
	Changes in Inventories	18	(5,14,760)	(89,80,58
	Employee Benefit Expenses	19	13,88,143	6,17,00
	Finance Costs	20	1,40,402	62,05
	Depreciation & Amortisation Expenses	21	20	1,45,05
	Other Expenses	22	13,42,277	11,95,06
	Total Expenses		2,14,64,896.75	2,73,08,303.8
v	Profit Before Exceptional & Extraordinary Items & Tax (III-IV)	-	(8,16,100)	(2,55,03
VI	Exceptional Items		-	
VII	Profit Before Extraordinary Items & Tax		(8,16,100)	(2,55,03
	Extraordinary Items	-		
VIII	Profit Before Tax		(8,16,100)	(2,55,03
IX	Tax Expenses	-		
	Current Tax/Interest on Income Tax/Deferred Tax		-	32,66
Х	Profit/(Loss) for the period from Continuing Operations(IX-X)		(8,16,100)	(2,87,70
XI	Profit/(Loss) from Discontinuing Operations			-
XII	Tax Expense of Discontinuing Operations		125	<u> </u>
XIII	Profit/(Loss) from Discontinuing Operations (after tax)(XII-XIII)		-	1
XIV	Profit/(Loss) for the Period(XI+XIV)		(8,16,100)	(2,87,70)
xv	Other Comprehensive Income			_
	A(i) Items that will not be reclassified to profit or loss		1212	20
	100		-	-
	(ii) Income tax relating to items that will not be reclassified to			
	profit or loss		-	-
	B (i) Items that will be reclassified to profit or loss		-	-
	ii) Income tax relating to items that will be reclassified to profit			
	or loss		-	-
	Other Comprehensive Income for the period		-	-
				<i>/</i>
XVI	Total Comprehensive Income for the period (XIV+XV)		(8,16,100)	(2,87,702
101	Earning Per Equity Share			
XV	Basic		(0.01) (0.01)	(0.03 (0.03
XV	Diluted			

Dharamjit Mori

WholeTime Director & CFO

Rakesh Kapadia Additional Non Executive Director DIN: 09361904

FRN: 109850W

Sd/-

(Company Secretary)

Parin Bhavsar

Place : Ahmedabad Date : 27/05/2022

DIN: 08038027

Sd/-CA Mitt S. Patel Partner Membership No. 163940 UDIN: 22163940AJTBZX2770

SUN RETAIL LIMITED CASHFLOW STATEMENT AS AT 31/03/2022

	Parti	culars	As at 31st March, 2022	As at 31st March, 2021	
A Cash flow fro	m Operating Activ	vities			
Net Profit Bef	ore Tax		(8,16,100)	(2,55,039	
Adjustments	for:		1000		
Add Depre	ciation			1,45,055	
Add Prelim	nary Expenses Wri	tten Off	-	-	
Add Fixed A	Assets Written Off		-	4,14,243	
Add Intere	st Expenses		-		
Less Divide	nd Income			123	
Less Adj. of	Depriciation on sa	ale of Assets	-		
Less Short	Ferm Capital Gain	(Mutual Fund)	-	1021	
Less Profit	on sale of Fixed As	sets	-	-	
Operating Pro	ofit / (Loss) before	Working Capital Changes	(8,16,100)	3,04,259	
Adjustments					
	crease) in creditors		(26,37,500)	95,96,027	
	crease) in other cu		4,19,431	(69,412	
The second second second second second	crease) in other Pro		29,28,859	(24,45,091	
	crease in debtors		7,71,94,899	1,01,63,334	
	crease in inventor	ies	(5,14,760)	(89,80,588	
· ·	crease in other cu		(14,60,125)	(7,74,884	
		rm Loan & Advances	(89,19,369)	47,57,676	
Other Adjustr			(,,	(10,621	
Cashflow gen	erated from Oper	ating Activities	6,61,95,334	1,25,40,700	
Income Tax P	aid (Net of Refund	1)			
Net Cashflow generated from Operating Activities A		6,61,95,334	1,25,40,700		
3 Cash flow fro	m Investment Act	ivities			
Purchase of F	ixed Assets		-	1. The	
Sale of Fixed	Assets		÷	9,08,500	
Sale of Invest	ments		-	-	
Purchase of Ir	nvestments			223	
Share Applica	tion Money Receiv	ved Back	14	5.23	
Dividend Inco	me		-	121	
Net Cashflow	generated from I	nvestments Activities B	-	9,08,500	
C Cash flow fro	m Financiang Acti	vities			
Short term bo	orrowings		-	-	
Share Alloted	1		-	-	
Issue of Equit	y share		-		
Interest Expe	nses		-	5 2 0	
(Increase)/De	crease in other no	n-current assets	-	-	
(Increase)/De	crease in Long ter	m loans & advances	(5,84,97,071)	(86,74,188	
Increase/(Dec	crease) in non curr	ent liabilities & provisions	(67,06,099)	(54,08,500	
Net Cashflow	generated from F	inancing Activities C	(6,52,03,170)	(1,40,82,688	
Net Change i	n Cash & Cash Equ	ivalents (A+B+C)	9,92,164	(6,33,488	
	& Cash Equivalen		70,980	7,04,467	
	& Cash Equivalent		10,63,144	70,980	
For Sun Reta	il Limited			For, G M C A & Co. Chartered Accountants	
Sd/-		Sd/-		FRN : 109850W	
Dharamjit M	ori	Rakesh Kapadia			
	Director & CFO	Additional Non Executive		Sd/-	
DIN: 080380		Director	Sd/-	CA. Mitt S. Patel	
0111. 080380	21				
		DIN: 09361904	Parin Bhavsar	Partner	
Place : Ahme			(Company Secretary)	Membership No. 163940	
	/2022			UDIN: 22163940AJTBZX2770	

SUN RETAIL LIMITED Notes to the Financial Statements

1 Share Capital

1.1 Authorized, Issued, Subscribed and Paidup share capital

Particulars	As at 31st	March, 2022	As at 31st March, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Authorised Share Capital				
Equity Shares of Rs. 1 Each	16,00,00,000	16,00,00,000	1,00,00,000	10,00,00,000
Total	16,00,00,000	16,00,00,000	1,00,00,000	10,00,00,000
Issued Share Capital				
Equity Shares of Rs. 1 Each	15,51,68,000	15,51,68,000	96,98,000	9,69,80,000
Total	15,51,68,000	15,51,68,000	96,98,000	9,69,80,000
Subscribed & Fully Paid				
Equity Shares of Rs. 1 Each	15,51,68,000	15,51,68,000	96,98,000	9,69,80,000
Total	15,51,68,000	15,51,68,000	96,98,000	9,69,80,000

7 Fixed Assets

(i) Tangible Assets

Gross Block				Depreciation				Net Block		
Particulars	As at 01/04/2021	Addition	Deduction	As at 31/03/2022	As at 01/04/2021	Depreciation Charge	Deduction	As at 31/03/2022	As at 31/03/2022	As at 31/03/2021
Plant & Machinery	3041792	-	-	3041792	3041792	-		3041792	-	-
Car	509096	-	-	509096	509096	-	-	509096	(*)	-
AC	208261	-	-	208261	208261	-	-	208261	-	-
Mobile	9025	-	-	9025	9025	-	12	9025	8 2 0	-
LED	2674	-		2674	3103	-	14	3103		-
Computer	151760	2		151760	151760	ш. Ц	12	151760	120	-
Total Tangible Assets	3922608	-	-	3922608	3923037	-	-	3922608	-	-

(ii) Intangible Assets

Gross Block				Depreciation				Net Block		
Particulars	As at 01/04/2021	Addition	Deduction	As at 31/03/2022	As at 01/04/2021	Depreciation Charge	Deduction	As at 31/03/2022	As at 31/03/2022	As at 31/03/2021
Trademark	-	128	-	120	7 <u>2</u> 5	-		5 <u>1</u> 0	-	-
Software	34778	-	-	34778	34,778	-	-	34,778	-	-
Total Intangible Assets	34778	-	-	34778	34778	-	-	34,778	-	-

2 Reserve & Surplus

Particulars	As at 31st March, 2022	As at 31st March, 2021
Securities Premium Account		5
Opening balance	7,01,74,000	7,01,74,000
+/- Allotment of Shares	(5,81,88,000)	10 10 10 <u>-</u>
Closing Balance	1,19,86,000.00	7,01,74,000.00
General Reserve		
Opening balance		(<u>2</u>)
+ Adjustment in persuant to the scheme of Demerger		858
Closing Balances	-	-
Profit & Loss A/c		
Opening balance	(2,68,128)	19,571
+/- Transfer of Current Year Profit/Loss	(8,16,100)	(2,87,702)
(-) Adjustment of Depreciation	-	(=)
Closing balance	(10,84,228)	(2,68,128)
Total	1,09,01,771.86	6,99,05,871.62

3 Long term Borrowing

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured Loans		с. С
		1.51
Unsecured Loans		s 2
Loan from Holding Company		7,33,500
Loan from Directors	2-1	() - ()
Loan from Others	71,31,701	1,31,04,300
	71,31,701	1,38,37,800
Total	71,31,701	1,38,37,800

4 Trade Payables

Particulars	As at 31st March, 2022	As at 31st March, 2021
For Goods (Incl. of Micro, Small & Medium Enterprises)	2,82,76,303.70	3,39,87,017.70
For Expense	36,49,224.98	5,76,011.09
Total	3,19,25,528.68	3,45,63,028.79

4.1 *Trade Payables ageing schedule

	As at March 31, 2022								
Particulars		Outstanding for following periods from due date of payment							
Particulars	Not due for payment	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total			
MSME	5	1.53	5	100					
Others**		45,75,116.58	5,32,456.40	4,826.00	2,68,13,129.70	3,19,25,528.68			
Disputed dues MSME	2-1	-	-	8-9). - 0			
Disputed dues Others	-		a	150	1.50				
	TOTA	i i	÷			3,19,25,528.68			

*Trade Payables ageing schedule

		As at March 31, 2021 Outstanding for following periods from due date of payment							
Particulars	Not due for payment	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total			
MSME									
Others**	120	72,36,998.42	2,13,50,631.37	828	59,75,399.00	3,45,63,028.79			
Disputed dues MSME	-	-	-	1.4		-			
Disputed dues Others	(F)(-	-	150					
	TOTAL	3				3,45,63,028.79			

The Company has not received any intimation on suppliers regarding their status under the Micro. Small and Medium Enterprise Development (MSMED) Act, 2006 and hence disclosure as required under section 22 of The Micro. Small and Medium Enterprise regarding:



(a) Amount due and outstanding to suppliers as at the end of the accounting year;

(b) interest paid during the year;(c) interest payable at the end of the accounting year;

(d) interest accrued and unpaid at the end of the accounting year; have not been given, the company is making efforts to get the confirmation from the suppliers as regards their status under the said act.

5 Other Current Liabilities

Particulars	As at 31st March, 2022	As at 31st March, 2021
Statutory Dues	3,34,192.95	
Others	85,235.20	
Total	4,19,428.15	-

6 Short term Provisions

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Expense	48,500	48,500
Provision for Skill Exp. Payable	1,31,20,021.50	1,01,91,163
Total	1,31,68,521.50	1,02,39,663

8 Long term Loans & Advances

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deposits	33,71,248	
Other Long Term Loans & Advances	11,98,33,296.01	6,47,07,473.23
Other Advances	9,36,400	5,208
Advance to Suppliers	11,88,96,896.01	6,47,02,265.23
Advance recoverable in Cash or in Kind	(-) - (-)	(e)
Receivable from Share holders		
Total	12,32,04,544.01	6,47,07,473.23

9 Other Non-current Assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deposites	4,30,00,000	4,30,00,000
Total	4,30,00,000	4,30,00,000

10 Inventories

Particulars	As at 31st March, 2022	As at 31st March, 2021
Stock In Trade	99,35,340	94,20,580
Total	99,35,340	94,20,580

11 Trade Receivables

Particulars	As at 31st March, 2022	As at 31st March, 2021	
Outstanding for less than 6 months from the due date Unsecured, considered good Outstanding for more than 6 months from the due date Unsecured, considered good	2,74,71,657.11	- 10,46,66,556.07	
Total	2,74,71,657.11	10,46,66,556.07	

11.1 Trade Receivables ageing schedule *

		As at March 31, 2022				
Particulars		Outstanding for f	nding for following periods from due date of payment			
Particulars	Less than 6 months	6 months - 1 year	1-2 year	2-3 year	More than 3 year	Total
Undisputed Trade Receivable- considered good	61,54,426.24		1,29,66,525.84	64,12,246.58	19,38,458.45	2,74,71,657.11
Undisputed Trade Receivable- considered doubtful	-	-	1.41	-	-	-
Disputed Trade Receivable- considered good	-	2	2	82	-	-
Disputed Trade Receivable- considered doubtful		-	-	8.72	-	. .

	As at March 31, 2021						
		Outstanding for following periods from due date of payment					
Particulars	Less than 6 months 6 months - 1 year		1-2 year	2-3 year	More than 3 year	Total	
Undisputed Trade Receivable- considered good	8,38,60,708		1,26,43,100	62,24,290	19,38,460	10,46,66,558	
Undisputed Trade Receivable- considered doubtful	-	-	-	-	-	(-	
Disputed Trade Receivable- considered good		2 (2	-			
Disputed Trade Receivable- considered doubtful	-	2	2	-	-	8	

12 Cash & Cash Equivalents

Particulars	As at 31st March, 2022	As at 31st March, 2021
Balances with Banks	67,111.10	67,101.11
In Current Account	67,111.10	67,101.11



Cash on Hand	9,96,030.03	3,878.63
Total	10,63,141.13	70,979.74

NOTE : 12.1

Cash & cash equivalents		
	As at 31st March, 2022	As at 31st March, 2021
Balances with banks		
In Deposit Accounts:		
Fixed deposits having maturity of less than 3 months		1
Other Bank Balances:		
Fixed deposits having maturity of more than 3 months	-	a
Fixed deposits having maturity of more than 12 months	60,68,677	<u>ц</u>
Sub total	60,68,677	5
Less :Fixed deposits having maturity of more than 12 months	60,68,677	23
(included in Note no. 13- Other Non Current Assets)		
TOTAL		5 - V

13 Short term Loans & Advances

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deposits		
FD with bank	60,68,677	
Other Loans & Advances		
Other Loans & Advances		
VAT Credit	21,676.22	3. - 3(
Advances Recoverable in Cash or Kind	-	(1)
Other Advances	28,29,016	074
Total	89,19,369.22	

14 Other Current Assets

Particulars	As at 31st March, 2022	As at 31st March, 2021
Receivable From Authorities	16,35,010.32	7,74,884.97
Public Issue Exp	35,40,334.40	29,40,334.40
Total	51,75,344.72	37,15,219.37

15 Revenue from Operations

Particulars	As at 31st March, 2022	As at 31st March, 2021
(A) Sale of Products & Sevices	2,00,29,397.28	2,68,62,991.54
(1) Sale of Pump,Oil, Seeds & Tins	-	62,23,046.94
(2) Skill Development Work	1,77,27,605.20	87,38,051.60
(3) Sale of Gold	10 00 00 00 <u>-</u> 0	1,16,51,893
(4) Other sales	23,01,792.08	2,50,000
(B) Profit/(Loss) on Commodities Trading on MCX		
(B) Profit/(Loss) on sale of machinery		
Total	2,00,29,397.28	2,68,62,991.54

16 Other Income

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest Income	6,19,399.71	1,90,273
Total	6,19,399.71	1,90,273

17 Purchase of Stock in Trade

Particulars	As at 31st March, 2022	As at 31st March, 2021
(A) Purchase of Products		
(1) Pumps,Oil, Seeds & Tins	3.43	#######################################
(2) Skill Development Work	1,63,02,576.23	73,61,350.19
(3) Purchase of Gold	2-5	****
(4) Purchase Others	28,06,258	(12)
(B) Purchase of machinery	1.7	2,50,000
Total	1,91,08,834.23	3,42,69,715.10

18 Change in Inventory

Particulars	As at 31st March, 2022	As at 31st March, 2021
(A) Opening Stock	94,20,580.00	4,39,992.00
Finished Goods		
(1) Oil, Seeds & Tins	94,20,580	4,39,992
(2) Goods in Transit	2.=3	(.)
(A) Closing Stock	99,35,340	94,20,580
Finished Goods		
(1) Oil, Seeds & Tins	121	94,20,580
(2) Goods in Transit	2.73	8 8
(3) Others	99,35,340	840
Total	(5,14,760)	-89,80,588

19 Employee Benefit Expenses

Particulars	As at 31st March, 2022	As at 31st March, 2021
Salary & Wages	13,88,143	6,17,000
Total	13,88,143	6,17,000

20 Finance Costs

Particulars	As at 31st March, 2022	As at 31st March, 2021
Interest Expense		-
Bank Charges	1,40,402.48	62,058.72
Total	1,40,402.48	62,058.72

21 Depreciation & Amortization Expenses

Particulars	As at 31st March, 2022	As at 31st March, 2021
Depreciation	5 2 0	1,45,055
Total		1,45,055

22 Other Expense

Particulars	As at 31st March, 2022	As at 31st March, 2021
Payment to Auditors *		45,000
Depository Fees	258946	3. ()
Annual Listing Fees	70000	1,17,000
Director Sitting Fees	306000	-
Office Expenses	0	720
Loss on sale of machinery	0	1,33,500
Rent	70800	1,20,000
Stationery & Printing	0	5,500
ROC Form Fees	53600	
Transportation Expenses	11344	22
Legal & Professional Charges	0	94,230
Consultancy Expenses	0	39,400
E Voting Charges	25000	7 - 7
Other Miscellaneous Expenses	546587.04	6,39,711.67
Total	13,42,277.04	11,95,061.98
Payment to Auditors		
For Audit Fees	2-0	45,000
For Others	8-0	1

SR No. Particulars	Standalone		
SK NO.	Particulars	2021-22	2020-21
1	Debtors Turnover Ratio	0.30	0.24
2	Trade payables turnover ratio(In days)	0.57	1.15
3	Inventory Turnover Ratio	2.07	5.45
4	Interest coverage ratio		120
5	Current Ratio	1.15	2.63
6	Debt Equity Ratio	0.13	0.08
7	Operating Profit Margin	(0.04)	(0.01)
8	Net Profit Margin	(0.04)	(0.01)
9	Return on Networth	-	(=)
10	P/E Ratio	(226.26)	(64.05)
11	Return on Capital Employed	-	-3
12	Return on Investment	120	<u> </u>

Financial Ratios of Sun Retail Limited :

23. Significant Accounting Policies

Company Overview

Sun Retail Limited ("the company") is a listed company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of trading into refined/filtered edible oils. The company is listed on Bombay Stock Exchange.

Basis for Preparation of Financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, based on going concern under the historical cost convention and also on accrual basis. These financial statements comply, in all material aspects, with the provisions the Companies Act, 2013 (to the extent applicable) and also accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006, which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. All the divisions of the Company have normal operating cycle of less than twelve months, hence a period of twelve months has been considered for bifurcation of assets and liabilities into current and non-current as required by Schedule III to the Companies Act, 2013 for preparation of Financial Statements The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

Use of Estimates

The preparation of financial statements is conformity with generally accepted accounting principles require management to make assumptions and estimates, which it believes are reasonable under the circumstances that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

Inventories

The inventories as at year end have been taken, valued & certified by the Directors of the company. As informed by the Management, the valuation of the inventories has been made at Cost (FIFO Method).

Cash Flow Statement

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

Sun Retail Limited

Fixed assets

Fixed Assets are stated at cost less depreciation. Cost comprises of cost of acquisition and any attributable cost of bringing the assets to the condition for its intended use. Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation and Amortization

Depreciation on fixed assets is calculated on a WDV basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013, whichever is higher. The company has used the following useful life of assets to provide depreciation on its fixed assets.

Asset	Useful Life
Computer	3 Years
Office equipment	5 Years
Factory building	30 Years
Vehicle	10 Years
Software	3 Years

Impairment of assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been any change in the estimate of recoverable amount.

Revenue Recognition

The principles of revenue recognition are given below:

- General systems of accounting is mercantile, accordingly the income/expenditure are recognized on accrual basis on reasonable certainty concept.
- > Sales of goods traded accounted net off Indirect Taxes as applicable.
- > Dividend income is recognized when right to receive payment is established.

Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, and it is probable that there will be an outflow of resources. Liabilities which are of contingent nature are not provided but are disclosed at their estimated amount in the notes forming part of the accounts.

Investments

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are measured at cost or market value whichever is lower, determined on an individual investment basis. Long Term Investments are stated at

🌀 Sun Retail Limited

cost. Provision for diminution in the value of long-term investment is made only if such a decline is other than temporary.

Event occurring after the Balance Sheet Date

No significant events which could affect the financial position as on 31st March, 2022, to a material extent have been reported by the management, after the Balance Sheet date till the date of Annual General Meeting of Holding Company M/s TJR Agro com Pvt. Ltd.

Prior period Items

Prior period expenses/income is accounted for under respective heads. Material items, if any, are disclosed separately by way of note.

Preliminary Expense

No Preliminary expense Written off.

Earnings Per Share

The earning considered in ascertaining the Company's Earnings Per Share (EPS) comprises the net profit after tax. The number of shares used in computing Basic and diluted EPS is weighted average number of shares outstanding during the year as per the guidelines of AS-20 and calculation of EPS is shown in notes to account.

24. Notes on Accounts

Contingent Liabilities

According to the information & explanation provided by the company, there is no liability of Contingent nature was outstanding as at 31st March, 2022.

> Capital Expenditure Commitments: Nil

Related Party Transactions:-

As per Accounting Standard (AS -18) issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties are given below: List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name	Relationship
1	Nalin Ranbahadur Johari	Manager
2	Jalpaben Dilipbhai Dholakiya	Independent Director
3	Parin Shirishkumar Bhavsar	Company Secretary
4	Dharamjit Bhupatsinh Mori	CFO(KMP), Whole Time Director
5	Rakesh Nareshchandra Kapadia	Additional Non-Executive Director
6	Shri. Jaysheel Thakkar	Director of Promoter Company
7	Ankur Dahyabhai Acharya	Independent Director
8	Parth Acharya	Independent Director
9	TJR Agrocom Private Limited	Promoter Company



/ 11	alisactions with Related Fai the	.5		
Sr. No.	Party	Name	2021-2022	2020-2021
1	TJR Agrocom Private Limited	Loan Accepted	1,93,51,000	2,28,500
		Loan Repaid	2,00,84,500	Nil
		Closing Balance	-	7,33,500
2	Jaysheel Thakkar	Loan Accepted	72,26,000	9,21,000
		Loan Repaid	1,37,63,700	65,58,000
		Closing Balance	9,000	65,28,700
3	Ankur Acharya	Sitting Fees Paid	1,55,000	
	-	Closing Balance	10 10 <u>-</u>	
4	Dharamjit Bhupatsinh Mori	Director	4,54,000	
	n van det de belonden, en de stan 🖌 den volgen de benon 🖡 historiker en bestelden op de benoemde kan de op	Remuneration		
5	Parth Acharya	Sitting Fees Paid	70,000	
	.	Closing Balance	18,216	

Transactions with Related Parties

> Payment to the Auditors

Particulars	2021-2022	2020-2021
Audit Fees	60,000	45,000
Others	-	-
Total	60,000	45,000

> Earnings per Share: -

The earning considered in ascertaining the company's EPS comprises the profit available for shareholders i.e. profit after tax and statutory/regulatory appropriations. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year as per the guidelines of AS-20 (Kindly verify the Profit & Loss Account for Details).

> <u>Others</u>

- In opinion of the management of the company, all loans, advances, and deposits are recoverable in cash or kind for value to be received for which no provision is required.
- Confirmations of the concerned parties for the amount due to them and/or due from them as per accounts of the company are not received. Necessary adjustments, if any, will be made when accounts are reconciled or settled. Balance of sundry debtors and creditors, loans and advances accepted and given in the balance sheet are subject to confirmation.
- Ageing bifurcation in case of Sundry Debtors was not possible so we have on random basis verified the ledgers and accordingly shown the bifurcation of Sundry Debtors receivable to satisfy more than six months & less than six months criteria.

- The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For, Sun Retail Limited,

Sd/-Dharamjit Mori Whole Time Director & CFO DIN: 08038027 **Sd/-**Rakesh Kapadia Additional Non-Executive Director DIN: 09361904

Place: Ahmedabad Date: 27/05/2022 **Sd/-Parin Bhavsar** Company Secretary Chartered Accountants FRN: 109850W

For, G M C A & Co.

Sd/-CA. Mitt S. Patel (Partner) Membership No. 163940 UDIN: 22163940AJTBZX2770









Independent Auditor's Report

To The Board of Directors of Sun Retail Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **SUN RETAIL LIMITED**, which comprise the Balance Sheet as at 31st March, 2021 the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have considered the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

Sun Retail Limited

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2021;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

- 1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014), together with the early adoption by the Company of Accounting Standard (AS) 30 Financial Instruments, Recognition and Measurement, effective April 1, 2007, and the consequential limited revisions as has been announced by the Institute of Chartered Accountants of India to certain Accounting Standards, as stated in Note 2 (a) and 38.
 - e) On the basis of written representations received from the directors as on 31st March, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the other matters included in the Auditor's Report and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.



- ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
- iii. There is no amount required to be transferred, to the investor's education & Protection Fund by the Company.

For, G M C A & Co. Chartered Accountants FRN: 109850W

Sd/-CA. Mitt S. Patel (Partner) Membership No. 163940 UDIN: 21163940AAAA006923

Place: Ahmedabad Date: 29/06/2021

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **M/S. Sun Retail Limited** ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial



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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021.

For, G M C A & Co. Chartered Accountants FRN: 109850W

Sd/-CA. Mitt S. Patel (Partner) Membership No. 163940 UDIN:21163940AAAA006923

Place: Ahmedabad Date: 29/06/2021

Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March, 2021

To,

The Members of Sun Retail Limited

(1) In Respect of Fixed Assets

(a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.

(c) Yes, The Title deeds of Immovable Properties are held in the name of the Company.

(2) In Respect of Inventories

As explained to us, the inventories (excluding inventories with third parties) were physically verified during the year by the Management at reasonable intervals.

(3) Compliance under section 189 of The Companies Act, 2013

The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

(4) Compliance under section 185 and 186 of The Companies Act, 2013

While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

(5) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits

According to information and explanations given to us, the Company has not accepted any deposits from public during the year. In respect of unclaimed deposits, the Company has complied with the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules made thereunder.

