sweet dreams

Date:24-08-2026

To,
The National Stock Exchange of India Ltd,
Exchange Plaza,
Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051

NSE Symbol: SDREAMS
ISIN: INE0X6F01017

Sub.: Annual Report for the Financial Year 2025-26

Pursuant to provisions of Regulation 34 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, we are submitting herewith the Annual Report of the Company, which is also sent through electronic mode to those members whose e-mail addresses are registered with the Company/Registrar and Transfer Agent/ Depositories.

For Members who have not registered their e-mail address, a letter containing web-link of the website where details pertaining to the entire Annual Report is hosted is being sent at the address registered in the records of RTA/Company/Depositories.

The Annual Report for the Financial Year 2025-26 is also available at the website of the Company i.e. www.sweetdreams.in

This is for your information and record.
Thanking you,

Yours sincerely

For S D RETAIL LIMITED

SHAH POOJABEN
Digitally signed by SHAH POOJABEN
Date: 2026.08.24 12:17:08 +05'30'

Poojaben Shah
Company Secretary & Compliance officer
Membership No. A73158

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S D RETAIL LIMITED

ANNUAL REPORT 2025-26

CONTENT

Company Overview

Statutory Report

Financial Statement

Publicly Traded on
Indian Stock Exchange

NSE: SDREAMS

Disclaimer:

The report contains forward-looking statements that involve risks and uncertainties. When used in this discussion, words like 'plans,' 'expects,' 'anticipates,' 'believes,' 'intends,' 'estimates,' or similar expressions related to the Company or its business are intended to identify such forward-looking statements. Forward-looking statements are based on certain assumptions and expectations of future events. The Company's actual results, performance or achievements could vary materially from those expressed or implied in such forward-looking statements. The Company undertakes no obligation or responsibility to publicly amend, update, modify or revise any forward-looking statements based on any new information, assumption, expectations, future event, subsequent development, or otherwise.

THE S D RETAIL STORY

Dressing You From 8pm To 8am

S D Retail Limited **(S D Retail or SWEET DREAMS)** is India's leading sleepwear brand. Founded over 30 years ago, we have grown into a consumer-focused, omnichannel brand offering sleepwear for men, women, and kids. Our focus is on enriching the 8 PM to 8 AM timespace with thoughtfully made products.

We have a national footprint, distributing products across all Indian states and union territories. As of now, our products are available in Large Format Stores (LFS), Exclusive Brand Outlets (EBOs), and Multi-Brand Outlets (MBOs). We also have a strong digital presence, selling on platforms like Myntra, AJIO, Nykaa, Flipkart, Amazon, and Zepto, along with our own Web Store. These channels help us serve customers across India and beyond.

SWEET DREAMS stands out in a unique, habit-forming apparel category. Our clothes are worn every night, often for 8–10 hours at a stretch. Our primary focus is the modern Indian woman—our most engaged customer across all channels. We also serve men and children, with women often making purchase decisions for the entire family. Our portfolio is one of the widest in the category, offering diverse fabrics, silhouettes, colors, and prints for sleepwear.

Driven by Nighttime Moods and Cultural Shifts

Nighttime today reflects a range of moods—from relaxation to social interaction and entertainment. With longer waking hours and increased screen time, the night has become an active part of daily life.

Sleepwear, once ignored, is now in the spotlight. As people share more of their lives on social media, sleepwear has become part of personal expression. Not being dressed right for the night feels like a missed moment. **SWEET DREAMS** addresses this cultural shift by treating sleepwear as an intentional, style-driven category—not just something basic to wear at home.

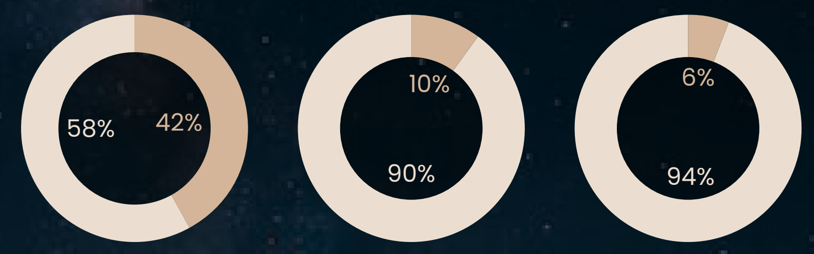
THE OPPORTUNITY

A Category Hiding In Plain Sight

Despite being worn every day for long hours, sleepwear receives little attention in the Indian wardrobe. Most people rely on old T-shirts, gym shorts, or worn-out clothes for the night—regardless of their income level.

We frame this using the **3W model** which we have derived through statistical estimations:

WEAR-TIME SHARE | **WARDROBE SHARE** | **WALLET SHARE**



Sleepwear

Other Apparel

Wear-time Share: Sleepwear is worn nearly **42%** of the week—around **70 hours** out of **168**.

Wardrobe Share: Despite its heavy usage, it occupies just about **10%** of wardrobe space.

Wallet Share: Spending on sleepwear is even lower—only around **6%** of total apparel spending.

This mismatch shows a large white space. At **SWEET DREAMS**, we see this as a powerful growth opportunity. With our fashion-first approach, we aim to shift both wallet and wardrobe share in favor of sleepwear.

OUR PRODUCT PORTFOLIO

Sleepwear for Sleepy Nights

Designed for nights shaped by mood

Women move through many kinds of nights after 8pm—quiet evenings at home, dinner with friends, house parties, movie nights, night drives, airport runs, staycations and slow hours before bed.

Our women's portfolio follows these changing moods through soft-touch fabrics, thoughtful drape, expressive prints and easy silhouettes.

Each piece is designed to move naturally between restful, social, playful and laid-back occasions. Coordinated sets, flattering fits and refined details make the collection suitable not only for sleep, but also for the many casual moments that define the night.

For women, sleepwear should feel expressive, effortless and ready for every mood in the night.

Easy dressing for rest and downtime

Men increasingly seek clothing that can move easily between home, sleep, travel and relaxed everyday use.

Our men's portfolio combines breathable fabrics, relaxed fits, clean styling and dependable construction across pyjama sets, T-shirts, shorts, trackwear and loungewear.

Each piece is designed for repeated wear and regular laundering, while remaining presentable for early mornings, work-from-home routines, night drives and off-duty plans. The focus remains on ease, function and versatile styling.

For men, sleepwear should feel restful, practical and ready for use beyond bedtime.

For sleep and bedtime play

Kids move freely between bedtime, playtime and family time.

Our kidswear portfolio follows this lively rhythm through soft-touch fabrics, easygoing fits, playful design and dependable construction.

Each piece is designed to support sleep, movement and play while responding to frequent use and laundering. The silhouettes allow children to move freely, while cheerful prints and expressive details bring personality to their napping hours.

For kids, we make sleepwear that feels gentle, playful and ready for bedtime.

Sleepwear

At SWEET DREAMS, we believe sleep is one of life's great luxuries.

Sleeping is not time lost. It is where balance returns, recovery begins and life feels whole again. Everything we create is designed to tangibly improve sleep—and make the hours around it feel calmer, slower and more restorative.

Across women, men and kids, our portfolio moves through bedtime, slow mornings, homebound days, work-from-home routines, travel, light activity and playful time together.

A Habit-Forming Essential

Sleepwear occupies a unique space in fashion—used daily, replaced frequently, and subject to far greater abrasion than most garments. This habitual nature demands exceptional durability and attention to detail, even as sleepwear evolves to meet both functional and aesthetic needs.

Not Just a Garment, part of a ritual

Changing into sleepwear marks the beginning of bedtime routines. It's a deeply personal transition—from the outside world to the familiarity of home. We see SWEET DREAMS as part of this nightly ritual.

High Usage, Frequent Replacement

Sleepwear's daily wear and regular laundering accelerate wear-and-tear, making robust construction and premium materials non-negotiable. Our rigorous quality standards ensure each piece endures many nights of use without compromising on style.

Beyond the Bedroom

Sleepwear today goes far beyond sleep. It is worn on night drives, airport runs, staycations, casual parties, and even around the house during the day. For younger consumers, it's now a fashion statement—a non-verbal communication that they are in their comfort zone.

With an estimated 70 hours per week in wear-time, sleepwear rivals workwear in importance. In many homes, it also extends into the 55-hour/week casualwear zone, overlapping with loungewear and homewear.

Sets as a Strategy

The Coordinated Sleepwear Advantage

At **SWEET DREAMS**, our product strategy is built on the conviction that sleepwear truly shines when offered as coordinated sets rather than mismatched separates. By designing tops, bottoms and layering pieces to work in harmony—using complementary fabrics, fits and details—we deliver an effortless, cohesive look and feel in every piece.

SWEET DREAMS' emphasis on coordinated sleepwear sets directly addresses consumer decision fatigue by removing mix-and-match uncertainty. Each set pairs complementary tops and bottoms—matched in fabric, fit and style—to deliver a polished, cohesive look with minimal deliberation.

This design philosophy ensures consistent aesthetics from head to toe, night after night, while the bundled offering of two premium garments under a single price point creates a compelling value proposition that supports higher average selling prices.

PRESSING REFRESH

Reinvented Brand Identity

SWEET DREAMS has refreshed its brand identity to create a more premium, ownable, and scalable visual language for its next phase of growth. We have introduced a new emblem, fresh fonts, and reshuffled the color system of the company. Our new brand aesthetic brings us closer to our mission and our category sleepwear while creating excitement around customers and partners on our brand feel.

Inspired by The Equinox, the new emblem captures the rhythm of day and night — the transition from performance to presence, and from the outside world to the warmth of home.

sweet dreams

The Equinox unites the sun and moon in a harmonious loop—capturing "the repetition of the night cycle, when we are free from performance and rooted in presence."

Rising crescent moon in the east — the beginning of night

Rising sun in the east — the return of morning

Setting sun in the west — the last trace of day

Setting moon in the west — the close of the night cycle

The sun, moon and stars come together as one continuous visual system. The sun marks the fading of the day, the crescent moon signals the arrival of night, and the stars complete the atmosphere after dark: a representation of our 8pm to 8am philosophy. Rather than appearing as separate symbols, they form a cohesive nighttime world—giving SWEET DREAMS a distinctive and ownable aesthetic that can travel consistently across every brand touchpoint.

This brand language is also universal. Across countries, cultures and languages, people have always looked up at the same night sky. The experience of watching daylight recede, the moon rise and the stars appear is one of humanity's most cherished observations. By grounding the identity in this common experience, SWEET DREAMS creates a brand world that feels emotionally familiar, culturally open and immediately understood.

This Change Enables

- Stronger brand recall through a distinct and recognizable visual system rooted in sleep, nighttime, and routine.
- Premiumization of the category by moving sleepwear from a functional purchase to an emotional, lifestyle-led brand experience.
- Visual Memorability across touchpoints including stores, product packaging, Web Store, social media, marketplaces, and performance marketing.
- A flexible visual toolkit helps teams and partners create on-brand content faster without reinventing the identity each time.

OUR JOURNEY SO FAR

Yesterday's Dreams, Today's Reality

The SWEET DREAMS journey is closely tied to the evolution of sleepwear. What was once treated as a functional, largely unconsidered purchase has gradually become a category shaped by design, self-expression and the changing rituals of life after dark.

2004

Incorporated as S D Retail Private Limited, the company was started with an aim to make sleepwear a mainstream apparel category.

2009

Entered modern retail by launching in Multi-Brand Outlets (MBOs), beginning with leading chain Shoppers Stop—marking our entry into organized retail.

2014

Ventured online by selling on leading marketplaces, adapting early to India's shift toward digital-first shopping.

2022

Opened our first EBO, creating a SWEET DREAMS experience and deepening direct connections with our customers.

2024

Converted into a Public Limited Company and listed on the NSE Emerge platform on September 27, 2024—reflecting our long-term commitment to growth, transparency, and corporate governance.

2026

Scaled operations with accelerated retail expansion, reinforcing leadership in key geographies. Reinvented our brand and retail identity with sharper VM, store design, and communication to align with our mission.

WHERE WE ARE, WHERE WE'RE GOING

Standalone Sleepwear Stores In Every Shopping Market

Our Two-Phase Growth Strategy

The SWEET DREAMS journey has progressed through two distinct phases.

PHASE 1: Building Scale Through Traditional Channels

We began with our Essentials sleepwear portfolio across general trade. This helped us prove unit economics, standardise quality and develop consistent fit blocks across an inclusive size range.

We later expanded into fashion-led sleepwear, introducing more silhouettes, prints and coordinated sets. Each range was developed for Indian climates, routines and preferences.

PHASE 2: Building India's Sleepwear Destination

With a mature distribution network in place, our next phase of growth is centred on channels that bring SWEET DREAMS closer to the consumer:

- **Exclusive Brand Outlets**
- **Web Store**
- **Leading Online Platforms**

This shift enables us to:

Own the customer relationship
Build a deeper understanding of the consumer. Improve repeat rates, average order value, units per transaction and lifetime value.

Accelerate product feedback loops
Identify winning bodies, prints, fits and sizes faster. Use these insights to make quicker product decisions.

Control the brand experience
Create a consistent SWEET DREAMS experience across stores, merchandising, packaging, communication and service.

Strengthen gross and contribution margins
Improve full-price sell-through. Reduce channel commissions, discount leakage and dependence on intermediaries.

From Product Placement to Brand Experience

We're reshaping how sleepwear is discovered and purchased—**shifting from being a category inside multi-brand outlets to becoming a fully immersive, branded retail experience.**

Our standalone stores give sleepwear its own distinct space and identity. Consumers can explore the category through a complete SWEET DREAMS experience.

- Hundreds of options
- Inclusive size ranges
- Variety of fabrics
- Single destination for shopping for all: Women, Men, and Kids

Our Growth Blueprint Smart Store Format:

Right-sized stores designed for a strong brand experience, disciplined capital deployment and high return on investment.

Airport Opportunity:
Our performance at airport locations highlights the relevance of sleepwear within travel-led retail environments. These locations offer access to high-intent consumers with strong purchasing power.

Web Store as a Brand Lab:
Our Web Store helps us test pricing, product combinations, merchandising and creative storytelling. Proven ideas are scaled across the wider retail network.

Franchise-Led Expansion:
Local entrepreneurs help us expand rapidly with lower capital requirements. This model supports disciplined inventory management and reduces working-capital risk.

Digital-to-Store Partnerships:
Our digital ecosystem improves store discovery, guides consumers to nearby SWEET DREAMS locations and generates incremental footfall.

Our Goal

To build a standalone SWEET DREAMS store in every important shopping market, making SWEET DREAMS the leading sleepwear destination.

Retail Expansion Strategy

Current Footprint

EBO	LFS	Retail Touchpoints
75	55+	2500+
Brand-led stores across 35+ cities	High-visibility partnerships with leading retailers	A strong national presence across strategic markets

(As at March 31, 2026)

FROM THE MACRO TO THE MICRO

Operations that enable us

SWEET DREAMS' retail operating model is built to deliver a consistent brand experience while maintaining disciplined growth and store-level productivity. As the EBO network expands, every stage of the store lifecycle—from site evaluation and financial projections to opening, staffing, merchandising, replenishment and local marketing—is managed through standardised processes supported by in-house software applications.

These connected systems give teams a shared view of responsibilities, timelines, operating standards and store performance. They help the Company open stores more systematically, identify deviations earlier and translate information from every location into faster, better-informed decisions.

Store Design and Commercial Projections

Every proposed SWEET DREAMS store begins with a structured evaluation of the location, catchment, format and commercial potential. Store-level projections consider expected sales, rental commitments, capital expenditure, manpower, inventory requirements and operating costs.

Technology-Led Project Management

From site handover to store launch, each opening involves multiple interconnected workstreams—including design, civil work, electricals, fixtures, signage, IT systems, approvals, inventory, recruitment, training, visual merchandising and marketing.

Visual Merchandising and Planograms

Centralised visual-merchandising plans translate the SWEET DREAMS brand identity into a consistent in-store experience. Planograms guide the placement of categories, coordinated sets, fabrics, colours, sizes, campaign products and seasonal stories across fixtures and display areas.

Hiring and Store-Team Readiness

Manpower planning begins well before a store opens. Staffing requirements are defined according to the store format, area, expected customer traffic and operating hours.

Training completion and store-team readiness are reviewed before launch, helping ensure that every new location begins operations with a team equipped to represent the SWEET DREAMS brand consistently.

Daily Checklists and Store Audits

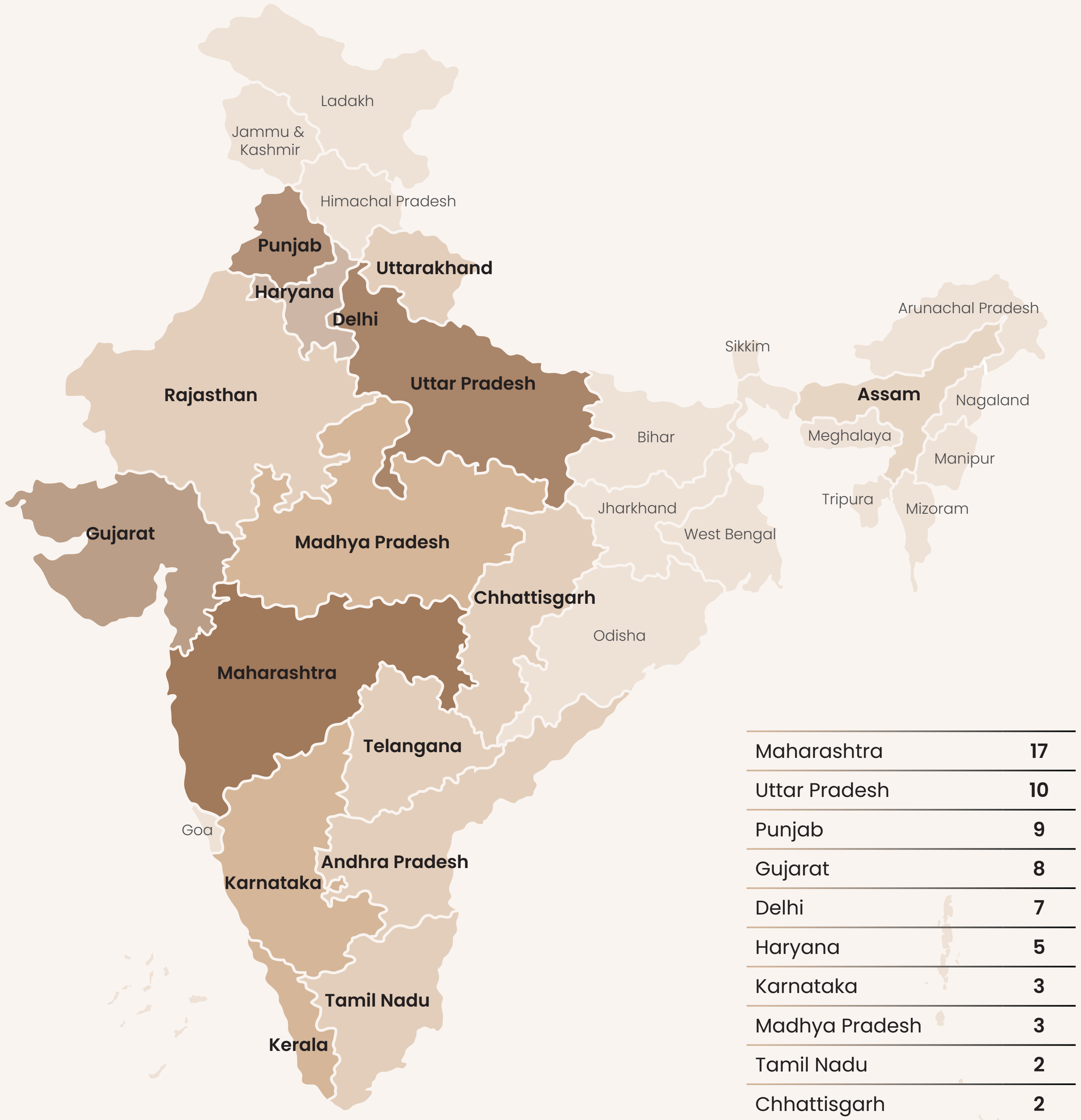
Periodic store audits assess adherence to operating standards and identify areas requiring corrective action. Audit observations are converted into trackable tasks with defined responsibilities and closure timelines.

Data-Led Replenishment Decisions

Product availability is central to store productivity. SWEET DREAMS reviews sales velocity, stock cover, size availability, assortment gaps, regional preferences and store-level demand to support replenishment and stock-transfer decisions.

Connected Store Marketing

Store marketing is planned as an extension of the wider SWEET DREAMS brand calendar. New-store launches, mall activations, seasonal campaigns, local partnerships, customer communication and digital-to-store initiatives are coordinated through shared marketing plans.



Maharashtra	17
Uttar Pradesh	10
Punjab	9
Gujarat	8
Delhi	7
Haryana	5
Karnataka	3
Madhya Pradesh	3
Tamil Nadu	2
Chhattisgarh	2
Andhra Pradesh	2
Telangana	2
Uttarakhand	2
Rajasthan	2
Kerala	1
Assam	1

What Sets Us Apart

75
Exclusive Brand Outlets
As at March 31, 2026

36.3K sq. ft.
Total EBO retail area

485 Sq.Ft.
Calculated average store size

₹1,864
Average selling price

₹ 16,549
Annualised sales productivity per sq. ft.

13.36%
Same-store sales growth

111%
Year-on-year EBO revenue growth

23.7%
EBO contribution to Company revenue

₹4,139
Average bill value

MALL STORES

47

HIGH-STREET STORES

20

AIRPORT STORES

8

EBO Contribution to Revenue

We Code to Clothe You Better

As SWEET DREAMS expands across stores, digital commerce and distribution, the complexity behind a simple customer promise also grows. The right product must be visible, available and deliverable across locations and channels. Stores must follow consistent standards, teams must work from shared information, and issues must reach the right owner before they become recurring problems.

A Connected Operating System

Our response is to avoid disconnected software and build a connected operating system for the Company.

Technology at SWEET DREAMS has developed from a support function that resolves individual requests into a system-building capability that converts recurring business problems into reusable organisational solutions. The same discipline extends to data: information is organised through a common architecture so that product, inventory, sales, customer and operational data can be interpreted consistently across teams.

Technology That Returns Time to People

Our approach to automation and artificial intelligence is grounded in clear processes, governed data definitions, reliable source systems and defined accountability.

Technology supports human judgement rather than replacing it. Business intelligence makes performance visible, data science helps structure complex questions and automation reduces repeated calculation, chasing and reconciliation. This allows people to spend more time on service, creativity, relationships, negotiation, judgement, taste and invention.

The outcome is simpler work for employees, faster and more consistent decisions, greater visibility for leadership, more reliable availability for customers and a SWEET DREAMS experience that feels connected across every channel.

That is how we code to clothe better—at the right place, with the right product and at the right time.

Built In-House. Built for the Business.

We practise software engineering, data engineering and business intelligence as internal operating capabilities. Developing mission-critical applications, integrations and data pipelines in-house gives the Company greater control over workflows and definitions, enables faster correction of issues and provides clearer traceability from source systems to operating reports.

One Data Foundation. Better Decisions.

Data-science methods help teams examine demand patterns, sales velocity, stock cover, size and regional preferences, product performance, store productivity, customer behaviour and campaign effectiveness. The purpose is for identification of exceptions, opportunities and trade-offs. Information from discovery, browsing, purchase and fulfillment then flows back into product, assortment, inventory, replenishment and commercial decisions.

This architecture supports evidence-led decision-making while preserving clear ownership. Data helps teams decide what to replenish, transfer, promote, range, correct or investigate; managers remain accountable for interpreting context and acting on it.

One Consumer Ecosystem. Online to Store.

The Web Store, marketplaces, digital communication platforms, customer-service touchpoints and physical stores operate as one connected consumer-access ecosystem. Each channel supports a different part of discovery, consideration, purchase and service, while customer and commercial signals move across the system rather than remaining within channel silos.

Digital engagement also supports the physical retail network. Store-discovery tools, location-led journeys and targeted communication help consumers find nearby SWEET DREAMS stores and convert online interest into store visits. This connection between digital discovery and physical footfall strengthens the reach and productivity of the expanding EBO network.

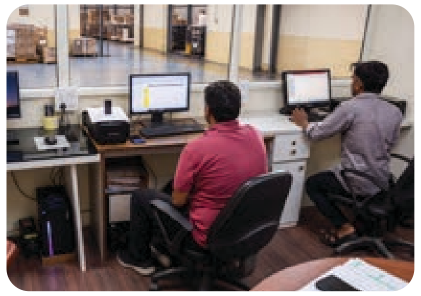
The result is a more vertically connected SWEET DREAMS—one where every sale contributes to the next cycle of learning and every system works towards clothing our customers better.

That is how we code to clothe better—at the right place, with the right product and at the right time.

THE ENGINE THAT DRIVES IT ALL

Supply Chain that Delivers

For SWEET DREAMS, the supply chain begins with an understanding of how sleepwear is actually used: for long hours, night after night, across Indian climates, and through repeated washing. This places a different demand on the operating model. Softness must be supported by durability, expressive design by dependable construction, and a wide choice of fabrics, fits, colours and sizes by disciplined inventory planning.



Designed by SWEET DREAMS. Made with Trusted Partners

The Company follows an asset-efficient manufacturing model built around long-standing relationships with specialised suppliers and job workers. Products are developed to SWEET DREAMS' designs, fit blocks, specifications and quality requirements, while manufacturing capacity is distributed across multiple partners. This model gives the Company access to varied capabilities across fabrics, silhouettes and seasonal requirements without becoming dependent on a single production source.

One Inventory Backbone

A centralised warehousing system supports the movement of products across EBOs, MBOs, large-format retail, marketplaces and the Company's Web Store. Integrated inventory controls and shared commercial visibility help teams allocate the right styles, sizes and fabrics to the locations where they are most relevant. The objective is to make a deep assortment available without losing control of inventory productivity.

Superiority Is Measurable

In sleepwear, quality is felt before it is seen. The sourcing and quality teams therefore evaluate fabrics, construction and finished garments across multiple stages of production. Attention is given to hand feel, drape, fit, stitching, colour consistency and the garment's ability to withstand frequent use and laundering. Supplier capability and performance are reviewed continuously to help maintain consistency across a broad and evolving product portfolio.

Every Sale Improves the Next Decision

ERP-led procurement, business-intelligence tools and channel-level demand signals connect sourcing, warehousing, merchandising and replenishment. As the retail and digital network expands, information on winning bodies, prints, fits, sizes and regional preferences can travel back into future buying and allocation decisions. Multi-vendor sourcing, internal controls and technology-enabled planning together create a supply chain designed to scale while preserving the experience, choice and consistency associated with SWEET DREAMS.

Letter from the Managing Directors

Mr. Hitesh Pravinchandra Ruparelia
Chairman & Managing Director

Mr. Utpalbhai Pravinchandra Ruparelia
Managing Director

Dear Shareholders,

FY2025–26 marked a turning point in the evolution of S D Retail Limited and SWEET DREAMS.

Over three decades, we have built deep category expertise, a nationwide distribution network and enduring relationships across the apparel trade. We are now bringing these strengths together to build a modern, consumer-focused and omnichannel sleepwear company.

Our first phase of growth was centred on making SWEET DREAMS widely available through traditional distribution. Our next phase is about moving closer to the consumer—through Exclusive Brand Outlets, our Web Store, leading online platforms and a more connected operating ecosystem.

This transition progressed meaningfully during FY2025–26 despite a consumption environment that remained sensitive to inflation and discretionary spending. Revenue increased by 13.25% to ₹195.98 crore. Our EBO revenue grew by 111%, our owned D2C platform grew by 70%, and profit after tax increased by 14.4% to ₹9.78 crore.

More importantly, these results strengthen our conviction that sleepwear is ready to become an intentional and important part of the Indian wardrobe.

A resilient financial performance

Revenue from operations increased to ₹195.98 crore during FY2025–26, compared with approximately ₹173.05 crore in the previous year.

Gross margin improved by 233 basis points to 53.44%, supported by a favourable channel mix, improved input-cost management and reduced exposure to lower-yield formats. EBITDA margin stood at 8.44%, while profit after tax increased to ₹9.78 crore, representing a PAT margin of 4.99%.

Net cash flow from operating activities also turned positive, reflecting improved working-capital discipline.

The growing contribution of our direct retail network was a defining feature of the year. EBOs contributed 23.7% of total revenue, compared with 12.7% in FY2024–25. This shift towards brand-led channels is strengthening our ability to own the consumer relationship, control the brand experience and improve the quality of growth.

We continued to invest in talent, technology, product development, marketing and backend capabilities. These investments are essential to creating an organisation capable of supporting a much larger retail and digital network.

Building India's sleepwear destination

Retail remained our principal growth engine.

We closed FY2025–26 with **75 SWEET DREAMS EBOs**, covering 36,371 sq. ft. of retail space. The network comprised 47 mall stores, 20 high-street stores and 8 airport stores.

EBO revenue grew by 111% year-on-year, supported by same-store sales growth of 13.36%. Annualised sales productivity reached ₹16,549 per sq. ft., while the average bill value stood at ₹4,139 and the average selling price at ₹1,864.

These stores do more than sell products. They transform sleepwear from a category placed inside a larger apparel store into a destination with an identity of its own.

Beyond our EBO network, SWEET DREAMS remains available through more than 2,500 MBO touchpoints, prominent large-format retailers, regional chains and leading digital marketplaces. This traditional network remains an important foundation of our national reach and category familiarity.

Our direct channels and traditional distribution network are not separate strategies. Stronger brand visibility through EBOs and digital platforms can generate demand across the broader retail ecosystem, while our long-standing trade presence gives us access to markets beyond the current EBO footprint.

A breakthrough in brand identity

During FY2025–26, we refreshed the SWEET DREAMS brand and retail identity to create a more premium, distinctive and scalable visual language.

Our refreshed identity gives this ritual a more recognisable expression across stores, product packaging, our Web Store, marketplaces, social media and communication.

The objective is to help elevate sleepwear from a functional purchase into an emotionally relevant and lifestyle-led category.

A resilient supply-chain foundation

Our supply chain combines a broad network of trusted manufacturers, job workers and sourcing partners with centralised warehousing, ERP-led procurement and integrated inventory controls.

The majority of our products are manufactured by partners according to SWEET DREAMS designs, specifications and quality standards. Our sourcing and quality teams oversee fabric inspection, product construction, supplier capability and performance through multiple stages of the process.

Multi-vendor sourcing reduces dependence on any single supplier, while centralised warehousing and technology-led planning support the movement of inventory across our retail and digital network.

As the Company scales, the objective remains clear: place the right product in the right location at the right time.

The road ahead

North and West India remain our most established markets and together contribute approximately 80% of revenue. We will continue strengthening these regions while building a more balanced national presence.

South India represents a significant expansion opportunity, supported by encouraging early traction and the growing relevance of region-specific products, fabrics and formats. Our initial presence in East India provides a foundation for longer-term development.

EBOs will remain the primary growth driver, supported by a disciplined combination of company-operated and franchise-supported formats. Airports and premium malls will remain important priorities, while high-street opportunities will be evaluated selectively.

Digitally, we will continue strengthening our owned D2C platform through customer relationship management, loyalty, customer analytics, improved product discovery and more connected shopping journeys.

Our ambition is to establish a standalone SWEET DREAMS store in every important Indian shopping market and build the country's most trusted sleepwear destination.

We want to change how India thinks about the night—from wearing whatever is available to building a considered wardrobe for sleep, recovery, travel, lounging, family time and the many moods that begin after 8 PM.

Most importantly, we will remain anchored in the purpose that has guided us from the beginning:

Good sleep changes everything.

Sleeping is not time lost. It is where recovery begins, balance returns and life feels whole again. Our role is to make the hours around it calmer, more restful and more intentional for every family.

We thank our shareholders, employees, customers, franchise partners, retailers, suppliers and business associates for their continued confidence and support.

Warm regards,
Hitesh Pravinchandra Ruparelia
Chairman & Managing Director
S D Retail Limited

Utpalbhai Pravinchandra Ruparelia
Managing Director
S D Retail Limited

ABOUT OUR INDUSTRY

Spearheading sleepwear in India

India Sleepwear Market Size

The sleepwear market contributed to 14% of India's Western apparel market, amounting to US$500 million in Fiscal 2022. India's sleepwear market is anticipated to reach a market size of US$1,303 million by 2029, with a progressive CAGR of 15.12% from 2024.

Figure 24: Indian Sleepwear Market Size
Source: "India Sleepwear Market Overview, 2029"

Sleepwear Market Segmentation by Customer Category

In 2024, the sleepwear market in India is predominantly driven by women, who comprise 80.7% of the market, amounting to US$455 million. This market segment, often seen as an indulgence category, shows that women tend to purchase sleepwear in higher volumes and prefer options priced higher and offering comfort and elegance, such as nighties and nightshirts. Women's sleepwear offers everything from timeless pajama sets to night gowns and one-pieces tailored to different age groups, seasonal and style preferences.

Men, who represent 5.8% of the market with US$114 million, lean towards pyjama sets and shorts sets. Men's bottom wear tends to focus on modesty and comfort, with options including pyjamas, lounge pants, boxers, and shorts.

Meanwhile, kids' sleepwear, accounting for 13.5% and US$76 million, emphasises colourful designs, merchandised characters, and accurate sizing to cater to younger consumers' whimsical tastes.

Source: "India Sleepwear Market Overview, 2029"

Sleepwear Market Segmentation by Product Category

In 2024, the Indian sleepwear market showcases significant growth across various categories. The market size for top wear, including items like T-shirts and camisoles, is projected to reach US$72 million, growing at a CAGR of 8.17%.

Bottom wear, which encompasses classic pyjamas, salwar bottoms, lounge pants, and shorts, is expected to reach US$123 million with a CAGR of 7.61%.

Night dresses and gowns are projected to achieve a market size of US$151 million, reflecting a CAGR of 7.08%. As modern topwear and bottomwear outpace the growth of traditional one-piece night dresses and gowns, we can expect an increase in the trend towards mix-and-match sleepwear as well as an increase in the purchase of separates.

The overall sleepwear market in India is diversified with distinct regional preferences. In North India, loose-fitting modern pyjamas are popular, while South India favours traditional lightweight cotton nighties. Modern trends show an increasing inclination towards unisex designs and styles tailored specifically to men's and women's preferences. The integration of traditional accessories like buttons, zippers, etc. into contemporary sleepwear designs has further driven acceptance of sleepwear.

Source: "India Sleepwear Market Overview, 2029"

Sleepwear Market Segmentation by Primary Fabric

SWEET DREAMS is unlocking the potential of a category long overlooked.

India Sleepwear Market Snapshot

Market size in 2022:
US$500 million

Expected by 2029:
US$1,304 million,
at a CAGR of 15.1%

Category share of Western apparel:
14%

Who's Buying?

Women
US$455 million:
Prefer stylish, comfortable options like nighties and sets.

Men
US$114 million:
Driven by functional basics like pyjama and short sets.

Kids
US$76 million:
Focus on playful, character-led designs.

What Are They Buying?

Night dresses and gowns:
US$151 million

Bottomwear:
US$123 million

Topwear:
US$72 million

Trend:
Shift towards separates and mix-and-match styling, driven by modern consumer behaviour.

What's It Made Of?

Cotton	Silk, modal and rayon	Polyester	Linen and bamboo	Wool and flannel
51.1%	18.7%	17.9%	US$27 million.	US$45 million.
US$329 million: Culturally preferred and breathable.	**US$121 million:** Luxury and comfort-led.	**US$115 million:** Durable and affordable.		

Where Are They Shopping?

Supermarkets and hypermarkets:	US$162 million
Specialty stores:	US$144 million
Online stores:	US$121 million
Garment shops:	US$185 million
Others:	US$33 million

Online is emerging as the preferred channel in Tier 2–3 cities.

Key Takeaways

- High wear-time, low wallet share: Sleepwear is worn approximately 70 hours per week, yet remains underinvested in.
- Untapped men's and kids' segments: There is significant white space in non-women categories.
- Channel growth led by D2C and digital: Online and EBOs are driving category transformation.
- Fabric choices reflect climate and culture: Cotton leads due to comfort and heritage.

EXPERIENCED BOARD OF DIRECTORS

Leadership That Inspires Growth

Mr. Hitesh Pravinchandra Ruparelia

Chairman & Managing Director

Hitesh Pravinchandra Ruparelia has been associated with S D Retail Ltd since its inception and currently serves as Chairman & Managing Director from June 20, 2024. A co-founder of the Company with over three decades of entrepreneurial experience, he has played a key role in driving its strategic growth, identifying business opportunities, and shaping key policy decisions. With a Higher Secondary qualification and a Diploma in Computer Technology, he brings a balanced leadership approach that combines traditional business values with a strong understanding of evolving market trends, fostering innovation, adaptability, and long-term resilience within the organization.

Mr. Utpalbhai Pravinchandra Ruparelia

Managing Director

Utpalbhai Pravinchandra Ruparelia has been associated with the Board of S D Retail Ltd since May 14, 2004, and is a co-founder of the Company. With extensive expertise in product development and merchandising, he has played a key role in expanding the Company's product portfolio with a focus on fashionability, quality, and customer-centric innovation. His strategic vision and leadership have helped the Company align its offerings with evolving consumer preferences, strengthening the brand's market presence and competitiveness across diverse segments.

Mr. Vishesh Dalal

Non-Executive Director

A Chartered Accountant and MBA from ESADE, Mr. Dalal brings 15+ years of experience in private equity, consulting, and entrepreneurship.

Mrs. Simeran Bhasin

Non-Executive Director

A seasoned marketing professional with 20+ years' experience across Titan, Britannia, Fastrack, and Wildcraft.

Mr. Jaydeep Shetty

Non-Executive & Independent Director

He is a retail industry veteran with 20+ years of experience in franchising and scaling brands. He brings deep expertise in brand building, operations, and growth strategy.

Mr. Harshil Patel

Non-Executive & Independent Director

A practising Chartered Accountant with expertise in audit, assurance, and financial valuation.

YEAR AT GLANCE

Financial Highlights

Revenue from operation

₹ in Lakhs

FY 2025-26	**19,597.54**
FY 2024-25	17,304.32
FY 2023-24	16,255.89

PAT

₹ in Lakhs

FY 2025-26	**977.92**
FY 2024-25	855.57
FY 2023-24	769.22

PAT margin

In (%)

FY 2025-26	**4.99**
FY 2024-25	4.94
FY 2023-24	4.73

EBITDA

₹ in Lakhs

FY 2025-26	**1,653.10**
FY 2024-25	1,430.05
FY 2023-24	1,380.70

Gross Profit

₹ in Lakhs

FY 2025-26	**10,472.44**
FY 2024-25	8,844.41
FY 2023-24	7,564.56

Gross Profit Margin

In (%)

FY 2025-26	**53.44**
FY 2024-25	51.11
FY 2023-24	46.53

EBITDA margin

In (%)

FY 2025-26	**8.44**
FY 2024-25	8.26
FY 2023-24	8.49

ROE

In (%)

FY 2025-26	**8.48**
FY 2024-25	11.27
FY 2023-24	20.45

Net worth

₹ in Lakhs

FY 2025-26	**12,021.16**
FY 2024-25	11,043.24
FY 2023-24	4,415.81

Management Discussion & Analysis

Global Economy Overview

As per the International Monetary Fund's (IMF) July 2026 World Economic Outlook Update, the global economy has remained resilient, absorbing the energy-market shock from the Middle East conflict better than initially feared. Global growth is projected at 3.0% in 2026, moderating from an estimated 3.5% average in 2024 and 2025, before recovering to 3.4% in 2027, broadly unchanged from the April 2026 forecast on a cumulative basis. The outlook is uneven: economies exposed to the conflict and energy-import dependence face headwinds, while those integrated into the global technology and AI-investment value chain are experiencing stronger momentum.

Global headline inflation has been revised up to 4.7% for 2026, signalling that the disinflation trend in place since early 2024 has stalled, before easing to an estimated 3.9% in 2027. Global trade growth is also expected to slow to 3.5% in 2026 from 5% in 2025. The IMF continues to emphasise the importance of confidence-building measures, predictable policy frameworks, and structural reforms to help economies sustain growth and build long-term resilience amid persistent geopolitical and trade-policy uncertainty.

Indian Economy Overview

As per the Economic Survey 2025-26 tabled in Parliament by the Union Minister for Finance and Corporate Affairs, and reaffirmed by subsequent Press Information Bureau (PIB) releases, India's real GDP growth for FY26 is estimated at 7.4% as per the First Advance Estimates, making it the fastest-growing major economy for the fourth consecutive year. India has overtaken Japan to become the world's fourth-largest economy by nominal GDP and is on course to become the third-largest, surpassing Germany, within the next two-to-three years, with projected GDP of around USD 7.3 trillion by 2030.

Growth continues to be driven by robust domestic demand, with private final consumption expenditure rising to 61.5% of GDP - its highest share since 2012 - supported by low inflation, stable employment, and rising real incomes. Investment activity has also strengthened, with gross fixed capital formation growing at a healthy pace and sustaining a 30% share of GDP. Real GDP growth for FY27 is projected in the range of 6.8% to 7.2%, reaffirming India's medium-term growth potential.

This transformation continues to be underpinned by the vision of Aatmanirbhar Bharat, which promotes innovation, self-reliance, and global competitiveness. Initiatives such as the Production Linked Incentive (PLI) schemes, MSME revitalisation, GST rationalisation, and a strengthened digital and financial ecosystem have driven broad-based growth across sectors. With stable inflation, resilient exports, and an expanding role in global trade, India continues to advance towards becoming the world's third-largest economy, shaping its economic future as a resilient and inclusive powerhouse.

Sleepwear Market Size

The sleepwear market in India is experiencing strong growth and gaining importance within the broader apparel segment. Industry estimates value the domestic sleepwear market at approximately USD 650-660 million in 2025, with the category projected to grow at a CAGR of over 12% through the next decade, driven by changing consumer lifestyles, a growing preference for comfort-led clothing, and the influence of digital retail. Sleepwear is evolving from a purely functional category to one of style and self-expression.

Women form the largest consumer base for sleepwear in India, often opting for stylish, comfortable sets, nighties, and gowns. Men and kids contribute smaller shares but represent significant untapped potential - men's preferences lean toward basic and functional pieces, while kids' sleepwear is driven by playful designs and character-led themes. The product mix continues to shift from traditional one-piece nightgowns toward coordinated sets, as consumers increasingly purchase individual pieces to suit personal comfort and aesthetic preferences.

Cotton remains the dominant fabric owing to its breathability and cultural relevance, though rayon, modal, and polyester are gaining ground in premium and performance-driven segments. Retail formats are evolving rapidly - physical stores continue to hold a strong presence, while online channels remain the fastest-growing, especially in smaller cities, with direct-to-consumer and digital-first brands reshaping discovery and purchase. Overall, the category remains underpenetrated despite high usage, leaving considerable room for expansion in non-women's segments and across emerging digital platforms.

Category Leader: Pioneering a New Habit

Company Overview

S D Retail, the parent company of the Sweet Dreams brand, has evolved into one of India's leading players in the organised sleepwear segment. With over three decades of experience, the Company has transitioned from a wholesale-led model to a direct-to-consumer business with a growing network of Exclusive Brand Outlets (EBOs), supported by digital platforms and a nationwide presence across Multi-Brand Outlets (MBOs). This strategic pivot is enabling the Company to capture higher margins, build customer loyalty, and establish a stronger brand identity in a largely unorganised category.

Leveraging data-led design, and a sharply focused product architecture, S D Retail is not only expanding its footprint but also shaping consumer behaviour around nighttime apparel. With investments in premium EBO formats, customer experience, and omnichannel capabilities, the Company is well-positioned to drive profitable growth and category leadership in the years ahead.

FY26 marked a turning point in S D Retail's growth strategy, with EBO revenue nearly doubling year-on-year and contributing meaningfully to margin expansion. The Company continued to rationalise low-yield channels and reinvest in scalable, brand-led formats, while its growing design-to-retail ecosystem enabled faster product cycles and localised assortment planning. As India's sleepwear market matures, S D Retail is set to capitalise on its early-mover advantage and expand its influence across both urban and emerging consumption centres.

Key Facts - FY26

Revenue: ₹19,597.54 Lakhs	PAT: ₹977.92 Lakhs
PAT Margin: 4.99%	Gross Margin: 53.44%
EBITDA Margin: 8.44%	EBO Revenue Growth: 111% YoY
EBO Count: 75 stores	Sales per Sq. Ft.: ₹16,549
Average Bill Value: ₹4,139	Average Selling Price (ASP): ₹1,864
SSSG (EBO): 13.36%	EBO Retail Area: 36,371 sq. ft.
Retail Touchpoints: 2,500+ (MBOs)	Brand Focus: Sweet Dreams (sleepwear & loungewear)
Wear-Time Positioning: 8 PM - 8 AM lifestyle positioning	

Operational Highlights

- **Retail Expansion:** S D Retail scaled its EBO network to 75 stores across malls, high streets, and airports, covering 36,371 sq. ft. of retail space. The EBO channel reported 111% revenue growth year-on-year, supported by healthy same-store sales growth of 13.36% and annualised productivity of ₹16,549 per sq. ft.
- **Channel Performance:** EBOs contributed 23.7% of total revenue, up from 12.7% in the previous year, reflecting a successful shift toward premium, brand-led formats. MBOs remained the largest channel with steady performance, while the Company consciously exited underperforming Large Format Store (LFS) counters to optimise margins.
- **Digital & D2C Initiatives:** The Company's owned e-commerce platform recorded 70% growth in revenue year-on-year. Marketplace growth remained moderate, prompting a sharper focus on CRM deployment and omnichannel integrations to improve D2C efficiency.
- **Operational Efficiency:** Gross margin improved by 233 basis points during the year, aided by a favourable channel mix and input cost management. Net cash flow from operating activities turned positive, reflecting improved working capital discipline.
- **Organisational Readiness:** Investments were made in expanding talent, enhancing technology infrastructure, and building backend systems to support scalable retail operations and upcoming EBO growth in newer geographies.

Geographical Revenue Distribution and Market Presence

Core Markets - North & West India: These regions contribute ~80% of total revenue, driven by strong brand recall, dense EBO and MBO presence, and higher consumer spend. They remain the Company's most mature and profitable markets.

Emerging Focus - South India: South India is a strategic expansion zone. Recent EBO launches have shown encouraging traction, with region-specific collections and formats being well received.

Retail Format Mix: S D Retail is present across 47 malls, 20 high streets, and 8 airports - enhancing visibility among urban aspirational consumers.

Digital Reach: The Company's e-commerce platform, along with presence on Myntra, Flipkart, Amazon, Nykaa, and Zepto, ensures pan-India accessibility, complementing its offline network.

Localised Strategy: Using India's largest sleepwear preference dataset, S D Retail tailors fit, fabric, and design to regional tastes - maximising relevance and conversion across markets.

Financial Highlights

(₹ In Lakhs)

Particulars	FY26	FY25	% Change (YoY)
Net Sales	19,597.54	17,304.32	13.25%
Total Expenditure	17,944.44	15,874.27	13.04%
EBITDA	1,653.10	1,430.05	15.6%
Profit After Tax (PAT)	977.92	855.57	14.3%

SD Retail reported a resilient financial performance in FY26, marked by revenue growth, margin expansion, and improved operating cash flow. The Company continued its shift toward higher-margin, brand-led retail channels, which positively impacted profitability and efficiency metrics.

Revenue Growth: Net sales increased by 13.25% YoY to ₹19,597.54 Lakhs, driven primarily by a 111% increase in EBO revenue and steady performance in MBO and digital channels.

Margin Expansion: Gross margin improved by 233 basis points to 53.44%, supported by a richer product mix and reduced exposure to low-margin formats.

Profitability: PAT stood at ₹977.92 Lakhs, up 14.3% YoY, reflecting stronger operating leverage despite higher investments in talent and technology.

Ratio Analysis

Ratio	FY26	FY25
Current Ratio (In Times)	2.56	2.48
Debt Equity Ratio (In Times)	0.14	0.30
Trade Receivables Turnover Ratio (In Times)	2.42	2.15
Trade Payable Turnover Ratio (In Times)	6.34	5.24
Net Profit Ratio (In %)	4.99%	4.95%

Opportunities & Threats

Opportunities

- **Category Formalisation:** The sleepwear segment in India remains largely unorganised despite high wear-time. As consumer preferences evolve, SD Retail is well-positioned to lead formalisation through branded, fashion-led offerings.
- **Omnichannel Expansion:** With a scalable EBO model and improving D2C infrastructure, the Company can deepen its presence in premium urban locations while expanding access through digital platforms.
- **Regional Customisation:** The use of region-specific consumer data allows for tailored product development, improving conversion rates and brand relevance across diverse Indian markets.
- **Underpenetrated Geographies:** South India presents a significant growth runway, where early traction from recent EBO launches supports further retail expansion.
- **Lifestyle Shifts:** Evolving lifestyle patterns and a growing wellness orientation continue to drive demand for comfort-first, at-home apparel, expanding the addressable market for sleepwear and loungewear.

Threats

- **Seasonality & Working Capital Cycles:** The business remains exposed to season-driven billing patterns and Q4-heavy sales cycles, creating temporary pressures on inventory and receivables.
- **Channel Profitability Risk:** Fluctuations in marketplace performance and dependency on external platforms can affect online margins and scalability.
- **Competitive Intensity:** Entry of larger apparel players into the loungewear and sleepwear segment may intensify pricing and promotional pressure.
- **Retail Cost Inflation:** Rising rental and manpower costs, particularly in malls and urban centres, could impact retail store-level profitability if not offset by productivity gains.

Risk Management

S D Retail follows a proactive risk management framework to identify, assess, and mitigate key business and operational risks. The Company regularly monitors internal and external factors that may impact performance and adapts its strategies accordingly.

- **Seasonal Revenue Concentration:** A significant portion of revenue is concentrated in the fourth quarter due to MBO billing cycles and festive season demand. The Company mitigates this risk through early planning, staggered production, and tight inventory control.
- **Channel Dependence:** While MBOs remain the largest revenue contributor, the Company is consciously diversifying through EBOs and D2C platforms to reduce overdependence on any single channel.
- **Retail Operating Cost Risk:** Increased cost of retail operations - particularly rentals and manpower - poses a threat to store-level margins. S D Retail addresses this by adopting a mix of franchise-owned and company-owned models and optimising store formats.
- **Supply Chain Disruptions:** As a design-to-retail business, any disruption in sourcing or logistics can affect product availability. The Company mitigates this through multi-vendor sourcing, inventory buffers, and integrated supply chain planning.

- **Digital Platform Reliance:** Marketplace dynamics, algorithm changes, or policy shifts can affect visibility and margins in online sales. S D Retail is reducing this risk by building its own e-commerce and CRM capabilities.
- **Competitive Landscape:** Entry of large players in the sleepwear segment may increase pressure on pricing and customer retention. The Company counters this through brand differentiation, customer insights, and curated product architecture.