(6) Maintenance of cost records

The Company is not required to maintain cost Records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

(7) Deposit of Statutory Dues

(a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales Tax, Wealth Tax, Service Tax, Duty of customs, Duty of excise, Value added tax, Cess and any other material statutory dues with the appropriate authorities.

(b) According to the information and explanations given to us, no undisputed amount payable, sales tax, service tax wealth tax, custom duty, excise duty, cess were in arrears, as at 31st March, 2021 for a period of more than six months from the date they become payable except Income Tax of Rs. 2,79,452 /- of AY 2018-19, & interest thereon.

Sun Retail Limited

(8) Repayment of Loans and Borrowings

The company has not defaulted in repayment of dues to financial institution, bank or debenture holders.

(9) Utilization of Money Raised by Public Offers and Term Loan For which they Raised

Yes, The Company has raised Fund by way of Initial Public Offer (SME) and the same has been utilized for Business Purposes only.

(10) Reporting of Fraud During the Year

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

(11) Managerial Remuneration

Managerial Remuneration has not been provided by the Company.

(12) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

As per information and records available with us The company is not Nidhi Company.

(13) Related party compliance with Section 177 and 188 of companies Act - 2013

Yes, All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(14) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures

According to the information and explanations given to us and on the basis of our examination of the record of the company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

(15) Compliance under section 192 of Companies Act - 2013

The company has not entered into any non-cash transactions with directors or persons connected with him.



(16) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act.

For, G M C A & Co. Chartered Accountants FRN: 109850W

Sd/-CA. Mitt S. Patel Partner Membership No. 163940 UDIN: 21163940AAAA006923

Place: Ahmedabad Date: 29/06/2021

SUN RETAIL LIMITED BALANCE SHEET AS AT 31/03/2021

Partic	ulars	Note No.	As at 31st March, 2021	As at 31st March, 2020
I. Equity & Liabilities				
1. Share Holders' Fund			165,602,130	167,173,56
(a) Share Capital		1	96,980,000	96,980,00
(b) Reserve & Surplus		2	68,622,130	70,193,56
2. Noncurrent Liabilities			13,877,245	19,268,08
(a) Long term borrowing		3	13,822,800	19,246,30
(b) Deferred tax liabilities (54,445	21,78
(c) Other Long term Liabilit	ies		-	
(d) Long Term Provisions			-	-
3. Current Liabilities			52,668,690	37,721,16
(a) Short Term Borrowings			-	-
(b) Trade Payables		4	39,659,488	24,967,00
(c) Other Current Liabilities	i	5	279,452	69,412
(d) Short Term Provisions		6	12,729,750	12,684,754
Total			232,148,065	224,162,81
II. Assets				
1. Non-Current Assets			103,829,771	100,490,46
(a) Fixed Assets		7		1,457,178.6
(i) Tangible Assets			3,922,608	5,223,30
(Less) Depreciation Fund			(3,922,608)	(3,779,08
(ii) Intangible Assets			34,778	47,19
(Less) Depreciation Fund			(34,778)	(34,22
(b) Non-Current Investmen	ts		(0.),	(0,)
(c) Long Term Loans & Adv		8	60,729,578	56,033,28
(d) Other Non-Current Asse		9	43,100,193	43,000,00
2. Current Assets		-	128,318,293	123,672,35
(a) Inventories		10	1,204,026	439,99
(b) Trade Receivables		11	124,122,526	114,829,89
(c) Cash & Cash Equivalents	s	12	51,407	704,46
(d) Short term Loans & Adv		13		4,757,670
(e) Other Current Assets		14	2,940,334	2,940,33
Total			232,148,065	224,162,81
		• · · ·		
Contingent Liabilities & Cor	mmitments	Nil		
For Sun Retail Limited				For, G M C A & Co.
				Chartered Accountants
Sd/-	Sd/-			FRN : 109850W
Dharamjit Mori	Bhumika Padiya			
WholeTime Director & CFO	Additional Director			Sd/-
DIN: 08038027	DIN: 08561337			CA. Mitt S. Patel
Place : Ahmedabad				Partner
Date : 29/06/2021				Membership No. 163940

SUN RETAIL LIMITED

STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE PERIOD

FROM 01-04-2020 TO 31-03-2021

	Particulars		Note No.	2020-2021	2019-2020
I.	Revenue From Operations		15	16,238,019.94	22,480,240.64
I	Other Income		16		998.90
II	Total Revenue (I+II)			16,238,019.94	22,481,239.54
v	Expenses				
	Purchase of Stock in Trade		17	16,880,536	630,20
	Changes in Inventories		18	(764,034)	(429,30
	Employee Benefit Expenses		19	477,834	174,40
	Finance Costs		20	533	5,570
	Depreciation & Amortisation Expenses		21	145,056	343,582
	Other Expenses		22	1,036,873	22,703,650
	Total Expenses			17,776,798.12	23,428,103.97
v	Profit Before Exceptional & Extraordinar	y Items & Tax (III-IV)		(1,538,778)	(946,864
VI	Exceptional Items				
VII	Profit Before Extraordinary Items & Tax			(1,538,778)	(946,864
	Extraordinary Items			-	-
VIII	Profit Before Tax			(1,538,778)	(946,864
IX	Tax Expenses				
	Current Tax/ Interest on Income Tax/ Def	erred Tax		32,663	(11,761
Х	Profit/(Loss) for the period from Continu	ing Operations(IX-X)		(1,571,441)	(935,103
XI	Profit/(Loss) from Discontinuing Operatio	ns		-	-
XII	Tax Expense of Discontinuing Operations			-	:
XIII	Profit/(Loss) from Discontinuing Opera	tions (after tax)(XII-XIII)		-	-
XIV	Profit/(Loss) for the Period(XI+XIV)			(1,571,441)	(935,103
xv	Earning Per Equity Share				
×ν				(0.1.5)	10.14
	Basic			(0.16)	(0.10
_	Diluted			(0.16)	(0.10
The l	Notes referred to above form an integral p	art of the Balance Sheet			
For S	un Retail Limited			For,	G M C A & Co.
				Cha	rtered Accountants
Sd/-		Sd/-		FRN	: 109850W
	amjit Mori	Bhumika Padiya			
	eTime Director & CFO	Additional Director		Sd/-	
DIN: (08038027	DIN: 08561337		CAI	Mitt S. Patel
	: Ahmedabad			Part	iner
Date	: 29/06/2021			Mer	mbership No. 163940

	<u>SUN RETAI</u> CASHFLOW STATEMEI		
Pa	rticulars	As at 31st March, 2021	As at 31st March, 2020
A Cash flow from Operating Activ	ities	, o u o o o o o o o o o o o o o o o o o	
Net Profit Before Tax		(1,538,778)	(946,86
Adjustments for:		(1,000,170)	(5-10,00
Add Depreciation		145,056	343,58
Add Prelimnary Expenses Writ	tten Off		5 15,50
Add Fixed Assets Written Off		414,243	2
Add Interest Expenses		-	2
Less Dividend Income		-	2
Less Adj. of Depriciation on sa	le of Assets	-	2
Less Short Term Capital Gain (
Less Profit on sale of Fixed Ass	er tradución de restruction de la construction en		2
Operating Profit / (Loss) before V	Working Capital Changes	(979,479)	(603,28
Adjustments for:	working capital changes	(575,475)	(003,20
Increase/(Decrease) in creditors		14,692,487	(5,038,81
Increase/(Decrease) in other cur	ront liabilities	210,040	(153,65
Increase/(Decrease) in other Pro		44,996	11,580,24
(Increase)/Decrease in debtors	VISIOIIS	(9,292,636)	
			34,042,40
(Increase)/Decrease in inventori		(764,034)	(429,30
(Increase)/Decrease in other cur		1	(
(Increase)/Decrease in Short Ter	In Loan & Advances	4,757,676	(4,731,32
Other Adjustments		(10,621)	57
Cashflow generated from Opera	ating Activities	8,658,429	34,666,27
Income Tax Paid (Net of Refund	-		-
Net Cashflow generated from O		8,658,429	34,666,27
B Cash flow from Investment Acti	vities		
Purchase of Fixed Assets		-	-
Sale of Fixed Assets		908,500	57
Sale of Investments			-
Purchase of Investments		-	-
Share Application Money Receiv	ed Back	()	-
Dividend Income			-
Net Cashflow generated from Ir	vestments Activities B	908,500	-
C Cash flow from Financiang Activ	rities		
Short term borrowings		-	-
Share Alloted		-	
Issue of Equity share			
Interest Expenses			
(Increase)/Decrease in other nor	o-current assets	(100,193)	1,011,54
(Increase)/Decrease in Long terr		(4,696,296)	(28,784,94
Increase/(Decrease) in non curre		(5,423,500)	(8,130,10
Net Cashflow generated from Fi		(10,219,989)	(35,903,50
Her cashier Benerates Herri		(10)110)5007	(00)000,00
Net Change in Cash & Cash Equi	valents (A+B+C)	(653,060)	(1,237,22
Opening Cash & Cash Equivalent		704,467	1,941,69
Closing Cash & Cash Equivalents		51,407	704,46
For Sun Retail Limited			For, G M C A & Co.
our notan Limiteu			Chartered Accountants
Sd/-	Sd/-		FRN : 109850W
Dharamjit Mori	Bhumika Padiya		
WholeTime Director & CFO	Additional Director		Sd/-
DIN: 08038027	DIN: 08561337		CA. Mitt S. Patel
Place : Ahmedabad	DIN. 00301337		Partner
Date : 29/06/2021			
Date : 29/06/2021			Membership No. 16394

SUN RETAIL LIMITED

Notes to the Financial Statements

1 Share Capital

1.1 Authorized, Issued, Subscribed and Paidup share capital

	Particulars	As at 31st N	larch, 2021	As at 31st N	larch, 2020
		No. of Shares	Amount	No. of Shares	Amount
Authorised S	hare Capital				
Equity Shares	s of Rs. 10 Each	10,000,000	100,000,000	10,000,000	100,000,000
Total		10,000,000	100,000,000	10,000,000	100,000,000
Issued Share	Capital				
Equity Shares	s of Rs. 10 Each	9,698,000	96,980,000	9,698,000	96,980,000
Total		9,698,000	96,980,000	9,698,000	96,980,000
Subscribed 8	Fully Paid				
Equity Shares	s of Rs. 10 Each	9,698,000	96,980,000	9,698,000	96,980,000
Total		9,698,000	96,980,000	9,698,000	96,980,000
2 Share Holder	rs Holding More than 5% Share				
Name of the Share Holders		As at 31st N	larch, 2021	As at 31st N	larch, 2020
		No. of Shares	% of Holding	No. of Shares	% of Holding
TJR AGRO CO	OM PRIVATE LIMITED	5,298,690	54.64	5,298,690	54.64
ARDENT VEN	TURES LLP	648,000	6.68	648,000	6.68
Reconciliatio	n of Share Capital				
	Particulars	As at 31st N	larch, 2021	As at 31st N	larch, 2020
		No. of Shares	Amount	No. of Shares	Amount
Equity Share					
(Face Value I	· · · · · · · · · · · · · · · · · · ·				
	anding at the Beginning of the Year	9,698,000	96,980,000	5,300,000	53,000,000
	d during the year	-	141	4,398,000	43,980,000
	lled during the year	2	2,800,000	12	02
28	anding at the End of the Year	9,698,000	94,180,000	9,698,000	96,980,000

		Gross I	Block			Depre	eciation		Net Bl	ock
Particulars	As at 01/04/2020	Addition	Deduction	As at 31/03/2021	As at 01/04/2020	Depreciation Charge	Deduction	As at 31/03/2021	As at 31/03/2021	As at 31/03/2020
Plant & Machinery	4295091	0	1253299	3041792	2916827	124965	0	3041792	0	1378264
Car	535891	0	26795	509096	509096	0	0	509096	0	26795
AC	227020	0	18759	208261	196017	12244	0	208261	0	31003
Mobile	9500	0	475	9025	8792	233	0	9025	0	708
LED	5550		2876	2674	2244	859	0	3103	0	3300
Computer	159887	0	8127	151760	146110	5650	0	151760	0	13777
Total Tangible Assets	5232939	0	1310331	3922608	3779086	143951	0	3922608	0	1453853
2 Intangible Assets		Gross I	Block			Dopre	eciation		Net Bl	ock
	As at			Asat	As at	Depreciation				Asat
Particulars	01/04/2020	Addition	Deduction	31/03/2021	01/04/2020	Charge	Deduction	As at 31/03/2021	As at 31/03/2021	31/03/2020
Trademark	10000	0	10000	0		0	0	0	0	10000
Software	37190	0	2412	34778	34,226	1104	552	34778	0	2964
Total Intangible Assets	47190	0	12412	34778	34226	1104	552	34778	0	12964

2 1	Reserve & Surplus		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
	Securities Premium Account		
	Opening balance	70,174,000	70,174,00
	+/- Allotment of Shares	-	-
	Closing Balance	70,174,000	70,174,00
	General Reserve		
	Opening balance	-	
	+ Adjustment in persuant to the scheme of Demerger	-	
	Closing Balances	2	-
	Profit & Loss A/c		
	Opening balance	19,571	954,67
	+/- Transfer of Current Year Profit/Loss	(1,571,441)	(935,10
	(-) Adjustment of Depreciation	(2,5, 2, .,2)	(000)10
	Closing balance	-1,551,870	19,57
		-1,551,870	12,57
	Total	68,622,130	70,193,57
3 1	Long term Borrowing		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
	Secured Loans	-	
		<u>e</u>	-
	Unsecured Loans		
	Loan from Holding Company	733,500	505,00
	Loan from Directors	/33,300	505,00
	Loan from Others	- 13,089,300	18,741,30
	T 1	13,822,800	19,246,30
	Total	13,822,800	19,246,300
1	Trade Payables		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
	For Goods (Incl. of Micro, Small & Medium Enterprises)	39,246,167	24,879,114
	For Expense	413,321	87,88
	for Expense	413,321	07,00
	Total	39,659,488	24,967,00
5 (Other Current Liabilities		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
	Statutory Dues	279,452	69,412
	Total	279,452	69,412
5 5	Short term Provisions		
	Particulars	As at 31st March, 2021	As at 31st March, 2020
	Provision for Expense	48,500	3,500
	Provision for Income Tax	1,057,513	1,057,513
	Provision for Skill Exp. Payable	1,623,737	1,623,74
	Total	12,729,750	12,684,754
3 I	Long term Loans & Advances		
• I	Long term Loans & Advances Particulars	As at 21st March 2021	As at 21 at March 2020
		As at 31st March, 2021	As at 31st March, 2020
	Deposits	500	50
	Telephone Deposit (BSNL)	500	50
	Other Long Term Loans & Advances	60,729,078	56,032,78
	Other Advances	1,440,765	314,77
	Advance to Suppliers	59,288,313	26,608,06
	Advance recoverable in Cash or in Kind	-	29,109,94



		Total	60,729,578	56,033,28
9	Other Non-current Assets			
		Particulars	As at 31st March, 2021	As at 31st March, 2020
	Deposites		43,000,000	43,000,00
	Statutory dues		100,193	
		Total	43,100,193	43,000,00
10	Inventories			
		Particulars	As at 31st March, 2021	As at 31st March, 2020
	Stock In Trade		1,204,026	439,99
		Total	1,204,026	439,99
11	Trade Receivables			
	Outstanding for loss than	Particulars	As at 31st March, 2021	As at 31st March, 2020
	Unsecured, considered g	6 months from the due date ood		
		an 6 months from the due date	124,122,526	114,829,89
	Unsecured, considered g	ood		
		Total	124,122,526	114,829,89
12	Cash & Cash Equivalents			
		Particulars	As at 31st March, 2021	As at 31st March, 2020
	Balances with Banks		28,321	(69,36
	In Current Account Cash on Hand		28,321 23,087	(69,36 773,82
		Total	51,407	704,46
13	Short term Loans & Advar		51,407	704,46
13	Short term Loans & Advar		51,407 As at 31st March, 2021	
13	Other Loans & Advances	nces Particulars		
13	Other Loans & Advances Unsecured, Considered g	nces Particulars		As at 31st March, 2020
13	Other Loans & Advances	nces Particulars good		As at 31st March, 2020 21,67
13	Other Loans & Advances Unsecured, Considered g VAT Credit	nces Particulars good		As at 31st March, 2020 21,67 113,67
13	Other Loans & Advances Unsecured, Considered g VAT Credit Advances Recoverable in	nces Particulars good		As at 31st March, 2020 21,67 113,67 4,622,32
	Other Loans & Advances Unsecured, Considered g VAT Credit Advances Recoverable in	nces Particulars good Cash or Kind		As at 31st March, 2020 21,67 113,67 4,622,32
	Other Loans & Advances Unsecured, Considered g VAT Credit Advances Recoverable in Other Advances	nces Particulars good Cash or Kind		As at 31st March, 2020 21,67 113,67 4,622,32 4,757,67
	Other Loans & Advances Unsecured, Considered g VAT Credit Advances Recoverable in Other Advances	nces Particulars good Cash or Kind Total	As at 31st March, 2021 - - - -	As at 31st March, 2020 21,67 113,67 4,622,32 4,757,67 As at 31st March, 2020
	Other Loans & Advances Unsecured, Considered g VAT Credit Advances Recoverable in Other Advances Other Current Assets	nces Particulars good Cash or Kind Total	As at 31st March, 2021 - - - As at 31st March, 2021	As at 31st March, 2020 21,67 113,67 4,622,32 4,757,67 As at 31st March, 2020 2,940,33
	Other Loans & Advances Unsecured, Considered g VAT Credit Advances Recoverable in Other Advances Other Current Assets	nces Particulars good Cash or Kind Total Particulars	As at 31st March, 2021 - - - As at 31st March, 2021 2,940,334	As at 31st March, 2020 21,67 113,67 4,622,32 4,757,67 As at 31st March, 2020 2,940,33
14	Other Loans & Advances Unsecured, Considered g VAT Credit Advances Recoverable in Other Advances Other Current Assets	nces Particulars good Cash or Kind Total Particulars Total	As at 31st March, 2021 - - - As at 31st March, 2021 2,940,334	As at 31st March, 2020 21,67 113,67 4,622,32 4,757,67 As at 31st March, 2020 2,940,33
14	Other Loans & Advances Unsecured, Considered a VAT Credit Advances Recoverable in Other Advances Other Current Assets Public Issue Exp Revenue from Operations	Aces Particulars good Cash or Kind Total Particulars Total Total	As at 31st March, 2021	As at 31st March, 2020 21,67 113,67 4,622,32 4,757,67 As at 31st March, 2020 2,940,33 2,940,33 2,940,33
14	Other Loans & Advances Unsecured, Considered a VAT Credit Advances Recoverable in Other Advances Other Current Assets Public Issue Exp Revenue from Operations (A) Sale of Products & Sa	nces Particulars good Cash or Kind Total Particulars Total Total evices	As at 31st March, 2021 - - - - As at 31st March, 2021 2,940,334 2,940,334 2,940,334	As at 31st March, 2020 21,67 113,67 4,622,32 4,757,67 As at 31st March, 2020 2,940,33 2,940,33 2,940,33 2,940,33
14	Other Loans & Advances Unsecured, Considered a VAT Credit Advances Recoverable in Other Advances Other Current Assets Public Issue Exp Revenue from Operations (A) Sale of Products & Sa (1) Sale of Pump,Oil,	Aces Particulars good Cash or Kind Total Particulars Total Total Particulars evices Seeds & Tins	As at 31st March, 2021	As at 31st March, 2020 21,67 113,67 4,622,32 4,757,67 As at 31st March, 2020 2,940,33 2,940,33 2,940,33 2,940,33 2,940,33
14	Other Loans & Advances Unsecured, Considered a VAT Credit Advances Recoverable in Other Advances Other Current Assets Public Issue Exp (A) Sale of Products & Sa (1) Sale of Pump,Oil, (2) Skill Developmen	Aces Particulars good Cash or Kind Total Particulars Total Total Particulars evices Seeds & Tins	As at 31st March, 2021	As at 31st March, 2020 21,67 113,67 4,622,32 4,757,67 As at 31st March, 2020 2,940,33 2,940,34 2,9
14	Other Loans & Advances Unsecured, Considered a VAT Credit Advances Recoverable in Other Advances Other Current Assets Public Issue Exp Revenue from Operations (A) Sale of Products & Sa (1) Sale of Pump,Oil,	Aces Particulars good Cash or Kind Total Particulars Total Total Particulars evices Seeds & Tins	As at 31st March, 2021 - - - - As at 31st March, 2021 2,940,334 2,940,334 2,940,334	704,46 As at 31st March, 2020 21,67 113,67 4,622,32 4,757,67 As at 31st March, 2020 2,940,33 2,940,33 2,940,33 2,940,33



	(B) Profit/(Loss) on sale of ma	Total	16,238,020	22,480,24
16 01	her Income			
10 01		articulars	2020-2021	2019-2020
	Miscellaneous Income		-	2013 2020
	Wiscellaneous meome			
		Total	-	99
17 Pu	rchase of Stock in Trade			
	P	articulars	2020-2021	2019-2020
	(A) Purchase of Products			
	(1) Pumps,Oil, Seeds & Ti		5,033,650	630,20
	(2) Skill Development Wo (3) Purchase of Gold	rĸ	- 11,596,885	
	(4) Purchase Others		-	-
	(B) Purchase of machinery		250,000	
		Total	16,880,536	630,20
18 Ch	ange in Inventory			
		articulars	2020-2021	2019-2020
	(A) Opening Stock		439,992	10,69
	Finished Goods			
	(1) Oil, Seeds & Tins (2) Goods in Transit		439,992	10,69
	(A) Closing Stock Finished Goods		1,204,026	439,99
	(1) Oil, Seeds & Tins		1,204,026	439,99
	(2) Goods in Transit		-	-
		Total	(764,034)	(429,30
19 En	nployee Benefit Expenses			
		articulars	2020-2021	2019-2020
	Salary & Wages		444,500	124,40
	Director Remuneration		33,334	50,00
		Total	477,834	174,40
аа г'	2 1			
20 FII	nance Costs			
		articulars	2020-2021	2019-2020
	Interest Expense Bank Charges		- 533	- 5,57
		Total	533	5,57
	preciation & Amortization I	Expenses		
21 De			2020-2021	2019-2020
21 De	P	articulars	2020-2021	
21 De	P	articulars	145,055	343,58



Particulars	2020-2021	2019-2020
Payment to Auditors *	45,000	10,000
Depository Fees		22,500
Advertisement Expenses	-	12,960
Annual Listing Fees	25,000	44,611
Application Fees		330,500
Admin Expenses	5 3	2,637,421
Director Sitting Fees	-	90,000
Office Expenses	720	5,250
Loss on sale of machinery	133,500	-
Rent	120,000	100,000
Stationery & Printing	-	24,577
Subscription & Membership Expense		14,350
Transportation Expenses	-	24,300
Legal & Professional Charges	94230	43011
Consultancy Expenses		1337503
Infrastructure Expenses		334173
Mobilizer Exp.	-	222775
Other Miscellaneous Expenses	618,423	12,531
Total	1,036,873	22,703,650
* Payment to Auditors		
For Audit Fees	45,000	10,000
For Others	-	-

23. Significant Accounting Policies

Company Overview

Sun Retail Limited ("the company") is a listed company domiciled in India and incorporated under the provisions of the Companies Act, 1956. The company is engaged in the business of trading into refined/filtered edible oils. The company is listed on Bombay Stock Exchange.

Basis for Preparation of Financial statements

These financial statements have been prepared in accordance with the generally accepted accounting principles in India, based on going concern under the historical cost convention and also on accrual basis. These financial statements comply, in all material aspects, with the provisions the Companies Act, 2013 (to the extent applicable) and also accounting standards prescribed by the Companies (Accounting Standards) Rules, 2006, which continue to be applicable in respect of Section 133 of the Companies Act, 2013 in terms of General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. All the divisions of the Company have normal operating cycle of less than twelve months, hence a period of twelve months has been considered for bifurcation of assets and liabilities into current and non-current as required by Schedule III to the Companies Act, 2013 for preparation of Financial Statements The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

Use of Estimates

The preparation of financial statements is conformity with generally accepted accounting principles require management to make assumptions and estimates, which it believes are reasonable under the circumstances that affect the reported amounts of assets and liabilities on the date of financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates. Difference between the actual results and estimates are recognized in the period in which the results are known /materialized.

Inventories

The inventories as at year end have been taken, valued & certified by the Directors of the company. As informed by the Management, the valuation of the inventories has been made at Cost (FIFO Method).

Cash Flow Statement

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

Sun Retail Limited

Fixed assets

Fixed Assets are stated at cost less depreciation. Cost comprises of cost of acquisition and any attributable cost of bringing the assets to the condition for its intended use. Gains or losses arising from de-recognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation and Amortization

Depreciation on fixed assets is calculated on a WDV basis using the rates arrived at based on the useful lives estimated by the management, or those prescribed under the Schedule II to the Companies Act, 2013, whichever is higher. The company has used the following useful life of assets to provide depreciation on its fixed assets.

Asset	Useful Life
Computer	3 Years
Office equipment	5 Years
Factory building	30 Years
Vehicle	10 Years
Software	3 Years

Impairment of assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been any change in the estimate of recoverable amount.

Revenue Recognition

The principles of revenue recognition are given below:

- General systems of accounting is mercantile, accordingly the income/expenditure are recognized on accrual basis on reasonable certainty concept.
- Sales of goods traded accounted net off Indirect Taxes as applicable.
- > Dividend income is recognized when right to receive payment is established.

Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Liabilities which are of contingent nature are not provided but are disclosed at their estimated amount in the notes forming part of the accounts.

Investments

Investments that are readily realizable and intended to be held for not more than a year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments. Current investments are measured at cost or market value

whichever is lower, determined on an individual investment basis. Long Term Investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

Sun Retail Limited

Event occurring after the Balance Sheet Date

No significant events which could affect the financial position as on 31stMarch, 2021, to a material extent have been reported by the management, after the Balance Sheet date till the date of Annual General Meeting of Holding Company M/s TJR Agro com Pvt. Ltd.

Prior period Items

Prior period expenses/income is accounted for under respective heads. Material items, if any, are disclosed separately by way of note.

Preliminary Expense

No Preliminary expense Written off.

Earnings Per Share

The earning considered in ascertaining the Company's Earnings Per Share (EPS) comprises the net profit after tax. The number of shares used in computing Basic and diluted EPS is weighted average number of shares outstanding during the year as per the guidelines of AS-20 and calculation of EPS is shown in notes to account.