Outlook

S D Retail enters FY27 with a focused strategy to scale its brand-led, omnichannel retail model. Building on the momentum of FY26, the Company plans to deepen its presence in urban consumption centres through continued expansion of EBOs and enhanced digital engagement.

EBOs will remain the Company's primary growth driver, with new store additions planned across metros and Tier-II cities. North India is identified as a priority market, where early signs of traction support a larger rollout backed by localised collections and region-specific marketing. Expansion will continue to follow an asset-light, franchise-led model to optimise capital efficiency.

Digitally, the Company will scale its direct-to-consumer (D2C) platform through investments in CRM, customer analytics, and integrated shopping experiences, aiming to increase brand loyalty, deepen customer relationships, and build a more profitable online business independent of third-party marketplaces.

The broader sleepwear and loungewear category is undergoing a shift from functional to lifestyle-led consumption. With its focused product positioning around the 8 PM - 8 AM wear-time and data-driven merchandising approach, S D Retail is well-positioned to capture this transition through climate-tuned, mood-based collections that meet regional and seasonal demand. Profitability improvement remains a key focus, with further gains expected through mix enrichment, store productivity, and operating leverage, while selectively investing in capabilities that support scalable and sustainable growth.

Internal Control Systems & Their Adequacy

S D Retail has established robust internal control systems that ensure operational efficiency, safeguard assets, and support regulatory compliance across all facets of the business. These systems are designed to detect and mitigate risks, ensure accuracy in financial reporting, and promote disciplined governance practices.

- **Policy-Driven Protocols:** All critical business processes - procurement, inventory, finance, and distribution - are governed by well-defined policies and standard operating procedures, reducing ambiguity and enhancing accountability.
- **Compliance Monitoring:** Dedicated review mechanisms are in place to monitor adherence to internal norms and statutory requirements. Periodic audits and internal checks ensure that deviations, if any, are promptly addressed.
- **Continuous Evaluation:** Management regularly evaluates the adequacy of controls and updates systems in response to changing regulatory and operational requirements.

Human Resources Development

S D Retail considers its people the cornerstone of its success. The Human Resource Development strategy is centred on fostering a performance-driven culture, ensuring talent alignment with business goals, and promoting holistic employee development.

- **Talent Acquisition & Retention:** Strategic hiring based on future capability needs and retention efforts, including career progression planning, have strengthened organisational depth.
- **Structured Learning & Upskilling:** Customised training programmes were conducted across departments, with a focus on functional excellence, leadership development, and compliance awareness.
- **Performance & Recognition:** A transparent appraisal system continues to drive meritocracy, with outstanding performers recognised through reward mechanisms that reflect their contributions.

The Company continues to foster a work environment anchored in growth, inclusivity, and meaningful contribution. As on March 31, 2026, S D Retail employed 252 permanent team members across its operations - each individual playing a vital role in cultivating the dynamic and collaborative culture that drives the Company's sustained progress.

Cautionary Statement

The statements provided in this section outline the Company's objectives, projections, expectations, and estimations, which may be deemed "forward-looking statements" as per applicable securities laws and regulations. These forward-looking statements are based on certain assumptions and anticipations of future events. However, it is important to note that the Company cannot guarantee the accuracy or realisation of these assumptions and expectations. The Company assumes no responsibility to publicly amend, modify, or revise any forward-looking statements based on subsequent developments. Stakeholders are advised to exercise caution and consider the inherent uncertainties associated with forward-looking statements when making decisions based on such information.

Channel Mix

Wherever the Night Begins

SWEET DREAMS reaches consumers wherever they shop—from neighbourhood retailers and large-format stores to dedicated sleepwear destinations and digital platforms. Each channel plays a distinct role: traditional trade builds reach, EBOs create immersive brand experiences, LFS partnerships enable discovery, and digital keeps the 8 PM–8 AM wardrobe accessible from anywhere.

Exclusive Brand Outlets

Building India's Sleepwear Destination
Our EBOs transform sleepwear from a category within a store into a destination of its own. They bring together hundreds of options, inclusive sizing, coordinated sets and collections across women, men and kids within a complete SWEET DREAMS environment.

During FY2025–26, we expanded from 51 to 75 EBOs across malls, high streets and airports. EBO revenue grew 111% to ₹46.45 crore and mature stores delivered approximately 13.3% same-store sales growth. Beyond driving revenue, every store operates as a listening post—helping us identify winning fabrics, fits, colours, prints and sizes faster.

24 net EBO additions during FY2025–26

75 EBOs as of March 31, 2026

23.7 % contribution to FY2025–26 revenue

47 malls | **20** high streets | **8** airports

36.3K sq. ft. total EBO retail area

Multi-Brand Outlets

Reach Built Over Decades
Our traditional trade network remains the foundation of SWEET DREAMS' national presence. More than 2500 MBO touchpoints make the brand available across established shopping markets and neighbourhood stores throughout India.

This network gives us deep market familiarity and access to consumers beyond our EBO footprint. As our direct channels strengthen brand visibility and consumer recall, they also support demand across the wider trade ecosystem.

2500+ MBO touchpoints across India

55.3% contribution to FY2025–26 revenue

Large Format Stores and Regional Chains

Discovery Through Trusted Retail Partners
Our presence in prominent large-format stores and regional retail chains introduces SWEET DREAMS to consumers within familiar, high-traffic shopping environments. These partnerships complement our standalone stores and widen access to the category across markets where a dedicated EBO may not yet be present.

Nearly **57 points** of sale across LFS and regional chains

6.1% contribution to FY2025–26 revenue

Online Channels

From Discovery to Doorstep
Digital commerce keeps SWEET DREAMS accessible beyond the limits of physical retail. Our Web Store serves as both a commerce platform and a brand laboratory—helping us test products, combinations, pricing, merchandising and storytelling before successful ideas are scaled across the wider network.

Our owned D2C platform generated ₹4.83 crore in FY2025–26, growing 71% year-on-year. Alongside marketplaces including Myntra, Amazon, Flipkart, AJIO and Nykaa, digital channels deepen consumer access and support our evolving omnichannel ecosystem.

13.2% contribution of online channels to revenue

₹4.83 crore owned D2C revenue

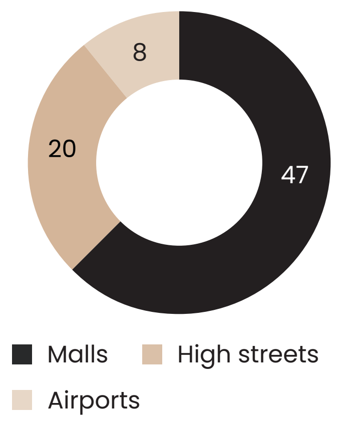
71% growth in owned D2C revenue

One Brand. Many Ways to Reach.

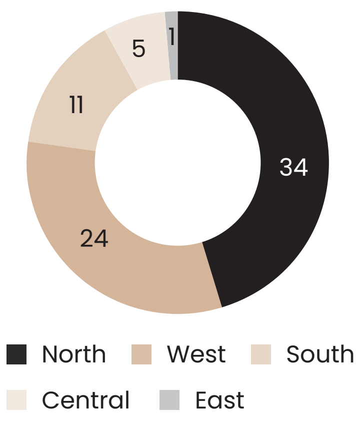
Our channel strategy is designed around access, experience and learning. Connected inventory, faster feedback loops and a shared view of demand allow information to move from every transaction into the next cycle of product, merchandising and replenishment decisions.

The result: wider reach, closer consumer relationships and a stronger SWEET DREAMS experience—wherever the night begins.

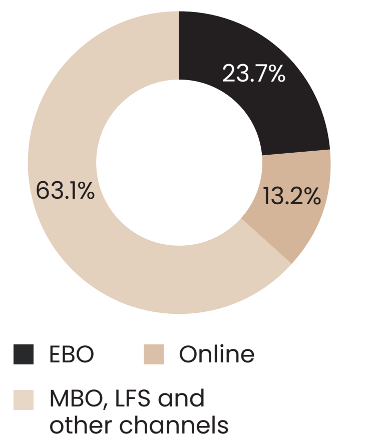
EBO Format Mix



Geographical EBO Mix



Revenue Channel Mix



FY2025–26 at a Glance

₹195.97 crore revenue from operations	**₹16.53 crore** EBITDA	**8.44%** EBITDA margin	**₹9.78 crore** profit after tax
75 stores EBOs	**2,500+ MBO** touchpoints	Nearly **57** LFS and regional-chain points of sale	**36,371 sq. ft.** EBO retail area

Notice

NOTICE IS HEREBY GIVEN THAT THE 22nd ANNUAL GENERAL MEETING OF THE MEMBERS OF S D RETAIL LIMITED (CIN: L52520GJ2004PLC056076) WILL BE HELD ON 22nd SEPTEMBER 2026 AT 2:00 P.M. THROUGH VIDEO CONFERENCING (VC) / OTHER AUDIO VISUAL MEANS (OAVM) TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS:

1. **To consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2026, together with the Reports of the Board of Directors and the Auditors thereon**

   To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2026, comprising the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss, the Statement of Cash Flows and the Notes to the Financial Statements, together with the Report of the Board of Directors and the Report of the Statutory Auditors thereon, as circulated to the Members, be and are hereby received, considered and adopted."

2. **To appoint Mr. Hitesh Pravinchandra Ruparelia (DIN: 00490790), as a Director who retires by rotation and, being eligible, offers himself for re-appointment**

   To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, MR. HITESH PRAVINCHANDRA RUPARELIA (DIN: 00490790), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

3. **To appoint MR. Utpalbhai Pravinchandra Ruparelia (DIN: 00300525) as a Director who retires by rotation and, being eligible, offers himself for re-appointment**

   "RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. UTPALBHAI PRAVINCHANDRA RUPARELIA (DIN: 00300525), who retires by rotation at this Annual General Meeting and, being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS:

4. **Approval For Revision Of Remuneration Of Mr. Parth Ruparelia, A Related Party, Holding An Office Or Place Of Profit In The Company**

   To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the Company's Policy on Related Party Transactions and such other applicable laws, rules, regulations, circulars, notifications and statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Audit Committee and approval of the Board of Directors at their respective meetings held on August 22, 2026, consent of the Members of the Company be and is hereby accorded for revision of the remuneration payable to Mr. Parth Ruparelia with effect from April 1, 2026, who is holding an office or place of profit in the Company as Department Head – Design & Product Development, since 1st July, 2018.

Notice

   RESOLVED FURTHER THAT the remuneration payable to Mr. Parth Ruparelia be revised from the existing remuneration of ₹30,00,000/- (Rupees Thirty Lakhs only) per annum to ₹60,00,000/- (Rupees Sixty Lakhs only) per annum for the Financial year 2026-27 and onwards, inclusive of fixed salary, performance-linked incentive, allowances, perquisites, benefits, annual increments and all other components of remuneration.

   RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to determine the structure, components and terms of remuneration payable to Mr. Parth Ruparelia within the aforesaid limits and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental to give effect to this Resolution."

5. **Approval For Revision Of Remuneration Of Mr. Gaurang Ruparelia, A Related Party, Holding An Office Or Place Of Profit In The Company**

   To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Section 188(1)(f) and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("SEBI Listing Regulations"), the Company's Policy on Related Party Transactions and such other applicable laws, rules, regulations, circulars, notifications and statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Audit Committee and approval of the Board of Directors at their respective meetings held on August 22, 2026, consent of the Members of the Company be and is hereby accorded for revision of the remuneration payable to Mr. Gaurang Ruparelia with effect from April 1, 2026, who is holding an office or place of profit in the Company as Department Head – IT, Marketing & Branding, since 30th December, 2024

   RESOLVED FURTHER THAT the remuneration payable to Mr. Gaurang Ruparelia be revised from the existing remuneration of ₹18,00,000/- (Rupees Eighteen Lakhs only) per annum to ₹ 40,00,000/- (Rupees Forty Lakhs only) per annum for the financial year 2026-27 and onwards, inclusive of fixed salary, performance-linked incentive, allowances, perquisites, benefits, annual increments and all other components of remuneration.

   RESOLVED FURTHER THAT the Board of Directors of the Company (including any Committee thereof) be and is hereby authorised to determine the structure, components and terms of remuneration payable to Mr. Gaurang Ruparelia within the aforesaid limits and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental to give effect to this Resolution."

6. **Appointment of Ms. Lekhinee Mandeep Desai (DIN: 11904544) as a Non-Executive, Women Director of the Company**

   To consider and, if thought fit, to pass the following resolution as a **Ordinary Resolution:**

   "RESOLVED THAT pursuant to the provisions of Sections 149, 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the Articles of Association of the Company and other applicable laws, rules, regulations and statutory modification(s) or re-enactment(s) thereof for the time being in force, and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Ms. Lekhinee Mandeep Desai (DIN: 11904544) who was appointed by the Board of Directors as an Additional Director (Non-Executive, Woman Director) of the Company with effect from 22nd August 2026 pursuant to Section 161(1) of the Companies Act, 2013, and whose appointment as a Non-Executive, (Woman Director) has been recommended by the Board of Directors for approval of the

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Members at this Annual General Meeting, and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as a Non-Executive, (Woman Director) of the Company, liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company, either jointly or severally be and are hereby authorized to file the said resolution with the Registrar of Companies, and to do all such acts, deeds and things as may be necessary, expedient and incidental thereto to give effect to the above resolution.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution."

By Order of the Board of Directors,
For S D RETAIL LIMITED

Date: 22nd August 2026
Place: Ahmedabad

Poojaben Shah
Company Secretary
Membership No. A73158

Registered Office:
C-929, STRATUM AT VENUS GROUND,
NR. JHANSI KI RANI STATUE,
NEHRUNAGAR, Ahmadabad City,
Ahmedabad, Gujarat, 380006

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EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("THE ACT") SETTING OUT ALL MATERIAL FACTS:

ITEM NO.: 4

Mr. Parth Ruparelia has been associated with the Company since July 1, 2018 and presently holds the position of Department Head – Design & Product Development. In this capacity, he is responsible for managing the Design and Product Development function of the Company, driving product innovation, overseeing product development activities, implementing operational improvements and contributing towards the growth and development of the Company's business.

Mr. Parth Ruparelia is the son of Mr. Utpalbhai Pravinchandra Ruparelia, Managing Director and Promoter of the Company, and accordingly, he is a Related Party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Considering his contribution to the Company's operations, increased responsibilities and leadership role, the Audit Committee have reviewed and recommended the revision of remuneration payable to Mr. Parth Ruparelia. Accordingly, the Board of Directors, at its meeting held on August 22, 2026, approved the proposed revision, subject to approval of the Members.

The remuneration payable to Mr. Parth Ruparelia is proposed to be revised from the existing remuneration of ₹30,00,000/- (Rupees Thirty Lakhs only) per annum to ₹60,00,000/- (Rupees Sixty Lakhs only) per annum with effect from April 1, 2026.

Pursuant to Section 188(1)(f) of the Companies Act, 2013 read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, the appointment of a related party to an office or place of profit carrying remuneration in excess of the limits prescribed under Rule 15(3)(b) of the Companies (Meetings of Board and its Powers) Rules, 2014 requires the prior approval of the Members by way of an Ordinary Resolution.

The particulars prescribed under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are set out below:

Name of the Related Party	Mr. Parth Ruparelia
Name of the Director or Key Managerial Personnel who is related	Mr. Utpalbhai Pravinchandra Ruparelia, Managing Director and Promoter
Nature of relationship	Mr. Parth Ruparelia is the son of Mr. Utpalbhai Pravinchandra Ruparelia
Nature of office or place of profit	Department Head – Design & Product Development
Date of association with the Company	July 1, 2018
Nature, material terms and monetary value of the arrangement	Revision of remuneration from ₹30,00,000/- per annum to ₹60,00,000/- per annum with effect from April 1, 2026.
Manner of determining remuneration	Based on responsibilities, performance, contribution to the Company, industry benchmarks and recommendations of the Audit Committee.
Any advance paid or received	Nil
Any other relevant information	The proposed remuneration is considered fair and reasonable having regard to the role, responsibilities and contribution of Mr. Parth Ruparelia towards the Company's growth and operations.

Based on the annual consolidated turnover of the Company as per the latest audited financial statements, the proposed transaction does not qualify as a Material Related Party Transaction under Regulation 23 of the

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SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Except Mr. Utpalbhai Pravinchandra Ruparelia, being the father of Mr. Parth Ruparelia, and Mr. Parth Ruparelia himself, none of the Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the proposed resolution.

The Board is satisfied that the remuneration proposed to be paid to Mr. Parth Ruparelia is commensurate with his qualifications, experience, duties, responsibilities, performance, industry standards and the remuneration paid for similar positions in comparable companies, and that the arrangement is on an arm's length basis from a commercial perspective.

ITEM NO.: 5

Mr. Gaurang Ruparelia has been associated with the Company since December 30, 2024, and presently holds the position of Department Head – IT, Marketing & Branding.

Mr. Gaurang Ruparelia is the son of Mr. Hitesh Pravinchandra Ruparelia, Chairman & Managing Director and Promoter of the Company, and accordingly, he is a Related Party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Gaurang graduated from New York University (NYU) with a Bachelor's degree in Computer Science, along with minors in Mathematics and Robotics. During his academic tenure, he gained valuable experience through internships with both leading multinational corporations and technology startups. His exposure to diverse software development environments has enabled him to work on developing software applications from the ground up in startup ecosystems, while also contributing to the enhancement and modernization of large-scale enterprise software systems in established organizations.

Since joining the Company, Mr. Gaurang has played a key role in steering both the Information Technology and Marketing & Branding departments. On the technology front, he has supported the modernization of the Company's IT infrastructure and software ecosystem by implementing modern development practices, automation initiatives, system enhancements, and digital transformation projects aimed at improving operational efficiency, scalability, cybersecurity, and overall business effectiveness.

Considering his experience, contribution to the Company's operations, increased responsibilities and leadership role, the Audit Committee have reviewed and recommended the revision of remuneration payable to Mr. Gaurang Ruparelia. Accordingly, the Board of Directors, at its meeting held on August 22, 2026, approved the proposed revision, subject to approval of the Members.

The remuneration payable to Mr. Gaurang Ruparelia is proposed to be revised from the existing remuneration of ₹18,00,000/- (Rupees eighteen Lakhs only) per annum to ₹40,00,000/- (Rupees Forty Lakhs only) per annum with effect from April 1, 2026.

The proposed remuneration is within the limits prescribed under the Companies Act, 2013 and has been recommended by the Audit Committee after considering the qualifications, experience, responsibilities, market benchmarks and overall contribution of Mr. Gaurang Ruparelia.

The appointment of a related party to an office or place of profit carrying remuneration in excess of the limits prescribed under Rule 15(3)(b) of the Companies (Meetings of Board and its Powers) Rules, 2014 requires the prior approval of the Members by way of an Ordinary Resolution.

The particulars prescribed under Rule 15(3) of the Companies (Meetings of Board and its Powers) Rules, 2014 are set out below:

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Name of the Related Party	Mr. Gaurang Ruparelia
Name of the Director or Key Managerial Personnel who is related	Mr. Hitesh Pravinchandra Ruparelia, Chairman & Managing Director and Promoter
Nature of relationship	Mr. Gaurang Ruparelia is the son of Mr. Hitesh Pravinchandra Ruparelia
Nature of office or place of profit	Department Head – IT, Marketing & Branding
Date of association with the Company	December 30, 2024
Nature, material terms and monetary value of the arrangement	Revision of remuneration from ₹18,00,000/- per annum to ₹40,00,000/- per annum with effect from April 1, 2026.
Manner of determining remuneration	Based on experience, responsibilities, performance, contribution to the Company, industry benchmarks and recommendations of the Audit Committee.
Any advance paid or received	Nil
Any other relevant information	The proposed remuneration is considered fair and reasonable having regard to the role, responsibilities and contribution of Mr. Gaurang Ruparelia towards the Company's growth and operations.

Based on the annual consolidated turnover of the Company as per the latest audited financial statements, the proposed transaction does not qualify as a Material Related Party Transaction under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Except Mr. Hitesh Pravinchandra Ruparelia, Chairman & Managing Director, Mr. Gaurang Ruparelia and their respective relatives, none of the Directors, Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board is satisfied that the remuneration proposed to be paid to Mr. Gaurang Ruparelia is commensurate with his qualifications, experience, duties, responsibilities, performance, industry standards and the remuneration paid for similar positions in comparable companies, and that the arrangement is on an arm's length basis from a commercial perspective.

ITEM No.: 6

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, at its meeting held on August 22, 2026, appointed Ms. Lekhinee Mandeep Desai (DIN: 11904544) as an Additional Director (Non-Executive, Woman Director) of the Company with effect from August 22, 2026, pursuant to the provisions of Section 161(1) of the Companies Act, 2013.

The Board of Directors, at the same meeting, also approved the Notice convening the ensuing Annual General Meeting of the Company and, considering her qualifications, experience and expertise, recommended her appointment as a Non-Executive, (Woman Director) for the approval of the shareholders at the ensuing Annual General Meeting.

In terms of Section 161(1) of the Companies Act, 2013, Ms. Lekhinee Mandeep Desai holds office as an Additional Director only up to the date of the ensuing Annual General Meeting and is eligible for appointment as a Director of the Company.

Ms. Lekhinee Mandeep Desai shall be entitled to receive sitting fees as approved by the Board of Directors from time to time for attending the meetings of the Board of Directors and/or Committees thereof, within the limits prescribed under the Companies Act, 2013 and other applicable laws. She shall also be entitled to

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reimbursement of expenses incurred in connection with attending such meetings.

The Company has received from Ms. Lekhinee Mandeep Desai:

- her consent to act as a Director in Form DIR-2;
- a declaration in Form DIR-8 confirming that she is not disqualified from being appointed as a Director under Section 164 of the Companies Act, 2013;
- disclosure of her interest in Form MBP-1; and
- such other declarations, confirmations and disclosures as required under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ms. Lekhinee Mandeep Desai is the Co-Founder and Chief of Marketing at The Indian Ethnic Co., where she has spearheaded brand strategy, digital marketing, and social media outreach since 2016. Based in Mumbai, she holds an educational background from the Narsee Monjee Institute of Management Studies and brings corporate brand management experience from her prior marketing roles at ITC Limited. In her role, she combines expertise in handcrafted apparel branding with data-driven performance marketing to scale the organization's commercial footprint.

Her appointment will also enable the Company to comply with the applicable requirements relating to the appointment of a Woman Director under the Companies Act, 2013 and the SEBI Listing Regulations.

In the opinion of the Board, Ms. Lekhinee Mandeep Desai fulfils the conditions prescribed under the Companies Act, 2013 and the SEBI Listing Regulations for appointment as a Director. The Board considers that her continued association with the Company will be beneficial and, accordingly, recommends the Special Resolution set out at Item No. 6 of the Notice for approval by the Members.

The disclosures pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2 on General Meetings are provided in the Annexure to this Notice.

Except Ms. Lekhinee Mandeep Desai and her relatives, to the extent of their shareholding, if any, none of the Directors, Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested, financially or otherwise, in the Resolution set out at Item No. 6 of this Notice.

The Board of Directors recommends the Special Resolution set out at Item No. 6 for approval of the Members.

Disclosure under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards - 2 issued by ICSI.

Name of Director	Mr. HITESH PRAVINCHADRA RUPARELIA	MR. UTPALBHAI PRAVINCHANDRA RUPARELIA
Date of Birth	25-05-1966	13-08-1971
Age	60	55
DIN	00490790	00300525
Date of first Appointment on the Board	14-05-2004	14-05-2004
Qualification	Degree of Higher Secondary and Diploma in Computer Technology	Bachelor of Science (2nd Year)

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Name of Director	Mr. HITESH PRAVINCHADRA RUPARELIA	MR. UTPALBHAI PRAVINCHANDRA RUPARELIA
A Brief Resume of the Director & Nature of his Expertise in Specific Functional Areas	He is co-founder of S D Retail Ltd, a company that has been at the forefront of the retail industry since its inception in 1989. He has been instrumental in taking major policy decision of the Company. His contributions to S D Retail Limited go beyond day-today management. His foresight in recognizing the potential of the apparel sector and his ability to adapt to market changes has been key to the brand's success. His leadership Style, characterized by a blend of traditional business wisdom and a keen sense of emerging market trends, has fostered a culture of Innovation and resilience within the company.	He stands as a co-founder of S D Retail Ltd, a distinguished entity in the retail sector since its establishment in 1989. He has been instrumental in offering a vast array of products that emphasize relaxation, comfort, and innovation, meeting the dynamic needs of consumers. His ability to handle a diverse product portfolio has significantly contributed to the company's reputation for quality and excellence. Under his guidance, the company has introduced a vast range of products that cater to the evolving demands of the modern consumer, ensuring that comfort and style go hand in hand.
No. of shares held in the Company	4751120	3167560
Terms and conditions of appointment or reappointment / revision in remuneration	The terms of appointment will be same as decided by the Board at time of appointment	The terms of appointment will be same as decided by the Board at time of appointment
Chairmanships/Memberships of the Committees of other listed Companies	Nil	Nil
Chairmanships/Memberships of the Committees – S D RETAIL LIMITED	1) Member of Audit Committee	1) Member of Stakeholders Relationship Committee

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Name of Director	Mr. HITESH PRAVINCHADRA RUPARELIA	MR. UTPALBHAI PRAVINCHANDRA RUPARELIA
List of Directorship in other Companies as on 31 March, 2026	1. SHALIGRAM APPARELS LLP (PREVIOUSLY KNOWN AS SHALIGRAM APPARELS PVT. LTD.) 2. SWEET DREAMS LOUNGEWEAR (INDIA) LLP (PREVIOUSLY KNOWN AS SWEET DREAMS LOUNGEWEAR (INDIA) PRIVATELIMITED) 3. GRACE GARMENTS LLP (PREVIOUSLY KNOWN AS GRACE GARMENTS LIMITED) 4. SD FASHIONS LLP (PREVIOUSLY KNOWN AS SD FASHIONS PRIVATE LIMITED) 5. INTIMATE APPAREL ASSOCIATION OF INDIA	1. SHALIGRAM APPARELS LLP (PREVIOUSLY KNOWN AS SHALIGRAM APPARELS PVT. LTD.) 2. SWEET DREAMS LOUNGEWEAR (INDIA) LLP (PREVIOUSLY KNOWN AS SWEET DREAMS LOUNGEWEAR (INDIA) PRIVATELIMITED) 3. GRACE GARMENTS LLP (PREVIOUSLY KNOWN AS GRACE GARMENTS LIMITED) 4. SD FASHIONS LLP (PREVIOUSLY KNOWN AS SD FASHIONS PRIVATE LIMITED)
Last drawn remuneration from the Company (up to 31 March, 2026)	₹ 139.81 Lakhs	₹ 104.81 Lakhs
Number of Board Meetings attended by the Director during the FY 31 March, 2026	Attended 05 (Five) Board Meetings out of 05	Attended 05 (Five) Board Meetings out of 05
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Mr. HITESH PRAVINCHADRA RUPARELIA is related to the following managerial personnel's of the Company: Mr. UTPALBHAI PRAVINCHADRA RUPARELIA- MANAGING DIRECTOR	Mr. UTPALBHAI PRAVINCHADRA RUPARELIA is related to the following managerial personnel's of the Company: Mr. HITESH PRAVINCHADRA RUPARELIA- CHAIRMAN AND MANAGING DIRECTOR
List of Companies from which resigned in the past three years	Nil	Nil

Name of Director	Ms. Lekhinee Mandeep Desai
Date of Birth	26-03-1993
Age	33
DIN	11904544
Date of first Appointment on the Board	August 22, 2026
Qualification	Master of Business Administration (MBA)

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Name of Director	Ms. Lekhinee Mandeep Desai
A Brief Resume of the Director & Nature of his Expertise in Specific Functional Areas	Lekhinee Desai is the Co-Founder and Chief of Marketing at The Indian Ethnic Co., where she has spearheaded brand strategy, digital marketing, and social media outreach since 2016. Based in Mumbai, she holds an educational background from the Narsee Monjee Institute of Management Studies and brings corporate brand management experience from her prior marketing roles at ITC Limited. In her role, she combines expertise in handcrafted apparel branding with data-driven performance marketing to scale the organization's commercial footprint.
No. of shares held in the Company	0
Terms and conditions of appointment or reappointment / revision in remuneration	The terms of appointment will be same as decided by the Board at time of appointment.
Chairmanships/Memberships of the Committees of other listed Companies	Nil
Chairmanships/Memberships of the Committees – S D RETAIL LIMITED	Member of Nomination & Remuneration committee
List of Directorship in other Companies as on 31 March, 2026	Nil
Last drawn remuneration from the Company (up to 31 March, 2026)	N.A.
Number of Board Meetings attended by the Director during the FY 31 March, 2026	N.A.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	No relationship Exists
List of Companies from which resigned in the past three years	Nil

NOTES:

1. In accordance with the various circulars issued by the Ministry of Corporate Affairs (MCA), including Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020, Circular No. 02/2021 dated January 13, 2021, Circular Nos. 10/2022 and 11/2022 dated December 28, 2022, Circular No. 09/2023 dated September 25, 2023, Circular No. 09/2024 dated September 19, 2024, Circular No. 03/2025 dated September 22, 2025,and all other relevant circulars issued from time to time (collectively referred to as "MCA General Circulars"), companies are permitted to hold their Annual General Meeting ("AGM") through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of members at a common venue.

   Accordingly, this AGM is being held through VC/OAVM in compliance with the provisions of the Companies Act, 2013 ("the Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), the aforementioned MCA General Circulars and relevant SEBI circulars. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company at C-929, Stratum At Venus Ground,, Nr. Jhansi Ki Rani Statue, Nehrunagar, Ahmadabad City, Ahmedabad, Gujarat, 380006, which shall be considered as the deemed venue of the AGM.

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In line with the MCA's "Green Initiative in Corporate Governance," shareholders who have not yet registered their email addresses are encouraged to do so. Shareholders are requested to register/ update their email ID with their respective Depository Participants.

2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate there at and cast their votes through e-voting. Since this AGM is being held through VC/OAVM, physical attendance of the Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to the Notice.

3. Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Scrutinizer by email to csmonika2012@gmail.com with a copy marked to sdrpl@sweetdreamsindia.com

4. Members may join the Annual General Meeting (AGM) through Video Conferencing (VC) or Other Audio Visual Means (OAVM) 15 minutes prior to and up to 15 minutes after the scheduled time of commencement of the Meeting, by following the instructions provided in the Notice. The facility for participation through VC/OAVM shall be available for up to 1,000 Members on a first-come-first-served basis. However, this limit shall not apply to large Shareholders (i.e., those holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit Committee, Nomination and Remuneration Committee, and Stakeholders Relationship Committee, Auditors, etc., who are entitled to attend the Meeting without restriction on account of first-come-first served basis. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) the Secretarial Standard on General Meetings (SS-2) issued by the ICSI and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs from time to time the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as e-voting on the date of the AGM will be provided by NSDL.

6. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, setting out the material facts relating to the Special Businesses to be transacted at the AGM, is annexed hereto. Additionally, the relevant details of Directors seeking re-appointment, seeking appointment at this Meeting as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard – 2 on General Meetings, are also annexed.

7. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

8. In compliance with the applicable General Circulars issued by the Ministry of Corporate Affairs (MCA) and the SEBI Circulars, the Notice of the AGM along with the Annual Report for the financial year 2025–26 is being sent only through electronic mode to those Members whose email addresses are registered with the Company or with Depositories. Members who have not registered their email addresses are requested to contact the respective Depository Participant for email registration / updation.

   Members may also request a physical copy of the Annual Report 2025–26 by sending an email from their registered email address to cs@sweetdreamsindia.com , mentioning their DP ID and Client ID, at least 48 hours before the date of the AGM.

9. Members may note that the Notice and Annual Report 2025- 26 will also be available on the Company's website https://www.sweetdreams.in/, websites of the Stock Exchanges i.e. National Stock Exchange of India Limited at www.nseindia.com respectively, and Notice of AGM shall also be available on the website of NSDL at www.evoting.nsdl.com.

10. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

11. The following documents will be available for inspection in electronic mode during the AGM:

    - Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013.
    - Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Act.
    - All other documents referred to in the Annual Report.

    Members seeking to inspect the above documents may send their request in advance to cs@sweetdreamsindia. com.

12. Members seeking any information with respect to the financial statements or any matter to be placed at the AGM are requested to write to the Company at least 10 days prior to the date of the AGM. This will enable the Company to compile the information and provide a meaningful response at the Meeting.

13. All amounts disclosed in the Notice of AGM have been rounded off to the nearest Lakhs unless otherwise stated.

14. Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialized mode, and for members who have not registered their email addresses is provided in the 'Instructions for e-voting' section which forms part of this Notice. The Board has appointed Ms. Monika Gaurav Gupta, Proprietor of Monika Chechani & Associates, Practicing Company Secretaries, as the scrutinizer ("Scrutinizer") for conducting the e-voting process in a fair and transparent manner

15. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

16. The Scrutinizer will submit his report to the Chairman of the Company ("the Chairman") or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL and RTA, and will also be displayed on the Company's website, https://www.sweetdreams.in/

17. The Notice of AGM and Annual Report will be sent to those Members / beneficial owners whose name appears in the Register of Members / list of beneficiaries received from the Depositories as on Friday, August 21, 2026.

18. Pursuant to Section 72 of the Act, read with Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, member(s) of the Company may nominate a person in whom the shares held by him/ them shall vest in the event of his/ their unfortunate death. Accordingly, the nomination form may be filed with the concerned Depository Participant.

19. Non-resident Indian shareholders are requested to inform about the following to the Company or its RTA or the concerned DP, as the case may be, immediately of:-

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a. The change in the residential status on return to India for permanent settlement;

b. The particulars of the NRE Account with a Bank in India, if not furnished earlier.

20. In terms of the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations, 2015) and Sections 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, as amended, read with MCA Circular and SEBI Circular the Company is providing its members the facility to exercise their right to vote at the meeting by electronic means on any or all of the business specified in the accompanying Notice. Necessary arrangements have been made by the Company with NSDL to facilitate e-voting.

Commencement of E-Voting	19th September 2026 From 09:00 A.M
End of E-Voting	21st September 2026 Till 5:00 P.M.

21. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on Tuesday, September 15, 2026 ("cut-off date") only shall be entitled to avail the facility of remote e-voting/ e-voting at AGM. The person who is not a member/ beneficial owner as on the cutoff date should treat this Notice for information purpose only. The voting rights of members shall be in proportion to the paid-up value of their shares in the equity share capital of the Company as at close of business hours on cut-off date.

22. The Company has appointed CS Monika Gaurav Gupta, M/s. Monika Chechani & Associates, Practicing Company Secretaries, Ahmedabad (Membership No. FCS 9253 and Certificate of Practice No. 10883) to act as the Scrutinizer, to scrutinize the entire e-voting in a fair and transparent manner.

23. The Scrutiniser shall submit his report to the Chairman of the Meeting or any person authorised by him within two working days of the conclusion of the AGM. The results declared along with the report of Scrutiniser shall be placed on the website of the Company https://www.sweetdreams.in/. and on website of NSDL immediately after declaration of results by the Chairman or person authorised by him in this behalf. The Company shall simultaneously forward the results to National Stock Exchange of India Limited, where the shares of the Company are listed.

24. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of AGM.

25. AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular issued from time to time

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on 19th September 2026 at 09:00 A.M. and ends on 21st September 2026 at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. 15th September 2026, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being 15th September 2026.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Notice

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID,8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2. Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 3. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

Notice

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	4. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 5. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play
Individual Shareholders holding securities in demat mode with CDSL	1. Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. 2. After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3. If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.

Notice

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

<u>How to Log-in to NSDL e-Voting website?</u>

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

Notice

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. **Password details for shareholders other than Individual shareholders are given below:**
   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
      (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
6. **If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:**
   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csmonika2012@gmail.com with a copy marked to evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 or send a request to Pallavi Mhatre at evoting@nsdl.com

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. As the shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to sdrpl@sweetdreamsindia.com If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
2. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
3. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

Notice

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM" placed under "Join meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Members who would like to speak or ask questions during the AGM with regard to the financial statements or any other matter as mentioned in the Notice of the AGM, need to register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID, PAN, telephone/ mobile number to reach the Company's e-mail address at sdrpl@sweetdreamsindia.com . Only those Members who have registered themselves as a speaker will be allowed to speak/ ask questions during the AGM depending on the availability of time.

26. Members may please note that SEBI vide Circular Nos. SEBI/HO/OIAE/OIAE_IAD-1/P/ CIR/2023/131 dated July 31, 2023, and SEBI/HO/OIAE/ OIAE_IAD-1/P/CIR/2023/135 dated August 4, 2023, read with Master Circular No. SEBI/ HO/ OIAE/OIAE_IAD-1/P/ CIR/2023/145 dated July 31, 2023 (updated as on August 11, 2023), introduced Online Dispute Resolution Portal ("ODR Portal") for resolution of disputes in Indian securities market and linked it with Scores platform. Pursuant to above-mentioned circulars, post exhausting the option to resolve their grievances with the RTA/ Company directly and through existing SCORES platform, the investors can initiate dispute resolution through the ODR Portal.
27. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www. evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Ms. Pallavi Mhatre, Assistant Manager, NSDL at evoting@nsdl.co.in. Members may also write to the Company Secretary at the Company's e-mail address cs@sweetdreamsindia.com.

Director's Report

Dear Members,

Your Directors present this 22nd Annual Report of S D RETAIL LIMITED ("the Company") along with the audited financial statements (Standalone) for the financial year ended March 31, 2026.

1. **FINANCIAL SUMMARY**

The standalone financial statements for the financial year ended March 31, 2026, have been prepared in accordance with the Applicable Accounting Standards, provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re- enactment thereof) (hereinafter referred to as "the Act") and the guidelines issued by Securities and Exchange Board of India.

Key highlights are given as under:

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from Operations	19,597.542	17,304.32
Other Income	234.81	213.92
Total Income	19,832.35	17,518.24
Total Expenses	18,387.47	16,444.84
Profit / (Loss) before tax	1,326.76	1,073.40
Tax expense	348.84	217.83
Profit / (Loss) after tax	977.92	855.57

2. **SHARE CAPITAL**

During the year under review, the Authorised Share Capital of the Company stood at ₹ 20,00,00,000 (Rupees Twenty Crore only), comprising 2,00,00,000 Equity Shares of ₹ 10 each.

The Paid-up Equity Share Capital of the Company as on March 31, 2026 was ₹ 18,72,23,860 (Rupees Eighteen Crore Seventy-Two Lakh Twenty-Three Thousand Eight Hundred Sixty only), comprising 1,87,22,386 Equity Shares of ₹ 10 each fully paid-up.

The Equity Shares of the Company are listed and admitted to trading on the EMERGE Platform of the National Stock Exchange of India Limited ("NSE EMERGE") with effect from September 27, 2024.

During the year under review, there was no change in the authorised & Paid Up share capital of the Company.

3. **DIVIDEND**

Your Directors have not recommended any dividend for the financial year 2025-26. The Board has decided to retain the profits in the Company to strengthen the financial position and to fund future business expansion and capital expenditure plans.

4. **TRANSFER TO RESERVES**

During the period under review, the Company has made a profit of 977.92 Lakhs and the same has been transferred to reserves and surpluses.

5. **COMPANY PERFORMANCE**

During the Financial Year 2025-26, the Company recorded a Total Income of ₹ 19,832.35 Lakhs, as compared to ₹ 17,518.24 Lakhs in the previous financial year, reflecting steady growth in business operations.

Director's Report

The Total Expenditure for the year stood at ₹ 18,387.47 Lakhs, as against ₹ 16,444.84 Lakhs in the previous financial year, in line with the growth in the scale of operations.

The Company reported a Profit Before Tax (PBT) of ₹ 1,326.76 Lakhs for the year ended March 31, 2026, compared to ₹ 1,073.40 Lakhs in the previous financial year. The Profit After Tax (PAT) increased to ₹ 977.92 Lakhs from ₹ 855.57 Lakhs in the previous financial year, demonstrating the Company's continued focus on profitable growth and operational efficiency.

The financial performance during the year was driven by sustained demand across key markets, disciplined execution of business strategies, prudent cost management, and continued emphasis on operational excellence. The Company remained focused on improving productivity, optimizing its supply chain, and enhancing customer experience across its sales channels.

During the year, the Company continued to strengthen its retail presence through the expansion of its Exclusive Brand Outlet (EBO) network, while simultaneously undertaking targeted sales and marketing initiatives to improve market penetration and brand visibility. The Management also continued its efforts towards product innovation and expansion of the product portfolio to address evolving consumer preferences.

Looking ahead, the Company remains committed to delivering sustainable and profitable growth by strengthening its market position, enhancing operational efficiencies, broadening its product offerings, and exploring opportunities in both domestic and international markets. The Company will continue to focus on customer-centric product development, particularly in the nightwear segment, improving customer retention, leveraging digital capabilities, and creating long-term value for all stakeholders.

6. ANNUAL REPORT CIRCULATION

In compliance with the MCA's vide its General Circular No. 09/2023 dated 25.09.2023 read with its General Circular No. 20/2020 dated 05.05.2020, General Circular No. 02/ 2022 dated 05.05.2022 and General Circular No. 10/2022 dated 28.12.2022, and SEBI Circular No. SEBI / HO/CFD/CFD-POD-2/P/CIR/ 2023/167 dated 07.10.2023, Notice of the AGM along with the Annual Report 2025-26 is being sent only through electronic mode to all the Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2025-26 will also be available on the Company's website: www.sweetdreams.in, website of the stock exchange i.e. National Stock Exchange of India Limited at www.nseindia.com, and on the website of NDSL.

7. SIGNIFICANT EVENTS

- **Employee Stock Option Plan (ESOP) 2025**

During the year under review, the shareholders of the Company, by way of a Special Resolution passed at their meeting held on 25th September, 2025, approved the implementation of the "S D Retail Employee Stock Option Plan 2025" ("ESOP 2025").

Pursuant to the said approval, the Company has received in-principle approval for the listing of up to 9,35,000 (Nine Lakhs Thirty-Five Thousand) Equity Shares of face value ₹ 10 each, which may be allotted upon exercise of stock options granted under the ESOP 2025.

The ESOP 2025 has been formulated with the objective of attracting, retaining, motivating and rewarding eligible employees and aligning their interests with the long-term growth and performance of the Company. The Nomination and Remuneration Committee ("NRC") has been authorized to administer and implement the Scheme and may grant, in one or more tranches, not exceeding 9,35,000 options to eligible employees from time to time. Each option shall entitle the holder to apply for one fully paid-up equity share of the Company of face value ₹ 10 each, subject to the terms and conditions of the Scheme and applicable laws.

The ESOP 2025 shall be administered by the NRC in accordance with the provisions of the Companies Act, 2013, the applicable SEBI Regulations and other applicable laws.

Director's Report

During the year under review, the Company granted 140000 (One Lakh Forty Thousand) stock options of face value ₹ 10 each to eligible employees of the Company as determined by the Nomination and Remuneration Committee (NRC), in accordance with the approved vesting schedule.

8. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

Your Company does not have any Subsidiaries, Joint Ventures and Associate Companies.

9. DEPOSITS

During the financial year 2025-26, your Company has not accepted any fixed deposits within the meaning of section 73 and 74 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

10. LISTING

The equity shares of the Company are listed on the SME Platform of the National Stock Exchange of India Limited (NSE EMERGE) with effect from September 27, 2024. The Company has paid the annual listing fees to the NSE and is in compliance with all applicable listing regulations.

11. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to section 134(5) of the Companies Act, 2013, ("the Act"), your Directors, based on the representations received from the operating management and after due enquiry, confirm that:

a. in the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable accounting standards have been followed and there are no material departures;

b. they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

c. they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. they have prepared the annual accounts on a going concern basis;

e. they have laid down internal financial controls to be followed by the company and such internal financial controls are adequate and were operating effectively.

f. they have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

12. UTILIZATION OF PROCEEDS

During the Previous financial year, the Company raised funds through Initial public offer. The proceeds from these issuances have been utilized in accordance with the objects stated in the offer documents filed with the regulatory authorities.

The funds have been deployed towards purposes such as Capital expenditure to be incurred by our Company for setting up new exclusive brand outlets (EBO's), working capital requirements, and general corporate purposes, in line with the disclosures made at the time of Initial public offer.

The Board of Directors confirms that the utilization of proceeds is in compliance with the terms and conditions set out in the offer documents, and there has been no deviation or variation in the intended use of funds.

The utilization of funds has been managed prudently, reflecting our commitment to transparency and maximizing shareholder value. Pursuant to Regulation 32 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby states that there has been a deviation and/or variation in the utilisation of the public issue proceeds from the objects as stated in the Prospectus. The said deviation and/or variation does not arise on account of any change in the

Director's Report

terms of a contract referred to in the Prospectus or in the objects for which the public issue proceeds were raised and, accordingly, no shareholders' approval was required in this regard.

The deviation pertains solely to the extension of the timeline for utilisation of the balance IPO proceeds beyond the originally envisaged timeline of 31 March 2026. The revised timeline for utilisation of the balance IPO proceeds has been reviewed and recommended by the Audit Committee and approved by the Board of Directors. The Company shall utilise the unutilised IPO proceeds towards the original objects of the issue within the revised timeline approved by the Board.

The details of utilization of the net proceeds of ₹ 6,041.86 Lakhs (net off IPO expenses of ₹ 455.74 lakhs), is follows:

₹ In lakhs

Objects of the Issue as per Prospectus	Amount to be utilised (net)	Amount Utilised upto March 31, 2026	Amount Unutilised
Capital expenditure for setting up new exclusive brand outlets ("EBOs")	1,648.85	583.22	1,065.63
Funding Working Capital Requirement	3,500.00	3,010.00	490.00
General Corporate Expenses	893.01	648.64	244.37
Total	**6,041.86**	**4,241.86**	**1,800.00**

The unutilised IPO proceeds will be strategically deployed, in a phased manner, towards the expansion of Exclusive Brand Outlets ("EBOs") and other identified objectives outlined above. This utilisation will be in alignment with the Company's long-term growth roadmap. Out of unutilised amount of ₹ 1,800.00 Lakhs, the Company has parked amount as follows:-

Particulars	Amount (₹ in Lakhs)
In Deposit with Scheduled Bank	1,800.00
Total Unutilised Amounts	1,800.00

13. **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

The following changes took place in the Board of Directors and Key Managerial Personnel of the Company.

A. **Change in Designation of Mr. Utpalbhai Pravinchandra Ruparelia (DIN: 00300525)**

Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the Members of the Company, at the Annual General Meeting held on September 25, 2025, approved the change in designation of Mr. Utpalbhai Pravinchandra Ruparelia (DIN: 00300525) from Whole-time Director to Managing Director of the Company with effect from September 25, 2025.

The terms and conditions of his appointment, including remuneration, remain unchanged and continue to be governed by the approvals previously accorded by the Board of Directors and the Members. The change in designation is effective for the unexpired period of his existing tenure, originally approved for a term of five (5) years..

B. **Change in Designation of Mr. Vishesh Jailesh Dalal (DIN: 03250002)**

Based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the Members of the Company approved the change in designation of Mr. Vishesh Jailesh Dalal (DIN: 03250002) from Nominee Director to Non-Executive, Non-Independent Director (Professional Category).

Director's Report

The change in designation became effective from the date of approval by the Members. Mr. Dalal continues to serve on the Board in his professional capacity and contributes to the Company's strategic direction, governance framework, and long-term objectives.

C. **Appointment of Mr. Jaydeep Jagannath Shetty (DIN: 01567863) as Independent Director**

During the year under review, based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the Members of the Company approved the appointment of Mr. Jaydeep Jagannath Shetty (DIN: 01567863) as an Independent Director of the Company for a term in accordance with the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Prior to his appointment, he was serving as an Additional Independent Director on the Board.

In the opinion of the Board, Mr. Shetty possesses the requisite integrity, expertise, experience, and proficiency required for his appointment as an Independent Director. The Board is satisfied that he fulfils the conditions specified under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is independent of the Management.

The Company has received the requisite declarations from Mr. Shetty confirming that he meets the criteria of independence prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also received confirmation that he is not debarred from holding the office of director pursuant to any order issued by the Securities and Exchange Board of India or any other statutory authority.

D. **Resignation of Ms. Simeran Bhasin (DIN: 07482286) from the Post of Non-Executive Director of the Company**

Ms. Simeran Bhasin (DIN: 07482286) tendered her resignation from the position of Non-Executive Director of the Company with effect from July 18, 2026, owing to her other professional commitments. The Board places on record its sincere appreciation for the valuable guidance, support, and contributions rendered by her during her tenure as a Director of the Company.

E. **Appointment of Ms. Lekhinee Mandeep Desai (DIN: 11904544) as Additional Non-Executive, (designated as a Woman Director)**

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors appointed Ms. Lekhinee Mandeep Desai (DIN: 11904544) as an Additional Non-Executive, (designated as a Woman Director) of the Company, effective 22nd August 2026.

In terms of Section 161 of the Companies Act, 2013, she holds office as an Additional Director up to the date of the ensuing Annual General Meeting (AGM). Based on the recommendation of the Nomination and Remuneration Committee, the Board has recommended her appointment as a Non-Executive, (Woman Director) for the approval of the shareholders at the ensuing AGM.

Except as stated above, there were no other changes in the composition of the Board of Directors and Key Managerial Personnel of the Company during the year under review.

None of the Directors of the Company are disqualified under Section 164 of the Companies Act, 2013. Necessary disclosures, as required under Section 184 and other applicable provisions of the Act, have been duly made by all Directors.

Director's Report

Key Managerial Personnel

Pursuant to Sections 2(51) and 203 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (as amended), the following are the Key Managerial Personnel (KMP) of the Company:

- Mr. Hitesh Pravinchandra Ruparelia – Chairman & Managing Director
- Mr. Utpalbhai Pravinchandra Ruparelia– Managing Director
- Mr. Ritesh Surendra Saraogi– Chief Financial Officer
- Ms. Poojaben Shah – Company Secretary & Compliance officer

14. DECLARATION BY INDEPENDENT DIRECTORS AND STATEMENT ON COMPLIANCE OF CODE OF CONDUCT

a. The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act and that he/she meets the criteria of independence as laid out in Section 149(6) of the Act. The Board has taken on record the declaration under Section 149(7) and confirmed compliance with Rule 6 (Independent Directors' Databank), wherever applicable.

b. In the opinion of the Board, there has been no change in the circumstances which may affect their status as Independent Directors of the Company and the Board is satisfied of the integrity, expertise, and experience (including proficiency in terms of Section 150(1) of the Act and applicable rules thereunder) of all Independent Directors on the Board. Further in terms of Section 150 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs.

15. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual evaluation of its own performance, the performance of its Committees, the Chairperson and the individual Directors.

The annual performance evaluation was conducted in accordance with the criteria approved by the Nomination and Remuneration Committee, which, inter alia, covered aspects relating to the composition of the Board and its Committees, effectiveness of Board processes, quality of deliberations, strategic guidance, governance practices, participation and contribution of Directors, and the discharge of their duties and responsibilities.

The Independent Directors, at their separate meeting held during the year, reviewed the performance of the Chairperson, the Non-Independent Directors and the Board as a whole. They also assessed the quality, quantity and timeliness of the flow of information between the Company's Management and the Board, which is necessary for the Board to effectively and reasonably perform its duties.

The Board expressed its satisfaction with the evaluation process and the overall effectiveness of the Board, its committees and the individual Directors.

16. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has, on the recommendation of the Nomination and Remuneration Committee ("NRC"), adopted a Nomination and Remuneration Policy for Directors, Key Managerial Personnel ("KMP") and Senior Management Personnel.

The Policy lays down the criteria for appointment, qualification, positive attributes, independence of Directors, and the framework for remuneration of Directors, KMP and Senior Management Personnel. It also includes the criteria for determining qualifications, competencies, diversity and independence of Directors, as well as the process for evaluation of the performance of the Board, its Committees and individual Directors.

The objective of the Policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors and senior executives of the quality required to successfully manage the affairs of the Company while aligning remuneration with the Company's performance and long-term objectives.

The Nomination and Remuneration Policy is available on the Company's website at https://www.sweetdreams.in/pages/policies

17. NUMBER OF MEETINGS OF THE BOARD

The Board of Directors of the Company met Five times during the Financial Year 2025-26. The maximum gap between any two Board Meetings was less than one Hundred and Twenty days.

The meetings were held on the following dates:

Sr no.	Date of the Board Meeting
1	29-05-2025
2	01-08-2025
3	28-08-2025
4	12-11-2025
5	27-02-2026

The necessary quorum was present for all the meetings. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM") are given herein below.

The Company has an optimal combination of Executive, Non-Executive and Independent Directors to maintain the independence of the Board from the management, which is in conformity with the requirement of Section 149(4) of the Act and Regulation 17 of the Listing Regulations.

As on March 31, 2026, the Board of Directors of the Company comprised of six Directors viz., Two Executive Director and four Non-Executive Directors, as detailed below:

Name of the Director and DIN	Position	No. of Board meetings during the year 2025-26		Whether attended last AGM held on September 25, 2025
		Entitled to attend	Attended	
Utpalbhai Pravinchandra Ruparelia DIN: 00300525	Managing Director	5	5	Yes
Hitesh Pravinchandra Ruparelia DIN: 00490790	Chairman & Managing Director	5	5	Yes
Vishesh Jailesh Dalal DIN: 03250002	Director	5	3	Yes
Jaydeep Jagannath Shetty DIN: 01567863	Independent Director	5	5	Yes
Simeran Bhasin DIN: 07482286	Director	5	3	No
Harshil Rajendrabhai Patel DIN: 09606743	Independent Director	5	5	Yes

Director's Report

18. COMMITTEES OF THE BOARD

The Company's Board has following committees:

- Audit Committee
- Nomination and Remuneration Committee
- Stakeholders Relationship Committee

During the year, all recommendations made by the Committees were approved by the Board.

Details of Committee meetings, terms of reference of the Committees, Committee membership are available on your Company's website and can be accessed at the Web-link: www.sweetdreams.in

Audit Committee

Your Company has constituted the Audit Committee in accordance with Section 177 and other applicable provisions of Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines. Audit Committee was constituted by way of a Board resolution dated June 20, 2024. Further re-constituted its Audit Committee on March 21, 2025 as per SEBI LODR Regulations comprising the following members:

Name	Designation	Position in Committee
Mr. Harshil Rajendrabhai Patel	Independent Director	Chairman
Mr. Jaydeep Jagannath Shetty	Independent Director	Member
Mr. Hitesh Pravinchandra Ruparelia	Managing Director	Member

During the year 4 (Four) meetings of the Audit Committee were held, the dates and attendance are as follows:

Sr no.	Date of the Audit Committee Meeting
1	29-05-2025
2	28-08-2025
3	12-11-2025
4	27-02-2026

Name	Status in Committee	Number of meetings	
		Entitled to attend	Attended
Mr. Harshil Rajendrabhai Patel	Chairman	4	4
Mr. Jaydeep Jagannath Shetty	Member	4	4
Mr. Hitesh Pravinchandra Ruparelia	Member	4	4

Stakeholders Relationship Committee

Your Company has constituted the Stakeholders Relationship Committee in terms of Section 178 sub section (5) and other applicable provisions of Companies Act, 2013 read with rule 6 of the Companies (Meeting of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, in the meeting of Board of Directors dated June 20, 2024. Further re-constituted its Stakeholders Relationship Committee on March 21, 2025 as per SEBI LODR Regulations comprising the following members:

Director's Report

Name	Designation	Position in Committee
Mr. Harshil Rajendrabhai Patel	Independent Director	Member
Mr. Jaydeep Jagannath Shetty	Independent Director	Chairman
Mr. Utpalbhai Pravinchandra Ruparelia	Managing Director	Member

During the year 2 (Two) meeting of the Stakeholders Relationship Committee was held, the date and attendance are as follows:

Sr no.	Date of the Stakeholders Committee Meeting
1	28-08-2025
2	12-11-2025

Name	Position in Committee	Number of meetings	
		Entitled to attend	Attended
Mr. Jaydeep Jagannath Shetty	Chairman	2	2
Mr. Harshil Rajendrabhai Patel	Member	2	2
Mr. Utpalbhai Pravinchandra Ruparelia	Member	2	2

Nomination and Remuneration Committee

Your Company has constituted Nomination and Remuneration Committee in terms of Section 178, Schedule V and other applicable provisions of Companies Act, 2013 read with rule 6 of the Companies (Meetings of Board and its Power) Rules, 2014 and applicable clauses of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable guidelines, in the meeting of the Board of Directors held on June 20, 2024. Further re-constituted its Nomination and Remuneration Committee on March 21, 2025 as per SEBI LODR Regulations comprising the following members:

Name	Designation	Position in Committee
Mr. Harshil Rajendrabhai Patel	Independent Director	Chairman
Mr. Jaydeep Jagannath Shetty	Independent Director	Member
Ms. Simeran Bhasin	Non-Executive Director	Member

During the year 3 (Three) meetings of the Nomination and Remuneration Committee was held, the date and attendance are as follows:

Sr no.	Date of Nomination and Remuneration Committee meeting
1	28-08-2025
2	12-11-2025
3	27-02-2026

Director's Report

Name	Position in Committee	Number of meetings	
		Entitled to attend	Attended
Mr. Harshil Rajendrabhai Patel	Chairman	3	3
Mr. Jaydeep Jagannath Shetty	Member	3	3
Ms. Simeran Bhasin	Member	3	2

19. AUDITORS AND AUDITORS' REPORT

Statutory Auditor

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, M/S KKC & Associates LLP, Chartered Accountants, Formerly Khimji Kunverji & Co. LLP, {Firm Registration No.105146W / W100621), Statutory Auditors of the Company have been appointed for a term of 5 year at the Annual General Meeting held for 2023-24 till the conclusion of the Annual General Meeting to be held in the year 2027-28.

The Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013. The Auditors' report is enclosed with the financial statements in this Annual Report.

Internal Auditors

In terms of Section 138 of the Companies Act, 2013 read with rule 13 of the Companies (Accounts) Rules, 2014, and other applicable provisions of the Act, M/s. TALATI & TALATI LLP, Chartered Accountants (FRN No. 110758W) have been re-appointed as the Internal Auditors of the Company for the financial year 2025-26

Cost Auditor

As per the requirement of the Central Government and pursuant to section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, your Company hereby confirms that the provisions of this Section is not applicable, hence your Company is not required to appoint cost auditor for the financial year 2025-26.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Members of the Company at the Annual General Meeting held for the financial year 2024-25 approved the appointment of M/s. Monika Chechani & Associates, Practicing Company Secretaries (COP No. 10883), a Peer Reviewed Firm, as the Secretarial Auditors of the Company.

The appointment has been made for a term of five consecutive years, commencing from the financial year 2025-26 and continuing up to the conclusion of the Annual General Meeting to be held for the financial year 2029-30, subject to the provisions of the Companies Act, 2013 and other applicable laws.

20. SECRETARIAL AUDIT REPORT AND ANNUAL SECRETARIAL COMPLIANCE REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Secretarial Audit Report for the Financial Year 2025-26 issued by M/s. Monika Chechani & Associates, Practicing Company Secretaries, is annexed to this Report as Annexure I.

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

The requirement to obtain and submit the Annual Secretarial Compliance Report pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to the Company during the financial year under review.

Director's Report

21. CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to the provisions of Regulation 34(3) and Schedule V Para C clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, A certificate from M/s. Monika Chechani & Associates, Practicing Company Secretary certifying that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of the Company by SEBI or MCA or any such statutory authority, it is enclosed as "Annexure II".

22. STATUTORY DUES

Pursuant to Rule 8(5)(viii) of the Companies (Accounts) Rules, 2014, the Company confirms that there are no disputed statutory dues including income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, or any other statutory dues that were outstanding as at the end of the financial year for a period of more than six months from the date they became payable except mentioned herein:

However, the following disputed statutory dues have not been deposited as they are pending before the appropriate authorities:

Name of the Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Tax	4.87	Financial Year 2019- 2020	Assessing Officer
The Goods and Service Tax Act	Tax and penalties	26.30	Financial Year 2018-2019	Additional Commissioner (Appeals)
The Goods and Service Tax Act	Tax and penalties	6.25	Financial Year 2019- 2020	Additional Commissioner (Appeals)
The Goods and Service Tax Act	Tax and penalties	7.21	Financial Year 2020-2021	Additional Commissioner (Appeals)

23. TRANSACTIONS WITH RELATED PARTIES

a. During the year under review, there were some transactions entered into by the Company with related parties, which were in the Ordinary Course of Business and at Arm's Length pricing basis for which the Audit Committee granted omnibus approval (which are repetitive in nature) and the same were reviewed by the Audit Committee and the Board.

b. During the year under review, there were no significant transactions with related parties which were at arm's length basis.

c. There were no materially significant transactions with related parties which were in conflict with the interest of the Company.

d. As required under section 134(3)(h) of the Act, the details of the transactions entered into with related parties during the year under review, which fall under the scope of Section 188(1) of the Act, are given in Form AOC-2 attached as "Annexure-III" to this report.

24. SECRETARIAL STANDARDS

During the year under review, the Company has complied with the applicable provisions of the Secretarial Standards, namely Secretarial Standard on Meetings of the Board of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2), issued by the Institute of Company Secretaries of India ("ICSI") and approved by the Central Government under Section 118(10) of the Companies Act, 2013.

Director's Report

25. **CORPORATE GOVERNANCE**

The Company is committed to maintaining the highest standards of corporate governance and believes that sound governance practices are essential for sustainable business growth and the enhancement of stakeholder value. The Company's governance framework is founded on the principles of integrity, transparency, accountability, ethical business conduct and compliance with applicable laws and regulations.

The Company continues to adopt appropriate governance practices through an effective and accountable Board, robust internal control systems, transparent disclosures and well-defined policies and procedures.

As on March 31, 2026, the provisions relating to Corporate Governance specified under Regulations 17 to 27 and Clauses (b) to (i) and (t) of Regulation 46(2), and Paras C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not applicable to the Company pursuant to Regulation 15(2)(b) of the said Regulations. Corporate Governance Report and Compliance Certificate are not applicable.

The Company shall comply with the applicable Corporate Governance requirements within the time prescribed under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, upon such provisions becoming applicable.

26. **COMPLIANCE WITH THE CODE OF CONDUCT AND ETHICS**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has adopted a Code of Conduct and Ethics ("the Code") applicable to all members of the Board of Directors and Senior Management Personnel. The Code reflects the Company's commitment to ethical business practices, integrity, transparency and compliance with applicable laws and regulations.

The Code is also applicable to all employees of the Company to promote the highest standards of professional conduct and ethical behavior across the organization.

All the Directors and Senior Management Personnel have affirmed compliance with the Code for the Financial Year ended March 31, 2026.

27. **CORPORATE SOCIAL RESPONSIBILITY (CSR)**

In compliance with the provisions of section 135 of Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has adopted Corporate Social Responsibility Policy. The brief outline of the Corporate Social Responsibility (CSR) Policy of the Company, the initiatives undertaken by the Company on CSR activities during the year and other disclosures are set out in "Annexure-IV" of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The company through its CSR initiative towards supporting projects in the areas of Promoting education, health care, employment enhancing vocational skills, eradicating hunger and making available safe drinking water and various other social matters continues to enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as Socially Responsible Corporate. The CSR Policy is available on the Company's website at https://www.sweetdreams.in/pages/policies

28. **COMPANY'S POLICIES**

Vigil Mechanism/Whistle Blower Policy

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has established a Vigil Mechanism through its Whistle Blower Policy to provide Directors, employees and other stakeholders, wherever applicable, with an avenue to report genuine concerns relating to unethical behaviour, actual or suspected fraud, violation of the Company's Code of Conduct or any other improper practices.

The Vigil Mechanism provides for adequate safeguards against victimization of whistle blowers and ensures that genuine concerns are addressed in a fair and transparent manner. The Policy also provides direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases.

During the Financial Year 2025-26, no complaints were received under the Vigil Mechanism/Whistle Blower Policy. Further, there were no complaints pending either at the beginning or at the end of the financial year. Policy is available on the Company's website at https://www.sweetdreams.in/pages/policies.

Nomination and Remuneration Policy

The Company has the policy on the appointment and remuneration of directors and key managerial personnel which provides a framework based on which our human resources management aligns their recruitment plans for the strategic growth of the Company. Policy is available on the Company's website at https://www.sweetdreams.in/pages/policies.

Policy for Determining Materiality of Litigation

Considering the nature and scale of the Company's operations, the Company has adopted a Policy for Determining Materiality of Litigation involving the Company, its Directors, Promoters and Group Companies. The Policy provides the framework and criteria for determining the materiality of pending or threatened legal proceedings and ensures appropriate identification, evaluation and disclosure of material litigations in accordance with the applicable provisions of law and regulatory requirements. Policy is available on the Company's website at https://www.sweetdreams.in/pages/policies.

Risk Management and Internal Financial Control

The Management met periodically for identifying, assessing, mitigating and monitoring of all risks associated with the business of the Company. The Risk Management process that is followed to identify, assess and prioritize risks that need to be minimized, monitored and mitigated is quite elaborate. These measures help in reducing and controlling the impact of adverse events and maximize the realization of opportunities. The Board periodically reviews key business risks and mitigation measures.

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Based on the assessment carried out, the Board is of the opinion that the internal financial controls with reference to financial statements are adequate and operating effectively.

Board Diversity Policy

The Company has on place a policy for the diversity of the Board as per the recommendations of the Nomination and Remuneration Committee which is available on the Company's website www.sweetdreams.in

Sexual Harassment Policy

Pursuant to the provisions of Section 134(3)(q) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 and the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"), the Company is committed

Director's Report

to providing and maintaining a safe, secure, inclusive and harassment-free workplace for all its employees.

The Company has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at the Workplace and has constituted an Internal Committee ("IC") in accordance with the provisions of the POSH Act and the Rules made thereunder. The Policy provides a robust framework for prevention, prohibition and redressal of complaints relating to sexual harassment at the workplace and ensures fair, impartial and timely resolution of complaints while maintaining strict confidentiality throughout the process. Policy is available on the Company's website at https://www.sweetdreams.in/pages/policies.

The Company continues to conduct awareness and sensitization programmes to promote a respectful and gender-sensitive work environment and to ensure compliance with the provisions of the POSH Act.

The details of complaints received and disposed of during the Financial Year 2025-26 are as follows:

Particulars	No.
Number of complaints of sexual harassment received	0
Number of complaints disposed of during the year	0
Number of cases pending for more than 90 days	0
Number of awareness programs/ trainings conducted	3
Nature of corrective actions taken (if any)	N.A.

The Company continues to foster a work culture free from harassment, discrimination, and bias, and promotes gender sensitivity through training and awareness programs.

Policy on Related Party Transactions

a. During the year under review, there were some transactions entered into by the Company with related parties, which were in the Ordinary Course of Business and at Arm's Length pricing basis for which the Audit Committee granted omnibus approval (which are repetitive in nature) and the same were reviewed by the Audit Committee and the Board.

b. During the year under review, there were no significant transactions with related parties which were at arm's length basis

c. There were no materially significant transactions with related parties which were in conflict with the interest of the Company.

d. As required under section 134(3)(h) of the Act, the details of the transactions entered into with related parties during the year under review, which fall under the scope of Section 188(1) of the Act, are given in Form AOC-2 attached as Annexure-III to this report.

29. ANNUAL RETURN

Pursuant to provisions of rule 12(1) of the Companies (Management and Administration) Rules, 2014 and Section 92(3) of the Companies Act, 2013 as amended, the extract of annual return in Form MGT-9 is not required to be annexed herewith in the report. The Company is having website and therefore, it will publish annual return on its website i.e. www.sweetdreams.in after filing Form MGT-7 on MCA portal.

30. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year under review, the Company has not given any loan, guarantee or security under section 186 of the Companies Act, 2013. The details of investments, as required under the provisions of section 186 of the Companies Act, 2013 or Para A of Schedule V of the Listing Regulations, are provided in Notes forming part of the Standalone Financial Statements, which form part of the Annual Report.

During the year under review, the Company has not given any Loans and advances in the nature of loans to firms/ companies in which directors were interested.

Director's Report

31. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars prescribed under Section 134 of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, technology Absorption, Foreign Exchange Earnings and outgo are given below:

A. Conservation of energy:

a. The operations of the Company are not energy-intensive. However, significant measures are taken to reduce energy consumption by using energy-efficient equipment. The Company constantly evaluates and invests in new technology to make its infrastructure more energy efficient and also under cost reduction measure the management has internally issued different circulars for use of natural light in place of tube lights; Administration keeps a regular check on whether the Computer systems provided to the employees have been shut down properly at the time of closure of office etc.

b. No new investment is made on such energy saving devices during the financial year.

c. Further, since energy costs comprise a very small part of your Company's total expenses, the financial implications of these measures are not material.

B. Technology absorption:

The Company continuous to use the latest technologies for improving the productivity and quality of its services and products.

C. Foreign exchange earnings and outgo:

Particulars	Amount in Lakhs (₹)
Foreign Exchange Inflow	89.96
Foreign Exchange Expenditure	15.32

The details of foreign exchange earned and outgo during the year are as follows:

32. PARTICULARS OF EMPLOYEES

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate "Annexure V" forming part of this report. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of your Company. Any member interested in obtaining a copy of the same may write to the Company Secretary.

33. DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from the public and as such, no amount on account of principal or interest on deposits from public was outstanding as on March 31, 2026.

34. INVESTORS EDUCATION AND PROTECTION FUND (IEPF)

Pursuant to section 124 of the Act, all dividends declared by the Company have been fully paid to the Shareholders of the Company. There was no dividend that remained unpaid / unclaimed with the Company as on March 31, 2026, which required to be transferred to the IEPF.

35. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed Management Discussion and Analysis Report is provided in a separate section of the Annual Report, offering insights into the Company's operations, performance, and future outlook. This report is in compliance with Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. It covers various aspects of the business under review, offering stakeholders a comprehensive understanding of the Company's strategic direction, market conditions, and financial health. This section forms an integral part of the Annual Report, ensuring transparency and informed decision-making for investors and other stakeholders.

36. THE CODE ON SOCIAL SECURITY, 2020 – MATERNITY BENEFIT

The Company is in compliance with the applicable provisions relating to maternity benefits as prescribed under the Maternity Benefit Act, 1961/ the Code on Social Security,

Director's Report

2020. In accordance with the provisions of the Maternity Benefit Act, 1961, as amended by the Maternity Benefit (Amendment) Act, 2017, S D RETAIL LIMITED has implemented all necessary measures to support women employees during and after pregnancy. The Company provides maternity benefits which are in strict accordance with the provisions of the Maternity Benefit Act, 1961, as amended, and have been duly adopted and incorporated into the Company's policy. These entitlements are extended to all eligible women employees in line with statutory compliance. During the financial year under review, the Company has not received any grievances or complaints related to maternity benefits, and remain fully compliant with the applicable legal and regulatory requirements. S D RETAIL LIMITED remains committed to fostering a progressive, inclusive, and supportive workplace for all its employees, especially working mothers, and continuously works towards enhancing employee-friendly policies and practices.

37. PREVENTION OF INSIDER TRADING

The Company is committed to maintaining the highest standards of transparency, integrity and fairness in the conduct of its business and in the handling of Unpublished Price Sensitive Information ("UPSI").

Pursuant to the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time ("PIT Regulations"), the Company has adopted a Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and their Immediate Relatives, as well as a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information, in compliance with the PIT Regulations.

The Company has also established appropriate internal controls and procedures to monitor the handling and dissemination of UPSI and maintains a Structured Digital Database in accordance with the requirements of the PIT Regulations. The Company regularly sensitizes its Designated Persons regarding their obligations under the PIT Regulations and the Code of Conduct to ensure compliance with the applicable regulatory framework.

No violation of the Code of Conduct was reported during the year.

38. DISCLOSURE REQUIREMENTS

Pursuant to the applicable provisions of the Companies Act, 2013 and the rules made thereunder, the Board confirms the following:

A. Cost Records and Cost Audit

The provisions relating to maintenance of cost records and conduct of cost audit under Section 148(1) of the Companies Act, 2013 are not applicable to the Company's business activities.

B. Material Changes and Commitments

Except as disclosed elsewhere in this Report, no material changes or commitments affecting the financial position of the Company have occurred between the end of the Financial Year under review and the date of this Report.

C. Voting Rights in Respect of Shares Issued under Employee Benefit Schemes

During the year under review, there were no instances of non-exercising of voting rights in respect of shares purchased directly by employees under a scheme pursuant to Section 67(3) of the Companies Act, 2013 read with Rule 16(4) of the Companies (Share Capital and Debentures) Rules, 2014.

D. Reporting of Fraud by Auditors

During the year under review, the Statutory Auditors and the Secretarial Auditor have not reported any fraud under Section 143(12) of the Companies Act, 2013.

E. Change in the Nature of Business

There was no change in the nature of the business of the Company during the Financial Year 2025-26.

F. Proceedings under the Insolvency and Bankruptcy Code, 2016

No application or proceeding was initiated or

Director's Report

was pending against the Company under the Insolvency and Bankruptcy Code, 2016 during the year under review. However, an appeal filed by an Operational Creditor before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") against the order passed by the Hon'ble National Company Law Tribunal ("NCLT") is pending for adjudication.

G. One-Time Settlement

During the year under review, there was no instance of one-time settlement with any Bank or Financial Institution.

H. Significant and Material Orders

No significant or material orders were passed by any regulator, court or tribunal which would impact the going concern status of the Company or its future operations.

I. Issue of Shares with Differential Rights

During the year under review, the Company did not issue any equity shares carrying differential rights as to dividend, voting or otherwise.

J. Employee Stock Option Scheme

During the year under review, the Company Granted equity shares to eligible employees pursuant to the ESOP Plan 2025. The disclosures as required under the applicable provisions of the Companies Act, 2013 and the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 form part of this Annual Report.

K. Secretarial Standards

The Company has devised adequate systems to ensure compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India ("ICSI"), and such systems were operating effectively during the year under review.

L. Related Party Transactions

Disclosures relating to Related Party Transactions, as required under the applicable Accounting Standards and the Companies Act, 2013, are provided in the Notes to the Standalone Financial Statements forming part of this Annual Report.

39. ACKNOWLEDGEMENT

Your directors place on records their sincere appreciation and gratitude to the Company's customers, shareholders, investors, bankers, financial institutions, business associates, suppliers, vendors, regulatory authorities and all other stakeholders for their continued trust, confidence and support extended to the Company.

The Board also places on record its appreciation for the dedication, commitment and valuable contribution of the Company's employees at all levels, whose continued efforts have significantly contributed to the Company's performance during the year.

The Directors look forward to the continued support and cooperation of all stakeholders in the Company's pursuit of sustainable growth and long-term value creation.

For and on behalf of the Board of Directors of
S D RETAIL LIMITED

HITESH PRAVINCHANDRA RUPARELIA	**UTPALBHAI PRAVINCHANDRA RUPARELIA**
CHAIRMAN CUM MANAGING DIRECTOR	**MANAGING DIRECTOR**
DIN: 00490790	**DIN: 00300525**

AHMEDABAD
August 22, 2026

Annexure-I

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2026

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
S D RETAIL LIMITED
(L52520GJ2004PLC056076)
C-929, Stratum at Venus Ground,
Nr. Jhansi Ki Rani Statue,
Nehrunagar, Ambawadi,
Ahmedabad- 380006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by S D RETAIL LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has during the audit period covering the financial year ended on 31st March, 2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. **We have examined the books, papers, minute books, forms and returns filed and other records maintained by "the Company" for the financial year ended on 31st March, 2026, according to the provisions of:**

(a) The Companies Act, 2013 (the Act) and the rules made thereunder;

(b) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(c) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(d) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

(e) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

(f) We have relied on the representation made by the Company, its Officers and on the reports given by designated professionals for systems and processes formed by the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations to the Company.

(g) As declared by the Management, the following laws are currently applicable to the Company

Annexure-I

in general. We have conducted a limited review of these applicable laws in the context of compliance, relying on the representations provided by the Management in this regard.