24. Notes on Accounts

Contingent Liabilities

According to the information & explanation provided by the company, there is no liability of Contingent nature was outstanding as at 31st March, 2021.

> Capital Expenditure Commitments: Nil

Related Party Transactions:-

As per Accounting Standard (AS -18) issued by the Institute of Chartered Accountants of India, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

Sr. No.	Name	Relationship	
1	Nalin Ranbahadur Johari	Manager	
2	Jalpaben Dilipbhai Dholakiya	Director	
3	Mahesh Kishanbhai Moteevaras	Company Secretary	
4	Dharamjit Bhupatsinh Mori	CFO(KMP)	
5	Bhumika Padiya	Additional Director	
7	Shri. Jaysheel Thakkar	Director of Holding Company	
8	Keval Dhirajbhai Rabari	Director of Holding Company	
9	Raj Nileshkumar Prajapati	Additional Director	

10	Ankur Dayyabhai Acharya	Additional Director
11	Pranaybhai Nileshbhai Prajapati	Whole Time Director
12	Parth Acharya	Additional Director
13	TJR Agrocom Private Limited	Holding Company

> Transactions with Related Parties

Sr. No.	Party	Name	2020-2021	2019-2020
1	TJR Agrocom Private Limited	Loan Accepted	2,28,500	3,55,000
		Loan Repaid	Nil	Nil
		Sales	2,95,000	Nil
		Closing Balance	2,95,000	Nil
2	Jaysheel Thakkar	Loan Accepted	9,06,000	19,35,500
		Loan Repaid	65,58,000	68,20,600
3	Dharamjit Bhupatsinh Mori	Director	-	50,000
54539	no skupa se na br>Na se na s	Remuneration		

> Payment to the Auditors

Particulars	2020-2021	2019-2020
Audit Fees	45,000	10,000
Others	0	0
Total	45,000	10,000

> Earnings per Share:-

The earning considered in ascertaining the company's EPS comprises the profit available for shareholders i.e. profit after tax and statutory/regulatory appropriations. The number of shares used in computing Basic EPS is the weighted average number of shares outstanding during the year as per the guidelines of AS-20 (Kindly verify the Profit & Loss Account for Details).

> <u>Others</u>

- In opinion of the management of the company, all loans, advances, and deposits are recoverable in cash or kind for value to be received for which no provision is required.
- Confirmations of the concerned parties for the amount due to them and/or due from them as per accounts of the company are not received. Necessary adjustments, if any, will be made when accounts are reconciled or settled. Balance of sundry debtors and creditors, loans and advances accepted and given in the balance sheet are subject to confirmation.
- Ageing bifurcation in case of Sundry Debtors was not possible so we have on random basis verified the ledgers and accordingly shown the bifurcation of Sundry Debtors receivable to satisfy more than six months & less than six months criteria.

🌀 Sun Retail Limited

- The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever necessary. Amounts and other disclosures for the preceding year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

For, Sun Retail Limited

For, G M C A & Co. Chartered Accountants FRN: 109850W

Sd/-**Dharamjit Mori** Whole Time Director & CFO DIN: 08038027

Sd/-**Bhumika Padiya** Additional Director DIN: 08561337 Sd/-**CA. Mitt S. Patel** (Partner) Membership No. 163940 UDIN: 21163940AAAA006923

Place: Ahmedabad Date: 29/06/2021



ACCOUNTING RATIOS

The following tables present certain accounting and other ratios derived from Unaudited Financial Statements for the six months period ended September 30, 2023 and Audited Financial Information for the Financial Years ending March 31, 2023, March 31, 2022 and March 31, 2021 and . For further details please refer to the section titled 'Financial Information' beginning on page 82.

(Amount in ₹ lakhs, except mentioned otherw						
Particulars	2021	2022	2023	September 2023		
Net Profit/ (loss) after tax	(2.88)	(8.16)	(125.63)	(154.13)		
Income tax expenses	0.33	0.00	0.00	0.00		
Finance Cost	1.40	0.62	0.00	0.00		
Depreciation and Amortization expense	0.00	1.45	0.00	0.00		
Earnings Before Interest, Tax, Depreciation	(1.15)	(6.09)	(125.63)	(154.13)		
and Amortisation (A)						
Equity Share capital	969.80	1,551.68	1,551.68	1,551.68		
Reserves and Surplus	699.06	109.02	(16.61)	(171.52)		
Net Worth (B)	1,668.86	1,660.70	1,535.07	1380.16		
Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders <i>(C)</i>	(2.88)	(8.15)	(125.63)	(154.13)		
Number of issued, subscribed and fully paid-up Equity Shares outstanding as at the year ended (Numbers) (D)	969.80	1,551.68	1,551.68	1,551.68		
Return on Net Worth (%) <i>(C/B)</i>	(0.17)	(0.49)	(8.18)	(11.18)		
Net Asset Value per Equity Share (₹) <i>(B/D)</i>	1.721	1.070	0.99	0.89		
Basic and Diluted Earnings per Equity Share (₹)	(0.03)	(0.01)	(0.08)	(0.10)		

Where,

Basic Earnings per Equity Share $(\mathbf{F}) =$

Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable

Weighted Average number of Equity Shares

Diluted Earnings per Equity Share $(\mathbf{F}) =$

Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders after exceptional item, as applicable

Weighted Average number of Equity Shares (including convertible securities)

Return on Net Worth (%) =

Profit for the Year as per Statement of Profit and Loss attributable to Equity Shareholders (prior to other comprehensive income)

Weighted Average number of Equity Shares (including convertible securities)

Net Worth

Net Asset Value per Equity Share $(\mathbb{R}) = \frac{1}{\mathbb{R}}$ Number of Equity Shares outstanding for the year



Statement of Capitalization

	(Amount in ₹ lakhs)				
Particulars	Pre-Issue as at March 31, 2023	As adjusted for the issue (Post-Issue)*			
Total Borrowings					
Current borrowings*	0.00	0.00			
Non-current Borrowings (including current maturity)*	656.04	656.04			
Total Equity					
Equity share capital*	1,551.68	4,655.04			
Other equity*	(16.61)	(16.61)			
Ratio: Total Borrowings (Non-current borrowings/ Total Equity)	0.43	0.14			

*These terms shall carry the meaning as per Schedule III of the Companies Act, 2013 (as amended).

Note: Notes: The figures disclosed above are based on the audited books of accounts of the Company as at March 31, 2023.



STOCK MARKET DATA FOR EQUITY SHARES OF OUR COMPANY

Our Company's Equity Shares are listed on the SME platform of BSE Limited and the Rights Equity Shares issued pursuant to this Issue will be listed on SME platform of BSE Limited. For further details, please refer to the section titled *'Terms of the Issue'* beginning on page 191.

Our Company shall receive an in-principle approval for listing of the Rights Equity Shares on the SME platform of BSE Limited to be issued pursuant to this Issue from Rights Equity Shares pursuant to letter bearing dated [•]. Our Company shall also make applications to stock exchange to obtain trading approval for the Rights Entitlements as required under the SEBI Rights Issue Circulars.

For the purpose of this section, unless otherwise specified:

- 1. Year is a Financial Year;
- 2. Average price is the average of the daily closing prices of the Equity Shares for the year, or the month, as the case may be;
- 3. High price is the maximum of the daily high prices and low price is the minimum of the daily low prices of the Equity Shares, as the case may be, for the year, or the month, as the case may be; and
- 4. In case of two days with the same high/low/closing price, the date with higher volume has been considered.

STOCK MARKET DATA OF THE EQUITY SHARES

The Equity Shares of our Company are listed on the SME platform of BSE Limited. Stock market data for our Equity Shares has been given on SME platform of BSE Limited.

The high, low and average prices recorded on SME platform of BSE Limited, during the preceding 3 (Three) Financial Years and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Financial Year	Date of High	High	Volume (No. of Equity Shares)	Date of Low	Low	Volume (No. of Equity Shares)	Average Price for the Financial Year
2022-23	05-Apr-22	1.24	21,12,000	14-Mar-23	0.41	1,92,000	0.74
2021-22	29-Jun-21	34.00	1,23,000	26-Nov-21	0.34	1,20,00,000	7.03
2020-21	21-Jan-21	32.15	6,000	20-Aug-20	17.4	9,000	24.21

Source: <u>www.bseindia.com</u>

The high, low, and average prices recorded on the SME platform of BSE Limited, during the last 6 (Six) months and the number of the Equity Shares traded on the days of the high and low prices were recorded are as stated below:

Month	Date of High	High	Volume (No. of Equity Shares)	Date of Low	Low	Volume (No. of Equity Shares)	Weighted Average Price
Aug-23	31-Aug-23	0.62	23,04,000	16-Aug-23	0.46	96,000	0.49
July-23	03-July-23	0.52	2,88,000	13-July-23	0.46	4,80,000	0.49
June-23	09-June-23	0.60	20,16,000	23-June-23	0.50	3,36,000	0.56
May-23	02-May-23	0.63	2,88,000	22-May-23	0.52	8,64,000	0.56
April-23	06-Apr-23	0.89	18,24,000	19-Apr-23	0.61	27,84,000	0.73
March-23	31-Mar-23	0.73	6,24,000	14-Mar-23	0.41	1,92,000	0.47

Source: <u>www.bseindia.com</u>

The Board has approved the Issue at their meeting held on March 24, 2023. The high and low prices of Equity Shares as quoted on the SME platform of BSE Limited on March 23, 2023, the day on which the trading in the Equity Shares happened immediately following the date of the Board meeting are as follows:

Date	High	Low	Volume (No. of Equity Shares)	Weighted Average Price
23-Mar-23	0.47	0.44	3,36,000	0.45

Source: <u>www.bseindia.com</u>

The Issue Price of ₹ 1 (Rupee One Only) per Equity Share.



MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with the section titled *'Financial Information'* beginning on page 82 of this Draft Letter of Offer.

Some of the information contained in the following discussion, including information with respect to our plans and strategies, contain forward-looking statements that involve risks and uncertainties. You should also read the section titled *'Forward Looking Statements'* and *'Risk Factors'* and beginning on page 18 and 24, respectively of this Draft Letter of Offer, which discuss a number of factors and contingencies that could affect our financial condition and results of operations.

You should read the following discussion and analysis of our financial condition and results of operations together with the Financial Statements, including the significant accounting policies, notes thereto and reports thereon, which have been prepared in accordance with Companies Act and SEBI ICDR Regulations.

The following discussion of our financial condition should be read in conjunction with our Audited Financial Statements for the years ended March 31, 2023, March 31, 2022 and March 31, 2021 and Unaudited Financial Statements for the six months period ended September 30, 2023 including the schedules and notes thereto and the reports thereto, which appear in the section titled *'Financial Information'* beginning on page 82 of this Draft Letter of Offer. The financial statements presented and discussed herein have been prepared to comply in all material respects with the notified accounting standards by Companies (Accounting Standards) Rules, 2006 (as amended), the relevant provisions of the Companies Act and SEBI (Issue of Capital and Disclosure Requirements) Regulations 2018. Our fiscal year ends on March 31 of each year. Accordingly, all references to a particular fiscal year/financial year are to the twelve-month period ended on March 31 of that year.

Note: Statement in the Management Discussion and Analysis Report describing our objectives, outlook, estimates, expectations or prediction may be 'Forward Looking Statements' within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors could make a difference to our operations include, among others, economic conditions affecting demand/supply and price conditions in domestic and overseas market in which we operate, changes in Government Regulations, Tax Laws and other Statutes and incidental factors.

OUR BUSINESS

Our Company was incorporated as "ShivJosh Foods Private Limited" under the provision of the Companies Act, 1956 vide certificate of incorporation dated May 28, 2007 issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Subsequently, the name of our Company was changed to Sun Retail Private Limited and fresh certificate of incorporation dated December 7, 2007 was issued by the Assistant Registrar of Companies, Gujarat, Dadra and Nagar Haveli. Consequent upon the conversion of our Company to public limited company, the name of our Company was changed to "Sun Retail Limited " and fresh certificate of incorporation dated December 21, 2017 was issued by the Deputy RoC, Registrar of Companies, Ahmedabad. Subsequently the equity shares of our Company got listed on SME exchange of BSE Limited with effect from October 16, 2018.

Our Company currently is currently in business of Trading of agricultural products, edible and nonedible oils, metals etc. Currently company is also managing the Skill Development Projects of Government.

For further details, please refer to the chapter titled 'Business Overview' beginning on page 65.

FINANCIAL PERFORMANCE

The financial performance of our Company for the Quarter ended September 30, 2023, March 31, 2023, March 31, 2021 is as follows:

Particulars	September 2023	Year ended March 31, 2023	Year ended March 31, 2022	(₹ in Lakhs) Year ended March 31, 2021
Total Revenue	1534.89	1511.56	206.49	270.53
EBITDA	(154.13)	(125.63)	(6.09)	(1.15)
Total Profit / (loss)	(154.13)	(125.63)	(8.16)	(2.88)

SIGNIFICANT DEVELOPMENTS AFTER MARCH 31, 2023 THAT MAY AFFECT OUR FUTURE RESULTS OF OPERATIONS

To the knowledge of our Company and except as disclosed herein, since the date of the last financial statements contained in this Draft Letter of Offer, no other circumstances have arisen which would materially and adversely affect or which would be likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 (twelve) months.

FACTORS AFFECTING OUR RESULTS OF OPERATIONS

Our business is subject to various risks and uncertainties, including those discussed in the section titled *'Risk Factors'* beginning on page 24 of this Draft Letter of Offer.

Our Company's future results of operations could be affected potentially by the following factors:

- 1. Company's ability to successfully implement our strategy, our growth and expansion;
- 2. Failure to comply with regulations prescribed by authorities of the jurisdictions in which we operate;
- 3. Inability to successfully obtain registrations in a timely manner or at all;
- 4. General economic and business conditions in the markets in which we operate and in the local, regional and national economies;
- 5. Our ability to effectively manage a variety of business, legal, regulatory, economic, social and political risks associated with our operations;
- 6. Changes in laws and regulations relating to the industries in which we operate;
- 7. Intensified competition in industries/sector in which we operate;
- 8. Our ability to attract, retain and manage qualified personnel;
- 9. Changes in political and social conditions in India or in countries that we may enter, the monetary and interest rate policies of India and other countries, inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- 10. Our ability to expand our geographical area of operation.
- 11. Our ability to purchase the material and the availability of the same at reasonable prices;
- 12. Changes in the SEBI and RBI regulations, interest rates and tax laws in India.

SIGNICANT ACCOUNTING POLICIES

Except as mentioned in section titled *'Financial Information'* beginning on page 82 of this Draft Letter of Offer, there has been no change in accounting policies during the Fiscal years 2023, 2022 and 2021.

CHANGES IN ACCOUNTING POLICIES

Except as mentioned in section titled *'Financial Information'* beginning on page 82 of this Draft Letter of Offer, there has been no change in accounting policies during the Fiscal years 2023, 2022 and 2021.



RESERVATIONS, QUALIFICATIONS, MATTER OF EMPHASIS, ADVERSE REMARKS / OTHER OBSERVATIONS IN CARO

For details, see section titled "Financial Statements" on page 82 of this Draft Letter of Offer.

PRINCIPAL COMPONENTS OF OUR STATEMENT OF PROFIT AND LOSS

Revenue

Our revenue comprises of:

i. Revenue from operations

Revenue from operations is on account of sales of products i.e. edible oil. It also includes other operating income.

ii. Other Income

Other income primarily comprises recurring income which includes Sale of Goods, interest income, and dividend income.

Expenses

Our expenses primarily comprise cost of material consumed, purchase of traded goods, changes in inventories of finished goods and work-in-progress, employee benefit expenses, finance costs, depreciation and amortization expenses and other expenses.

i. Cost of material consumed

The Cost of material consumed comprises of purchase of raw material like Oil, Seeds & Metals.

ii. Changes in inventories of finished goods, stock-in-trade

Changes in inventories of finished goods and stock-in-trade comprises of difference in closing stock vis-a-vis opening stock of finished goods.

iii. Employee benefit expense

Employee benefit expense consists of salaries, wages, contribution to provident fund & other funds, and staff welfare expenses.

iv. Finance cost

Finance cost comprises interest expense and other finance costs. Interest expense generally comprises interest on secured loans and unsecured loans. Other finance costs consist of bank charges and other fees.

v. Depreciation and Amortization Expense

Depreciation and amortization expense comprises of depreciation on buildings, property, plant and equipment, furniture & fixtures, office equipment, computers and vehicles.

vi. Other expenses

Other expenses comprise of bad debts expense, annual listing and other listing related expense, legal and professional, auditor remuneration and miscellaneous expenses.

vii. Exceptional items

Exceptional items comprise of loss on sale of land, long term capital gain, short term capital gain, profit on sale of land and short term capital loss.

viii. Tax expenses

Tax expense comprises of current tax and deferred tax. Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with applicable tax rates and the provisions of applicable tax laws. Deferred tax liability or asset is recognized based on the difference between taxable profit and book profit due to the effect of timing differences. Our deferred tax is



measured based on the applicable tax rates and tax laws that have been enacted or substantively enacted by the relevant balance sheet date.

RESULT OF OUR OPERATION

The following table sets out selected data from the Unaudited Financial Statements for the six months period ended September 30, 2023, Audited Financial Statements for Period ended Financial Year 2023, and Financial Year 2022 and Financial Year 2021 together with the percentage that each line item represents of our total revenue for the periods presented.

	Septemb	er 2023	For the year 31, 20		For th March 3		For th March 3	e year 31, 2021
Particulars	Amount	% of	Amount	% of	Amount	% of	Amount	% of
	in	total	in	total	in	total	in	total
	₹ lakhs	income	₹ lakhs	income	₹ lakhs	income	₹ lakhs	income
<u>Revenue</u>								
Revenue From Operations	1534.89	100.00	1253.86	82.95	200.29	97.00	268.63	99.30
Other Income	0.00	0.00	257.70	17.05	6.19	3.00	1.90	0.70
Total Income (A)	1534.89	100.00	1511.56	100.00	206.49	100.00	270.53	100.00
_								
Expenses	4500.04	00 74		0440	101.00		0.40 50	106.60
Purchases Of Stock-In-Trade	1530.86	99.74	1422.76	94.13	191.09	92.54	342.70	126.68
Changes In Inventories Of	85.66	5.58	(0.03)	0.00	(5.15)	(2.49)	(89.81)	(33.20)
Finished Goods and Stock in								
Trade	12.02	0.00	(7.00	4.40	12.00	6.72	(17	2.20
Employee Benefits Expense Finance Cost	13.83	0.90 0.00	67.89	4.49	13.88 1.40	0.68	6.17 0.62	2.28 0.23
	0	0.00	0	0.00				0.23
Depreciation And	0	0.00	0	0.00	0	0.00	1.45	0.54
Amortization Expense Other Expenses	58.67	3.82	146.57	9.70	13.42	6.50	11.95	4.42
Total Expenses (B)	1689.02	110.04	1637.19	108.32	214.64	103.95	273.08	100.94
Total Expenses (B)	1009.02	110.04	1037.19	100.32	214.04	103.95	273.00	100.94
Profit / (Loss) before	(154.13)	(10.04)	(125.63)	(8.31)	(8.15)	(3.95)	(2.88)	(1.06)
Exceptional Item (A-B)	(154.15)	(10.04)	(125.05)	(0.51)	(0.13)	(5.75)	(2.00)	(1.00)
Exceptional Item	0	0.00	0	0.00	0	0.00	0.33	0.12
Profit / (Loss) after	(154.13)	(10.04)	(125.63)	(8.31)	(8.15)	(3.95)	(2.88)	(1.06)
Exceptional Item	(101120)	(20101)	()	(0.01)	(0.20)	(0.20)	(=:00)	(100)
r r r r r r r r r r r r r r r r r r r								
Tax Expense								
Current Tax	0	0.00	0	0.00	0	0.00	0.33	0.12
Deferred Tax	0	0.00	0	0.00	0	0.00	0	0.00
Liability/(Assets)								
Excess/(Short) Provision Of	0	0.00	0	0.00	0	0.00	0	0.00
Earlier Years								
Profit/ (Loss) For The	(154.13)	(10.04)	(125.63)	(8.31)	(8.15)	(3.95)	(2.55)	(0.94)
Period								
0.1								
Other comprehensive	0	0.00	0	0.00	0	0.00	0	0.00
income	0	0.00	0	0.00	0	0.00	0	0.00
Items that will not be								
reclassified to Profit or Loss	(154 12)	(10.04)	(125 (2))	(0.21)	(015)	(2.05)	(2 55)	(0.04)
Total Comprehensive Income for the period	(154.13)	(10.04)	(125.63)	(8.31)	(8.15)	(3.95)	(2.55)	(0.94)
Income for the period (Comprising Profit (Loss) and								
Other Comprehensive Income								
for the period)								

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2023 WITH FINANCIAL YEAR ENDED MARCH 31, 2022

A) Total Revenue:

Our total revenue for the Fiscal 2023 was ₹ 1,511.56 lakhs as compared to ₹ 206.49 lakhs for the Fiscal 2022, representing an increase of (632.03%). Total revenue comprises trading of: edible oils, metals and Skill development.

i) Revenue from Operations

Our revenue from operations for the Fiscal 2023 was \gtrless 1253.86 lakhs as compared to \gtrless 200.29 lakhs for the Fiscal 2022, representing an increase of 6.26 times. This increase was primarily due to increase in sale of products.

ii) Other income

Other income for the Fiscal 2023 was \gtrless 257.70 lakhs as compared to \gtrless 6.19 lakhs for the Fiscal 2022, representing an increase of 41.63 times. The Increase in other income was primarily due to increase in skill development work.

B) Expenses:

Our total expenditure for the Fiscal 2023 was ₹ 1,637.19 lakhs as compared to ₹ 214.64 lakhs for the Fiscal 2022, representing an increase of 7.63 times. Total expenditure comprises of:

i) Purchase of Stock in Trade

The purchase of Stock in trade for the Fiscal 2023 was ₹ 1422.76 lakhs as compared to ₹ 191.09 lakhs for the Fiscal 2022, representing increase of 7.45 times. This increase was due to more focus on metals trading.

ii) Changes in Inventories of finished goods and Stock in trade

The changes inventories of finished goods and stock in trade for the Fiscal 2023 were \gtrless (0.03) lakhs as compared to \gtrless (5.15) lakhs for the Fiscal 2022, primarily due increasing in finished goods and stock in trade.

iii) Employee benefit expenses

Employee benefit expense for the Fiscal 2023 was ₹ 67.89 lakhs as compared to ₹ 13.88 lakhs for the Fiscal 2022. This increase was due to increase in the salary of employees and addition of new employees.

iv) Finance cost

Finance cost for the Fiscal 2023 was \gtrless Nil as compared to 1.40 lakhs for the Fiscal 2022. The decrease in finance cost is due to decrease in interest baring borrowing to previous year and better utilisation of fund.

v) Other expenses

Other expenses for the Fiscal 2023 were ₹ 146.57 lakhs as compared to ₹ 13.42 lakhs for the Fiscal 2022, representing an increase of 10.92 times. The increase was mainly due increase in annual listing & other listing related expense, legal and professional and miscellaneous expenses.

C) Profit/(loss) before exceptional item and tax

Profit/(loss) before exceptional item and tax for Fiscal 2023 was ₹ (125.63) lakhs as compared to ₹ (8.15) lakhs for Fiscal 2022. This increase was primarily due to increase in stock in trade and other expenses in revenue from operations.

D) Exceptional item

Exceptional item for Fiscal 2023 was ₹ NIL as compared to ₹ NIL for Fiscal 2022.



E) Profit/(loss) before tax:

Profit/ (loss) before Tax for Fiscal 2023 was ₹ (125.63) lakhs as compared to ₹ (8.16) lakhs for Fiscal 2022. This decrease in profit was primarily due to increase in expenses.

F) Tax expenses:

Total tax expense for the Fiscal 2023 was ₹ NIL as compared to ₹ NIL for Fiscal 2022.

G) Profit/(loss) after tax:

For the reasons discussed above, the profit / (loss) after tax for the Fiscal 2023 was ₹ (125.63) lakhs as compared to ₹ (8.16) lakhs for the Fiscal 2022.

H) Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations:

Other than as described in the section titled '*Risk Factors*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on page 24 and 171, respectively, of this Draft Letter of Offer, to our knowledge there are no known trends or uncertainties that have or are expected to have a material adverse impact on our income from continuing operations.

I) Unusual or Infrequent Events or Transactions:

Except as described elsewhere in this Draft Letter of Offer, there have been no events or transactions to our knowledge which may be described as "unusual" or "infrequent".

J) Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in this Draft Letter of Offer to our knowledge there are not any significant economic changes that materially affected or are likely to affect income from continuing operations.

K) Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as disclosed in the section titled *'Risk Factors'* beginning on page 24 of this Draft Letter of Offer to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

L) Expected future changes in relationship between costs and revenues, in case of events such as future increase in labour or material costs or prices that will cause a material change are known:

Other than as described in the section titled '*Risk Factors*' and '*Management's Discussion and Analysis of Financial Condition and Results of Operations*' beginning on page 24 and 171 respectively, and elsewhere in this Draft Letter of Offer, there are no known factors to our knowledge which would have a material adverse impact on the relationship between costs and income of our Company. Our Company's future costs and revenues will be determined by demand/supply situation and government policies.

M) Significant dependence on a Single or Few Suppliers or Customers:

Other than as described in this Draft Letter of Offer, particularly in section titled '*Risk Factors*' beginning on page 24, to our knowledge, there is no significant dependence on a single or few customers or suppliers.



N) Related Party Transactions:

For details, please see the section titled 'Financial Information' beginning on page 82.

0) Significant developments after March 31, 2023 that may affect our future results of operations:

Other than as disclosed in this Draft Letter of Offer, there have been no significant developments after March 31, 2023 that may affect our future results of operations. For further information, please see the section titled *'Outstanding Litigations, Defaults and Material Developments'* beginning on page 178.

P) The extent to which the business is seasonal:

Our Company's business is not seasonal in nature.

Q) Competitive Conditions

We face competition from existing and potential organised and unorganized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled *'Risk Factor'* & *'Business Overview'* beginning on page 24 and 66 of this Draft Letter of Offer.

SECTION VIII - LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS, DEFAULTS AND MATERIAL DEVELOPMENTS

There are no outstanding litigations involving our Company and/or our Subsidiaries/associates whose financial statements are included in the Draft letter of offer either separately or in a Consolidated form including, suits, criminal or civil proceedings and taxation related proceedings that would have a material adverse effect on our operations, financial position or future revenues. In this regard, please note the following:

- In determining whether any outstanding litigation against our Company, other than litigation involving issues of moral turpitude, criminal liability, material violations of statutory regulations or proceedings relating to economic offences against our Company, would have a material adverse effect on our operations or financial position or impact our future revenues, we have considered all pending litigations involving our Company, other than criminal proceedings, statutory or regulatory actions, as 'material';
- For the purpose of determining materiality, the threshold shall be determined by the Issuer as per requirements under the SEBI (LODR) Regulations;

Unless stated to the contrary, the information provided below is as of the date of this Draft Letter of Offer.

LITIGATION INVOLVING OUR COMPANY

1) Litigation Involving Actions by Statutory/Regulatory Authorities

- A. CASES FILED AGAINST OUR COMPANY
 - 1. Litigation involving Civil Laws

NIL

- 2. Litigation involving Criminal Laws
 - NIL
- 3. Litigation involving Taxation

Direct Tax

Assessment Year	Notice/Demand Order ID	Date of Issuance	Amount of demand
2019-20	ITBA/AST/S/148_1/2023-24/1052625050(1)	06/05/2023	NA*

*Demand not raised yet, currently proceedings u/s 148 of The Income-tax Act, 1961 are going on. Company has already submitted its response and waiting for the order.

Indirect Tax

NIL

4. Other Proceedings

NIL



B. CASES FILED BY OUR COMPANY

1. Litigation involving Civil Laws

NIL

2. Litigation involving Criminal Laws

NIL

3. Litigation involving Taxation

Direct Tax

NIL

Indirect Tax

NIL

4. Other Proceedings

NIL

2) Proceedings involving issues of moral turpitude or criminal liability on the part of our Company

As on date of this Draft Letter of Offer, there are no issues of moral turpitude or criminal liability on the part of our Company.

3) Proceedings involving Material Violations of Statutory Regulations by our Company

As on date of this Draft Letter of Offer, there are no matters involving Material Violations of Statutory Regulations by our Company.

4) Matters involving economic offences where proceedings have been initiated against our Company

As on date of this Draft Letter of Offer, there are no matters involving economic offences where proceedings have been initiated against our Company.

5) Other proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy, and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company

As on date of this Draft Letter of Offer, there are no proceedings involving our Company which involve an amount exceeding the Materiality Threshold or are otherwise material in terms of the Materiality Policy and other pending matters which, if they result in an adverse outcome would materially and adversely affect the operations or the financial position of our Company.

LITIGATION INVOLVING OUR DIRECTORS AND KMPs

Litigation Involving Actions by Statutory/Regulatory Authorities:

As on date of this Draft Letter of Offer, except as mentioned below, there are no subsisting litigations involving actions by statutory/ regulatory authorities filed by or against our directors and KMPs.



Cases filed by Our Directors and KMPs

Particulars	By the Our Directors, and KMPs	Against The Our Directors, and KMPs
Civil Proceedings	NIL	NIL
Criminal Proceedings	NIL	NIL
Tax Proceedings	NIL	NIL
Direct Tax	NIL	NIL
Indirect Tax	NIL	NIL
Other Proceedings	NIL	NIL

LITIGATION INVOLVING OUR GROUP COMPANIES

As on date of this Draft Letter of Offer, there are no group companies.

DISCLOSURES PERTAINING TO FRAUDULENT BORROWERS

Neither our Company, nor any of our Directors, are or have been categorized as a fraudulent borrowers by any banks or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

DISCLOSURES PERTAINING TO WILFUL DEFAULTERS

Neither our Company, nor any of our Directors are or have been categorized as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI.

DETAILS OF MATERIAL DEVELOPMENTS SINCE MARCH 31, 2023

Except as stated in this Draft Letter of Offer and as disclosed below, there have not arisen, since the date of the last financial statements disclosed in this Draft Letter of Offer, any circumstances which materially and adversely affect or are likely to affect our profitability taken as a whole or the value of our assets or our ability to pay our liabilities within the next 12 months.

- The Authorised Capital of the Company has been increased from 16,00,00,000/- (Rupees Sixteen Crore Only) divided into 16,00,00,000 equity shares of Rs. 1/- (Rupees One each) to Rs. Rs. 62,50,00,000/- (Rupees Sixty-Two Crore and Fifty Lakhs Only) divided into 62,50,00,000 (Sixty-Two Crore and Fifty Lakhs Only) equity shares of Rs. 1/- (Rupees One each) and altered the authorized share capital clause of the Memorandum of Association via shareholders resolution passed through postal ballot on April 28, 2023.
- Alternated the object Clause III (A) of Memorandum of Association by adopting new object clause via shareholders resolution passed through postal ballot on April 28, 2023.
- The Board of Directors of our Company had, at its meeting held on May 22, 2023 approved the audited Financial Results for the half year and year ended on March 31, 2023.
- Mr. Ankur Dahyabhai Acharya, resigned from the post of Independent Director of the company with effect from Monday, May 29, 2023.
- M/s. GMCA & Co., Chartered Accountants; having FRN: 109850W; resigned as a Statutory Auditors of the Company w.e.f. June 15, 2023.
- M/s N.S. Nanavati, Chartered Accountants, having FRN: 134235W; appointed as a Statutory Auditors of the Company for the period of 5 financial years.



GOVERNMENT AND OTHER APPROVALS

Our Company has received the necessary consents, licenses, permissions and approvals from the Central and State Governments and other government agencies/regulatory authorities/certification bodies required to undertake the Issue or continue our business activities.

In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental/regulatory authority or any other entity are required to be undertaken, in respect of the Issue or to continue our business activities. It must, however, be distinctly understood that in granting the above approvals, the Government of India and other authorities do not take any responsibility for the financial soundness of our Company or for the correctness of any of the statements or any commitments made or opinions expressed in this behalf. Unless otherwise stated, these approvals are all valid as of the date of this Draft Letter of offer.

The main objects clause of the Memorandum of Association of our Company and the objects incidental, enable our Company to carry out its activities.

APPROVALS FOR THE ISSUE

The following approvals have been obtained or will be obtained in connection with the Issue:

1) Approvals in Relation to the Issue

- i. The Board of Directors in pursuance of Section 62(1)(a) of the Companies Act, 2013, by a resolution passed at its meeting held on March 24, 2023 have authorized the issue.
- ii. The Board of Directors vide Board resolution dated August 30, 2023, approved this Draft Letter of Offer and revised Draft Letter of Offer approved on September 6, 2023 and revised Draft Letter of Offer approved on November 30, 2023;
- iii. In-principle approval from the Stock Exchange bearing reference number '[•]' dated [•] to use the name of SME-BSE for listing of the Equity Shares issued by our Company pursuant to the Issue;
- iv. The Board of Directors vide Board resolution dated [•], 2023 approved the Record Date, and other terms and conditions for the purpose of this Rights Issue;
- v. The Board of Directors vide Board resolution dated [•], approved Letter of Offer;
- vi. The ISIN of the Company is INE206Z01020;
- vii. The ISIN for the Rights Entitlement is [•];

2) Corporate / General Authorizations

APPROVALS PERTAINING TO INCORPORATION OF OUR COMPANY

Sr. No.	Description	Registrar / Issuing Authority	Registration No. / Reference No. / License No.	Date of Creation	Date of Expiry
1.	Certificate of Incorporation	Asstt. Register of Companies, Gujarat, Dadra & Nagar Haveli	U15490GJ2007PT C050974	28.05.2007	Valid until cancelled
2.	Certificate of Incorporation consequent upon Change of Name	Asstt. Register of Companies, Gujarat, Dadra & Nagar Haveli	U15490GJ2007PT C050974	07.12.2007	Valid until cancelled
3.	Certificate of Incorporation consequent upon	Deputy Registrar of Companies, Ahmedabad	U51909GJ2007PL C050974	21.12.2017	Valid until cancelled



	conversion into public limited company				
4	Certificate of Incorporation consequent upon alteration of object clause of memorandum of association of company	Registrar of Companies, Ahmedabad	L46305GJ2007PL C050974	Certificate Awaited due to Technical Issue	Valid until cancelled

TAX RELATED APPROVALS

Sr. No.	Description	Registrar/Issuing Authority	Registration No. / Reference No. / License No.	Date of Creation	Date of Expiry
1.	Permanent Account Number (PAN)	Income Tax Department, Government of India under Income Tax Act, 1961	AALCS0317G	28.07.2007	Valid until cancelled
2.	Tax Deduction and Collection Account Number (TAN)	Income Tax Department, Government of India under Income Tax Act, 1961	AHMS17669B	06.01.2018	Valid until cancelled
3.	Goods and Service Tax (GST)	Government of India	24AALCS0317G1ZN	14.06.2021	Valid until cancelled

3) Material approvals in relation to our business operations

Sr. No.	Description	Registrar/Issuing Authority	Registration No. / Reference No. / License No.	Date of Creation	Date of Expiry
1.	Import- Export Code	Foreign Trade Development Officer, GOI	IEC NO: 0808009150	04.08.2008	Valid until cancelled
2.	Udyam Registration	Ministry of Micro, Small & Medium Enterprises	UDYAM-GJ-01- 0059301	28.05.2007	Valid until cancelled

4) Material Licenses and Approvals for which applications have been filed by our Company

As on date this Draft Letter of Offer there is no material approvals and licenses for which our Company has made an application for renewal.

5) Material Licenses and Approvals for which applications are yet to be filed by our Company

Except mentioned below, as on date this Draft Letter of Offer there is no material approvals and licenses for which our Company has required to make an application.

i. FSSAI Registration



OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of the Board passed at its meeting held on March 24, 2023 pursuant to Section 62(1)(a) of the Companies Act, 2013.

Board of Directors of our Company in their meeting conducted on [•], [•] approved this Issue inter-alia on the following terms.

Our Board of Directors has, at its meeting held on September 6, 2023, determined the Issue Price as ₹1/per Rights Equity Share and the Rights Entitlement as [•] Rights Equity Share for every [•] Equity Share held on the Record Date.

This Draft Letter of Offer has been approved by our Board of Directors pursuant to their resolutions dated August 30, 2023 and revised Draft Letter of Offer approved on September 6, 2023;. Revised Draft Letter of Offer approved on November 30, 2023

Our Company has received in-principle approval from Stock Exchange in accordance with Regulation 28 (1) of SEBI Listing Regulations for listing of the Rights Equity Shares proposed to be allotted pursuant Issue vide a letter bearing reference '[•]' dated [•], 2023. Our Company will also make application to Stock Exchange to obtain their trading approvals for the Rights Entitlements as required under the SEBI Rights Issue Circulars;

Our Company has been allotted the ISIN [•] for the Rights Entitlements to be credited to the respective demat accounts of the Eligible Shareholders of our Company. Our Company has been allotted the ISIN [•] both from NSDL and CDSL for the Rights Equity Shares issued pursuant to this Issue. For details, see section titled *'Terms of the Issue'* beginning on page 191 of this Draft Letter of Offer.

PROHIBITION BY SEBI OR RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Directors, persons in control of our Company and persons in control of its directors have not been debarred from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies with which our directors or the persons in control of our Company are or were associated as directors or persons in control have not been debarred from accessing the capital market under any order or direction passed by SEBI or any other regulatory or governmental authority.

The Directors of our Company have not been declared as fugitive economic offenders.

There are no proceedings initiated by SEBI, Stock Exchange or ROC, etc., against our Company and Directors.

None of our Directors currently holds nor have held directorship(s) in the last five (5) years in a listed Company whose shares have been or were suspended from trading on any stock exchange or in a listed Company which has been / was delisted from any stock exchange.

None of our Directors hold or have held directorships in the last ten (10) years in a listed company whose shares have been delisted from any recognised stock exchange in India during the term of their directorship in such company.

PROHIBITION BY RBI:

Our Company and the Directors of our Company have not been identified as wilful defaulter or fraudulent borrower by the RBI.



DIRECTORS ASSOCIATED WITH THE SECURITIES MARKET:

None of our Directors are associated with the securities market in any manner.

COMPLIANCE WITH COMPANIES (SIGNIFICANT BENEFICIAL OWNERSHIP) RULES, 2018:

Our Company is in compliance with the Companies (Significant Beneficial Ownership) Rules, 2018, to the extent it may be applicable to them as on date of this Draft Letter of Offer.

ELIGIBILITY FOR THE ISSUE

Our Company is a listed company and has been incorporated under the Companies Act, 1956. The Equity Shares of our Company are presently listed on SME platform of BSE Limited. Our Company is eligible to offer and issue Rights Equity Shares pursuant to this Issue in terms of Chapter III and other applicable provisions of the SEBI (ICDR) Regulations.

Our Company is undertaking this Issue in compliance with Part B of Schedule VI to the SEBI (ICDR) Regulations.

COMPLIANCE WITH REGULATIONS 61 AND 62 OF THE SEBI (ICDR) REGULATIONS

The present Issue being of less than \gtrless 5,000 Lakhs, our Company is in compliance with first proviso to Regulation 3 of the SEBI (ICDR) Regulations and our Company shall file the copy of the Letter of Offer prepared in accordance with the SEBI (ICDR) Regulations with SEBI for information and dissemination on the website of SEBI, i.e. <u>www.sebi.gov.in</u>;

Our Company is in compliance with requirements of Regulation 61 and Regulation 62 of the SEBI (ICDR) Regulations, to the extent applicable. Further, in relation to compliance with Regulation 62(1)(a) of the SEBI (ICDR) Regulations, our Company undertakes to make an application to Stock Exchange for listing of the Rights Equity Shares to be issued pursuant to this Issue. BSE Limited is the Designated Stock Exchange for this Issue.

COMPLIANCE WITH CLAUSE (1) OF PART B OF SCHEDULE VI OF THE SEBI (ICDR) REGULATIONS

Our Company is in compliance with the provisions specified in Clause (1) of Part B of Schedule VI of the SEBI (ICDR) Regulations as explained below:

- 1. Our Company has been filing periodic reports, statements and information in compliance with the SEBI (LODR) Regulations, as applicable for the last one year immediately preceding the date of filing of the Draft Letter of Offer with Stock Exchange;
- 2. The reports, statements and information referred to above in clause (1) are available on the website of Stock Exchange;
- 3. Our Company has an investor grievance-handling mechanism which includes meeting of the Stakeholders' Relationship Committee at frequent intervals, appropriate delegation of power by our Board of directors as regards share transfer and clearly laid down systems and procedures for timely and satisfactory redressal of investor grievances.

As our Company satisfies the conditions specified in Clause (1) of Part B of Schedule VI of SEBI (ICDR) Regulations, disclosures in this Draft Letter of Offer have been made in terms of Clause (4) of Part B of Schedule VI of SEBI (ICDR) Regulations.

DISCLAIMER CLAUSE OF SEBI

The Draft Letter of Offer has not been filed with SEBI in terms of SEBI (ICDR) Regulations as the size of issue is up to ₹ 5000.00 Lakhs. The Issuer shall prepare the Letter of Offer in accordance with



requirement as specified in the regulation and file the same with the SEBI for information and dissemination on the SEBI's website.

CAUTION

Our Company shall make all the relevant information available to the Eligible Shareholders in accordance with the SEBI (ICDR) Regulations and no selective or additional information would be available for a section of the Eligible Shareholders in any manner whatsoever, including at presentations, in research or sales reports, etc., after filing this Draft Letter of Offer.

No dealer, salesperson or other person is authorized to give any information or to represent anything not contained in this Draft Letter of Offer. You must not rely on any unauthorized information or representations. This Draft Letter of Offer is an offer to sell only the Rights Equity Shares and the Rights Entitlement, but only under circumstances and in the applicable jurisdictions. Unless otherwise specified, the information contained in this Draft Letter of Offer is current only as at its date.

DISCLAIMER WITH RESPECT TO JURISDICTION

This Draft Letter of Offer has been prepared under the provisions of Indian laws and the applicable rules and regulations thereunder. Any disputes arising out of this Issue will be subject to the jurisdiction of the appropriate court(s) in Ahmedabad, Gujarat, India only.

DESIGNATED STOCK EXCHANGE

The Designated Stock Exchange for the purpose of this Issue is BSE Limited.

DISCLAIMER CLAUSE OF BSE

As required, a copy of this Draft Letter of Offer has been submitted to the BSE (the "**Stock Exchange**"). BSE has given vide dated [•], to use its name in this Draft Letter of Offer.

DISCLAIMER CLAUSE OF THE BSE LIMITED (BSE):

The Disclaimer Clause as shall be intimated by the BSE Limited to us, post-scrutiny of this Draft Letter of Offer, shall be included in the Draft Letter of Offer prior to filing with BSE.

BSE Limited (*the "Exchange*") has given vide its letter dated [•], permission to this Company to use the Exchange's name in this Draft Letter of Offer as the stock exchange on which this Company's securities are proposed to be listed. The Exchange has scrutinized this Draft letter of offer for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. The Exchange does not in any manner:

- 1. Warrant, certify or endorse the correctness or completeness of any of the contents of this draft letter of Offer;
- 2. Warrant that this Company's securities will be listed or will continue to be listed on the Exchange; or
- 3. Take any responsibility for the financial or other soundness of our Company, its management or any scheme or project of our Company;

and it should not for any reason be deemed or construed that this Draft Letter of Offer has been cleared or approved by the Exchange. Every Investor who desires to apply for or otherwise acquires any Equity Shares of our Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against Exchange whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

SELLING RESTRICTIONS

The distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, Application Form *(collectively, "Issue Materials")* and the issue of Rights Equity Shares, to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. Persons into whose possession the Issue Materials may come are required to inform themselves about and observe such restrictions.

We are making this Issue of Equity Shares on a rights basis to the Eligible Shareholders and will send/ dispatch the Issue Materials only to email addresses of such Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the issue and sale of the Rights Entitlements and the Rights Equity Shares are permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. Those overseas shareholders who do not update our records with their Indian address or the address of their duly authorized representative in India, prior to the date on which we propose to e-mail the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form, shall not be sent the Letter of Offer, Abridged Letter of Offer, Entitlement Letter, and Application Form. Further, the Letter of Offer will be provided, primarily through e-mail, by the Registrar on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company and the BSE Limited. Accordingly, our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue materials, including the Letter of Offer, the Abridged Letter of Offer, the Entitlement Letter, and the Application Form

Further, the Letter of Offer will be provided to those who have provided their Indian addresses to our Company and who makes a request in this regard. Investors can also access the Letter of Offer, the Abridged Letter of Offer and the Application Form from the websites of the Registrar, our Company and the Stock Exchange.

No action has been or will be taken to permit this Issue in any jurisdiction or the possession, circulation, or distribution of this Draft Letter of Offer, the Letter of Offer, Abridged Letter of Offer, and Application Form or any other material relating to our Company, the Equity Shares or Rights Entitlement in any jurisdiction where action would be required for that purpose.

Our Company shall also endeavour to dispatch physical copies of the Issue Materials to Eligible Equity Shareholders who have provided an Indian address to our Company. Our Company and the Registrar will not be liable for non-dispatch of physical copies of Issue Materials.

No action has been or will be taken to permit this Issue in any jurisdiction where action would be required for that purpose. Accordingly, the Rights Entitlements or Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue Materials may not be distributed in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Materials will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, under those circumstances, the Issue Materials must be treated as sent for information only and should not be copied, redistributed or acted upon for subscription to Rights Equity Shares or the purchase of Rights Entitlements. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Entitlements or Rights Equity Shares, distribute or send such document in, into the United States or any other jurisdiction where to do so would, or might contravene local securities laws or regulations or would subject the Company or its affiliates to any filing or registration requirement (other than in India). If Issue Materials is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to subscribe to the Rights Entitlement or Rights Equity Shares referred to in Issue Materials. Envelopes containing an Application Form should not be dispatched from any jurisdiction where it would be illegal to make an offer, and all persons subscribing for the Rights Equity Shares in this Issue must provide an Indian address.

Any person who makes an application to acquire Rights Entitlement and the Right Shares offered in this Issue will be deemed to have declared, represented, warranted and agreed that such person is authorized to acquire the Rights Entitlement and the Right Shares in compliance with all applicable laws



and regulations prevailing in his jurisdiction, without requirement for our Company or its affiliates to make any filing or registration (other than in India).

Neither the delivery of the Issue Materials nor any sale or offer hereunder, shall under any circumstances create any implication that there has been no change in our Company's affairs from the date hereof or that the information contained herein is correct as at any time subsequent to the date of this Draft Letter of Offer or date of such information.

THE CONTENTS OF THIS LETTER OF OFFER, THE LETTER OF OFFER AND ABRIDGED LETTER OF OFFER SHOULD NOT BE CONSTRUED AS LEGAL, TAX OR INVESTMENT ADVICE. PROSPECTIVE INVESTORS MAY BE SUBJECT TO ADVERSE FOREIGN, STATE OR LOCAL TAX OR LEGAL CONSEQUENCES AS A RESULT OF BUYING OR SELLING OF RIGHT SHARES OR RIGHTS ENTITLEMENTS. AS A RESULT, EACH INVESTOR SHOULD CONSULT ITS OWN COUNSEL, BUSINESS ADVISOR, AND TAX ADVISOR AS TO THE LEGAL, BUSINESS, TAX, AND RELATED MATTERS CONCERNING THE OFFER OF RIGHT SHARES OR RIGHTS ENTITLEMENTS. IN ADDITION, NEITHER OUR COMPANY NOR ANY OF AFFILIATES ARE MAKING ANY REPRESENTATION TO ANY OFFEREE OR PURCHASER OF THE RIGHT SHARES OR THE RIGHTS ENTITLEMENTS REGARDING THE LEGALITY OF AN INVESTMENT IN THE RIGHT SHARES OR THE RIGHTS ENTITLEMENTS BY SUCH OFFEREE OR PURCHASER UNDER ANY APPLICABLE LAWS OR REGULATIONS.

NO OFFER IN THE UNITED STATES

The rights entitlements and the Rights Equity Shares have not been and will not be registered under the United States securities act, 1933, as amended *("Securities Act")*, or any U.S. State securities laws and may not be offered, sold, resold or otherwise transferred within the United States of America or the territories or possessions thereof *("United States" or "U.S.")* or to, or for the account or benefit of *"U.S. Persons"* as defined in Regulation S *("Regulation S")* under the securities act, except in a transaction exempt from the registration requirements of the securities act. The rights entitlements and Rights Equity Shares referred to in this draft letter of offer are being offered in India and in jurisdictions where such offer and sale of the Rights Equity Shares and/ or rights entitlements are permitted under laws of such jurisdictions, but not in the United States. The offering to which the draft letter of offer and abridged letter of offer relates is not, and under no circumstances is to be construed as, an offering of any securities or rights for sale in the United States or as a solicitation therein of an offer to buy any of the said securities or rights.

Accordingly, the draft letter of offer, the abridged letter of offer, entitlement letter, and application form should not be forwarded to or transmitted in or into the United States at any time.

Neither our Company nor any person acting on behalf of our Company will accept subscriptions or renunciation from any person, or the agent of any person, who appears to be, or who our Company or any person acting on behalf of our Company has reason to believe, is in the United States when the buy order is made. No payments for subscribing for the Rights Equity Shares shall be made from US bank accounts and all persons subscribing for the Rights Equity Shares and wishing to hold such Rights Equity Shares in registered form must provide an address for registration of the Rights Equity Shares in India.

We, our Company or the Registrar or any other person acting on behalf of us, reserve the right to treat as invalid any Application Form which:

- a. Does not include the certification set out in the Application Form to the effect that the subscriber does not have a registered address (and is not otherwise located) in the United States and is authorized to acquire the Rights Entitlements and the Rights Equity Shares in compliance with all applicable laws and regulations;
- **b.** Appears to us or its agents to have been executed in, electronically transmitted from or dispatched from the United States;
- c. Where a registered Indian address is not provided;
- d. Where we believe that Application Form is incomplete or acceptance of such Application Form may infringe applicable legal or regulatory requirements;



And we shall not be bound to allot or issue any Rights Equity Shares in respect of any such Application Form. The Rights Entitlements may not be transferred or sold to any person in the United States.

FILING

SEBI vide the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) (Fourth Amendment) Regulations, 2020 has amended Regulation 3(b) of the SEBI ICDR Regulations as per which the threshold of filing of Letter of Offer with SEBI for rights issues has been increased. The threshold of the rights issue size under Regulation 3 (b) of the SEBI ICDR Regulations has been increased from Rupees ten crores to Rupees fifty crores. Since the size of this Issue falls below this threshold, the Letter of Offer was filed with the Stock Exchange and not with SEBI. However, the Letter of Offer will be submitted with SEBI for information and dissemination and will be filed with the Stock Exchange.

LISTING

Our Company will apply to BSE for final approval for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under the Issue will trade after the listing thereof.

CONSENTS

Consents in writing of our Directors, Auditor to the Company, Bankers to the Issue, Legal Advisor and the Registrar to the Issue to act in their respective capacities, have been obtained and such consents have not been withdrawn up to the date of this Draft Letter of Offer.

EXPERT OPINION

Except for the reports in the section titled *'Financial Information'* and *'Statement of Tax Benefits'* beginning on page 82 and 54 respectively from the Statutory Auditors, our Company has not obtained any expert opinions.

PERFORMANCE VIS-À-VIS OBJECTS – PUBLIC/RIGHTS ISSUE OF OUR COMPANY

Our Company has not made any rights issues or public issues during the five years immediately preceding the date of this Draft Letter of Offer. There have been no instances in the past, wherein our Company has failed to achieve the objects in its previous issues.

STOCK MARKET DATA OF THE EQUITY SHARES

Our Equity Shares are listed and traded on BSE. For details in connection with the stock market data of the Stock Exchanges, please refer to the chapter titled '*Stock Market Data for Equity Shares'* on page 170 of Draft Letter of Offer.

INVESTOR GRIEVANCES AND REDRESSAL SYSTEM

1. Mechanism for Redressal of Investor Grievances

Our Company has made adequate arrangements for redressal of investor complaints in compliance with the corporate governance requirements under the SEBI (LODR) Regulations as well as a wellarranged correspondence system developed for letters of routine nature. We have been registered with the SEBI Complaints Redress System (SCORES) as required by the SEBI Circular bearing reference number '*CIR/OIAE/2/2011 dated June 3, 2011*'. Consequently, investor grievances are also tracked online by our Company through the SCORES mechanism.