- Factories Act, 1948
- Industrial Disputes Act, 1947
- Contract Labour (Regulation and Abolition) Act, 1970
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952
- Employees' State Insurance Act, 1948
- Payment of Wages Act, 1936
- Minimum Wages Act, 1948
- Payment of Bonus Act, 1965
- Payment of Gratuity Act, 1972
- Equal Remuneration Act, 1976
- Maternity Benefit Act, 1961
- Shops and Establishments Act
- Occupational Safety, Health and Working Conditions Code, 2020
- The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- The Legal Metrology Act, 2009 (for packaging/labelling)
- Trade Marks Act, 1999 (branding)
- Designs Act, 2000
- Textile (Development and Regulation) Order, 2001
- Import/Export Laws
- Goods and Services Tax (GST) Acts, 2017
- Income Tax Act, 1961
- Environment (Protection) Act, 1986
- Water (Prevention and Control of Pollution) Act, 1974
- Air (Prevention and Control of Pollution) Act, 1981
- Hazardous Waste (Management and Handling) Rules, 1989
- FEMA, 1999 and related RBI directions

2. **We have also examined compliance with the applicable clauses of the following:**

(a) Secretarial Standards issued by The Institute of Company Secretaries of India.

(b) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

i. E-forms MSME 1 has not been filed on time for all the applicable half years.

3. **During the audit period the company has undertaken the following actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above:**

- Employee Stock Option Plan (ESOP) 2025

During the year under review, the members of the Company, by way of a Special Resolution passed at the Annual General Meeting held on 25 September 2025, approved the implementation of the "S D Retail Employee Stock Option Plan 2025" ("ESOP 2025").

Pursuant to the aforesaid approval, the Company obtained in-principle approval from the Stock Exchange for the listing of up to 9,35,000 (Nine Lakhs Thirty-Five Thousand) Equity Shares of face value of ₹10/- each, which may be allotted upon exercise of stock options granted under ESOP 2025.

The ESOP 2025 has been introduced with the objective of attracting, retaining, motivating, and rewarding eligible employees and aligning their interests with the long-term growth and performance of the Company. The Nomination and Remuneration Committee ("NRC") has been entrusted with the administration and implementation of the Scheme and is authorized to grant, in one or more tranches, not exceeding 9,35,000 stock options to eligible employees from time to time.

Annexure-I

Each stock option shall entitle the option holder to apply for and be allotted one fully paid-up equity share of the Company having a face value of ₹10/- each, subject to the terms and conditions of the Scheme and applicable laws.

The ESOP 2025 shall be administered by the NRC in accordance with the provisions of the Companies Act, 2013, the applicable SEBI Regulations, and other applicable statutory provisions.

4. **I/we further report that:**

a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

b) The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

c) Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

d) Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

e) As per the minutes of the Board Meetings duly recorded and signed by the Chairman, the decisions at the Meetings were unanimous and no dissenting views have been recorded.

f) There were no amendments/modifications of the Memorandum and Articles of Association of the Company during the period under review.

g) Approval of "S D Retail Employee Stock Option Plan 2025" ("ESOP 2025") from members in General meeting and from NSE.

h) Granted 1,40,000 options to the eligible employees under Employees' Stock Option Scheme 2025.

5. **We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.**

We have not examined compliance by the company with respect to:

a. Applicable financial laws, like direct and indirect tax laws, maintenance of financial records etc., since the same have been subject to review by statutory auditors, tax auditors and other designated professionals.

b. As informed by the company that there were no Industry specific laws applicable to the company; however, general laws as applicable to the Company have been complied with. The management has also represented and confirmed that all the general laws, rules, regulations, orders, standards and guidelines as are applicable to the Company relating to Industry/Labour etc., have been complied with.

We further report that, during the audit period, there were no other specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, etc. having a major bearing on the Company's affairs in pursuance of the above referred laws, rules etc.

For, Monika Chechani & Associates
Practicing Company Secretary

Monika Gaurav Gupta
Proprietor
M. No.: 9253
COP. No.: 10883
Peer Review Certificate no. 7976/2026

Place: Ahmedabad
Date: 03-07-2026
UDIN: F009253H000738366

**This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Annexure-A

To,
The Members,
S D RETAIL LIMITED
(CIN: L52520GJ2004PLC056076)
C-929, Stratum at Venus Ground,
Near Jhansi Ki Rani Statue,
Nehrunagar, Ambawadi,
Ahmedabad – 380006, Gujarat.

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The maintenance of secretarial records and compliance with the provisions of applicable laws, rules, regulations, standards and other statutory requirements is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have conducted the Secretarial Audit in accordance with the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the applicable Standards on Auditing and Guidance Notes issued by the Institute of Company Secretaries of India (ICSI). The audit was conducted in a manner that provided us with a reasonable basis for evaluating the corporate conduct and statutory compliances of the Company.

3. We have followed such audit practices and processes as were considered appropriate to obtain reasonable assurance regarding the correctness of the contents of the secretarial records. The verification was carried out on a test-check basis to ensure that correct facts are reflected in the secretarial records. We believe that the audit procedures followed by us provide a reasonable basis for our opinion.

4. We have not verified the correctness and appropriateness of the financial records, books of account and financial statements of the Company, as the same are subject to audit by the Statutory Auditors and other designated professionals.

5. Wherever considered necessary, we have obtained management representations regarding compliance with applicable laws, rules, regulations and the occurrence of events relevant for the purpose of our audit.

6. The compliance with the provisions of applicable corporate and other laws, rules, regulations, Secretarial Standards and other applicable requirements is the responsibility of the management. Our examination was limited to the verification of procedures and records on a test-check basis.

7. This Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

8. This Report has been issued based on the records, documents, information and explanations made available to us by the Company during the course of the audit. We have neither carried out any investigation nor verified the authenticity of information beyond the records and documents produced before us.

For, Monika Chechani & Associates
Practicing Company Secretary

Monika Gaurav Gupta
Proprietor
M. No.: 9253
COP. No.: 10883
Peer Review Certificate no. 7976/2026
UDIN: F009253H000738366

Place: Ahmedabad
Date: 03-07-2026

Annexure-II

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
S D RETAIL LIMITED
C-929, STRATUM AT VENUS GROUND,
NR. JHANSI KI RANI STATUE, NEHRUNAGAR, AMBAWADI,
AHMEDABAD, GUJARAT, INDIA, 380006

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of S D RETAIL LIMITED having CIN L52520GJ2004PLC056076 and having registered office at C-929, STRATUM AT VENUS GROUND, NR. JHANSI KI RANI STATUE, NEHRUNAGAR, Ambawadi, Ahmedabad, Gujarat, India, 380006 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Name of the Director and DIN	DIN No.	Designation	Date of Appointment
UTPALBHAI PRAVINCHANDRA RUPARELIA	00300525	Managing Director	14/05/2004
HITESH PRAVINCHANDRA RUPARELIA	00490790	Chairman & Managing Director	14/05/2004
VISHESH JAILESH DALAL	03250002	Director	01/10/2022
JAYDEEP JAGANNATH SHETTY	01567863	Independent Director	21/03/2025
SIMERAN BHASIN	07482286	Director	01/12/2023
HARSHIL RAJENDRABHAI PATEL	09606743	Independent Director	11/05/2024

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For, Monika Chechani & Associates
Company Secretaries

Monika Gaurav Gupta
(Proprietor)
M No. : F9253
CP No. 10883
Peer Review Certificate no. 7976/2026
UDIN: F009253H000989551

Date: 31-07-2026
Place: Ahmedabad

Annexure-III

Annexure to Directors' Report

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in Section 188(1) of the Companies Act, 2013 including certain arms' length transactions under third proviso thereto

1. Details of contracts or arrangement or transactions not at arm's length basis:

   There were no contracts or arrangements or transactions entered into during the year ended March 31, 2026, which were not at arm's length basis.

2. Details of material* contracts or arrangement or transactions at arm's length basis: None

Name of the Related Party and Nature of Relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value ₹ in Lakhs)	Date(s) of approval by the Board/ Shareholders, if Any	Amount paid as advances, if any

During the year 2025-26, there were no transactions with any entity belonging to the Promoter Group and holding 10% or more shareholding in the Company.

For and on behalf of the Board of Directors of
S D RETAIL LIMITED

HITESH PRAVINCHANDRA RUPARELIA **CHAIRMAN CUM MANAGING DIRECTOR** **DIN: 00490790**	**UTPALBHAI PRAVINCHANDRA RUPARELIA** **MANAGING DIRECTOR** **DIN: 00300525**

AHMEDABAD
August 22, 2026

Annexure-IV

Annual Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to Section 135of the Companies Act, 2013]

1. **Brief outline on CSR Policy of the Company:**

Corporate Social Responsibility (CSR) forms an integral part of our company's core values and long-term business strategy. We recognize that as a responsible corporate citizen, we must contribute beyond our business objectives toward the sustainable development of society and the environment.

The Corporate Social Responsibility ("CSR") Policy of the Company is guided by the philosophy of conducting business in a socially responsible and sustainable manner while creating long-term value for all stakeholders. The Policy reflects the Company's commitment towards contributing to economic and social development through initiatives that improve the quality of life of communities and promote environmental sustainability.

The CSR Policy has been formulated in accordance with the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended from time to time. The Policy provides the framework for identifying, implementing, monitoring and reporting CSR programmes and projects undertaken by the Company.

The Company undertakes CSR activities through eligible implementing agencies in the areas specified under Schedule VII to the Companies Act, 2013. The key focus areas of the Company's CSR initiatives include, inter alia:

- Promoting education, including vocational skills and livelihood enhancement;
- Eradicating hunger, poverty and malnutrition, and promoting healthcare and preventive healthcare;
- Ensuring environmental sustainability, ecological balance, conservation of natural resources and biodiversity;
- Women empowerment, gender equality and social inclusion;
- Rural development, community welfare and other activities covered under Schedule VII to the Companies Act, 2013.

The CSR projects and programmes undertaken by the Company are aligned with the activities specified in Schedule VII to the Companies Act, 2013 and are implemented in accordance with the CSR Policy and the applicable provisions of the Companies Act, 2013 and the rules made thereunder.

2. The web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: https://www.sweetdreams.in/
3. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable
4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sr. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be set off for the financial year, if any
1.	2025-26	160915.71	160915.71

5. Average net profit of the company as per section 135(5): ₹ 9,01,00,544
6. (a) Two percent of average net profit of the company as per section 135(5): ₹ 18,02,011
   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

Annexure-IV

   (c) Amount required to be set off for the financial year, if any: ₹ 0
   (d) Total CSR obligation for the financial year (6a+6b- 6c): ₹ 18,02,011

7. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of fund	Amount	Date of transfer
19,00,000	-	-	-	-	-

   (b) Details of CSR amount spent against ongoing projects for the financial year:

   There are no ongoing projects of the company for the financial year.

1)	2)	3)	4)	5)	6)	7)	8)	9)	10)	11)
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (yes/ No)	Location of the project	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/ No)	Mode of Implementation - Through Implementing Agency.

   (c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (In ₹)	Mode of Implementation -Direct (Yes/No)	Mode of implementation- Through implementing agency	
				State	District			Name	CSR Registration Number
1.	SUPPORT IN EDUCATION FACILITIES	Promoting education	No	Gujarat	Bhavnagar	400000	No	MANAV SEVA CHARITABLE TRUST	CSR00044884
2.	FREE MEDICINE TO NEEDY & POOR PATIENTS	promoting health care including preventive health care	No	Gujarat	Bhavnagar	400000	No	SHREE VINAYAK KELAVANI MANDAL	CSR00009672
3.	SUPPORT IN EDUCATION FACILITIES	Promoting education	No	Gujarat	Bhavnagar	200000	No	MANAV SEVA CHARITABLE TRUST	CSR00044884
4	SUPPORT IN EDUCATION FACILITIES	Promoting education	No	Gujarat	Bhavnagar	215000	No	MANAV SEVA CHARITABLE TRUST	CSR00044884
5	GREEN ENERGY AND TREE PLANTATION	ensuring environment al sustainability, ecological balance	No	Gujarat	Bhavnagar	50000	No	GREEN CITY CHARITABLE TRUST	CSR00058309
6	SUPPORT IN EDUCATION FACILITIES	Promoting education	Yes	Karnataka	Manipal	50000	No	THE ASRAMOM CHARITABLE TRUST	CSR00089006
7	SUPPORT IN EDUCATION FACILITIES	Promoting education	No	Gujarat	Bhavnagar	215000	No	MANAV SEVA CHARITABLE TRUST	CSR00044884

Annexure-IV

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (In ₹)	Mode of Implementation -Direct (Yes/No)	Mode of implementation-Through implementing agency	
				State	District			Name	CSR Registration Number
8	SUPPORT IN EDUCATION FACILITIES	Promoting education	No	Gujarat	Bhavnagar	260000	No	MANAV SEVA CHARITABLE TRUST	CSR00044884
9	SUPPORT IN EDUCATION FACILITIES	Promoting education	No	Gujarat	Bhavnagar	110000	No	MANAV SEVA CHARITABLE TRUST	CSR00044884

d) **Amount spent in Administrative Overheads:** Nil

(e) **Amount spent on Impact Assessment, if applicable:** Nil

(f) **Total amount spent for the Financial Year (7b+7c+7d+7e):** ₹ 1900000

(g) **Excess amount for set off, if any:** ₹ 97989

Sr. No.	Particulars	Amount (₹)
i.	Two percent of average net profit of the company as per section 135(5)	18,02,011
ii.	Total amount spent for the Financial Year	19,00,000
iii.	Excess amount spent for the financial year [(ii)-(i)]	97989
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-1,60,915.71
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	2,58,904.71

8. (a) Details of Unspent CSR amount for the preceding three financial years: Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Nil

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (Asset-wise details):

a. Date of creation or acquisition of the capital asset(s) – Not Applicable

b. Amount of CSR spent for creation or acquisition of capital asset – Nil

c. Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – Not Applicable

d. Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) – Not Applicable

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5): Not Applicable

For and on behalf of the Board of Directors of
S D RETAIL LIMITED

HITESH PRAVINCHANDRA RUPARELIA
CHAIRMAN CUM MANAGING DIRECTOR
DIN: 00490790

UTPALBHAI PRAVINCHANDRA RUPARELIA
MANAGING DIRECTOR
DIN: 00300525

AHMEDABAD
August 22, 2026

Annexure-V

Details of Remuneration of Directors, Key Managerial Personnel and Employees

Particulars Pursuant to Section 197(12) Of The Companies Act, 2013 Read With Rule 5 Of The Companies (Appointment & Remuneration Of Managerial Personnel) Rules, 2014

I. The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year and the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year

Sr. No.	Name of Director/KMP	Designation	Remuneration	% increase in Remuneration in the F.Y. 2025-26	Ratio of Remuneration of each Director/ to median remuneration of employees
1.	Utpalbhai Pravinchandra Ruparelia	Managing Director	104.81	Nil	26.77 : 1
2.	Hitesh Pravinchandra Ruparelia	Chairman & Managing Director	139.81	Nil	35.71 : 1
3.	Simeran Bhasin	Non Executive Director	NA	NA	NA
4.	Harshil Rajendrabhai Patel	Non Executive Independent Director	NA	NA	NA
5.	Vishesh Dalal	Non Executive Director	NA	NA	NA
6.	Jaydeep Jagannath Shetty	Non Executive Independent Director	NA	NA	NA
7.	Ritesh Surendra Saraogi	Chief Financial Officer	39.84	14.7%	10.18 : 1
8.	Poojaben Shah	Company Secretary & Compliance Officer	3.81	36.2%	0.97 : 1

Notes:

1. Non-Executive Directors does not receive any remuneration except sitting fees and for Executive Directors, remuneration includes fixed pay, perquisites and commission.
2. Non-Executive Directors are receiving sitting fees for attending the board meeting. The sitting fees paid is not covered in the above table.

II. The percentage increase in the median remuneration of employees in the financial year:

Particulars	2025-26	2024-25	Increase/Decrease (%)
The median remuneration of all employee per annum	391486	385212	1.6 %

Annexure-V

III. Number of permanent employees on the role of the Company as on 31st March, 2026: 252.

IV. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

Increase for Employees other than Managerial Personnel: 16.81%.
Increase for Managerial Personnel: 2.04 %.
Justification: Due to Performance-Based Compensation and Role Expansion.

V. The remuneration of KMP is as per the recommendations of the Nomination & Remuneration Committee.

VI. **The ratio of the remuneration of the highest paid Director to that of the employees who are not Directors but receive remuneration in excess of the highest paid director during the year:** There are no employees of the Company who receive remuneration in excess of the highest paid Director of the Company.

VII. It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

VIII. The information required under Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Annual Report. Having regard to the provisions of Section 134 and Section 136 of the Companies Act, 2013, the Reports and Accounts are being sent to the Members excluding such information. However, the said information is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of ensuing AGM. Any shareholder interested in obtaining a copy of such statement may write to the Company Secretary at the Registered Office of the Company.

For and on behalf of the Board of Directors of
S D RETAIL LIMITED

HITESH PRAVINCHANDRA RUPARELIA	**UTPALBHAI PRAVINCHANDRA RUPARELIA**
CHAIRMAN CUM MANAGING DIRECTOR	**MANAGING DIRECTOR**
DIN: 00490790	**DIN: 00300525**

AHMEDABAD
August 22, 2026

Independent Auditor's Report

To
The Members of
S D Retail Limited
(formerly S D Retail Private Limited)

Report on the audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Financial Statements of S D Retail Limited (formerly S D Retail Private Limited) ('the Company'), which comprise the Balance Sheet as at 31 March 2026, and the Statement of Profit And Loss and the Statement of Cash Flows for the year ended on that date, and notes to the Financial Statements, including a summary of significant accounting policies and other explanatory information ('the Financial Statements').

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone 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 Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended, ('AS') and other accounting principles generally accepted in India, of the State of Affairs of the Company as at 31 March 2026, and its Profit and its Cash Flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Standalone 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 we have obtained is sufficient and appropriate to provide a basis for our opinion on the Standalone Financial Statements.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

Other Information

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report and chairman's statement but does not include the Financial Statements and our auditors' report thereon. The Other Information is expected to be made available to us after the date of this auditor's report.

6. Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

7. In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

8. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Independent Auditor's Report

Independent Auditor's Report

Responsibilities of Management and Those Charged with Governance for the Financial Statements

9. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the State of Affairs, profit and Cash Flows of the Company in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Accounting Standards) Rules, 2021, as amended and other accounting principles generally accepted in India. 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 of the appropriate accounting software for ensuring compliance with applicable laws and regulations including those related to retention of audit logs; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's responsibilities for the audit of the Financial Statements

12. Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

12.1. Identify and assess the risks of material misstatement of the Financial Statements, 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.

12.2. 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) the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.

12.3. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management.

12.4. Conclude on the appropriateness of the Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

12.5. Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

13. 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.

14. 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.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order'), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

17. As required by Section 143(3) of the Act, we report that:

17.1. 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.

17.2. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in paragraph 18.8 below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended)

17.3. The balance sheet, the statement of profit and loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

17.4. In our opinion, the aforesaid Financial Statements comply with the AS specified under Section 133 of the Act read with the relevant rules thereunder.

17.5. On the basis of the written representations received from the directors as on 01 April 2026 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

17.6. The Modification relating to the maintenance of books of accounts and other matters connected therewith are as stated in the paragraph 17,2 above on reporting under Section 143(3)(b) and paragraph 18.8 below on reporting under rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (amended).

17.7. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure B'.

17.8. In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act.

Independent Auditor's Report

18. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

18.1. The Company has disclosed the impact of pending litigations as at 31 March 2026 on its financial position in its Financial Statements - Refer note 28 and 35 to the Financial Statements;

18.2. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

18.3. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

18.4. The Management has represented, to best of their knowledge and belief, that no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

18.5. The Management has represented, to best of their knowledge and belief, that no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

18.6. Based on such audit procedures, that have been considered reasonable and appropriate in the circumstances, performed by us, nothing has come to our notice that has caused us to believe that the representation under sub clause (i) and (ii) of Rule 11(e), as provided under para 18.4 and 18.5 above, contain any material misstatement.

18.7. In our opinion and according to information and explanation given to us, the Company has not declared or paid dividend during the year, accordingly compliance with section 123 of the Act by the Company is not applicable.

18.8. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail(edit log) facility was not enabled at the database level to log any direct data changes.

Further, for the periods where audit trail (edit log) facility was enabled and operated for the accounting software, we did not come across any instance of audit trail feature being tampered with during the course of our audit.

The Company has preserved the audit trail in accordance with the statutory record retention requirements, except where the audit trail (edit log) facility was not enabled at the database level.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Bharat Jain
Partner
ICAI Membership No: 100583
UDIN: 26100583NGCGLJ8598

Place: Mumbai
Date: 19 May 2026

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 16 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ('PPE').

The Company is maintaining proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its PPE by which all PPE are verified in a phased manner over a period of 3 years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain PPE were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, 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 favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) In our opinion and according to the information and explanations given to us, the Company has not revalued its PPE or intangible assets or both during the year.

(e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, no 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.

ii. (a) In our opinion and according to the information and explanations given to us, the physical verification of inventories has been conducted at reasonable intervals by the Management and, the coverage and procedure of such verification by the Management is appropriate. We confirm that discrepancies noticed were less than 10% in the aggregate for each class of inventory.

(b) In our opinion and according to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of rupees five crore, in aggregate, from banks or financial institutions which are secured on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any investment, given any security or guarantee or advance in nature of loans to companies, firms, limited liability partnership or any other parties during the year. The Company has granted unsecured loans to other parties. The Company has not granted any loans to companies, firms or limited liability partnership.

(a) In our opinion and according to the information and explanations given to us, the Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. The Company has granted interest free loans to employees, and the details are mentioned in the following table:

Annexure 'A' to the Independent Auditor's Report

(₹ in Lakhs)

Particulars	Loans
Aggregate amount granted during the year	
Other	0.38
Balance outstanding as at balance sheet date in respect of above cases	
Other	0.31

(b) In our opinion and according to the information and explanations given to us and based on the audit procedures conducted by us, the terms and conditions of the grant of all loans are not prejudicial to the Company's interest. The Company has not made investments provided any guarantee or security or advances in the nature of loans during the year.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the record of the Company, in respect of loans, the schedule of repayment of principal and payment of interest has been stipulated, and the repayments or receipts are regular during the year. The Company has not made investments provided any guarantee or security or advances in the nature of loans during the year.

(d) In our opinion, according to the information and explanations given to us and on the basis of our examination of the record of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) In our opinion and according to the information and explanations given to us and on the basis of our examination of the record of the Company, no loans have been renewed or extended nor any fresh loans have been granted to settle the overdue of existing loans.

(f) In our opinion and 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 granted any loans or advances in the nature of loans to Promoters/Related Parties (as defined in section 2(76) of the Act which are either repayable on demand or without specifying any terms or period of repayment.

iv. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loan, made investments or not provided any guarantee or security to which the provisions of Sections 185 & 186 of the Companies Act, 2013 ("the Act") apply.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits from the public during the year in terms of directives issued by the Reserve Bank of India or the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. The Company is not required to maintain cost records under Section 148(1) of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014 and hence reporting under paragraph 3(vi) of the Order is not applicable to the Company.

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. In our opinion and according to the information and explanations given to us, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have been regularly deposited by the Company with the appropriate authorities.

Annexure 'A' to the Independent Auditor's Report

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, Goods and Services Tax, duty of customs, cess and other material statutory dues were in arrears as at 31 March 2026 for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, there are no dues of provident fund, employees' state insurance, duty of customs, cess and any other statutory dues, which have not been deposited to/with the appropriate authority on account of any dispute. The Particulars of dues of Goods and Service Tax and Income Tax which have not been deposited to/with the appropriate authority on account of any dispute are as follows:

Name of the Statute	Nature of the Dues	Amount Rs. (₹ In Lakhs)	Period to which the amount relates	Forum where dispute is pending	Payment under protest (₹ In Lakhs)
The Goods and Service Tax Act	Tax & Penalty	26.30	F.Y. 2018-19	Additional Commissioner (Appeals)	1.30
The Goods and Service Tax Act	Tax & Penalty	6.25	F.Y. 2019-20	Additional Commissioner (Appeals)	0.31
The Goods and Service Tax Act	Tax & Penalty	7.21	F.Y. 2019-20	Additional Commissioner (Appeals)	-
The Income Tax Act, 1961	Tax	4.87	A.Y. 2020-21	Assessing Officer	-

viii. In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, we confirm that we have not come across any transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) In our opinion, the Company has not defaulted in repayment of loans or other borrowings to financial institutions, banks, government and dues to debenture holders or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority or any other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.:

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company does not have any subsidiaries, associates or joint ventures and accordingly paragraph 3(ix)(e) & (f) of the Order is not applicable to the Company.

Annexure 'A' to the Independent Auditor's Report

Annexure 'A' to the Independent Auditor's Report

x. (a) The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

(b) During the year the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause (x)(b) of the Order is not applicable to the Company.

xi. (a) In our opinion and according to the information and explanations given to us, there has been no fraud by the Company or any fraud on the Company that has been noticed or reported during the year.

(b) In our opinion and according to the information and explanations given to us, no report under sub section (12) of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date, for the period under audit.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into any non-cash transactions with its directors or persons connected with its directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by Reserve Bank of India.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended. Accordingly, clause 3(xvi)(d) are not applicable to the Company.

xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly paragraph 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and 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 the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Annual report is expected to be made available to us after the date of this auditor's report.

xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable to the Company.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Bharat Jain
Partner
ICAI Membership No: 100583
UDIN: 26100583NGCGLJ8598

Place: Mumbai
Date: 19 May 2026

Annexure 'B' to the Independent Auditor's Report

(Referred to in paragraph '[17.7]' under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to the aforesaid Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act').