Our Company has a Stakeholders Relationship Committee comprising of 3 (three), members of the said committee, which meets at least once a year and as and when required. Its terms of reference include considering and resolving grievances of shareholders in relation to transfer of shares and



effective exercise of voting rights. All investor grievances received by us have been handled by the Registrar and Share Transfer Agent in consultation with the Company Secretary and Compliance Officer.

The Investor complaints received by our Company are generally disposed of within 15 (Fifteen) days from the date of receipt of the complaint.

The average time taken by the Registrar to the Issue, Bigshare Services Private Limited, for attending to routine grievances will be within 30 (Thirty) days from the date of receipt. In case of non-routine grievances where verification at other agencies is involved, it would be the endeavor of the Registrar to the Issue to attend to them as expeditiously as possible. We undertake to resolve the investor grievances in a time bound manner.

2. Investor Grievances arising out of this Issue

Any investor grievances arising out of the Issue will be handled by Registrar to the Issue. The agreement between the Company and the Registrar to the Issue provides for a period for which records shall be retained by the Registrar to the Issue in order to enable the Registrar to the Issue to redress grievances of Investors.

All grievances relating to this Issue may be addressed to the Registrar to the Issue giving full details such as folio no., name and address, contact details, Email-ID of the first applicant, number and type of Equity Shares applied for, Application Form serial number, amount paid on application and the name of the bank and the branch where the application was deposited, along with a photocopy of the acknowledgement slip. In case of renunciation, the same details of the Renouncee should be furnished.

Investors may contact the Registrar to the Issue or the Company Secretary and Compliance Officer for any pre-Issue or post-Issue related matter. All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSBs (in case of ASBA process), giving full details such as name, address of the Applicant, contact number(s), e mail address of the sole/ first holder, folio number or demat account number, number of Rights Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSBs where the Application Form or the plain paper application, as the case may be, was submitted by the Investors along with a photocopy of the acknowledgement slip (in case of ASBA process). For details on the ASBA process, please refer to the section titled *'Terms of the Issue'* beginning on page 191.

The contact details of the Registrar to the Issue and the Company Secretary and Compliance Officer of our Company are as follows:

REGISTRAR TO THE ISSUE



Bigshare Services Private Limited Address: Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East) Mumbai – 400093 Contact Details: +91-022-62638200/22; E-mail ID: rightsissue@bigshareonline.com; Investor grievance E-mail: investor@bigshareonline.com; Website: www.bigshareonline.com; Contact Person: Ajay Sangle SEBI Registration Number: INR000001385



COMPANY SECRETARY AND COMPLIANCE OFFICER

Mr. Parin Shirishkumar Bhavsar Address: A 603 Rugved Residency, Near Shrinath Bus Depo, Akhbarnagar, Naranpura Vistar, Ahmedabad- 380013, Gujarat Contact Details: +91- 9512521919 E-mail: <u>sun retail@yahoo.com</u> Website: <u>www.sunretail.in</u>

In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar at *www.bigshareonline.com*. Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are (rightsissue@bigshareonline.com or 022-62638200/22)

SECTION IX – ISSUE INFORMATION

TERMS OF THE ISSUE

This section is for the information of the Eligible Equity Shareholders proposing to apply in this Issue. Eligible Equity Shareholders should carefully read the provisions contained in this Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, and the Application Form, before submitting the Application Form. Our Company is not liable for any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Letter of Offer. The Eligible Equity Shareholders are advised to make their independent investigation and ensure that the Application Form is correctly filled up. Unless otherwise permitted under the SEBI (ICDR) Regulations read with SEBI Rights Issue Circulars, Investors proposing to apply in this Issue can apply only through ASBA or by mechanism as disclosed in this Draft Letter of Offer.

Further, SEBI has pursuant to the SEBI Rights Issue Circular stated that in the event there are physical shareholders who have not been able to open a demat account pursuant to the SEBI circular bearing reference number SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020 or are unable to communicate their demat account details to our Company or the Registrar for credit of Rights Entitlements, such physical shareholders may be allowed to submit their Application. For more details, please see 'Making Application by Eligible Equity Shareholders holding Equity Shares in physical form' beginning on page 213.

Investors are requested to note that application in this Issue can only be made through ASBA facility. For guidance on the application process through ASBA and resolution of difficulties faced by investors, you are advised to read the frequently asked question (FAQ) on the website of the Registrar at <u>www.bigshareonline.com</u>.

OVERVIEW

This Issue is proposed to be issued on a rights basis, are subject to the terms and conditions contained in the Draft Letter of Offer, Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association of our Company, the provisions of the Companies Act, 2013, FEMA, FEMA Rules, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, approvals, if any, from the RBI or other regulatory authorities, the terms of the Listing Agreements entered into by our Company with the Stock Exchanges and the terms and conditions as stipulated in the Allotment advice.

IMPORTANT

A. Dispatch and availability of Issue materials

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars, our Company will send/dispatch at least three days before the Issue Opening Date, the Abridged Letter of Offer, the Entitlement Letter, Application Form and other issue material *("Issue Materials")* only to the Eligible Equity Shareholders who have provided an India address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdictions and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the India addresses provided by them.

Further, the Letter of Offer will be sent/dispatched, to the Eligible Equity Shareholders who have provided their Indian addresses and have made a request in this regard. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them or who are located in jurisdictions where the offer and sale of the Rights



Equity Shares is permitted under laws of such jurisdictions and in each case who make a request in this regard.

Investors can access the Draft Letter of Offer, the Letter of Offer, the Abridged Letter of Offer, and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) on the websites of:

- 1. Our Company's website at *www.sunretail.in*;
- 2. Registrar to the Issue's website at *www.bigshareonline.com*;
- 3. BSE Limited's website at <u>www.bseindia.com</u>;

Eligible Equity Shareholders who have not received the Application Form may apply, along with the requisite Application Money, by using the Application Form available on the websites above, or on plain paper, with the same details as mentioned in the Application Form available online.

Eligible Equity Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar to the Issue's website at <u>www.bigshareonline.com</u> by entering their DP-ID and Client-ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form), and PAN. The link for the same shall also be available on the website of our Company at <u>www.sunretail.in</u>.

Further, our Company will undertake all adequate steps to reach out the Eligible Equity Shareholders who have provided their Indian address through other means, as may be feasible.

PLEASE NOTE THAT, OUR COMPANY AND THE REGISTRAR TO THE ISSUE WILL NOT BE LIABLE FOR NON-DISPATCH OF PHYSICAL COPIES OF ISSUE MATERIALS, INCLUDING THE DRAFT LETTER OF OFFER, THE LETTER OF OFFER, THE ABRIDGED LETTER OF OFFER, THE RIGHTS ENTITLEMENT LETTER AND THE APPLICATION FORM ATTRIBUTABLE TO THE NON-AVAILABILITY OF THE E-MAIL ADDRESSES OF ELIGIBLE EQUITY SHAREHOLDERS OR ELECTRONIC TRANSMISSION DELAYS OR FAILURES, OR IF THE APPLICATION FORMS OR THE RIGHTS ENTITLEMENT LETTERS ARE DELAYED OR MISPLACED IN TRANSIT.

The distribution of the Letter of Offer, Abridged Letter of Offer, the Rights Entitlement Letter and the issue of Equity Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except the Letter of Offer is being filed with the Stock Exchange. Accordingly, the Rights Entitlements and Equity Shares may not be offered or sold, directly or indirectly and Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form or any Issue related materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with and as permitted under the legal requirements applicable in such jurisdiction. Receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form (including by way of electronic means) will not constitute an offer, invitation to or solicitation by anyone in any jurisdiction or in any circumstances in which such an offer, invitation or solicitation is unlawful or not authorised or to any person to whom it is unlawful to make such an offer, invitation or solicitation. In those circumstances, the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or redistributed.

Accordingly, persons receiving a copy of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form should not, in connection with the issue of the Equity Shares or the Rights Entitlements, distribute or send the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations or would subject our Company or its affiliates or their respective affiliates to any filing or registration requirement (other than in India). If the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Common Application Form is received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlements referred to



Application Form. Any person who makes an application to acquire Rights Entitlements and the Equity Shares offered in the Issue will be deemed to have declared, represented and warranted that such person is authorized to acquire the Rights Entitlements and the Equity Shares in compliance with all applicable laws and regulations prevailing in such person's jurisdiction and India, without requirement for our Company or our affiliates or their respective affiliates to make any filing or registration (other than in India).

B. Facilities for Application in this Issue

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA. For details, please refer to the Paragraph titled '*Procedure for Application through the ASBA Process*' on page 207 of this Draft Letter of Offer.

The Application Form can be used by the Eligible Equity Shareholders as well as the Renouncees, to make Applications in this Issue basis the Rights Entitlement credited in their respective demat accounts or demat suspense escrow account, as applicable. For further details on the Rights Entitlements and demat suspense escrow account, see "Credit of Rights Entitlements in demat accounts of Eligible Equity Shareholders" on page 192 of this Draft Letter of Offer.

Please note that one single Application Form shall be used by Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Equity Shareholders holding shares in physical form as on Record Date and applying in this Issue, as applicable. In case of Investors who have provided details of demat account in accordance with the SEBI ICDR Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

1. Procedure for application through ASBA Facility

Investors can submit either the Application Form in physical mode to the Designated Branches of the SCSBs or online/electronic Application through the website of the SCSBs (if made available by such SCSB) authorizing the SCSB to block the Application Money in an ASBA Account maintained with the SCSB. Application through ASBA facility in electronic mode will only be available with such SCSBs who provide such facility.

Investors applying through the ASBA facility should carefully read the provisions applicable to such Applications before making their Application through the ASBA process. For details, Paragraph titled *'Procedure for Application through the ASBA Process'* on page 207.

Please note that subject to SCSBs complying with the requirements of SEBI circular bearing reference number CIR/CFD/DIL/13/2012 dated September 25, 2012, within the periods stipulated therein, Applications may be submitted at the Designated Branches of the SCSBs.

Further, in terms of the SEBI circular bearing reference number CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making Applications by SCSBs on their own account using ASBA facility, each such SCSB should have a separate account in its own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making an Application in this Issue and clear demarcated funds should be available in such account for such an Application.

Applicants should note that they should very carefully fill-in their depository account details and PAN in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Please note that incorrect depository account details or PAN or Application Forms without depository account details shall be treated as incomplete and shall be rejected. For



details see "Grounds for Technical Rejection" beginning on page 216 of this Draft Letter of Offer.

Our Company, the Registrar to the Issue and the SCSBs shall not be liable for any incomplete or incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI ICDR Regulations, Investors may choose to accept the offer to participate in this Issue by making plain paper Applications. Please note that Eligible Equity Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see 'Application on Plain Paper under ASBA process' on page no. 209.

2. Credit of Rights Entitlements in demat accounts of Eligible Shareholders

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI - Rights Issue Circular, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only.

Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- 1. The demat accounts of the Eligible Equity Shareholders holding the Equity Shares in dematerialised form; and
- 2. A demat suspense escrow account (namely, '[•]') opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
 - i. Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
 - ii. Equity Shares held in the account of IEPF authority; or
 - iii. The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
 - iv. Credit of the Rights Entitlements returned/ reversed / failed; or
 - v. The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable; or
 - vi. Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar;

Eligible Shareholders whose Rights Entitlements are credited in demat suspense escrow account opened by our Company as on Record Date are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective Equity Shares) to the Company or the Registrar to the Issue not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [•], to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account is active, details of which have been provided to the Company or the Registrar to the Issue, to facilitate the aforementioned transfer. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. *www.bigshareonline.com*). Such Eligible Equity Shareholders can make an Application only after the Rights Entitlements is credited to their respective demat accounts.

In accordance with the SEBI Rights Issue Circulars, the Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least two Working Days prior to the Issue Closing Date i.e. [•] shall not be eligible to make an Application for Rights Equity Shares against their Rights Entitlements with respect to the equity shares held in physical form.



Eligible Equity Shareholders can obtain the details of their Rights Entitlements from the website of the Registrar (i.e. <u>www.bigshareonline.com</u>) by entering their DP ID and Client ID or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form) and PAN. The link for the same shall also be available on the website of our Company (i.e. <u>www.sunretail.in</u>)

3. Procedure for Application by Eligible Shareholders holding Equity Shares in physical form

Please note that in accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Equity Shares shall be made in dematerialised form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Equity Shares in this Issue are advised to furnish the details of their demat account to our Company or Registrar at least two Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company.

Application by such Eligible Equity Shareholders is subject to following conditions:

- a) The Eligible Equity Shareholders are residents;
- b) The Eligible Equity Shareholders are not making payment from non-resident account;
- c) The Eligible Equity Shareholders shall not be able to renounce their Rights Entitlements; and
- d) The Eligible Equity Shareholders shall receive Rights Equity Shares, in respect of their Application, only in demat mode.

Resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- (a) The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, e-mail address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by e-mail, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than two Working Days prior to the Issue Closing Date;
- (b) The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least one day before the Issue Closing Date;
- (c) The remaining procedure for Application shall be same as set out in "- Making of an Application by Eligible Equity Shareholders on Plain Paper under ASBA process" mentioned on page 208.

In accordance with the SEBI circular SEBI/HO/CFD/DIL2/CIR/P/2020/13 dated January 22, 2020, the resident Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date shall be required to provide their demat account details to our Company or the Registrar to the Issue for credit of Res not later than two working days prior to issue closing date, such that credit of REs in their demat account takes place at least one day before issue closing date, thereby enabling them to renounce their Rights Entitlements through Off Market Renunciation.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date will not be allowed renounce their Rights Entitlements in the Issue. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Equity Shares while submitting the Application through ASBA process.



PLEASE NOTE THAT THE ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

4. Application for Additional Equity Shares

Investors are eligible to apply for Additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Equity Shares under applicable law and they have applied for all the Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. Where the number of additional Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalised in consultation with the Designated Stock Exchange. Applications for Additional Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI ICDR Regulations and in the manner as set out in 'Basis of Allotment' beginning on page 220.

Eligible Equity Shareholders who renounce their Rights Entitlements cannot apply for Additional Equity Shares. Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Equity Shares.

Investors kindly note that after purchasing the Rights Entitlements through On Market Renunciation / Off Market Renunciation, an Application has to be made for subscribing to the Rights Equity Shares. If no such Application is made by the renouncee on or before Issue Closing Date, then such Rights Entitlements will get lapsed and shall be extinguished after the Issue Closing Date and no Rights Equity Shares for such lapsed Rights Entitlements will be credited. For procedure of Application by shareholders who have purchased the Rights Entitlement through On Market Renunciation / Off Market Renunciation, please refer to the heading titled *'Procedure for Application through the ASBA process'* on pages 207.

OTHER IMPORTANT LINKS AND HELPLINE

The Investors can visit following links for the below-mentioned purposes:

- 1. Frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors: <u>www.bigshareonline.com</u>;
- 2. Updation of Indian address/ e-mail address/ mobile number in the records maintained by the Registrar to the Issue or our Company *rightsissue@bigshareonline.com;*
- 3. Updation of demat account details by Eligible Equity Shareholders holding shares in physical form: *rightsissue@bigshareonline.com*;
- 4. Submission of self-attested PAN, client master sheet and demat account details by non-resident Eligible Shareholders <u>www.bigshareonline.com;</u>

RENOUNCEES

All rights and obligations of the Eligible Shareholders in relation to Applications and refunds pertaining to this Issue shall apply to the Renouncee(s) as well.

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution of Board of Directors of our Company passed at their meeting held on March 24, 2023, in accordance with the provisions of Section 62(1)(a) of the Companies Act, 2013.



The Board of Directors in their meeting held on September 6, 2023, have determined the Issue Price at ₹ 1/- per Equity Share and the Rights Entitlement as [•] ([•]) Rights Equity Share(s) for every [•] ([•]) Equity Shares held on the Record Date.

BASIS FOR THIS ISSUE

The Rights Equity Shares are being offered for subscription for cash to the Eligible Equity Shareholders whose names appear as beneficial owners as per the list to be furnished by the Depositories in respect of our Equity Shares held in dematerialised form and on the register of members at the close of business hours on the Record Date.

RIGHTS ENTITLEMENTS

Eligible Shareholders whose names appear as a beneficial owner in respect of the issued and paid-up Equity Shares held in dematerialised form or appears in the register of members of our Company as an Eligible Equity Shareholder in respect of our Equity Shares held in physical form, as on the Record Date, you may be entitled to subscribe to the number of Rights Equity Shares as set out in the Rights Entitlement Letter.

The Registrar will send/dispatch a Rights Entitlement Letter along with the Abridged Letter of Offer and the Application Form to all Eligible Equity Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlements or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions, which will contain details of their Rights Entitlements based on their shareholding as on the Record Date.

Eligible Equity Shareholders can also obtain the details of their respective Rights Entitlements from the Registrar to the Issue's website at <u>www.bigshareonline.com</u> by entering their DP-ID and Client-ID and PAN or Folio Number (in case of Eligible Equity Shareholders holding Equity Shares in physical form). The link for the same shall also be available on our Company's website at <u>www.sunretail.in</u>.

Rights Entitlements shall be credited to the respective demat accounts of Eligible Shareholders before the Issue Opening Date only in dematerialised form. If Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date. Such Eligible Equity Shareholders holding shares in physical form can update the details of their respective demat accounts on the website of the Registrar (i.e. <u>www.bigshareonline.com</u>). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts, except in case of resident Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date.

Our Company is undertaking this Issue on a rights basis to the Eligible Equity Shareholders and will send/ dispatched the Issue Materials only to Eligible Equity Shareholders who have provided their Indian address to our Company or who are located in jurisdictions where this Issue and sale of the Rights Entitlements or Right Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case such Eligible Equity Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid email address and in case such Eligible Equity Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer will also be provided to any existing Shareholder who makes a request in this regard.

The Issue Materials may also be accessed on the websites of the Registrar and our Company through a link contained in the aforementioned e-mail sent to email addresses of Eligible Equity Shareholders (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under



applicable securities laws) and on the Stock Exchange website. The distribution of the Issue Materials and the issue of Right Shares on a rights basis to persons in certain jurisdictions outside India is restricted by legal requirements prevailing in those jurisdictions. No action has been, or will be, taken to permit this Issue in any jurisdiction where action would be required for that purpose, except that the Letter of Offer filed with SEBI and Stock Exchange. Accordingly, the Rights Entitlements and Rights Equity Shares may not be offered or sold, directly or indirectly, and the Issue materials or advertisements in connection with this Issue may not be distributed, in any jurisdiction, except in accordance with legal requirements applicable in such jurisdiction. Receipt of the Issue Materials (including by way of electronic means) will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in those circumstances, the Issue Materials must be treated as sent for information only and should not be acted upon for making an Application and should not be copied or re-distributed. Accordingly, persons receiving a copy of the Issue Materials should not, in connection with the issue of the Rights Equity Shares or the Rights Entitlements, distribute or send the Issue Materials in or into any jurisdiction where to do so, would, or might, contravene local securities laws or regulations. If the Issue Materials received by any person in any such jurisdiction, or by their agent or nominee, they must not seek to make an Application or acquire the Rights Entitlements referred to in the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form. Any person who acquires Rights Entitlements or makes and Application will be deemed to have declared, warranted and agreed, by accepting the delivery of the Issue Materials that it is entitled to subscribe for the Rights Equity Shares under the laws of any jurisdiction which apply to such person.

PRINCIPAL TERMS OF THIS ISSUE

1. Face Value

Each Rights Equity Shares will be having face value of \mathbb{Z} 1/- (Rupee One Only).

2. Issue Price

Each Rights Equity Share is being offered at a price of ₹ 1 (Rupees One only) per Rights Equity Share (including a premium of ₹ NIL per Rights Equity Share) in this Issue.

The Issue Price for Rights Equity Shares has been arrived by our Company and has been decided prior to the determination of the Record Date i.e. [•].

3. Rights Entitlements Ratio

The Rights Equity Shares are being offered on a rights basis to the Eligible Equity Shareholders in the ratio of 3 (Three) Rights Equity Share(s) for every 1 (One) Equity Share(s) held by the Eligible Shareholders as on the Record Date i.e. [•], which will be credited in the demat account of the Applicant after the Allotment.

4. Terms of Payment

Amount Payable Per Rights Equity Share	Face Value(₹)	Premium(₹)	Amount(₹)
On Application	1.00/-	NIL	1.00/-
Total	1.00/-	NIL	1.00/-

Each Rights Equity Share is being offered at a price of \mathbb{Z} 1/- per Rights Equity Share (including a premium of \mathbb{Z} NIL per Rights Equity Share), for every [•] Rights Equity Share allotted in this Issue.

Where an Applicant has applied for additional Rights Equity Shares and is allotted a lesser number of Rights Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The un-blocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.



5. Renunciation of Rights Entitlements

This Issue includes a right exercisable by Eligible Shareholders to renounce the Rights Entitlements credited to their respective demat account either in full or in part.

The renunciation from non-resident Eligible Equity Shareholder(s) to resident Indian(s) and vice versa shall be subject to provisions of FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time. However, the facility of renunciation shall not be available to or operate in favour of an Eligible Shareholders being an erstwhile OCB unless the same is in compliance with the FEMA Rules and other circular, directions, or guidelines issued by RBI or the Ministry of Finance from time to time.

The renunciation of Rights Entitlements credited in your demat account can be made either by sale of such Rights Entitlements, using the secondary market platform of the Stock Exchange or through an off-market transfer. For details, see *'Procedure for Renunciation of Rights Entitlements'* on page 208.

In accordance with SEBI Rights Issue circulars the Eligible Shareholders, who hold Equity Shares in physical form as on Record Date and who have not furnished the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, will not be able to renounce their Rights Entitlements.

6. Process of Credit of Rights Entitlements in dematerialized account

In accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Prior to the Issue Opening Date, our Company shall credit the Rights Entitlements to:

- a. The demat accounts of the Eligible Shareholders holding the Equity Shares in dematerialized form; and
- b. A demat suspense escrow account (namely, '[•]') opened by our Company, for the Eligible Shareholders which would comprise Rights Entitlements relating to:
 - i. Equity Shares held in a demat suspense account pursuant to Regulation 39 of the SEBI (LODR) Regulations; or
 - ii. Equity Shares held in the account of IEPF authority; or
 - iii. The demat accounts of the Eligible Equity Shareholder which are frozen or details of which are unavailable with our Company or with the Registrar on the Record Date; or
 - iv. Equity Shares held by Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date where details of demat accounts are not provided by Eligible Equity Shareholders to our Company or Registrar;
 - v. Credit of the Rights Entitlements returned/ reversed / failed; or
 - vi. The ownership of the Equity Shares currently under dispute, including any court proceedings, as applicable.

In this regard, our Company has made necessary arrangements with NSDL and CDSL for the crediting of the Rights Entitlements to the demat accounts of the Eligible Equity Shareholders in a dematerialized form. A 0073eparate ISIN for the Rights Entitlements has also been generated which is [•]. The said ISIN shall remain frozen (for debit) till the Issue Opening Date and shall become active on the Issue Opening Date and remain active for renunciation or transfer during the Renunciation Period. It is clarified that the Rights Entitlements shall not be available for transfer or trading post the Renunciation Period. The said ISIN shall be suspended for transfer by the Depositories post the Issue Closing Date.

Eligible Equity Shareholders whose Rights Entitlement are credited in demat suspense account, are requested to provide relevant details (such as copies of self-attested PAN and client master sheet of demat account etc., details/ records confirming the legal and beneficial ownership of their respective



Equity Shares) to the Company or the Registrar not later than 2 (Two) Working Days prior to the Issue Closing Date, i.e., by [•],to enable the credit of their Rights Entitlements by way of transfer from the demat suspense escrow account to their demat account at least 1 (One) day before the Issue Closing Date, to enable such Eligible Equity Shareholders to make an application in this Issue, and this communication shall serve as an intimation to such Eligible Shareholders in this regard. Such Eligible Shareholders are also requested to ensure that their demat account, details of which have been provided to the Company or the Registrar account is active to facilitate the aforementioned transfer.

Additionally, our Company will submit the details of the total Rights Entitlements credited to the demat accounts of the Eligible Equity Shareholders and the demat suspense escrow account to the Stock Exchange after completing the corporate action. The details of the Rights Entitlements with respect to each Eligible Shareholders can be accessed by such respective Eligible Equity Shareholders on the website of the Registrar after keying in their respective details along with other security control measures implemented thereat. Eligible Equity Shareholders holding Equity Shares in physical form can update the details of their demat accounts on the website of the Registrar (i.e. *www.bigshareonline.com*). Such Eligible Equity Shareholders can make an application only after the Rights Entitlements is credited to their respective demat accounts.

PLEASE NOTE THAT CREDIT OF THE RIGHTS ENTITLEMENTS IN THE DEMAT ACCOUNT DOES NOT, PER SE, ENTITLE THE INVESTORS TO THE RIGHTS EQUITY SHARES AND THE INVESTORS HAVE TO SUBMIT APPLICATION FOR THE RIGHTS EQUITY SHARES ON OR BEFORE THE ISSUE CLOSING DATE AND MAKE PAYMENT OF THE APPLICATION MONEY. FOR DETAILS, PLEASE REFER TO THE PARAGRAPH TITLED '*PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS*' ON PAGE 207.

7. Fractional Entitlements

The Rights Equity Shares are being offered on a rights basis to existing Eligible Equity Shareholders in the ratio of 3 (Three) Rights Equity Shares for every 1 (One) Equity Shares held as on the Record Date. As per SEBI Rights Issue Circulars, the fractional entitlements are to be ignored. Accordingly, if the shareholding of any of the Eligible Equity Shareholders is less than 1 (One) Equity Shares or is not in the multiple of 1 (One) Equity Shares, the fractional entitlements of such Eligible Shareholders shall be ignored by rounding down of their Rights Entitlements. However, the Eligible Equity Shareholders whose fractional entitlements are being ignored, will be given preferential consideration for the Allotment of one additional Rights Equity Share if they apply for additional Rights Equity Shares over and above their Rights Entitlements, if any, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

For example, if an Eligible Equity Shareholder holds 1 (One) Equity Shares, such Equity Shareholder will be entitled to 3 (Three) Rights Equity Share(s) and will also be given a preferential consideration for the Allotment of one additional Rights Equity Share if such Eligible Equity Shareholder has applied for additional Rights Equity Shares, over and above his/ her Rights Entitlements, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for.

Further, the Eligible Equity Shareholders holding less than 1 (One) Equity Shares shall have 'zero' entitlement for the Rights Equity Shares. Such Eligible Equity Shareholders are entitled to apply for Additional Rights Equity Shares and will be given preference in the Allotment of one Rights Equity Share, if such Eligible Equity Shareholders apply for additional Rights Equity Shares, subject to availability of Rights Equity Shares in this Issue post allocation towards Rights Entitlements applied for. However, they cannot renounce the same in favour of third parties.