Opinion

1. We have audited the internal financial controls with reference to the Financial Statements of S D Retail Limited (formerly S D Retail Private Limited)] ('the Company') as at 31 March 2026 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

2. In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to the Financial Statements and such internal financial controls were operating effectively as at 31 March 2026, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('the Guidance Note').

Management's responsibility for Internal Financial Controls

3. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 the 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 Act.

Auditor's responsibility

4. Our responsibility is to express an opinion on the Company's internal financial controls with reference to the Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('SA '), prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to the Financial Statements. Those SAs and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to the Financial Statements were established and maintained and whether such controls operated effectively in all material respects.

5. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to the Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to the Financial Statements included obtaining an understanding of internal financial controls with reference to the Financial Statements, 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.

6. 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 with reference to the Financial Statements.

Meaning of Internal Financial Controls with reference to the Financial Statements

7. A company's internal financial controls with reference to the Financial Statements 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 controls with reference to the Financial Statements include 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.

Annexure 'B' to the Independent Auditor's Report

Inherent Limitations of Internal Financial Controls with reference to the Financial Statements

8. Because of the inherent limitations of internal financial controls with reference to the Financial Statements, 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 with reference to the Financial Statements to future periods are subject to the risk that the internal financial controls with reference to the Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **KKC & Associates LLP**
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
Firm Registration Number: 105146W/W100621

Bharat Jain
Partner
ICAI Membership No: 100583
UDIN: 26100583NGCGLJ8598

Place: Mumbai
Date: 19 May 2026

Balance Sheet
as at March 31, 2026

(₹ in Lakhs)

Particulars	Note No.	As at March 31, 2026	As at March 31, 2025
EQUITY AND LIABILITIES			
Shareholders' funds			
(a) Share capital	2	1,872.24	1,872.24
(b) Reserves and surplus	3	10,148.92	9,171.00
		12,021.16	**11,043.24**
Non-current liabilities			
(a) Long-term borrowings	4	21.25	9.65
(b) Long-term provisions	5	106.22	34.53
		127.47	**44.18**
Current liabilities			
(a) Short-term borrowings	6	1,604.79	3,296.02
(b) Trade payables	7		
-Due to Micro and Small Enterprises		1,399.97	1,068.65
-Due to others		461.18	385.91
(c) Other current liabilities	8	1,639.89	1,608.73
(d) Short-term provisions	9	96.58	122.17
		5,202.41	**6,481.48**
TOTAL		**17,351.04**	**17,568.90**
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment and Intangible Assets	10		
(i) Property, Plant and Equipment		1,095.71	715.04
(ii) Intangible assets		7.09	3.71
(b) Deferred tax assets (net)	11	154.50	126.91
(c) Long-term loans and advances	12	48.96	17.84
(d) Other non-current assets	13	2,716.49	615.35
		4,022.75	**1,478.85**
Current assets			
(a) Inventories	14	4,406.18	3,015.53
(b) Trade receivables	15	8,153.00	7,971.02
(c) Cash and bank balances	16	242.63	4,958.09
(d) Short term loans and advances	17	473.03	99.11
(e) Other current assets	18	53.45	46.30
		13,328.29	**16,090.05**
TOTAL		**17,351.04**	**17,568.90**
Summary of significant accounting policies	1		

The accompanying notes are an integral part of these financial statements
As per our report of even date attached

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
(ICAI Firm Registration No.: 105146W/W-100621)

Bharat Jain
Partner
ICAI Membership No: 100583
Place: Mumbai
Date: May 19, 2026

For and on behalf of Board of Directors of
S D Retail Limited
(formerly S D Retail Private Limited)

Hitesh Ruparelia
Chairman & Managing Director
DIN: 00490790

Utpal Ruparelia
Managing Director
DIN: 00300525

Ritesh Surendra Saraogi
Chief Financial Officer
Place: Ahmedabad
Date: May 19, 2026

Poojaben Shah
Company Secretary
Place: Ahmedabad
Date: May 19, 2026

Statement of Profit & Loss
for the year ended on March 31, 2026

(₹ in Lakhs)

Particulars	Note No.	For the year ended March 31, 2026	For the year ended March 31, 2025
Income			
(a) Revenue from operations	19	19,597.54	17,304.32
(b) Other income	20	234.81	213.92
Total Income		**19,832.35**	**17,518.24**
Expenses			
(a) Cost of materials consumed	21	10,565.80	8,929.04
(b) Changes in stock of finished goods and work in progress	22	(1,440.70)	(469.13)
(c) Employee benefits expense	23	1,838.13	1,606.96
(d) Finance costs	24	263.82	318.09
(e) Depreciation and amortisation expense	25	179.21	252.48
(f) Other expenses	26	6,981.21	5,807.40
Total Expenses		**18,387.47**	**16,444.84**
Profit before exceptional items and tax		**1,444.88**	**1,073.40**
Exceptional items	23	118.12	-
Profit before tax		**1,326.76**	**1,073.40**
Tax expense			
Current tax		334.29	291.91
Deferred tax		(27.58)	(65.22)
Excess/Short Tax Adjustment for earlier years		42.13	(8.86)
Total tax expense		**348.84**	**217.83**
Profit for the year		**977.92**	**855.57**
Earnings per equity share (Face value of ₹ 10 each)	**27**		
(1) Basic (Rupees)		5.22	5.25
(2) Diluted (Rupees)		5.22	5.25
Summary of significant accounting policies	1		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
(ICAI Firm Registration No.: 105146W/W-100621)

Bharat Jain
Partner
ICAI Membership No: 100583

Place: Mumbai
Date: May 19, 2026

For and on behalf of Board of Directors of
S D Retail Limited
(formerly S D Retail Private Limited)

Hitesh Ruparelia
Chairman & Managing Director
DIN: 00490790

Utpal Ruparelia
Managing Director
DIN: 00300525

Ritesh Surendra Saraogi
Chief Financial Officer

Place: Ahmedabad
Date: May 19, 2026

Poojaben Shah
Company Secretary

Place: Ahmedabad
Date: May 19, 2026

Statement of Cash Flows
for the year ended on March 31, 2026

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash flow from operating activities		
Profit before tax	**1,326.76**	**1,073.40**
Adjustments for:		
Depreciation and amortisation expense	179.21	252.48
(Profit)/Loss on sale of Property, plant and equipment	2.77	2.93
Provision for Bad & Doubtful Debts (Net)	(2.16)	2.57
Liabilities No Longer Required Written Back	(5.48)	(19.52)
Sundry balances written off	3.78	12.52
Interest expense	263.82	318.10
Interest Income	(226.71)	(177.96)
Operating profit before working capital changes	**1,541.99**	**1,464.52**
Adjustments for working capital changes:		
Increase/(decrease) Trade payables	412.05	(465.83)
Increase/(decrease) Other Current liabilities	42.25	67.07
Increase/(decrease) Short term & Long term provision	112.57	(19.47)
(Increase)/decrease Trade receivables	(179.80)	158.60
(Increase)/decrease Inventories	(1,390.66)	(429.43)
(Increase)/decrease Loans and advances	(373.92)	124.42
(Increase)/decrease Other Non Current assets	(301.13)	(338.98)
(Increase)/decrease Other Current assets	(7.61)	(23.34)
Cash generated from operations	**(144.26)**	**537.56**
Income tax paid	(442.89)	(382.49)
Net cash flow from operating activities (A)	**(587.15)**	**155.07**
Cash flows from investing activities		
Purchase of Property, Plant and equipment	(642.69)	(460.67)
Sale of Property, Plant and equipment	34.44	14.99
Fixed Deposits (maturity of more than three months)	2,797.81	(4,605.11)
Interest Received	223.40	172.14
Net cash flow from investing activities (B)	**2,412.96**	**(4,878.65)**
Cash flows from financing activities		
Interest paid on borrowings	(263.83)	(318.05)
Funds raised from IPO	-	6,497.60
IPO related expenses	-	(455.74)
Availment/(Repayment) of Short-Term borrowings	(1,694.21)	(1,061.10)
Availment of Long-Term borrowings	16.55	11.78
(Repayment) of Long-Term borrowings	(1.97)	(0.16)
Net cash flow from financing activities (C)	**(1,943.46)**	**4,674.33**
Net (Decrease) in cash and cash equivalents (A + B + C)	**(117.65)**	**(49.25)**

Statement of Cash Flows
for the year ended on March 31, 2026

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cash and cash equivalents at the beginning of the year	**322.38**	**371.63**
Cash and cash equivalents at the end of the year	**204.73**	**322.38**
Components of Cash and cash equivalents (Refer Note 16)		
Cash on hand	25.93	31.22
Cheques on hand	156.46	181.58
Balance With banks		
- Current accounts	22.34	109.58
- Fixed deposits (maturity period upto 3 months)	-	-
Total cash and cash equivalents	**204.73**	**322.38**

Note - The Cash Flow Statement is prepared in accordance with Accounting Standard – 3 on 'Cash Flow Statements' issued by the Institute of Chartered Accountants of India, using the Indirect Method.

For KKC & Associates LLP
Chartered Accountants
(formerly Khimji Kunverji & Co LLP)
(ICAI Firm Registration No.: 105146W/W-100621)

For and on behalf of Board of Directors of S D Retail Limited
(formerly S D Retail Private Limited)

Hitesh Ruparelia
Chairman & Managing Director
DIN: 00490790

Utpal Ruparelia
Managing Director
DIN: 00300525

Bharat Jain
Partner
ICAI Membership No: 100583

Place: Mumbai
Date: May 19, 2026

Ritesh Surendra Saraogi
Chief Financial Officer

Place: Ahmedabad
Date: May 19, 2026

Poojaben Shah
Company Secretary

Place: Ahmedabad
Date: May 19, 2026

Notes to the Financial Statements
for the year ended on March 31, 2026

Note 1: Significant Accounting Policies:

General Corporate Information

S D Retail Limited (formerly known as "S D Retail Private Limited") was incorporated on 14th May, 2004 having its Registered Office at C-929, Stratum at Venus Ground, Nr. Jhansi Ki Rani Statue. Nehrunagar, Ambawadi, Ahmedabad - 380006 is engaged in the business of manufacturing and sale of Garments and its accessories. The CIN No. of the Company is L52520GJ2004PLC056076.

a) Basis of preparation of financial statements:

(i) Basis of preparation:

The Financial Statements have been prepared under the historical cost convention on the "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India (India GAAP) under the historical cost convention on an accrual basis in compliance with all material aspect of the Accounting Standard (AS) notified under section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and any amendment thereunder. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

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 . Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as up to twelve months for the purpose of current/non-current classification of assets and liabilities.

(ii) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known / materialized.

b) Property, plant & equipment and Depreciation:

(i) Property, plant & equipment are stated at cost of acquisition or construction after reducing accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the assets to their working condition for intended use.

(ii) With effect from April 1, 2025, the Company has changed the method of depreciation for its Property, Plant and Equipment from the Written Down Value (WDV) method to the Straight Line Method (SLM). This change in accounting estimate has been applied prospectively in accordance with the applicable accounting standards. The change reflects management's reassessment that the SLM more appropriately aligns the recognition of depreciation expense with the expected pattern of consumption of future economic benefits derived from the assets, particularly the assets relating to the Company's Exclusive Brand Outlets, which constitute a significant portion of its Property, Plant and Equipment.

(iii) Depreciation on assets addition is provided on pro-rata basis with reference to the date of ready to use of assets.

(iv) Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

c) Intangible assets and Amortization:

Intangible assets acquired separately are measured on initial recognition at cost. Intangible assets are amortised on a Straight Line method over their estimated useful lives. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in the Statement of Profit and Loss in the year in which the expenditure is incurred.

d) Inventories:

The inventories are valued at lower of cost or net realizable value after providing for cost of obsolescence whenever considered necessary. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. The cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable) other costs incurred in bringing the inventories to their present location and condition. Work-in-progress and finished goods cost include material cost, cost of conversion and other costs incurred in bringing the inventories to their present location and condition, wherever applicable.

e) Cash and cash equivalents:

Cash and cash equivalents for the purpose of cash flow statement comprise cash on hand and cash at bank including fixed deposit with original maturity period of three months or less and short term highly liquid investments with an original maturity of three months or less.

f) Foreign Currency Transactions:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items, or on reporting such monetary items of Company at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

Forward Exchange Contracts not intended for trading or speculation purposes:

The premium or discount arising at the inception of forward exchange contracts is amortised as expense or income over the life of the contract. Exchange differences on such contracts are recognised in the Statement of Profit and Loss in the year in which the exchange rates change. Any profit or loss arising on cancellation or renewal of forward exchange contract is recognised as income or as expense for the year.

g) Borrowing Costs:

Borrowing costs that directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

h) Operating Lease:

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item are classified as operating leases. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a systematic basis, which is more representative of time pattern and linked with company's revenue.

i) Revenue Recognition:

Revenue in respect of Sales is recognized when the substantial risks and rewards of ownership are transferred to the buyer under the terms of the contract with customers. Sales amount is net of returns and discounts / rebates/ mark down / unrealized revenue on part of outstanding sales on Sale or Return (SOR) basis considering previous trend of sales returns.

Interest income is recognized on time proportion basis at applicable interest rate. Export benefit in the form of duty draw back, rebate on state levies are recognized on receipt basis.

j) Employees benefits:

(i) Defined contribution plan

The Company makes defined contribution to Employee Provident Fund and ESI which are recognised in the Statement of Profit and Loss on accrual basis.

(ii) Defined benefit Plan

The Company's liabilities under Payment of Gratuity Act are determined on the basis of actuarial valuation made at the end of each financial year based on various estimates. The obligation is measured at the present value of the estimated future cash flows using a discount

Notes to the Financial Statements
for the year ended on March 31, 2026

rate based on the market yield on government securities where the terms of government securities are consistent with the estimated terms of the defined benefit obligations at the Balance Sheet date. The Company recognises the net obligation of a defined plan in its Balance Sheet as an asset or liability. Gains and losses through re-measurements of the net defined benefit liability/(asset) are recognised in the Statement of Profit & Loss. Gratuity Liability is funded through scheme administered by registered life insurance company.

k) Taxes on income:

Tax expense comprises of current and deferred tax.

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.

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 Balance Sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future. The carrying amount of deferred tax assets are reviewed at each Balance Sheet date. The Company writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain, that sufficient future taxable income will be available. In case of unabsorbed losses and unabsorbed depreciation, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profit. At each Balance Sheet date the Company reassesses the unrecognised deferred tax assets.

l) Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

m) Earning per Share:

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period and for all periods presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders that have changed the number of equity shares outstanding, without a corresponding change in resources.

n) Statement of Cash Flows :

The Statement of Cash flows is prepared in accordance with the indirect method prescribed in Accounting Standard- 3 issued by The Institute of Chartered Accountants of India.

o) Provisions & contingent liabilities:

Contingent Liabilities are possible but not probable obligations as on Balance Sheet date, based on the available evidence. Provisions are recognised when there is a present obligation as a result of past events, and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date.

Notes to the Financial Statements
for the year ended on March 31, 2026

Note 2: Share Capital

(₹ in Lakhs)

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number of Shares	Amount	Number of Shares	Amount
Authorised:				
Equity Share Capital of Rs 10 each	2,00,00,000	2,000.00	2,00,00,000	2,000.00
	2,00,00,000	**2,000.00**	**2,00,00,000**	**2,000.00**
Issued, Subscribed & Fully Paid up:				
Equity Share Capital of Rs 10 each	1,87,22,386	1,872.24	1,87,22,386	1,872.24
	1,87,22,386	**1,872.24**	**1,87,22,386**	**1,872.24**

2.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2026	As at March 31, 2025
Number of shares at the beginning of the year	1,87,22,386	12,51,126
Number of shares issued during the year: Bonus Shares Issued	-	1,25,11,260
Number of shares issued during the year: IPO (Refer Note No. 45)	-	49,60,000
Number of shares at the end of the year	**1,87,22,386**	**1,87,22,386**

2.2 Rights, preferences and restrictions attached to equity shares

(i) The company has only one class of equity shares having par value of INR 10 per share. Each holder of equity shares is entitled to one vote per share. Dividend, if declared, is paid by the company in Indian Rupees (INR). The dividend, if proposed by the Board of Directors, is subject to the approval of the shareholders in the ensuing Annual General Meeting.

(ii) In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts, in proportionate to their shareholding.

2.3 Equity shareholders holding more than 5% of the shares

Particulars	As at March 31, 2026		As at March 31, 2025	
	Number	% held	Number	% held
Hitesh Ruparelia	47,51,120	25.38%	47,51,120	25.38%
Utpal Ruparelia	31,67,560	16.92%	31,67,560	16.92%
Sweet Dreams Loungewear (India) LLP	14,30,000	7.64%	14,30,000	7.64%
Grace Garments LLP	21,27,124	11.36%	21,27,124	11.36%

2.4 No shares are reserved for issue under options and contracts/commitments for the sale of shares/disinvestment.

2.5 For a period of five years immediately preceding the Balance Sheet date, the Company has

(a) not allotted any class of shares as fully paid up pursuant to any contracts without payment being received in cash;

Notes to the Financial Statements
for the year ended on March 31, 2026

(b) allotted 1,31,36,823 shares by way of bonus shares;

(c) not bought back any class of shares.

2.6 No securities which are convertible into equity/preference shares have been issued by the company.

2.7 No calls are unpaid by any director or officer of company during the year.

2.8 No amounts have been forfeited on shares issued.

2.9 Shares held by promoters at the end of the year and during the year

Name of the Promoters	As at March 31, 2026			
	No of shares held at the beginning of the year	No of Shares purchased or (sold) during the year	No of shares held at the End of the year	% of change
Equity Shares				
Hitesh Ruparelia	47,51,120	-	47,51,120	0%
Utpal Ruparelia	31,67,560	-	31,67,560	0%

Name of the Promoters	As at March 31, 2025			
	No of shares held at the beginning of the year	No of Shares purchased or (sold) during the year/ Bonus Shares Issued	No of shares held at the End of the year	% of change
Equity Shares				
Hitesh Ruparelia	4,31,920	43,19,200	47,51,120	1000%
Utpal Ruparelia	2,87,960	28,79,600	31,67,560	1000%

Note 3: Reserves and Surplus

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Securities Premium Reserve		
Balance at the beginning of the year	5,565.77	1,271.04
Less : Utilised towards issue of Bonus Shares	-	(1,251.13)
Add : Share Premium on Issue of Shares in IPO	-	6,001.60
Less: Appropriations to reserves (IPO Expenses)	-	(455.74)
Balance at the end of the year	**5,565.77**	**5,565.77**
(ii) Surplus in the Statement of Profit and Loss		
Balance at the beginning of the year	3,605.23	2,749.66
Add : Profit during the year	977.92	855.57
Balance at the end of the year	**4,583.15**	**3,605.23**
	10,148.92	**9,171.00**

Notes to the Financial Statements
for the year ended on March 31, 2026

Note 4 : Long-term Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Secured:		
From Bank - Car Loan (Refer Note No. 34)	21.25	9.65
	21.25	**9.65**

Note 5 : Long-term Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits (Refer Note No. 29)		
Provision for Gratuity	106.22	34.53
Provision for Compensated Absences	-	-
	106.22	**34.53**

Note 6 : Short Term Borrowings

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Secured:		
From Bank - Cash credit (Refer Note No. 6.1)	1,246.69	2,908.90
Current maturity of Long-Term Borrowing - Car Loan (Refer Note No. 34)	4.95	1.97
	1,251.64	**2,910.87**
(ii) Unsecured: (Refer Note No. 6.2 & 31)		
From Directors	330.30	362.30
From Relative of Directors	22.85	22.85
	353.15	**385.15**
	1,604.79	**3,296.02**

6.1 Cash credit facility carrying interest @ 9.03% as on March 31, 2026 (@ 9.28% as on March 31, 2025) is secured by way of mortgage of a office at Mumbai owned by the Company and a plot in Bhavnagar owned by the Relative of Promotors and further by way of first charge on Inventories, book debts and Machinery of the Company and Personal Guarantee of Promotors.

6.2 The unsecured borrowings comprise demand loans obtained from directors and their relatives. These loans carry interest at rates ranging from 10% to 12% per annum. (Previous year 10% to 12%)

6.3 All borrowings stated above are utilised for the purpose for which these were obtained.

6.4 The company has not been declared as wilful defaulter by any Bank or Financial institution or Government or Government authority.

Notes to the Financial Statements
for the year ended on March 31, 2026

Note 7: Trade Payables (Refer Note No. 42)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
i) Due to Micro and Small Enterprises (Refer Note No. 30)	1,399.97	1,068.65
ii) Due to Others	461.18	385.91
	1,861.15	**1,454.56**

Note 8 : Other Current Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Advances Received from Customers	15.92	29.77
Payable for Capital Expenditure	39.77	50.86
Other Payables	590.65	631.22
Payable to Employees	140.41	119.08
Trade & Security Deposits	755.35	690.33
Payable to Government Authorities	97.75	87.42
Interest accrued but not due on borrowings	0.04	0.05
	1,639.89	**1,608.73**

Note 9 : Short-Term Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for Employee Benefits (Refer Note No. 29)		
Provision for Gratuity	75.37	35.73
Provision for Compensated absences	1.73	0.50
Others		
Provision for Income Tax (Net of Advance tax, TDS & TCS ₹ 313.61 lakhs) (PY ₹ 204.15 lakhs)	19.48	85.94
	96.58	**122.17**

Notes to the Financial Statements
for the year ended on March 31, 2026

Note 10: Property, Plant & Equipment & Intangible Assets

(₹ in Lakhs)

Type of Assets	Gross Block				Accumulated Depreciation				Net Block	
	Balance as on April 01, 2025	Addition During the year	Deduction / Adjustments*	Balance as on March 31, 2026	Balance as on April 01, 2025	Addition During the year	Deduction / Adjustments*	Balance as on March 31, 2026	Balance as on March 31, 2026	Balance as on March 31, 2025
Tangible Assets										
Building	133.20	-	-	133.20	58.09	1.41	-	59.50	73.70	75.11
	139.78	-	6.58	133.20	59.85	3.91	5.67	58.09	75.11	79.93
Leasehold Improvement	670.74	453.45	43.12	1,081.07	259.23	127.85	3.63	383.45	697.62	411.51
	307.90	391.61	28.77	670.74	123.39	162.98	27.14	259.23	411.51	184.51
Machinery	121.82	0.66	-	122.48	64.67	4.45	-	69.12	53.36	57.15
	116.04	17.61	11.83	121.82	58.73	12.77	6.83	64.67	57.15	57.31
Furniture & Fixture	277.47	5.81	-	283.28	193.60	9.75	-	203.35	79.93	83.87
	247.95	29.52	-	277.47	171.25	22.35	-	193.60	83.87	76.70
Office Equipments	109.94	61.05	1.37	169.62	69.04	17.20	1.30	84.94	84.68	40.90
	79.26	30.68	-	109.94	45.18	23.86	-	69.04	40.90	34.08
Computer Hardware	203.73	42.93	0.32	246.34	178.23	12.72	0.01	190.94	55.40	25.50
	192.03	12.62	0.92	203.73	159.36	19.13	0.26	178.23	25.50	32.67
Vehicle	70.62	34.85	-	105.47	49.62	4.83	-	54.45	51.02	21.00
	78.24	12.47	20.09	70.62	54.35	5.64	10.37	49.62	21.00	23.90
Total (A)	**1,587.52**	**598.75**	**44.81**	**2,141.46**	**872.48**	**178.21**	**4.94**	**1,045.75**	**1,095.71**	**715.04**
	1,161.20	494.51	68.19	1,587.52	672.11	250.64	50.27	872.48	715.04	489.10
Intangible Assets										
Computer Software	44.95	-	-	44.95	41.24	0.74	-	41.98	2.97	3.71
	44.95	-	-	44.95	39.40	1.84	-	41.24	3.71	5.55
Domain	-	4.57	-	4.57	-	0.45	-	0.45	4.12	-
	-	-	-	-	-	-	-	-	-	-
Trade Mark	49.80	-	-	49.80	49.80	-	-	49.80	0.00	0.00
	49.80	-	-	49.80	49.80	-	-	49.80	0.00	0.00
Total (B)	**94.75**	**4.57**	**-**	**99.32**	**91.04**	**1.19**	**-**	**92.23**	**7.09**	**3.71**
	94.75	-	-	94.75	89.20	1.84	-	91.04	3.71	5.55
Grand Total (A)+(B)	**1,682.27**	**603.32**	**44.81**	**2,240.78**	**963.52**	**179.40**	**4.94**	**1,137.98**	**1,102.80**	**718.75**
	1,255.95	494.51	68.19	1,682.27	761.31	252.48	50.27	963.52	718.75	494.65

Notes:-

1) Figure in Italic represents previous year details.
2) The title deeds comprising all immovable properties are held in the name of company.
3) *- Net off reversal of excess capitalisation of previous year in gross block amounting ₹ 2.84 lakhs and accumulated depreciation of ₹ 0.19 lakhs
4) During the year, the Company changed the method of depreciation for its Property, Plant and Equipment, including assets relating to its Exclusive Brand Outlets, from the Written Down Value (""WDV"") method to the Straight Line Method (""SLM""), based on a technical assessment of the expected pattern of consumption of the future economic benefits embodied in such assets.