8. Ranking of Equity Shares

The Rights Equity Shares to be issued and Allotted pursuant to this Issue shall be subject to the provisions of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, and the Memorandum of Association and the Articles of Association, the provisions



of the Companies Act, 2013, FEMA, the SEBI (ICDR) Regulations, the SEBI (LODR) Regulations, and the guidelines, notifications and regulations issued by SEBI, the Government of India and other statutory and regulatory authorities from time to time, the terms of the Listing Agreements entered into by our Company with the Stock Exchange and the terms and conditions as stipulated in the Allotment advice.

The Rights Equity Shares being issued and allotted shall be subject to the provisions of the Memorandum of Association and Articles of Association. The Rights Equity Shares shall rank paripassu, in all respects including dividend, with our existing Equity Shares.

The voting rights in a poll, whether present in person or by representative or by proxy shall be in proportion to the paid-up value of the Shares held, and no voting rights shall be exercisable in respect of moneys paid in advance, if any.

9. Trading of the Rights Entitlements

In accordance with the ASBA Circulars and SEBI Rights Issue Circulars, the Rights Entitlements credited shall be admitted for trading on the BSE under ISIN [•]. Prior to the Issue Opening Date, our Company will obtain the approval from the BSE for trading of Rights Entitlements. Investors shall be able to trade their Rights Entitlements either through On Market Renunciation or through Off Market Renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

The On Market Renunciation shall take place electronically on the secondary market platform of the Stock Exchange on T+2 rolling settlement basis, where T refers to the date of trading. The transactions will be settled on trade-for-trade basis. The Rights Entitlements shall be tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 1 (One) Rights Entitlement.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [•] to [•] (both days inclusive). No assurance can be given regarding the active or sustained On Market Renunciation or the price at which the Rights Entitlements will trade. Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date. For details, see '*Procedure for Renunciation of Rights Entitlements – On Market Renunciation*' and '*Procedure for Renunciation of Rights Entitlements – Off Market Renunciation*' on page 208 and 209.

Please note that the Rights Entitlements which are neither renounced nor subscribed by the Investors on or before the Issue Closing Date shall lapse and shall be extinguished after the Issue Closing Date.

10. Listing and trading of the Rights Equity Shares to be issued pursuant to this Issue

Subject to receipt of the listing and trading approvals, the Rights Equity Shares proposed to be issued on a rights basis shall be listed and admitted for trading on the Stock Exchange. Unless otherwise permitted by the SEBI (ICDR) Regulations, the Rights Equity Shares Allotted pursuant to this Issue will be listed as soon as practicable and all steps for completion of necessary procedures for listing and commencement of trading in the Rights Equity Shares will be taken within such period prescribed under the SEBI (ICDR) Regulations. Our Company has received in-principle approval from the BSE through letter bearing reference number '[•]' dated [•]. Our Company will apply to the BSE for final approvals for the listing and trading of the Rights Equity Shares subsequent to their Allotment. No assurance can be given regarding the active or sustained trading in the Rights Equity Shares or the price at which the Rights Equity Shares offered under this Issue will trade after the listing thereof.



The Rights Equity Shares shall be listed and admitted for trading on the BSE under separate ISINs for Rights Equity Shares. The procedures for listing and trading of Rights Equity Shares shall be completed within 7 (Seven) Working Days from the date of finalization of the Basis of Allotment.

The process of corporate action for crediting the fully paid-up Rights Equity Shares to the Investors' demat accounts, may take such time as is customary or as prescribed under applicable law from the last date of payment of the amount.

The existing Equity Shares are listed and traded on SME Platform of BSE bearing Scrip Code **'542025'** and under ISIN **INE206Z01020**. The Rights Equity Shares shall be credited to temporary ISINs which will be frozen until the receipt of the final listing/ trading approvals from the Stock Exchange. Upon receipt of such listing and trading approvals, the Rights Equity Shares shall be debited from such temporary ISINs and credited to the existing ISIN as fully paid-up Equity share of our company.

The listing and trading of the Rights Equity Shares issued pursuant to this Issue shall be based on the current regulatory framework then applicable. Accordingly, any change in the regulatory regime would affect the listing and trading schedule.

In case our Company fails to obtain listing or trading permission from the Stock Exchange, we shall refund through verifiable means/unblock the respective ASBA Accounts, the entire monies received/blocked within 4 (Four) days of receipt of intimation from the Stock Exchange, rejecting the application for listing of the Rights Equity Shares, and if any such money is not refunded/ unblocked within 4 (Four) days after our Company becomes liable to repay it, our Company and every director of our Company who is an officer -in-default shall, on and from the expiry of the eighth day, be jointly and severally liable to repay that money with interest at rates prescribed under applicable law.

11. Subscription to this Issue by our Promoter and our Promoter Group

For details of the intent and extent of subscription by our Promoter and the Promoter Group, see the paragraph titled *'Intention and extent of participation by our Promoter and Promoter Group'* under the section titled *'Capital Structure'* on page 47.

12. Rights of holders of Rights Equity Shares of our Company

Subject to applicable laws, holders of the Rights Equity Shares shall have the following rights:

- a. The Rights Equity Shares shall rank *pari-passu* with the existing Equity Shares in all respects;
- b. The right to receive dividend, if declared;
- c. The right to vote in person, or by proxy, except in case of Rights Equity Shares credited to the demat suspense account for resident Eligible Shareholders;
- d. The right to receive surplus on liquidation;
- e. The right to free transferability of Rights Equity Shares;
- f. The right to attend general meetings of our Company and exercise voting powers in accordance with law; and
- g. Such other rights as may be available to a shareholder of a listed public Company under the Companies Act, 2013, the Memorandum of Association and the Articles of Association.

Subject to applicable law and Articles of Association, holders of Rights Equity Shares shall be entitled to the above rights in proportion to amount paid-up on such Rights Equity Shares in this Issue.

GENERAL TERMS OF THE ISSUE

1. Market Lot

The Rights Equity Shares of our Company shall be tradable only in dematerialized form. The market lot for the Rights Equity Shares in dematerialized mode is 48,000 (Forty Eight Thousands) Equity Share.



2. Minimum Subscription

In accordance with Regulation 86 of SEBI (ICDR) Regulations, if our Company does not receive the minimum subscription of at least 90% of the Issue of the Equity Shares being offered under this Issue, on an aggregate basis, our Company shall refund the entire subscription amount received within 4 (four) days from the Issue Closing Date. If there is delay in making refunds beyond such period as prescribed by applicable laws, our Company will pay interest for the delayed period at rates prescribed under applicable laws.

3. Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as the joint holders with the benefit of survivorship subject to the provisions contained in our Articles of Association. In case of Equity Shares held by joint holders, the Application submitted in physical mode to the Designated Branch of the SCSBs would be required to be signed by all the joint holders (in the same order as appearing in the records of the Depository) to be considered as valid for allotment of Rights Equity Shares offered in this Issue.

4. Nomination

Nomination facility is available in respect of the Rights Equity Shares in accordance with the provisions of the Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debenture) Rules, 2014. Since the Allotment is in dematerialized form, there is no need to make a separate nomination for the Rights Equity Shares to be allotted in this Issue. Nominations registered with the respective Depository Participants of the Investors would prevail. Any Investor holding Equity Shares in dematerialized form and desirous of changing the existing nomination is requested to inform its Depository Participant.

5. Arrangements for Disposal of Odd Lots

The Rights Equity Shares are traded in dematerialized form only and therefore the marketable lot is 48,000 (Forty Eight Thousand) Equity Share and hence no arrangements for disposal of odd lots are required.

6. Restrictions on transfer and transmission of shares and on their consolidation/splitting

There are no restrictions on transfer and transmission and on their consolidation/splitting of shares issued pursuant to this Issue. However, the Investors should note that pursuant to provisions of the SEBI (LODR) Regulations, with effect from April 1, 2019, except in case of transmission or transposition of securities, the request for transfer of securities shall not be affected unless the securities are held in the dematerialized form with a depository.

7. Notices

In accordance with the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and MCA General Circular No. 21/2020, our Company will send the Abridged Letter of Offer, the Rights Entitlement Letter, Application Form and other issue material only to the Eligible Shareholders who have provided an Indian address to our Company and who are located in jurisdictions where the offer and sale of the Rights Entitlement or Rights Equity Shares is permitted under laws of such jurisdiction and does not result in and may not be construed as, a public offering in such jurisdictions. In case the Eligible Shareholders have provided their valid e-mail address, the Issue Materials will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their e-mail address, then the Issue Materials will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

The Letter of Offer will be provided by the Registrar to the Issue on behalf of our Company to the Eligible Shareholders who have provided their Indian addresses to our Company and who make a request in this regard. In case the Eligible Shareholders have provided their valid e-mail address, the Letter of Offer will be sent only to their valid e-mail address and in case the Eligible Shareholders have not provided their email address, then the Letter of Offer will be dispatched, on a reasonable effort basis, to the Indian addresses provided by them.

All notices to the Eligible Shareholders required to be given by our Company shall be published in one English language national daily newspaper with wide circulation, one Hindi language national



daily newspaper with wide circulation and one Gujarati language daily newspaper with wide circulation (Gujarati being the regional language of Ahmedabad where our Registered Office is situated).

The Letter of Offer, the Abridged Letter of Offer and the Application Form shall also be submitted with the Stock Exchange for making the same available on their website.

OFFER TO NON-RESIDENT ELIGIBLE SHAREHOLDERS/INVESTORS

As per Rule 7 of the FEMA Rules, the RBI has given general permission to Indian companies to issue Rights Equity Shares to non-resident shareholders including additional Rights Equity Shares. Further, as per the Master Direction on Foreign Investment in India dated January 4, 2018 issued by the RBI, non-residents may, amongst other things:

- 1. Subscribe for additional Equity Shares over and above their Rights Entitlements;
- 2. Renounce the Rights Equity Shares offered to them either in full or in part thereof in favour of a person named by them; or
- 3. Apply for the Equity Shares renounced in their favour.

Applications received from NRIs and non-residents for allotment of Rights Equity Shares shall be, amongst other things, subject to the conditions imposed from time to time by the RBI under FEMA in the matter of Application, refund of Application Money, Allotment of Rights Equity Shares and issue of Rights Entitlements Letters/ letters of Allotment/Allotment advice. If a non-resident or NRI Investor has specific approval from RBI, in connection with his shareholding in our Company, such person should enclose a copy of such approval with the Application details and send it to the Registrar by email on *rightsissue@bigshareonline.com* or physically/postal means at the address of the Registrar mentioned on the cover page of this Draft Letter of Offer. It will be the sole responsibility of the investors to ensure that the necessary approval from the RBI or the governmental authority is valid in order to make any investment in the Issue and our Company will not be responsible for any such allotments made by relying on such approvals.

The Abridged Letter of Offer, the Rights Entitlement Letter and Application Form shall be sent to the email address of non-resident Eligible Shareholders who have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Right Shares is permitted under laws of such jurisdictions. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Right Shares under applicable securities laws) from the websites of the Registrar, our Company, the Stock Exchanges. The Board of Directors may at its absolute discretion, agree to such terms and conditions as may be stipulated by the RBI while approving the Allotment. The Right Shares purchased by non-residents shall be subject to the same conditions including restrictions in regard to the repatriation as are applicable to the original Equity Shares against which Right Shares are issued on rights basis.

In case of change of status of holders, i.e., from resident to non-resident, a new demat account must be opened. Any Application from a demat account which does not reflect the accurate status of the Applicant is liable to be rejected at the sole discretion of our Company.

Please also note that pursuant to Circular No. 14 dated September 16, 2003, issued by the RBI, Overseas Corporate Bodies *(hereinafter referred to as "OCBs")* have been derecognized as an eligible class of investors and the RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of the RBI and to obtain prior approval from RBI for applying in this Issue.

The non-resident Eligible Shareholders can update their Indian address in the records maintained by the Registrar through email at <u>rightsissue@bigshareonline.com</u> and our Company through email at <u>www.sunretail.in</u> by submitting their respective copies of self-attested proof of address, passport, etc.



PROCEDURE FOR APPLICATION

How to Apply

In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA.

For details of procedure for application by the resident Eligible Equity Shareholders holding Equity Shares in physical form as on the Record Date, i.e. [•], see '*Procedure for Application by Eligible Equity Shareholders holding Equity Shares in physical form*' on page 212.

Our Company, its directors, its employees, affiliates, associates and their respective directors and officers and the Registrar shall not take any responsibility for acts, mistakes, errors, omissions and commissions etc. in relation to Applications accepted by SCSBs, Applications uploaded by SCSBs, Applications accepted but not uploaded by SCSBs or Applications accepted and uploaded without blocking funds in the ASBA Accounts.

Application Form

The Application Form for the Rights Equity Shares offered as part of this Issue would be sent to the Eligible Shareholders only to:

- a. E-mail addresses of resident Eligible Shareholders who have provided their e-mail addresses;
- b. Indian addresses of the resident Eligible Shareholders, on a reasonable effort basis, whose e-mail addresses are not available with our Company or the Eligible Shareholders have not provided the valid email address to our Company;
- c. Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and
- d. E-mail addresses of foreign corporate or institutional shareholders.

The Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through email or physical delivery, as applicable, at least 3 (Three) days before the Issue Opening Date.

In case of non-resident Eligible Shareholders, the Application Form along with the Abridged Letter of Offer and the Rights Entitlement Letter shall be sent through e-mail address if they have provided an Indian address to our Company or who are located in jurisdictions where the offer and sale of the Rights Equity Shares is permitted under laws of such jurisdictions.

Please note that neither our Company nor the Registrar shall be responsible for delay in the receipt of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or the Application Form attributable to non- availability of the e-mail addresses of Eligible Shareholders or electronic transmission delays or failures, or if the Application Forms or the Rights Entitlement Letters are delayed or misplaced in the transit or there is a delay in physical delivery (where applicable).

To update the respective e-mail addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Shareholders should visit <u>www.bigshareonline.com</u>. Investors can access the Letter of Offer, the Abridged Letter of Offer and the Application Form (provided that the Eligible Equity Shareholder is eligible to subscribe for the Rights Equity Shares under applicable securities laws) from the websites of:

- 1. Our Company's website at *www.sunretail.in*;
- 2. Registrar to the Issue's website at <u>www.bigshareonline.com;</u>
- 3. BSE Limited's website at *www.bseindia.com*;



The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at <u>www.bigshareonline.com</u> by entering their DP-ID and Client-ID and PAN.

The Application Form can be used by the Eligible Shareholders as well as the Renouncees, to make Applications in this Issue on the basis of the Rights Entitlements credited in their respective demat accounts or demat suspense escrow account, as applicable. Please note that one single Application Form shall be used by the Investors to make Applications for all Rights Entitlements available in a particular demat account or entire respective portion of the Rights Entitlements in the demat suspense escrow account in case of resident Eligible Shareholders applying in this Issue, as applicable.

In case of Investors who have provided details of demat account in accordance with the SEBI (ICDR) Regulations, such Investors will have to apply for the Rights Equity Shares from the same demat account in which they are holding the Rights Entitlements and in case of multiple demat accounts, the Investors are required to submit a separate Application Form for each demat account.

Investors may accept this Issue and apply for the Rights Equity Shares by:

- a. Submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts, or
- b. Please note that Applications made with payment using third party bank accounts are liable to be rejected.

Investors are also advised to ensure that the Application Form is correctly filled up stating therein the ASBA Account (in case of Application through ASBA process) in which an amount equivalent to the amount payable on Application as stated in the Application Form will be blocked by the SCSB.

Please note that Applications without depository account details shall be treated as incomplete and shall be rejected.

Applicants should note that they should very carefully fill-in their depository account details and PAN number in the Application Form or while submitting application through online/electronic Application through the website of the SCSBs (if made available by such SCSB). Incorrect depository account details or PAN number could lead to rejection of the Application. For details see *'Grounds for Technical Rejection'* on page 216. Our Company, the Registrar and the SCSB shall not be liable for any incorrect demat details provided by the Applicants.

Additionally, in terms of Regulation 78 of the SEBI (ICDR) Regulations, Investors may choose to accept the offer to participate in this Issue by making an Application that is available on the website of the Registrar and Stock Exchange or on a plain paper with the same details as per the Application Form available online. Please note that Eligible Shareholders making an application in this Issue by way of plain paper applications shall not be permitted to renounce any portion of their Rights Entitlements. For details, see 'Application on Plain Paper under ASBA process' on page 209.

OPTIONS AVAILABLE TO THE ELIGIBLE SHAREHOLDERS

The Rights Entitlement Letter will clearly indicate the number of Rights Equity Shares that the Eligible Equity Shareholder is entitled to.

If the Eligible Equity Shareholder applies in this Issue, then such Eligible Equity Shareholder can:

- 1. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements; or
- 2. Apply for its Rights Equity Shares to the extent of part of its Rights Entitlements (without renouncing the other part); or
- 3. Apply for Rights Equity Shares to the extent of part of its Rights Entitlements and renounce the other part of its Rights Entitlements; or
- 4. Apply for its Rights Equity Shares to the full extent of its Rights Entitlements and apply for additional Rights Equity Shares; or
- 5. Renounce its Rights Entitlements in full.

PROCEDURE FOR APPLICATION THROUGH THE ASBA PROCESS

An investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application. Investors desiring to make an Application in this Issue through ASBA process, may submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Sun Retail Limited

Investors should ensure that they have correctly submitted the Application Form, or have otherwise provided an authorization to the SCSB, via the electronic mode, for blocking funds in the ASBA Account equivalent to the Application Money mentioned in the Application Form, as the case may be, at the time of submission of the Application.

Self-Certified Syndicate Banks

For the list of banks which have been notified by SEBI to act as SCSBs for the ASBA process, please refer to <u>https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmld=34</u>. For details on Designated Branches of SCSBs collecting the Application Form, please refer the above-mentioned link.

Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012' dated September 25, 2012 within the periods stipulated therein, ASBA Applications may be submitted at the Designated Branches of the SCSBs, in case of Applications made through ASBA facility.

ACCEPTANCE OF THIS ISSUE

Investors may accept this Issue and apply for the Rights Equity Shares by submitting the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

Please note that on the Issue Closing Date Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange, and

Applications submitted to anyone other than the Designated Branches of the SCSB are liable to be rejected.

Investors can also make Application on plain paper under ASBA process mentioning all necessary details as mentioned under the section '*Application on Plain Paper under ASBA processes*' on page 209.

ADDITIONAL RIGHTS EQUITY SHARES

Investors are eligible to apply for additional Rights Equity Shares over and above their Rights Entitlements, provided that they are eligible to apply for Rights Equity Shares under applicable law and they have applied for all the Rights Equity Shares forming part of their Rights Entitlements without renouncing them in whole or in part. The Rights Entitlements comprise of 1 Rights Equity Share. Where the number of additional Rights Equity Shares applied for exceeds the number available for Allotment, the Allotment would be made as per the Basis of Allotment finalized in consultation with the Designated Stock Exchange. Applications for additional Rights Equity Shares shall be considered and Allotment shall be made in accordance with the SEBI (ICDR) Regulations and in the manner prescribed under the section 'Basis of Allotment' on page 220.

Eligible Shareholders who renounce their Rights Entitlements cannot apply for additional Rights Equity Shares.



Non-resident Renouncees who are not Eligible Equity Shareholders cannot apply for additional Rights Equity Shares.

Resident Eligible Equity Shareholders who hold Equity Shares in physical form as on the Record Date cannot renounce until the details of their demat account are provided to our Company or the Registrar and the dematerialized Rights Entitlements are transferred from suspense escrow demat account to the respective demat accounts of such Eligible Equity Shareholders within prescribed timelines. However, such Eligible Equity Shareholders, where the dematerialized Rights Entitlements are transferred from the suspense escrow demat account to the respective demat accounts within prescribed timelines, can apply for additional Rights Equity Shares while submitting the Application through ASBA process.

PROCEDURE FOR RENUNCIATION OF RIGHTS ENTITLEMENTS

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts, either in full or in part (a) by using the secondary market platform of the Stock Exchange; or (b) through an off -market transfer, during the Renunciation Period. Such renunciation shall result in renouncement of the Rights Equity Shares. The Investors should have the demat Rights Entitlements credited/lying in his/her own demat account prior to the renunciation. The trades through On Market Renunciation and Off Market Renunciation will be settled by transferring the Rights Entitlements through the depository mechanism.

Investors may be subject to adverse foreign, state or local tax or legal consequences as a result of trading in the Rights Entitlements. Investors who intend to trade in the Rights Entitlements should consult their tax advisor or stock broker regarding any cost, applicable taxes, charges and expenses (including brokerage) that may be levied for trading in Rights Entitlements.

OUR COMPANY ACCEPT NO RESPONSIBILITY TO BEAR OR PAY ANY COST, APPLICABLE TAXES, CHARGES, AND EXPENSES (INCLUDING BROKERAGE), AND SUCH COSTS WILL BE INCURRED SOLELY BY THE INVESTORS.

PLEASE NOTE THAT THE RIGHTS ENTITLEMENTS WHICH ARE NEITHER RENOUNCED NOR SUBSCRIBED BY THE INVESTORS ON OR BEFORE THE ISSUE CLOSING DATE SHALL LAPSE AND SHALL BE EXTINGUISHED AFTER THE ISSUE CLOSING DATE.

1. On Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by trading/selling them on the secondary market platform of the BSE through a registered stock broker in the same manner as the existing Equity Shares of our Company.

In this regard, in terms of provisions of the SEBI (ICDR) Regulations and the SEBI Rights Issue Circulars, the Rights Entitlements credited to the respective demat accounts of the Eligible Shareholders shall be admitted for trading on the Stock Exchange under the ISIN that shall be allotted for the Rights Entitlement subject to requisite approvals. The details for trading in Rights Entitlements will be as specified by the BSE from time to time.

The Rights Entitlements are tradable in dematerialized form only. The market lot for trading of Rights Entitlements is 48,000 Shares. To clarify further, fractional entitlements are not eligible for trading.

The On Market Renunciation shall take place only during the Renunciation Period for On Market Renunciation, i.e., from [•] to [•] (both days inclusive).

The Investors holding the Rights Entitlements who desire to sell their Rights Entitlements will have to do so through their registered stock brokers by quoting the ISIN [•] (for Rights Entitlement) that shall be allotted for the Rights Entitlement and indicating the details of the Rights Entitlements they intend to sell. The Investors can place order for sale of Rights Entitlements only to the extent of Rights Entitlements available in their demat account.



The On Market Renunciation shall take place electronically on secondary market platform of Stock Exchange under automatic order matching mechanism and on 'T+2 rolling settlement bases, where 'T' refers to the date of trading. The transactions will be settled on trade-for-trade basis. Upon execution of the order, the stock broker will issue a contract note in accordance with the requirements of the Stock Exchange and the SEBI.

2. Off Market Renunciation

The Investors may renounce the Rights Entitlements, credited to their respective demat accounts by way of an off-market transfer through a depository participant. The Rights Entitlements can be transferred in dematerialized form only.

Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

The Investors holding the Rights Entitlements who desire to transfer their Rights Entitlements will have to do so through their depository participant by issuing a delivery instruction slip quoting the ISIN [•] (for Rights Entitlement) that shall be allotted for the Rights Entitlement, the details of the buyer and the details of the Rights Entitlements they intend to transfer. The buyer of the Rights Entitlements (unless already having given a standing receipt instruction) has to issue a receipt instruction slip to their depository participant. The Investors can transfer Rights Entitlements only to the extent of Rights Entitlements available in their demat account.

The instructions for transfer of Rights Entitlements can be issued during the working hours of the depository participants. The detailed rules for transfer of Rights Entitlements through off-market transfer shall be as specified by the NSDL and CDSL from time to time.

APPLICATION ON PLAIN PAPER UNDER ASBA PROCESS

An Eligible Equity Shareholder who is eligible to apply under the ASBA process may make an Application to subscribe to this Issue on plain paper. An Eligible Equity Shareholder shall submit the plain paper Application to the Designated Branch of the SCSB for authorizing such SCSB to block Application Money in the said bank account maintained with the same SCSB.

Applications on plain paper will not be accepted from any address outside India

Applications on plain paper will not be accepted from any address outside India. Please note that the Eligible Shareholders who are making the Application on plain paper shall not be entitled to renounce their Rights Entitlements and should not utilize the Application Form for any purpose including renunciation even if it is received subsequently.

APPLICATION ON PLAIN PAPER

The application on plain paper, duly signed by the Eligible Equity Shareholder including joint holders, in the same order and as per specimen recorded with his bank, must reach the office of the Designated Branch of the SCSB before the Issue Closing Date and should contain the following particulars:

- i. Name of our Company, being 'Sun Retail Limited';
- ii. Name and address of the Eligible Equity Shareholder including joint holders (in the same order and as per specimen recorded with our Company or the Depository);
- iii. Registered Folio No./DP and Client ID No.;
- iv. Number of Equity Shares held as on Record Date;
- v. Allotment option only dematerialized form;



- vi. Number of Rights Equity Shares entitled to;
- vii. Total number of Rights Equity Shares applied for;
- viii. Number of additional Rights Equity Shares applied for, if any;
 - ix. Total number of Rights Equity Shares applied for;
 - x. Total amount paid at the rate of ₹ [•]/- for Rights Equity Shares issued in one Rights Entitlement;
- xi. Details of the ASBA Account such as the account number, name, address and branch of the relevant SCSB;
- xii. In case of non-resident Eligible Shareholders making an application with an Indian address, details of the NRE/FCNR/NRO Account such as the account number, name, address, branch of the SCSB with which the account is maintained and a copy of the RBI approval obtained pursuant to Rule 7 of the FEMA Rules.
- xiii. Except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts, PAN of the Eligible Equity Shareholder and for each Eligible Equity Shareholder in case of joint names, irrespective of the total value of the Rights Equity Shares applied for pursuant to this Issue;
- xiv. Authorization to the Designated Branch of the SCSB to block an amount equivalent to the Application Money in the ASBA Account;
- xv. Signature of the Eligible Equity Shareholder (in case of joint holders, to appear in the same sequence and order as they appear in the records of the SCSB); and
- xvi. In addition, all such Eligible Shareholders are deemed to have accepted the following:

"I/ We understand that neither the Rights Entitlement nor the Equity Shares have been, or will be, registered under the United States Securities Act of 1933, as amended (the "US Securities Act") or any United States state securities laws, and may not be offered, sold, resold or otherwise transferred within the United States or to the territories or possessions thereof (the "United States") except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act. I/ we understand the offering to which this application relates is not, and under no circumstances is to be construed as, an offering of any Equity Shares or Rights Entitlement for sale in the United States, or as a solicitation therein of an offer to buy any of the said Equity Shares or Rights Entitlement in the United States. Accordingly, I/ we understand that this application should not be forwarded to or transmitted in or to the United States at any time. I/ we understand that none of the Company, the Registrar, or any other person acting on behalf of the Company will accept subscriptions from any person, or the agent of any person, who appears to be, or who we, the Registrar or any other person acting on behalf of the Company has reason to believe is in the United States, or if such person is outside India and the United States, such person is not a corporate shareholder, or is ineligible to participate in the Issue under the securities laws of their jurisdiction. I/ We will not offer, sell or otherwise transfer any of the Equity Shares which may be acquired by us in any jurisdiction or under any circumstances in which such offer or sale is not authorized or to any person to whom it is unlawful to make such offer, sale or invitation except under circumstances that will result in compliance with any applicable laws or regulations. We satisfy, and each account for which we are acting satisfies, all suitability standards for investors in investments of the type subscribed for herein imposed by the jurisdiction of our residence.

I/ We understand and agree that the Rights Entitlement and Equity Shares may not be reoffered, resold, pledged or otherwise transferred except in an offshore transaction in compliance with Regulation S under the US Securities Act *(hereinafter referred to as "Regulation S")*, or otherwise pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act. I/We (i) am/are, and the person, if any, for whose account I/we am/are acquiring such Rights



Entitlement, and/or the Equity Shares, is/are outside the United States, and (ii) is/are acquiring the Rights Entitlement and/or the Equity Shares in an offshore transaction meeting the requirements of Regulation S.

I/ We acknowledge that the Company, their affiliates and others will rely upon the truth and accuracy of the foregoing representations and agreements." In cases where multiple Application Forms are submitted for Applications pertaining to Rights Entitlements credited to the same demat account or in demat suspense escrow account, including cases where an Investor submits Application Forms along with a plain paper Application, such Applications shall be liable to be rejected. Investors are requested to strictly adhere to these instructions. Failure to do so could result in an application being rejected, with our Company and the Registrar not having any liability to the Investor. The plain paper Application format will be available on the website of the Registrar at www.bigshareonline.com.

I/ We acknowledge that Our Company and the Registrar shall not be responsible if the Applications are not uploaded by SCSB or funds are not blocked in the Investors' ASBA Accounts on or before the Issue Closing Date."

MODE OF PAYMENT

All payments against the Application Forms shall be made only through ASBA facility. The Registrar will not accept any payments against the Application Forms, if such payments are not made through ASBA facility.

In case of Application through ASBA facility, the Investor agrees to block the entire amount payable on Application with the submission of the Application Form, by authorizing the SCSB to block an amount, equivalent to the amount payable on Application, in the Investor's ASBA Account.

After verifying that sufficient funds are available in the ASBA Account, details of which are provided in the Application Form, the SCSB shall block an amount equivalent to the Application Money mentioned in the Application Form until the Transfer Date. On the Transfer Date, upon receipt of intimation from the Registrar, pursuant to the finalization of the Basis of Allotment as approved by the Designated Stock Exchange, the SCSBs shall transfer such amount as per the Registrar's instruction from the ASBA Account into the Allotment Account which shall be a separate bank account maintained by our Company, other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013. The balance amount remaining after the finalization of the Basis of Allotment on the Transfer Date shall be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the respective SCSB.

The Investors would be required to give instructions to the respective SCSBs to block the entire amount payable on their application at the time of the submission of the Application Form.

The SCSB may reject the application at the time of acceptance of Application Form if the ASBA Account, details of which have been provided by the Investor in the Application Form does not have sufficient funds equivalent to the amount payable on Application mentioned in the Application Form. After the acceptance of the Application by the SCSB, our Company would have a right to reject the Application on technical grounds as set forth hereinafter.

Instructions issued in this regard by the Registrar to the respective SCSB.

1. Mode of payment for Resident Investors

All payments on the Application Forms shall be made only through ASBA facility. Applicants are requested to strictly adhere to these instructions.

2. Mode of payment for non-resident Investors

As regards the Application by non-resident Investors, the following conditions shall apply:



a. Individual non-resident Indian Applicants who are permitted to subscribe to Right Shares by applicable local securities laws can obtain Application Forms on the websites of the Registrar and our Company;

Note: In case of non-resident Eligible Shareholders, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form shall be sent to (i) the Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (ii) the e-mail addresses of the foreign corporate or institutional shareholders.

The Letter of Offer will be provided by the Registrar on behalf of our Company to the Eligible Shareholders at (i) the Indian addresses of the non-resident Eligible Shareholders, on a reasonable effort basis, who have provided an Indian address to our Company; and (ii) the e-mail addresses of the foreign corporate or institutional shareholders, in each case who make a request in this regard.

- b. Application Forms will not be accepted from non-resident Investors in any jurisdiction where the offer or sale of the Rights Entitlements and Rights Equity Shares may be restricted by applicable securities laws;
- c. Payment by non-residents must be made only through ASBA facility and using permissible accounts in accordance with FEMA, FEMA Rules and requirements prescribed by the RBI;

Notes

- i. In case where repatriation benefit is available, interest, dividend, sales proceeds derived from the investment in Rights Equity Shares can be remitted outside India, subject to tax, as applicable according to the Income-tax Act;
- ii. In case Rights Equity Shares are allotted on a non-repatriation basis, the dividend and sale proceeds of the Rights Equity Shares cannot be remitted outside India;
- iii. In case of an Application Form received from non-residents, Allotment, refunds and other distribution, if any, will be made in accordance with the guidelines and rules prescribed by the RBI as applicable at the time of making such Allotment, remittance and subject to necessary approvals;
- iv. Application Forms received from non-residents/ NRIs, or persons of Indian origin residing abroad for Allotment of Rights Equity Shares shall, amongst other things, be subject to conditions, as may be imposed from time to time by RBI under FEMA, in respect of matters including Refund of Application Money and Allotment;
- v. In the case of NRIs who remit their Application Money from funds held in FCNR/NRE Accounts, refunds and other disbursements, if any shall be credited to such account;
- vi. Non-resident Renounces who are not Eligible Shareholders must submit regulatory approval for applying for additional Rights Equity Shares;

APPLICATION BY ELIGIBLE SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Please note that in accordance with Regulation 77A of the SEBI (ICDR) Regulations read with the SEBI Rights Issue Circulars, the credit of Rights Entitlements and Allotment of Rights Equity Shares shall be made in dematerialized form only. Accordingly, Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date and desirous of subscribing to Rights Equity Shares in this Issue are advised to furnish the details of their demat account to the Registrar or our Company at least 2 (Two) Working Days prior to the Issue Closing Date, to enable the credit of their Rights Entitlements in their respective demat accounts at least one day before the Issue Closing Date.

Prior to the Issue Opening Date, the Rights Entitlements of those resident Eligible Equity Shareholders, among others, who hold Equity Shares in physical form, and whose demat account details are not



available with our Company or the Registrar, shall be credited in a demat suspense escrow account opened by our Company. In the event, the relevant details of the demat accounts of such Eligible Equity Shareholders are not received during the Issue Period, then their Rights Entitlements kept in the suspense escrow demat account shall lapse.

To update respective email addresses/ mobile numbers in the records maintained by the Registrar or our Company, Eligible Equity Shareholders should visit <u>www.sunretail.in</u>.

PROCEDURE FOR APPLICATION BY ELIGIBLE EQUITY SHAREHOLDERS HOLDING EQUITY SHARES IN PHYSICAL FORM

Eligible Equity Shareholders, who hold Equity Shares in physical form as on Record Date and who have opened their demat accounts after the Record Date, shall adhere to following procedure for participating in this Issue:

- a. The Eligible Equity Shareholders shall send a letter to the Registrar containing the name(s), address, email address, contact details and the details of their demat account along with copy of self-attested PAN and self-attested client master sheet of their demat account either by email, post, speed post, courier, or hand delivery so as to reach to the Registrar no later than 2 (Two) Working Days prior to the Issue Closing Date;
- b. The Registrar shall, after verifying the details of such demat account, transfer the Rights Entitlements of such Eligible Equity Shareholders to their demat accounts at least 1 (One) day before the Issue Closing Date;
- c. The Eligible Equity Shareholders can access the Application Form from:
 - 1. Our Company's website at *www.sunretail.in*;
 - 2. Registrar to the Issue's website at *www.bigshareonline.com*;
 - 3. BSE Limited's website at *www.bseindia.com*;

The Eligible Shareholders can obtain the details of their respective Rights Entitlements from the website of the Registrar at <u>www.bigshareonline.com</u> by entering their DP-ID and Client-ID and PAN. The link for the same shall also be available on the website of our Company at <u>www.sunretail.in</u>.

d. The Eligible Equity Shareholders shall, on or before the Issue Closing Date (i) submit the Application Form to the Designated Branch of the SCSB or online/electronic Application through the website of the SCSBs (if made available by such SCSB) for authorising such SCSB to block Application Money payable on the Application in their respective ASBA Accounts.

PLEASE NOTE THAT NON-RESIDENT ELIGIBLE EQUITY SHAREHOLDERS, WHO HOLD EQUITY SHARES IN PHYSICAL FORM AS ON RECORD DATE AND WHO HAVE NOT FURNISHED THE DETAILS OF THEIR RESPECTIVE DEMAT ACCOUNTS TO THE REGISTRAR OR OUR COMPANY AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE, SHALL NOT BE ELIGIBLE TO MAKE AN APPLICATION FOR RIGHTS EQUITY SHARES AGAINST THEIR RIGHTS ENTITLEMENTS WITH RESPECT TO THE EQUITY SHARES HELD IN PHYSICAL FORM.

ALLOTMENT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR IN THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO THE SAME DEPOSITORY ACCOUNT IN WHICH OUR EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE. FOR DETAILS, SEE 'ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS' ON PAGE 219.

GENERAL INSTRUCTIONS FOR INVESTORS

1. Please read this Draft Letter of Offer carefully to understand the Application process and applicable settlement process;



- 2. Please read the instructions on the Application Form sent to you;
- 3. The Application Form can be used by both the Eligible Shareholders and the Renouncees;
- 4. Application should be made only through the ASBA facility.
- 5. Application should be complete in all respects. The Application Form found incomplete with regard to any of the particulars required to be given therein, and/or which are not completed in conformity with the terms of the Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter and the Application Form are liable to be rejected. The Application Form must be filled in English;
- 6. In case of non-receipt of Application Form, Application can be made on plain paper mentioning all necessary details as mentioned under the section 'Application on Plain Paper under ASBA processes' on page 209;
- 7. In accordance with Regulation 76 of the SEBI (ICDR) Regulations, SEBI Rights Issue Circulars and ASBA Circulars, all Investors desiring to make an Application in this Issue are mandatorily required to use the ASBA process. Investors should carefully read the provisions applicable to such Applications before making their Application through ASBA;
- 8. An Investor, wishing to participate in this Issue through the ASBA facility, is required to have an ASBA enabled bank account with an SCSB, prior to making the Application.
- 9. Applications should be (i) submitted to the Designated Branch of the SCSB or made online/electronic through the website of the SCSBs (if made available by such SCSB) for authorizing such SCSB to block Application Money payable on the Application in their respective ASBA Accounts. Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange;
- 10. Applications should not be submitted to the Bankers to the Issue or Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), our Company or the Registrar;
- 11. In case of Application through ASBA facility, Investors are required to provide necessary details, including details of the ASBA Account, authorization to the SCSB to block an amount equal to the Application Money in the ASBA Account mentioned in the Application Form;
- 12. All Applicants, and in the case of Application in joint names, each of the joint Applicants, should mention their PAN allotted under the Income-tax Act, irrespective of the amount of the Application. Except for Applications on behalf of the Central or the State Government, the residents of Sikkim and the officials appointed by the courts, Applications without PAN will be considered incomplete and are liable to be rejected. With effect from August 16, 2010, the demat accounts for Investors for which PAN details have not been verified shall be "suspended for credit" and no Allotment and credit of Rights Equity Shares pursuant to this Issue shall be made into the accounts of such Investors. Further, in case of Application in joint names, each of the joint Applicants should sign the Application Form;
- 13. In case of Application through ASBA facility, all payments will be made only by blocking the amount in the ASBA Account. Cash payment or payment by cheque or demand draft or pay order or NEFT or RTGS or through any other mode is not acceptable for application through ASBA process. In case payment is made in contravention of this, the Application will be deemed invalid and the Application Money will be refunded and no interest will be paid thereon;
- 14. For physical Applications through ASBA at Designated Branches of SCSB, signatures should be either in English or Hindi or in any other language specified in the Eighth Schedule to the Constitution of India. Signatures other than in any such language or thumb impression must be attested by a Notary Public or a Special Executive Magistrate under his/her official seal. The Investors must sign the Application as per the specimen signature recorded with the SCSB;



- 15. In case of joint holders and physical Applications through ASBA process, all joint holders must sign the relevant part of the Application Form in the same order and as per the specimen signature(s) recorded with the SCSB. In case of joint Applicants, reference, if any, will be made in the first Applicant's name and all communication will be addressed to the first Applicant;
- 16. All communication in connection with Application for the Rights Equity Shares, including any change in address of the Eligible Shareholders should be addressed to the Registrar prior to the date of Allotment in this Issue quoting the name of the first/sole Applicant, folio numbers/DP ID and Client ID and Application Form number, as applicable; In case of any change in address of the Eligible Shareholders should also send the intimation for such change to the respective depository participant, or to our Company or the Registrar;
- 17. Please note that subject to SCSBs complying with the requirements of SEBI Circular bearing reference number 'CIR/CFD/DIL/13/2012 dated September 25, 2012' within the periods stipulated therein, Applications made through ASBA facility may be submitted at the Designated Branches of the SCSBs. Application through ASBA facil ity in electronic mode will only be available with such SCSBs who provide such facility;
- 18. In terms of the SEBI circular CIR/CFD/DIL/1/2013 dated January 02, 2013, it is clarified that for making applications by banks on their own account using ASBA facility, SCSBs should have a separate account in own name with any other SEBI registered SCSB(s). Such account shall be used solely for the purpose of making application in public/ rights issues and clear demarcated funds should be available in such account for ASBA applications;
- 19. Investors are required to ensure that the number of Rights Equity Shares applied for by them do not exceed the prescribed limits under the applicable law;
- 20. An Applicant being an OCB is required not to be under the adverse notice of the RBI and must submit approval from RBI for applying in this Issue;

Do's:

- 1. Ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number;
- 2. Except for Application submitted on behalf of the Central or the State Government, residents of Sikkim and the officials appointed by the courts, each Applicant should mention their PAN allotted under the Income-tax Act;
- 3. Ensure that the demographic details such as address, PAN, DP ID, Client ID, bank account details and occupation *("Demographic Details")* are updated, true and correct, in all respects;
- 4. Investors should provide correct DP-ID and client-ID/ folio number while submitting the Application. Such DP-ID and Client-ID/ folio number should match the demat account details in the records available with Company and/or Registrar, failing which such Application is liable to be rejected. Investor will be solely responsible for any error or inaccurate detail provided in the Application. Our Company, SCSBs or the Registrar will not be liable for any such rejections.

Don'ts:

- 1. Do not apply if you are ineligible to participate in this Issue under the securities laws applicable to your jurisdiction;
- 2. Do not submit the GIR number instead of the PAN as the application is liable to be rejected on this ground;



- 3. Avoid applying on the Issue Closing Date due to risk of delay/ restrictions in making any physical Application;
- 4. Do not pay the Application Money in cash, by money order, pay order or postal order;
- 5. Do not submit multiple Applications.

Do's for Investors applying through ASBA:

- 1. Ensure that the details about your Depository Participant and beneficiary account are correct and the beneficiary account is activated as the Rights Equity Shares will be Allotted in the dematerialized form only;
- 2. Ensure that the Applications are submitted with the Designated Branch of the SCSBs and details of the correct bank account have been provided in the Application;
- 3. Ensure that there are sufficient funds (equal to {number of Rights Equity Shares (including additional Rights Equity Shares) applied for} X {Application Money of Rights Equity Shares}) available in ASBA Account mentioned in the Application Form before submitting the Application to the respective Designated Branch of the SCSB;
- 4. Ensure that you have authorized the SCSB for blocking funds equivalent to the total amount payable on application mentioned in the Application Form, in the ASBA Account, of which details are provided in the Application and have signed the same;
- 5. Ensure that you have a bank account with an SCSB providing ASBA facility in your location and the Application is made through that SCSB providing ASBA facility in such location;
- 6. Ensure that you receive an acknowledgement from the Designated Branch of the SCSB for your submission of the Application Form on a plain paper Application;
- 7. Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Application Form and the Rights Entitlement Letter;

Don'ts for Investors applying through ASBA:

- 1. Do not apply if you are not eligible to participate in this Issue under the securities laws applicable to your jurisdiction;
- 2. Do not submit the Application Form after you have submitted a plain paper Application to a Designated Branch of the SCSB or vice versa;
- 3. Do not send your physical Application to the Registrar, the Escrow Collection Bank (assuming that such Escrow Collection Bank is not an SCSB), a branch of the SCSB which is not a Designated Branch of the SCSB or our Company; instead submit the same to a Designated Branch of the SCSB only;
- 4. Do not instruct the SCSBs to unblock the funds blocked under the ASBA process;

GROUNDS FOR TECHNICAL REJECTION

Applications made in this Issue are liable to be rejected on the following grounds:

1. DP-ID and Client-ID mentioned in Application not matching with the DP-ID and Client ID records available with the Registrar;



- 2. Sending an Application to Registrar, Escrow Collection Banks (assuming that such Escrow Collection Bank is not a SCSB), to a branch of a SCSB which is not a Designated Branch of the SCSB or our Company;
- 3. Insufficient funds are available in the ASBA Account with the SCSB for blocking the Application Money;
- 4. Funds in the ASBA Account whose details are mentioned in the Application Form having been frozen pursuant to regulatory orders;
- 5. Account holder not signing the Application or declaration mentioned therein;
- 6. Submission of more than one Application Forms for Rights Entitlements available in a particular demat account;
- 7. Multiple Application Forms, including cases where an Investor submits Application Forms along with a plain paper Application;
- 8. Submitting the GIR number instead of the PAN (except for Applications on behalf of the Central or State Government, the residents of Sikkim and the officials appointed by the courts);
- 9. Applications by persons not competent to contract under the Indian Contract Act, 1872, except Applications by minors having valid demat accounts as per the demographic details provided by the Depositories;
- 10. Applications by SCSB on own account, other than through an ASBA Account in its own name with any other SCSB;
- 11. Application Forms which are not submitted by the Investors within the time periods prescribed in the Application Form and this Draft Letter of Offer;
- 12. Physical Application Forms not duly signed by the sole or joint Investors;
- 13. Application Forms accompanied by stock invest, outstation cheques, post-dated cheques, and money order, postal order or outstation demand drafts;
- 14. If an Investor is (a) debarred by SEBI; or (b) if SEBI has revoked the order or has provided any interim relief then failure to attach a copy of such SEBI order allowing the Investor to subscribe to their Rights Entitlements;
- 15. Applications which: (i) appears to our Company or its agents to have been executed in, electronically transmitted from or dispatched from the United States (other than from persons in the United States who are U.S. QIBs) or other jurisdictions where the offer and sale of the Rights Equity Shares is not permitted under laws of such jurisdictions; (ii) does not include the relevant certifications set out in the Application Form, including to the effect that the person submitting and/or renouncing the Application Form is (a) outside India and the United States and is a foreign corporate or institutional shareholder eligible to subscribe for the Rights Equity Share under the applicable securities laws or (b) a U.S. QIB in the United States, and in each case such person is complying with laws of jurisdictions applicable to such person in connection with this Issue; or (iii) where either a registered Indian address is not provided or where our Company believes acceptance of such Application Form may infringe applicable legal or regulatory requirements; and our Company shall not be bound to issue or allot any Rights Equity Shares in respect of any such Application Form;
- 16. Applications which have evidence of being executed or made in contravention of applicable securities laws;



- 17. Details of PAN mentioned in the Application does not match with the PAN records available with the Registrar;
- 18. Applications by a non-resident without the approval from RBI with respect to Rule 7 of the FEMA Rules;

DEPOSITORY ACCOUNT AND BANK DETAILS FOR INVESTORS HOLDING SHARES IN DEMAT ACCOUNTS AND APPLYING IN THIS ISSUE.

IT IS MANDATORY FOR ALL THE INVESTORS APPLYING UNDER THIS ISSUE TO APPLY THROUGH THE ASBA PROCESS, TO RECEIVE THEIR RIGHTS EQUITY SHARES DEMATERIALISED FORM AND TO THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY THE INVESTOR AS ON THE RECORD DATE. ALL INVESTORS APPLYING UNDER THIS ISSUE SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DP-ID AND BENEFICIARY ACCOUNT NUMBER/ FOLIO NUMBER IN THE APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE APPLICATION FORM OR PLAIN PAPER APPLICATIONS, AS THE CASE MAY BE.

Investors applying under this Issue should note that on the basis of name of the Investors, Depository Participant's name and identification number and beneficiary account number provided by them in the Application Form or the plain paper Applications, as the case may be, the Registrar will obtain Demographic Details from the Depository. Hence, Investors applying under this Issue should carefully fill in their Depository Account details in the Application.

These Demographic Details would be used for all correspondence with such Investors including mailing of the letters intimating unblocking of bank account of the respective Investor and/or refund. The Demographic Details given by the Investors in the Application Form would not be used for any other purposes by the Registrar. Hence, Investors are advised to update their Demographic Details as provided to their Depository Participants.

By signing the Application Forms, the Investors would be deemed to have authorized the Depositories to provide, upon request, to the Registrar, the required Demographic Details as available on its records.

The Allotment advice and the email intimating unblocking of ASBA Account or refund (if any) would be emailed to the address of the Investor as per the email address provided to our Company or the Registrar or Demographic Details received from the Depositories. The Registrar will give instructions to the SCSBs for unblocking funds in the ASBA Account to the extent Rights Equity Shares are not allotted to such Investor. Please note that any such delay shall be at the sole risk of the Investors and none of our Company, the SCSBs, and Registrar shall be liable to compensate the Investor for any losses caused due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that match three parameters, (a) names of the Investors (including the order of names of joint holders), (b) the DP ID, and (c) the beneficiary account number, then such Application Forms are liable to be rejected.

MULTIPLE APPLICATIONS

In case where multiple Applications are made in respect the Rights Entitlements using same demat account, such Applications shall be liable to be rejected. However supplementary applications in relation to further Rights Equity Shares with/without using additional Rights Entitlements will not be treated as multiple application. A separate Application can be made in respect of each scheme of a mutual fund registered with SEBI and such Applications shall not be treated as multiple applications. For details, see **'Procedure for Applications by Mutual Funds'** below. Cases where Investor submits Application Forms



along with plain paper or multiple plain paper Applications for same Rights Entitlements shall be treated as multiple applications.

In cases where multiple Application Forms are submitted, such Applications shall be treated as multiple applications, including cases where an Investor submits Application Forms along with a plain paper Application or multiple plain paper Applications, such Applications shall be treated as multiple applications and are liable to be rejected.

LAST DATE FOR APPLICATION

The last date for submission of the duly filled in the Application Form or a plain paper Application is [•] day, [•], 2023 Issue Closing Date. The Board of Directors may extend the said date for such period as it may determine from time to time, subject to the Issue Period not exceeding 30 days from the Issue Opening Date (inclusive of the Issue Opening Date).

If the Application Form is not submitted with an SCSB, uploaded with the Stock Exchange and the Application Money is not blocked with the SCSB, on or before the Issue Closing Date or such date as may be extended by the Board of Directors, the invitation to offer contained in this Draft Letter of Offer shall be deemed to have been declined and the Board of Directors shall be at liberty to dispose of the Rights Equity Shares hereby offered, as provided under the section, **'Basis of Allotment'** on page 220.

Please note that on the Issue Closing Date, (i) Applications through ASBA process will be uploaded until 5.00 p.m. (Indian Standard Time) or such extended time as permitted by the Stock Exchange.

Please ensure that the Application Form and necessary details are filled in. In place of Application number, Investors can mention the reference number of the e-mail received from Registrar informing about their Rights Entitlement or last eight digits of the demat account. Alternatively, SCSBs may mention their internal reference number in place of application number.

WITHDRAWAL OF APPLICATION

An Investor who has applied in this Issue may withdraw their Application at any time during Issue Period by approaching the SCSB where application is submitted. However, no Investor, whether applying through ASBA facility, may withdraw their Application post the Issue Closing Date.

ISSUE SCHEDULE

Last date for Credit of Rights Entitlements	[•]
Issue Opening Date	[•]
Last Date for On Market Renunciation*	[•]
Issue Closing Date	[•]
Finalization of Basis of Allotment (on or about)	[•]
Date of Allotment (on or about)	[•]
Date of Credit (on or about)	[•]
Date of Listing (on or about)	[•]

*Eligible Shareholders are requested to ensure that renunciation through off-market transfer is completed in such a manner that the Rights Entitlements are credited to the demat account of the Renouncees on or prior to the Issue Closing Date.

Our Board of Directors may however decide to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Opening Date).

Please note that if Eligible Equity Shareholders holding Equity Shares in physical form as on Record Date, have not provided the details of their demat accounts to our Company or to the Registrar, they are required to provide their demat account details to our Company or the Registrar not later than two Working Days prior to the Issue Closing Date, i.e., [•], to enable the credit of the Rights Entitlements by way of transfer from the demat suspense escrow account to their respective demat accounts, at least one day before the Issue Closing Date.

BASIS OF ALLOTMENT

Subject to the provisions contained in the Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter, the Application Form, the Articles of Association of our Company and the approval of the Designated Stock Exchange, our Board will proceed to allot the Rights Equity Shares in the following order of priority:

Sun Retail Limited

- a) Full Allotment to those Eligible Equity Shareholders who have applied for their Rights Entitlements of Rights Equity Shares either in full or in part and also to the Renouncee(s) who has or have applied for Rights Equity Shares renounced in their favour, in full or in part as adjusted for fractional entitlement.
- b) As per SEBI Rights Issue Circulars, Eligible Equity Shareholders whose fractional entitlements are being ignored and Eligible Shareholders with zero entitlement, would be given preference in allotment of one Additional Rights Equity Share each if they apply for additional Rights Equity Shares. Allotment under this head shall be considered if there are any unsubscribed Rights Equity Shares after allotment under (a) above. If number of Rights Equity Shares available after Allotment under (a) above, the Allotment would be made on a fair and equitable basis in consultation with the Designated Stock Exchange and will not be a preferential allotment.
- c) Allotment to the Eligible Equity Shareholders who having applied for all the Rights Equity Shares offered to them as part of this Issue, have also applied for Additional Rights Equity Shares. The Allotment of such Additional Rights Equity Shares will be made as far as possible on an equitable basis having due regard to the number of Equity Shares held by them on the Record Date, provided there are any unsubscribed Rights Equity Shares after making full Allotment in (a) and (b) above. The Allotment of such Rights Equity Shares will be at the sole discretion of our Board in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- d) Allotment to Renouncees who having applied for all the Rights Equity Shares renounced in their favour, have applied for additional Rights Equity Shares provided there is surplus available after making full Allotment under (a), (b) and (c) above. The Allotment of such Rights Equity Shares will be made on a proportionate basis in consultation with the Designated Stock Exchange, as a part of this Issue and will not be a preferential allotment.
- e) Allotment to any other person, that our Board may deem fit, provided there is surplus available after making Allotment under (a), (b), (c) and (d) above, and the decision of our Board in this regard shall be final and binding. After taking into account Allotment to be made under (a) to (d) above, if there is any unsubscribed portion, the same shall be deemed to be 'unsubscribed'.

Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall send to the Controlling Branches, a list of the Investors who have been allocated Rights Equity Shares in this Issue, along with:

- 1) The amount to be transferred from the ASBA Account to the separate bank account opened by our Company for this Issue, for each successful Application;
- 2) The date by which the funds referred to above, shall be transferred to the aforesaid bank account; and
- 3) The details of rejected ASBA applications, if any, to enable the SCSBs to unblock the respective ASBA Accounts.

ALLOTMENT ADVICE OR REFUND/ UNBLOCKING OF ASBA ACCOUNTS

Our Company will send/ dispatch Allotment advice, refund instructions/intimations (including in respect of Applications made through the optional facility) or demat credit of securities and/or letters of regret, along with crediting the Allotted Rights Equity Shares to the respective beneficiary accounts (only in dematerialised mode) or in a demat suspense account (in respect of Eligible Equity Shareholders holding Equity Shares in physical form on the Allotment Date) or issue instructions for



unblocking the funds in the respective ASBA Accounts, if any, within a period of 4 days from the Issue Closing Date. In case of failure to do so, our Company and "our Directors" who are officers in default shall pay interest at 15% p.a. and such other rate as specified under applicable law from the expiry of such 4 days' period.

The Rights Entitlements will be credited in the dematerialized form using electronic credit under the depository system and the Allotment advice shall be sent, through an e-mail, to the e-mail address provided to our Company or at the address recorded with the Depository

In the case of non-resident Investors who remit their Application Money from funds held in the NRE or the FCNR Accounts, unblocking and/or payment of interest or dividend and other disbursements, if any, shall be credited to such accounts.

Where an Applicant has applied for additional Equity Shares in the Issue and is allotted a lesser number of Equity Shares than applied for, the excess Application Money paid/blocked shall be refunded/unblocked. The unblocking of ASBA funds / refund of monies shall be completed be within such period as prescribed under the SEBI (ICDR) Regulations. In the event that there is a delay in making refunds beyond such period as prescribed under applicable law, our Company shall pay the requisite interest at such rate as prescribed under applicable law.

PAYMENT OF REFUND

Mode of making refunds

The payment of refund, if any, including in the event of oversubscription or failure to list or otherwise would be done through any of the following modes.

- 1. Unblocking amounts blocked using ASBA facility.
- 2. National Automated Clearing House *(hereinafter referred to as "NACH*") National Automated Clearing House is a consolidated system of electronic clearing service. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including MICR code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where Applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.
- 3. National Electronic Fund Transfer (*hereinafter referred to as "NEFT*") Payment of refund shall be undertaken through NEFT wherever the Investor's bank has been assigned the Indian Financial System Code (hereinafter referred to as IFSC Code'), which can be linked to a MICR, allotted to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Investors have registered their nine digit MICR number and their bank account number with the Registrar to our Company or with the Depository Participant while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the Investors through this method.
- 4. Direct Credit Investors having bank accounts with the Bankers to the Issue shall be eligible to receive refunds through direct credit. Charges, if any, levied by the relevant bank(s) for the same would be borne by our Company.
- 5. RTGS If the refund amount exceeds ₹2,00,000, the Investors have the option to receive refund through RTGS. Such eligible Investors who indicate their preference to receive refund through RTGS are required to provide the IFSC Code in the Application Form. In the event the same is not provided, refund shall be made through NACH or any other eligible mode. Charges, if any, levied by the refund



bank(s) for the same would be borne by our Company. Charges, if any, levied by the Investor's bank receiving the credit would be borne by the Investor.

- 6. For all other Investors, the refund orders will be dispatched through speed post or registered post subject to applicable laws. Such refunds will be made by cheques, pay orders or demand drafts drawn in favour of the sole/first Investor and payable at par.
- 7. Credit of refunds to Investors in any other electronic manner, permissible by SEBI from time to time.

Refund payment to non-residents

The Application Money will be unblocked in the ASBA Account of the non-resident Applicants, details of which were provided in the Application Form.

ALLOTMENT ADVICE OR DEMAT CREDIT OF SHARES

The demat credit of Shares to the respective beneficiary accounts or the demat suspense account (pending receipt of demat account details for Eligible Shareholders holding Equity Shares in physical form/ with IEPF authority/ in suspense, etc.) will be credited within 15 days from the Issue Closing Date or such other timeline in accordance with applicable laws.

RECEIPT OF THE RIGHTS EQUITY SHARES IN DEMATERIALIZED FORM

PLEASE NOTE THAT THE RIGHTS EQUITY SHARES APPLIED FOR UNDER THIS ISSUE CAN BE ALLOTTED ONLY IN DEMATERIALIZED FORM AND TO

- 1. THE SAME DEPOSITORY ACCOUNT/ CORRESPONDING PAN IN WHICH THE EQUITY SHARES ARE HELD BY SUCH INVESTOR ON THE RECORD DATE, OR
- 2. THE DEPOSITORY ACCOUNT, DETAILS OF WHICH HAVE BEEN PROVIDED TO OUR COMPANY OR THE REGISTRAR AT LEAST TWO WORKING DAYS PRIOR TO THE ISSUE CLOSING DATE BY THE ELIGIBLE EQUITY SHAREHOLDER HOLDING EQUITY SHARES IN PHYSICAL FORM AS ON THE RECORD DATE, OR
- 3. DEMAT SUSPENSE ACCOUNT PENDING RECEIPT OF DEMAT ACCOUNT DETAILS FOR RESIDENT ELIGIBLE SHAREHOLDERS/ WHERE THE CREDIT OF THE RIGHTS ENTITLEMENTS RETURNED/ REVERSED/FAILED.
- 4. INVESTORS SHALL BE ALLOTTED THE RIGHTS EQUITY SHARES IN DEMATERIALIZED (ELECTRONIC) FORM.

INVESTORS MAY PLEASE NOTE THAT THE RIGHTS EQUITY SHARES CAN BE TRADED ON THE STOCK EXCHANGE ONLY IN DEMATERIALIZED FORM

The procedure for availing the facility for Allotment of Rights Equity Shares in this Issue in the dematerialized form is as under:

- 1. Open a beneficiary account with any depository participant (care should be taken that the beneficiary account should carry the name of the holder in the same manner as is registered in the records of our Company. In the case of joint holding, the beneficiary account should be opened carrying the names of the holders in the same order as registered in the records of our Company). In case of Investors having various folios in our Company with different joint holders, the Investors will have to open separate accounts for such holdings. Those Investors who have already opened such beneficiary account(s) need not adhere to this step.
- 2. It should be ensured that the depository account is in the name(s) of the Investors and the names are in the same order as in the records of our Company or the Depositories.



- 3. The responsibility for correctness of information filled in the Application Form vis-a-vis such information with the Investor's depository participant, would rest with the Investor. Investors should ensure that the names of the Investors and the order in which they appear in Application Form should be the same as registered with the Investor's depository participant.
- 4. If incomplete or incorrect beneficiary account details are given in the Application Form, the Investor will not get any Rights Equity Shares and the Application Form will be rejected.
- 5. The Rights Equity Shares will be allotted to Applicants only in dematerialized form and would be directly credited to the beneficiary account as given in the Application Form after verification or demat suspense account (pending receipt of demat account details for resident Eligible Shareholders with IEPF authority/ in suspense, etc.). Allotment advice, refund order (if any) would be sent directly to the Applicant by email and, if the printing is feasible, through physical dispatch, by the Registrar but the Applicant's depository participant will provide to him the confirmation of the credit of such Rights Equity Shares to the Applicant's depository account.
- 6. Non-transferable Allotment advice/ refund intimation will be directly sent to the Investors by the Registrar, by email and, if the printing is feasible, through physical dispatch.
- 7. Renouncees will also have to provide the necessary details about their beneficiary account for Allotment of Rights Equity Shares in this Issue. In case these details are incomplete or incorrect, the Application is liable to be rejected.

PROCEDURE FOR APPLICATION BY CERTAIN CATEGORIES OF INVESTORS

1. Procedure for Applications by FPIs

In terms of applicable FEMA Rules and the SEBI FPI Regulations, investments by FPIs in the Equity Shares is subject to certain limits, i.e., the individual holding of an FPI (including its investor group (which means multiple entities registered as foreign portfolio investors and directly and indirectly having common ownership of more than 50% of common control)) shall be below 10% of our post - Offer Equity Share capital. In case the total holding of an FPI or investor group increases beyond 10% of the total paid-up Equity Share capital of our Company, on a fully diluted basis or 10% or more of the paid-up value of any series of debentures or preference shares or share warrants that may be issued by our Company, the total investment made by the FPI or investor group will be re-classified as FDI subject to the conditions as specified by SEBI and the RBI in this regard and our Company and the investor will also be required to comply with applicable reporting requirements. Further, the aggregate limit of all FPIs investments, with effect from April 1, 2020, is up to the sectoral cap applicable to the sector in which our Company operates.

FPIs are permitted to participate in this Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time. The FPIs who wish to participate in the Offer are advised to use the Application Form for non-residents. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 21 of the SEBI FPI Regulations, an FPI may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against Shares held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons registered as Category I FPI under the SEBI FPI Regulations; (ii) such offshore derivative instruments are issued only to persons who are eligible for registration as Category I FPIs (where an entity has an investment manager who is from the Financial Action Task Force member country, the investment manager shall not be required to be registered as a Category I FPI); (iii) such offshore derivative instruments are issued after compliance with 'know your client' norms; and (iv) compliance with other conditions as may be prescribed by SEBI.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to inter alia the following



conditions: (a) such offshore derivative instruments are transferred only to persons in accordance with the SEBI FPI Regulations; and (b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre – approved by the FPI.

2. Procedure for Applications by AIFs, FVCIs and VCFs

The SEBI VCF Regulations and the SEBI FVCI Regulations prescribe, among other things, the investment restrictions on VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among other things, the investment restrictions on AIFs.

As per the SEBI VCF Regulations and SEBI FVCI Regulations, VCFs and FVCIs are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by VCFs or FVCIs will not be accepted in this Issue. Venture capital funds registered as Category I AIFs, as defined in the SEBI AIF Regulations, are not permitted to invest in listed companies pursuant to rights issues. Accordingly, applications by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations by venture capital funds registered as category I AIFs, as defined in the SEBI AIF Regulations, will not be accepted in this Issue. Other categories of AIFs are permitted to apply in this Issue subject to compliance with the SEBI AIF Regulations. Such AIFs having bank accounts with SCSBs that are providing ASBA in cities / centres where such AIFs are located are mandatorily required to make use of the ASBA facility. Otherwise, applications of such AIFs are liable for rejection.

3. Procedure for Applications by NRIs

Investments by NRIs are governed by the FEMA Rules. Applications will not be accepted from NRIs that are ineligible to participate in this Issue under applicable securities laws.

As per the FEMA Rules, an NRI or Overseas Citizen of India (*"OCI"*) may purchase or sell capital instruments of a listed Indian Company on repatriation basis, on a recognized stock exchange in India, subject to the conditions, inter alia, that the total holding by any individual NRI or OCI will not exceed 5% of the total paid - up equity capital on a fully diluted basis or should not exceed 5% of the paid-up value of each series of debentures or preference shares or share warrants issued by an Indian Company and the total holdings of all NRIs and OCIs put together will not exceed 10% of the total paid-up value of each series or shares or share warrants. The aggregate ceiling of 10% may be raised to 24%, if a special resolution to that effect is passed by the general body of the Indian company.

Further, in accordance with press note 3 of 2020, the FDI Policy has been recently amended to state that all investments by entities incorporated in a country which shares land border with India or where the beneficial owner of an investment into India is situated in or is a citizen of any such country (*"Restricted Investors"*), will require prior approval of the Government of India. It is not clear from the press note whether or not an issuance of the Rights Equity Shares to Restricted Investors will also require a prior approval of the Government of India and each Investor should seek independent legal advice about its ability to participate in the Issue. In the event such prior approval of the Government of India is required and such approval has been obtained, the Investor shall intimate our Company and the Registrar about such approval within the Issue Period.

4. Procedure for Applications by Mutual Funds

A separate application can be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications shall not be treated as multiple applications. The applications made by asset management companies or custodians of a mutual fund should clearly indicate the name of the concerned scheme for which the application is being made.



5. Procedure for Applications by Systemically Important Non-Banking Financial Companies ("NBFC-SI")

In case of an application made by NBFC-SI registered with the RBI, (a) the certificate of registration issued by the RBI under Section 45IA of the RBI Act, 1934 and (b) net-worth certificate from its statutory auditors or any independent chartered accountant based on the last Audited Financial Statements is required to be attached to the application.

IMPERSONATION

As a matter of abundant caution, attention of the Investors is specifically drawn to the provisions of Section 38 of the Companies Act, 2013 which is reproduced below:

"Any person who:

- *i. makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its Shares; or*
- *ii. makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its Shares; or*
- *iii.* Otherwise induces directly or indirectly a Company to allot, or register any transfer of, Shares to him, or to any other person in a fictitious name, shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act for fraud involving an amount of at least \mathbb{R} 10 lakhs or 1% of the turnover of the company, whichever is lower, includes imprisonment for a term of not less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

In case the fraud involves (i) an amount which is less than 10 lakhs or 1% of the turnover of the company, whichever is lower; and (ii) does not involve public interest, then such fraud is punishable with an imprisonment for a term extending up to five years or a fine of an amount extending up to 100 lakhs or with both.

PAYMENT BY STOCKINVEST

In terms of RBI Circular DBOD No. FSC BC 42/24.47.00/2003- 04 dated November 5, 2003, the stock invest scheme has been withdrawn. Hence, payment through stock invest would not be accepted in this Rights Issue.

DISPOSAL OF APPLICATION AND APPLICATION MONEY

No acknowledgment will be issued for the Application Money received by our Company. However, the Designated Branch of the SCSBs receiving the Application Form will acknowledge its receipt by stamping and returning the acknowledgment slip at the bottom of each Application Form.

Our Board of Directors of the Company reserves its full, unqualified and absolute right to accept or reject any Application, in whole or in part, and in either case without assigning any reason thereto.

In cases where refunds are applicable, such refunds shall be made within a period of 15 days. In case of failure to do so, our Company and the Directors who are "officers in default" shall pay interest at the prescribed rate. In case an Application is rejected in full, the whole of the Application Money will be unblocked in the respective ASBA Accounts, in case of Applications through ASBA. Wherever an Application is rejected in part, the balance of Application Money, if any, after adjusting any money due on Rights Equity Shares Allotted, will be refunded / unblocked in the respective bank accounts from which Application Money was received / ASBA Accounts of the Investor within a period of 15 days from the Issue Closing Date. In case of failure to do so, our Company shall pay interest at such rate and within such time as specified under applicable law.

For further instructions, please read the Application Form carefully.



UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- 1. The complaints received in respect of the issue shall be attended to by our Company expeditiously and satisfactorily;
- 2. All steps for completion of the necessary formalities for listing and commencement of trading at Stock Exchange, where the Rights Equity Shares are to be listed are taken within the time limit specified by the SEBI;
- 3. The funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar by our Company;
- 4. No further issue of securities affecting our Company's Equity Share capital shall be made until the Rights Equity Shares are listed or until the Application Money is refunded on account of non-listing, under subscription etc., other than as disclosed in accordance with the Regulation 56.
- 5. Where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 (Fifteen) days of closure of the issue giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- 6. Where release of block on the application amount for unsuccessful bidders or part of the application amount in case of proportionate allotment, a suitable communication shall be sent to the applicants;
- 7. Adequate arrangements shall be made to collect all ASBA applications.
- 8. Our Company accepts full responsibility for the accuracy of information given in this Draft Letter of Offer and confirms that to the best of its knowledge and belief, there are no other facts the omission of which makes any statement made in this Draft Letter of Offer misleading and further confirm that it has made all reasonable enquiries to ascertain such facts.

UTILIZATION OF ISSUE PROCEEDS

Our Board declares that:

- 1. All monies received out of issue of this Rights Issue to the public shall be transferred to a separate bank account.
- 2. Details of all monies utilized out of this Rights Issue referred to in clause (A) above shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies had been utilized; and
- 3. Details of all unutilized monies out of this Rights Issue referred to in clause (A) above, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested.

IMPORTANT

- 1. Please read this Draft Letter of Offer carefully before taking any action. The instructions contained in the Application Form, Abridged Letter of Offer and the Rights Entitlement Letter are an integral part of the conditions of this Draft Letter of Offer and must be carefully followed, otherwise the Application is liable to be rejected.
- 2. All enquiries in connection with this Draft Letter of Offer, the Abridged Letter of Offer, the Rights Entitlement Letter or Application Form must be addressed (quoting the Registered Folio Number or the DP ID and Client ID number, the Application Form number and the name of the first Eligible Equity Shareholder as mentioned on the Application Form and super scribed '*SUN RETAIL LIMITED*-*RIGHTS ISSUE*' on the envelope and postmarked in India or in the email) to the Registrar at the following address:



BIGSHARE SERVICES PRIVATE LIMITED Address: Office No S6-2, 6th floor Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai–400093 Contact Person: Mr. Ajay Sangle Tel No.: 022-62638200/22 Email: rightsissue@bigshareonline.com Investor grievance e-mail: investor@bigshareonline.com Website: www.bigshareonline.com SEBI Registration No: INR000001385 Validity of Registration: Permanent

- 3. In accordance with SEBI Rights Issue Circulars, frequently asked questions and online/ electronic dedicated investor helpdesk for guidance on the Application process and resolution of difficulties faced by the Investors will be available on the website of the Registrar (<u>www.bigshareonline.com</u>) Further, helpline numbers provided by the Registrar for guidance on the Application process and resolution of difficulties are 022-62638222.
- 4. This Issue will remain open for a minimum 7 (Seven) days. However, the Board of Directors will have the right to extend the Issue Period as it may determine from time to time but not exceeding 30 (Thirty) days from the Issue Opening Date (inclusive of the Issue Closing Date).



RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

There are two routes through which foreign investors may invest in India. One is the "automatic route", where no government approval is required under Indian foreign exchange laws to make an investment as long as it is within prescribed thresholds for the relevant sector. The other route is the "government route", where an approval is required under foreign exchange laws from the relevant industry regulator, prior to the investment.

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991, of the Government of India and FEMA. While the Industrial Policy, 1991, of the Government of India, prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise way such investment may be made. The Union Cabinet, as provided in the Cabinet Press Release dated May 24, 2017, has given its approval for phasing out the FIPB. Under the Industrial Policy, 1991, unless specifically restricted, foreign investment is freely permitted in all sectors of the Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Accordingly, the process for foreign direct investment and approval from the Government of India will now be handled by the concerned ministries or departments, in consultation with the Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, Government of India (formerly known as the Department of Industrial Policy and Promotion), Ministry of Finance, Department of Economic Affairs, FIPB section, through a memorandum dated June 5, 2017, has notified the specific ministries handling relevant sectors.

The Government has, from time to time, made policy pronouncements on FDI through press notes and press releases. The DPIIT issued the consolidated FDI Policy Circular of 2020 *('FDI Circular 2020')*, which, with effect from October 15, 2020, consolidated and superseded all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Circular 2020 will be valid until the DPIIT issues an updated circular.

The Government of India has from time to time made policy pronouncements on FDI through press notes and press releases which are notified by RBI as amendments to FEMA. In case of any conflict, the relevant notification under Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 will prevail. The payment of inward remittance and reporting requirements are stipulated under the Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 issued by RBI The FDI Circular 2020, issued by the DPIIT, consolidates the policy framework in place as on October 15, 2020, and supersedes all previous press notes, press releases and clarifications on FDI issued by the DPIIT that were in force and effect as on October 15, 2020.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of RBI, provided that:

- 1. The activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the SEBI (SAST) Regulations;
- 2. The non- resident shareholding is within the sectoral limits under the FDI Policy; and
- 3. The pricing is in accordance with the guidelines prescribed by SEBI and RBI.

No investment under the FDI route (i.e., any investment which would result in the investor holding 10% or more of the fully diluted paid-up equity share capital of the Company or any FDI investment for which an approval from the government was taken in the past) will be allowed in the Issue unless such application is accompanied with necessary approval or covered under a pre-existing approval from the government. It will be the sole responsibility of the investors to ensure that the necessary approval or the pre-existing approval from the government is valid to make any investment in the Issue.

Our Company will not be responsible for any allotments made by relying on such approvals. Please also note that pursuant to Circular no. 14 dated September 16, 2003, issued by RBI, Overseas Corporate Bodies have been derecognized as an eligible class of investors and RBI has subsequently issued the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies



(OCBs)) Regulations, 2003. Any Investor being an OCB is required not to be under the adverse notice of RBI and in order to apply for this issue as an incorporated non-resident must do so in accordance with the FDI Circular 2020 and Foreign Exchange Management (Non-Debt Instrument) Rules, 2019. Further, while investing in the Issue, the Investors are deemed to have obtained the necessary approvals, as required, under applicable laws and the obligation to obtain such approvals shall be upon the Investors. Our Company shall not be under an obligation to obtain any approval under any of the applicable laws on behalf of the Investors and shall not be liable in case of failure on part of the Investors to obtain such approvals.

The above information is given for the benefit of the Applicants / Investors. Our Company is not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Letter of Offer. Investors are advised to make their independent investigations and ensure that the number of Equity Shares applied for do not exceed the applicable limits under laws or regulations.



SECTION X – STATUTORY AND OTHER INFORMATION

Please note that the Rights Equity Shares applied for under this Issue can be allotted only in dematerialised form and to (a) the same depository account/ corresponding pan in which the Equity Shares are held by such Investor on the Record Date, or (b) the depository account, details of which have been provided to our Company or the Registrar at least two working days prior to the Issue Closing Date by the Eligible Equity Shareholder, or (c) demat suspense account where the credit of the Rights Entitlements returned/ reversed /failed.



MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following material documents and contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than 2 (Two) years prior to the date of this Draft Letter of Offer) which are or may be deemed material have been entered or are to be entered into by our Company. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered and Corporate Office between 10 A.M. and 5 P.M. on all working days from the date of filing of the Letter of Offer until the Issue Closing Date. The copies of these contracts and also the documents for inspection referred to hereunder, would be available on the website of the Company at <u>www.sunretail.in</u> from the date of this Draft Letter of Offer until the Issue Closing Date.

MATERIAL CONTRACTS FOR THE ISSUE

- 1. Registrar Agreement dated August 14, 2023.
- 2. Bankers to the Issue Agreement dated [•] amongst our Company and the Registrar to the Issue and the Escrow Collection Bank(s).
- 3. Tripartite Agreement between our Company, National Securities Depository Limited (NSDL) and Registrar to the Issue;
- 4. Tripartite Agreement between our Company, Central Depository Services (India) Limited (CDSL) and Registrar to the Issue;

MATERIAL DOCUMENTS IN RELATION TO THE ISSUE

- 1. Certified copies of the updated Memorandum of Association and Articles of Association of our Company;
- 2. Certificate of Incorporation of our Company;
- 3. Copies of Unaudited Financial Results for the Half year ended September 30, 2023 and Audited Financial Statement of our Company for the last 3 (Three) Financial Years ending March 31, 2023, March 31, 2022 and March 31, 2021;
- 4. Resolution of our Board of Directors dated March 24, 2023 approving the Rights Issue;
- 5. Resolution of our Board dated August 30, 2023, approving the Draft Letter of Offer and revised Draft Letter of Offer approved on September 6, 2023 and revised Draft Letter of Offer approved on November 30, 2023;
- 6. Resolution of our Board of Directors dated [•], finalizing the terms of the Issue including Issue Price, Record Date and the Rights Entitlement Ratio;
- 7. Resolution of our Board of Directors dated [•], approving the Letter of Offer;
- 8. Consents of our Directors, Auditor, Bankers to our Company, Bankers to the Issue, Legal Advisor and the Registrar to the Issue for inclusion of their names in the Letter of Offer to act in their respective capacities;
- 9. Report on Statement of Special Tax Benefits dated August 28, 2023 for our Company from the Statutory Auditors of our Company;
- 10. In-principle approval issued by BSE Limited dated '[•]'.

Any of the contracts or documents mentioned in this Draft Letter of Offer may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without notice to the Eligible Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.



DECLARATION

We hereby declare that all relevant provisions of the Companies Act 2013 and the rules, regulations and guidelines issued by the Government of India, or the rules, regulations or guidelines issued by the SEBI, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Draft Letter of Offer is contrary to the provisions of the Companies Act 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contract (Regulation) Rules, 1957 and the Securities and Exchange Board of India Act, 1992, each as amended, or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all disclosures made in this Draft Letter of Offer are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sd/-

Sd/-

Dharamjit Bhupatsinh Mori Whole time Director & CFO

Sd/-

Sejal Kanjibhai Parmar Independent Director

Sd/-

Rakesh Nareshchandra Kapadia Non-executive director **Rajat Raja Kothari** Independent Director

SIGNED BY THE COMPANY SECRETARY & COMPLIANCE OFFICER OF OUR COMPANY

Sd/-

Parin Shirishkumar Bhavsar Company Secretary & Compliance Officer

Place: Ahmedabad Date: November 30, 2023