Notes to the Financial Statements
for the year ended on March 31, 2026

The aforesaid change has been considered as a change in accounting estimate in accordance with the requirements of Accounting Standard (AS) 10, Property, Plant and Equipment, read with Accounting Standard (AS) 5, Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies, and has been accounted for prospectively with effect from April 1, 2025.

Consequently, for the year ended March 31, 2026, the depreciation expense is lower by ₹ 205.59 lakhs and the profit before tax is higher by ₹ 205.59 lakhs than it would have been had the Company continued to apply the WDV method of depreciation.

Note 11 : Deferred Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred Tax Assets at the year end comprise timing difference on account of:		
Depreciation	72.30	70.85
Provision for gratuity and Leave encashment	46.14	17.81
Provision for Bonus	4.55	3.93
Provision for Doubtful debts	31.51	34.32
	154.50	**126.91**

Note 12 : Long-term Loans and Advances

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured and considered good		
Capital Advances	48.96	17.84
	48.96	**17.84**

Note 13 : Other Non-current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured and considered good		
Security Deposits	908.25	610.70
Fixed Deposits with bank	1,800.00	-
Deferred Expenditure	8.24	4.65
	2,716.49	**615.35**

Notes to the Financial Statements
for the year ended on March 31, 2026

Note 14 : Inventories

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw Material	293.60	343.65
Work in Progress	294.44	413.16
Finished Goods	3,818.14	2,258.72
	4,406.18	**3,015.53**

Note 15: Trade Receivables (Refer Note No. 43)

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured		
I) Considered Good	8,153.00	7,971.02
II) Doubtful	125.19	136.36
III) Provision for Bad & Doubtful Debts	(125.19)	(136.36)
	8,153.00	**7,971.02**

Note 16 : Cash and Bank Balance

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Cash on Hand	25.93	31.22
Cheques on Hand	156.46	181.58
Balance with Banks		
- Current accounts	22.34	109.58
- Fixed Deposit with bank (maturity period upto 3 months)	-	-
	204.73	**322.38**
Other Bank Balances		
- Fixed Deposit with bank (maturity period after 3 months and upto 12 months)	37.90	4,635.71
	242.63	**4,958.09**

Note 17 : Short-Term Loans and Advances

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured and considered good		
Balance with government authorities	370.95	40.99
Advances to employees	15.55	12.20
Advances to suppliers	53.53	6.33
Advance for expenses	32.69	39.32
Loans to Employee	0.31	0.27
	473.03	**99.11**

Notes to the Financial Statements
for the year ended on March 31, 2026

Note 18 : Other Current Assets

(₹ in Lakhs)

Particulars	As at March 31, 2026	As at March 31, 2025
Prepaid Expense	32.55	33.49
Deferred Expenditure	11.37	6.59
Interest accrued but not due	9.53	6.22
	53.45	**46.30**

Note 19 : Revenue From Operations

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
(a) Sales of Products	19,591.12	17,296.33
(b) Export Incentive	6.42	7.99
	19,597.54	**17,304.32**
Details of Products Sold:		
Apparels in form of Garments and Accessories	19,591.12	17,296.33
	19,591.12	**17,296.33**

Note 20 : Other Income

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest Income	226.71	177.96
Miscellaneous Income	1.30	0.17
Liabilities No Longer Required Written Back	5.48	19.52
Foreign Exchange Gain (Net)	1.32	1.80
Rent Income	-	14.47
	234.81	**213.92**

Note 21 : Cost of Material Consumed

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock of Raw Material	343.65	383.35
Purchases made during the year	10,515.75	8,889.34
Closing stock of Raw Material	293.60	343.65
	10,565.80	**8,929.04**
Details of Material Consumed:		
Fabric & Accessories consumed	10,565.80	8,929.04
	10,565.80	**8,929.04**

Notes to the Financial Statements
for the year ended on March 31, 2026

Note 22: Changes in stock of finished goods and work in progress

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at year end		
Closing stock of finished goods	3,818.14	2,258.72
Closing stock of WIP	294.44	413.16
	4,112.58	**2,671.88**
Inventories at beginning of the year		
Opening stock of finished goods	2,258.72	2,122.11
Opening stock of WIP	413.16	80.64
	2,671.88	**2,202.75**
(Increase)/Decrease in Stock	**(1,440.70)**	**(469.13)**

Note 23 : Employee Benefit Expense

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, Wages and Bonus	1,724.19	1,514.61
Contribution to Provident and Other Funds (Refer Note No. 29)	42.14	16.54
[Net off Gratuity Expenses / (Reversal of Gratuity Expense) of INR 13.22 Lakhs (Previous year INR (11.05) Lakhs)]		
Key Man Insurance Expense	65.00	67.50
Staff Welfare Expenses	6.80	8.31
	1,838.13	**1,606.96**

- For Salary to Directors and other KMPs, refer note No. 31

Note - The Government of India has notified the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health, and Working Conditions Code, 2020 (Labour Codes) with effect from 21/11/2025, which consolidates 29 existing labour laws. The Labour Codes, amongst other things introduce changes, including a uniform definition of wages and enhanced benefits relating to leave. The Ministry of Labour & Employment has issued draft Central Rules and FAQs to facilitate assessment of the financial impact arising from these regulatory changes. In accordance with the guidance issued by the Institute of Chartered Accountants of India and based on actuarial valuation, the Company has recognised ₹ 118.12 Lakhs as Statutory Impact of New Labour Code & towards additional gratuity liability, classified as past service cost, due to revised definition of wages under the Labour Codes and shown under Exceptional Items In the statement of Profit and Loss for year ended March 31, 2026. The Company continues to monitor developments relating to the implementation of the New Labour Codes and will review its estimates as and when further clarifications and rules are notified.

Notes to the Financial Statements
for the year ended on March 31, 2026

Note 24 : Finance Cost

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest on		
- Term Loans	0.95	1.84
- Security Deposits & Other Interest	49.54	16.74
- Working Capital	124.62	178.46
- Unsecured Loans (Refer Note No. 31)	67.51	90.25
Other borrowing costs		
- Bills Discounting Charges and other Bank Charges	21.20	30.80
	263.82	**318.09**

Note 25 : Depreciation and Amortization Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on Tangible Assets	178.03	250.64
Amortisation on Intangible Assets	1.18	1.84
	179.21	**252.48**

Note 26 : Other Expenses

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Power and fuel	76.78	44.39
Rent	1,223.86	578.54
Repairs and Maintenance	254.68	155.28
Insurance	12.17	14.10
Rates and Taxes	31.47	10.10
Cash Discount	385.68	394.42
Extra Discount (Refer Note No. 38)	1,871.60	2,049.76
Bad Debt Written off (Net of provision)	(2.16)	2.57
Commission	1,046.43	803.22
Freight and Forwarding	286.00	321.74
Presentation Expense	295.84	305.71
Remuneration to Auditors:		
(i) for Statutory Audit	12.00	12.00
(ii) for Limited Review	3.00	3.00
(iii) for Other Services	0.30	0.30
(iv) for reimbursement of expenses	0.34	0.47
Professional and Consultancy Fees	108.57	80.43

Notes to the Financial Statements
for the year ended on March 31, 2026

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Selling and distribution expense	481.43	353.25
Traveling expense	280.19	251.40
Manpower Supply Charges	439.35	275.72
Loss on sale/discard of Fixed Asset	2.77	2.93
Corporate Social Responsibility (Refer Note No. 40)	19.00	18.55
Sundry balances written off	3.78	12.52
Miscellaneous Expenses	148.13	117.00
	6,981.21	**5,807.40**

Note 27: Earnings Per Share

(₹ in Lakhs)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Net Profit attributable to equity share holders (Rupees in Lakhs)	977.92	855.57
Weighted-Average Number of Equity Shares Outstanding during the year	1,87,22,386	1,62,89,948
Basic Earnings per Share (Rupees in absolute terms)	5.22	5.25
Diluted Earnings per Share (Rupees in absolute terms)	5.22	5.25

Note 28: Contingent Liabilities and Capital Commitments

i) Contingent Liabilities not acknowledged as debt:

Statute	Period	As at March 31, 2026	As at March 31, 2025	Nature of Liability
The Goods and Service Tax Act	F.Y. 2018-19	26.30	-	Order received for claiming ineligible ITC during the period from April, 2018 to March, 2019. The company has made appeal against the order with Additional Commissioner (Appeals). The management is reasonably confident that no further liability will evolve on the company.
The Goods and Service Tax Act	F.Y. 2019-20	6.25	-	Order received for claiming ineligible ITC during the period from April, 2019 to March, 2020. The company has made appeal against the order with Additional Commissioner (Appeals). The management is reasonably confident that no further liability will evolve on the company.

Notes to the Financial Statements
for the year ended on March 31, 2026

Statute	Period	As at March 31, 2026	As at March 31, 2025	Nature of Liability
The Code of Civil Procedure, 1908	F.Y. 2018-19	28.80	-	Claims not acknowledged by the company. The company has filed appeal with High court.
The Goods and Service Tax Act	F.Y. 2019-20	7.21	7.21	Assessment or audit discrepancy that uncovered a shortfall or non-compliance with GST provisions. The Company has made appeal against the order with Additional Commissioner (Appeals-1)
The Income Tax Act, 1961	A.Y. 2020-21	4.87	4.87	Demand Notice u/s. 143 (1a) of the Act.
Total		**73.43**	**12.08**	

ii) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 37.50 Lakhs (Previous year ₹ 90.35 Lakhs)

Note 29: Employee Benefit Expenses

A. General Description

i) Provident Fund/ Employees' State Insurance(Defined contribution)

The Company's Provident Fund Scheme & Employees' State Insurance Scheme are defined contribution plans. The expense charged to the Statement of Profit & Loss under the head Contribution to provident & other funds in respect to the above schemes is ₹ 28.92 lakhs (Previous year ₹ 27.59 lakhs).

ii) Gratuity (Defined benefit plan)

In respect of gratuity which is a define benefit plan is governed by the Payment of Gratuity Act, 1972. Under the said act, employees are entitled to specific benefits at the time of retirement or termination of the employment on completion of five years. The level of benefits provided depends upon employee's length of service and salary at the time of retirement/termination, The Company has estimated the Gratuity liability on the basis of actuarial valuation.

B. The following table represents the disclosure as prescribed by AS 15 in respect of Company's funded gratuity plan

(i) Changes in present value of obligation

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Present value of obligation at beginning of year	98.67	113.36
Interest cost	9.14	8.18
Current service cost	13.96	18.71
Past Service Cost	113.88	-
Benefits paid	(4.10)	(5.62)
Actuarial (gain) / loss on obligations	(6.60)	(35.96)
Present value of obligation at end of the year	**224.95**	**98.67**

Notes to the Financial Statements
for the year ended on March 31, 2026

(ii) Changes in fair value of plan assets

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Fair value of plan asset at beginning of year	28.42	32.06
Expected return on plan asset	2.15	2.31
Contributions by the employer	20.00	-
Benefits paid	(4.10)	(5.62)
Actuarial gain /(loss) on plan asset	(3.11)	(0.33)
Fair value of plan asset at end of the year	**43.36**	**28.42**

(iii) Liability recognized in balance sheet

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Present value of obligation at end of the year	(224.95)	(98.67)
Fair value of plan asset at end year	43.36	28.42
Closing net asset (liability) recognized in balance sheet	**(181.59)**	**(70.25)**
Non-Current Liability Portion	106.22	34.53
Current Liability Portion	75.37	35.73

(iv) Expense recognized in statement of profit / loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	13.96	18.71
Past service cost	113.88	-
Interest cost	6.99	5.87
Actuarial (gain) / loss recognized in the year	(3.49)	(35.63)
Expense recognized in statement of profit and loss	**131.34**	**(11.05)**

(v) Principle assumptions

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Expected return on Plan Assets	6.77%	6.59%
Rate of Discounting	6.77%	6.59%
Rate of Salary Increase	4.50%	4.50%
Mortality Rate During Employment	Indian Assured Lives Mortality 2012-14 (Urban)	Indian Assured Lives Mortality 2012-14 (Urban)
Retirement Age	58 Years	58 Years
Rate of Employee Turnover		
For service 2 years and below	36.00% p.a	36.00% p.a
For service 3 years to 4 years	20.00% p.a	20.00% p.a
For service 5 years and above	13.00% p.a	13.00% p.a

Notes to the Financial Statements
for the year ended on March 31, 2026

Note 30 Details of dues to Micro, Small & Medium Enterprises as defined under MSMED Act 2006

Information required to be disclosed in accordance with Micro, Small and Medium Enterprises Development Act, 2006 ("the MSMED Act") has been determined based on the parties identified on the basis of information available with the Company, which has been relied upon by the auditors:-

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Amount remaining unpaid to any supplier at the end of the year		
Principal	1,392.04	1,062.28
Interest due there on	7.93	6.37
(b) Amount of payment made to the supplier beyond the appointed day during the period	-	-
(c) the amount of interest paid in terms of section 16 of MSME Act along with the amount of the payment made to the supplier beyond the appointed day during the year	-	-
(d) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSME Act	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSME Act.	-	-
(f) the amount of interest accrued and remaining unpaid at the end of the year	7.93	6.37

Note 31: Related Party Disclosure

Disclosures as per Accounting Standard- 18 'Related Party Disclosures' are given below:

i) Key Managerial Personnel (KMP)

Hiteshbhai P. Ruparelia - Managing Director
Utpalbhai P. Ruparelia - Managing Director
Ritesh S. Saraogi - Chief Financial Officer
Pooja Shah - Company Secretary (w.e.f. May 11, 2024 till June 20, 2024) (Reappointed w.e.f. December 30, 2024)
Sakshi Singh Chauhan - Company Secretary (w.e.f June 20, 2024 till December 30, 2024)

ii) Relative of Key Managerial Personnel

Pravin H. Ruparelia
Mina P. Ruparelia
Hina H. Ruparelia
Kashmira U. Ruparelia
Gargi H. Ruparelia
Margi H. Ruparelia
Parth U. Ruparelia
Gaurang H. Ruparelia
Hitesh P. Ruparelia HUF
Utpal P. Ruparelia HUF

Notes to the Financial Statements
for the year ended on March 31, 2026

iii) Enterprise in which significant influence is exercised by Key Managerial personnel

SD Fashions LLP (converted w.e.f. 06-02-2024) (Formerly SD Fashions Private Limited)
Grace Garments LLP (converted w.e.f. 30-12-2023) (Formerly - Grace Garments Limited)
Sweet Dreams Loungewear (India) LLP (converted w.e.f. 07-03-2024) (Formerly - Sweet Dreams Loungewear (India) Private Limited)
TVH Computer & Consultant Private Limited
Intimate Apparels Association of India
Shaligram Apparels LLP

iv) The following transactions were carried out with related parties in the ordinary course of business during the year.

Name of related Party	Relation	Nature of Transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
Hitesh P. Ruparelia	Director	Interest Expense	32.93	32.78
		Remuneration	139.81	140.00
		Loan Taken	198.50	7.50
		Loan Repaid	230.50	47.50
		KMP Insurance	30.00	30.00
Utpal P. Ruparelia	Director	Interest Expense	15.01	33.95
		Remuneration	104.81	105.00
		Loan Taken	120.00	252.50
		Loan Repaid	120.00	402.50
		KMP Insurance	25.00	25.00
Ritesh S. Saraogi	Chief Financial Officer	Salary	39.84	34.72
		KMP Insurance	10.00	10.00
Pooja Shah	Company Secretary	Salary	3.81	2.80
Sakshi Singh Chauhan	Company Secretary	Salary	-	2.10
Utpal P. Ruparelia HUF	Director's HUF	Interest Expense	2.74	2.74
Pravin H. Ruparelia	Director's Father	Interest Expense	1.99	2.49
		Salary	5.68	5.69
		Loan Taken	47.00	28.00
		Loan Repaid	47.00	28.00
Gargi H. Ruparelia	Director's Daughter	Salary	-	0.91
Parth U. Ruparelia	Director's Son	Salary	29.67	28.27

Notes to the Financial Statements
for the year ended on March 31, 2026

Name of related Party	Relation	Nature of Transaction	For the year ended March 31, 2026	For the year ended March 31, 2025
Mina P. Ruparelia	Director's Mother	Interest Expense	6.95	4.49
		Salary	-	0.67
		Rent	1.86	1.74
		Loan Taken	140.00	45.00
		Loan Repaid	140.00	45.00
Gaurang H. Ruparelia	Director's Son	Interest Expense	-	-
		Salary	17.86	4.53
		Service Provided	-	2.00
Hina H. Ruparelia	Director's Wife	Interest Expense	7.88	13.79
		Loan Taken	243.00	314.00
		Loan Repaid	243.00	314.00

v) Balances outstanding at the year end :

Name of related Party	Relation	Nature of Balance	As at March 31, 2026	As at March 31, 2025
Hitesh P. Ruparelia	Director	Loan taken	204.20	236.20
Utpal P. Ruparelia	Director	Loan taken	126.10	126.10
Ritesh S. Saraogi	Chief Financial Officer	Salary Payable	2.02	1.80
Ritesh S. Saraogi	Chief Financial Officer	Advance for Expenses	0.44	0.58
Pooja Shah	Company Secretary	Salary Payable	0.33	0.28
Utpal P. Ruparelia HUF	Director's HUF	Loan taken	22.85	22.85
Pravin H. Ruparelia	Director's Father	Salary Payable	0.47	0.47
Gaurang H. Ruparelia	Director's Son	Payable for Expenses	1.13	1.49
Parth U. Ruparelia	Director's Son	Salary Payable	2.03	1.92
Parth U. Ruparelia	Director's Son	Advance for Expenses	-	2.39
Intimate Apparels Association of India	Enterprise in which KMP's have significant Influence	Payable for Expenses	0.77	0.77

(i) No amount in respect of related parties have been written off / back are provided for during the year.
(ii) Related parties relationship have been identified by the management and relied upon by the auditors.
(iii) The transactions from related parties are made at terms equivalent to those that prevail in arm's length transactions.

Notes to the Financial Statements
for the year ended on March 31, 2026

Note 32: Segment Reporting

The Company's operations pre-dominantly relates to manufacturing and trading of garments. There are no reportable primary/ secondary segments. The company's major revenue is from Domestic Sales and hence there are no separate geographical segments reported.

Note 33: Earning and Expenses in Foreign Currency, Value of Imports and Indigenous and imported Raw Material Consumption details

a. Earning and Expenses in Foreign Currency

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Export of goods	89.96	123.49
Import of goods	-	41.40
Commission, Royalty and Others Expenses	15.32	5.66

b. Value of Imports

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Raw Material Imported (on FOB basis)	-	41.40

c. Indigenous and imported Raw Material Consumption details

Particulars	For the year ended March 31, 2026		For the year ended March 31, 2025	
	%	Value	%	Value
Imported	-	-	0.46%	41.40
Indigenous	100.00%	10,565.80	99.54%	8,887.64
Total	**100.00%**	**10,565.80**	**100.00%**	**8,929.04**

Note 34: Security and terms of Long term Borrowings and Working Capital term Loan

Name of Bank	Facility Type	Rate of Interest	Long Term Borrowings	Current Maturities / Short Term Borrowings	Security as per Loan Agreement	Repayment Terms
HDFC Bank Limited	Car Loan	8.75% - 8.90%	**21.25**	**4.95**	-Secured by way of hypothecation of the vehicle by way of first and exclusive charge in Favor of the bank	Monthly
			9.65	*1.97*		

Note: Figures in Italics represent previous year details.

Notes to the Financial Statements
for the year ended on March 31, 2026

Note 35

a) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and/or disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial position. Refer Note 28 for details on contingent liabilities.

b) The Company did not have any long term derivative contract as at balance sheet date.

Note 36: Operating Lease Payments

The company has entered into operating leases for various EBO's, office premises and warehouses. Aggregate lease payments during the year of ₹ 1,223.86 lakhs (previous year ₹ 578.54 lakhs) are grouped under Other Expenses as Rent Expenses in Statement of Profit and Loss.

Future Minimum Lease payment under non cancellable lease agreement in respect of operating Lease

Particulars	As at March 31, 2026	As at March 31, 2025
Within one year	891.36	741.19
After one year but not more than five years	513.62	815.61
More than five years	-	-

Note 37: Relationship with Struck Off Companies

Details of transactions with companies struck off under section 248 of the Companies Act, 2013 are as follows:

Name of struck of Companies	Nature of transactions with Struck off Companies	Balance outstanding as on March 31, 2026	Relationship with struck off company, if any to be disclosed	Balance outstanding as on March 31, 2025	Relationship with struck off company, if any to be disclosed
NIL					

Note 38: Extra Discount

Extra Discount represents allowances made to Customers towards claim of freight, Obsolete stock, promotional scheme benefits, rate difference, reconciliation differences and other claimable expenses.

Notes to the Financial Statements
for the year ended on March 31, 2026

Note 39: Other Additional Disclosure as required under Schedule III Division I as applicable to the company are as follows:

(i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami Property.

(ii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(iii) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.

(Iv) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or surveyor any other relevant provisions of the Income Tax Act, 1961)

(v) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(vi) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party with the understanding (whether recorded in writing or otherwise) that the Company shall

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vii) The Company does not have any step down subsidiaries hence compliance of layer of companies are not applicable.

Note 40: Corporate Social Responsibility (CSR)

Particulars	As at March 31, 2026	As at March 31, 2025
Gross Amount Required to be spent by the Group during the year i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the companies Act, 2013	18.02	18.30
Amount spent during the year	19.00	18.55
Amount Utilised from Balance brought forward	-	-
Excess/(Short) Balance brought forward from previous years	1.61	1.36
Excess/(Short) Balance carried forward to next year	2.59	1.61

Notes to the Financial Statements
for the year ended on March 31, 2026

Nature of CSR activities:

The amount spent under CSR is mainly for projects relating to eradicating hunger, poverty and malnutrition, promoting education, preventive health care, promotion of sports and culture

Note 41: Borrowings Obtained On The Basis Of Security Of Current Assets

The quarterly statements filed by the Company with the banks are in agreement with the books of account, or have been duly reconciled with the books of accounts and other relevant records maintained by the Company.

Note 42 : Ageing of Trade Payable

Particulars	As at March 31, 2026	Less than 1 year	1-2 Years	2-3 Years	More than 3 years
i) Due to MSME	1,399.97	1,393.30	5.94	-	0.73
ii) Due to others	398.40	397.78	0.62	-	-
iii) Disputed dues -MSME	-	-	-	-	-
iv) Disputed dues -Others	62.78	-	-	-	62.78
Total	**1,861.15**	**1,791.08**	**6.56**	**-**	**63.51**

Note : Payable ageing are worked out on transaction date basis.

Particulars	As at March 31, 2025	Less than 1 year	1-2 Years	2-3 Years	More than 3 years
i) Due to MSME	1,068.65	1,043.65	24.27	-	0.73
ii) Due to others	323.13	317.15	5.98	-	-
iii) Disputed dues -MSME	-	-	-	-	-
iv) Disputed dues -Others	62.78	-	-	-	62.78
Total	**1,454.56**	**1,360.80**	**30.25**	**-**	**63.51**

Note : Payable ageing are worked out on transaction date basis.

Note 43 : Ageing of Trade Receivables

Particulars	As at March 31, 2026	Less than 6 months	6 months-12 months	12 months-24 months	24 months-36 months	More than 3 years
I) Undisputed - Considered Good	8,153.00	7,097.84	997.68	43.04	14.15	0.29
II) Undisputed - Considered Doubtful	-	-	-	-	-	-
III) Disputed - Considered Good	-	-	-	-	-	-
IV) Disputed - Considered Doubtful	125.19	-	3.09	0.25	60.87	60.98
V) Provision for Bad and Doubtful Debts	(125.19)	-	(3.09)	(0.25)	(60.87)	(60.98)
Total	**8,153.00**	**7,097.84**	**997.68**	**43.04**	**14.15**	**0.29**

Note : Receivables ageing are worked out based on transaction date basis.

Notes to the Financial Statements
for the year ended on March 31, 2026

Particulars	As at March 31, 2025	Less than 6 months	6 months-12 months	12 months-24 months	24 months-36 months	More than 3 years
I) Undisputed - Considered Good	7,971.02	6,975.79	834.43	152.81	1.99	6.00
II) Undisputed - Considered Doubtful	-	-	-	-	-	-
III) Disputed - Considered Good	-	-	-	-	-	-
IV) Disputed - Considered Doubtful	136.36	-	2.25	71.24	10.41	52.46
V) Provision for Bad and Doubtful Debts	(136.36)	-	(2.25)	(71.24)	(10.41)	(52.46)
Total	**7,971.02**	**6,975.79**	**834.43**	**152.81**	**1.99**	**6.00**

Note : Receivables ageing are worked out based on transaction date

Note 44 : Significant Ratios

Sr. No.	Particulars	Numerator	Denominator	Unit	For the year ended March 31, 2026	For the year ended March 31, 2025	% Change in Ratio	Reason for Change if Percentage change is >25% or more
1	Current Ratio	Current Assets	Current Liabilities	Times	2.56	2.48	3%	
2	Debt Equity Ratio	Total Debt	Share Holder's Funds	Times	0.14	0.30	-55%	Refer Note (a) below
3	Debt Service Coverage Ratio	Earnings before Interest, Tax, Exceptional Items and Non Cash Item	Interest Expense + Principal Repayments of external loans & Lease Payments	Times	7.02	4.41	59%	Refer Note (b) below
4	Return on Equity (ROE)	Profit After Tax (Attributable to Owners)	Shareholder's Equity	%	8.13%	7.75%	5%	-
5	Inventory Turnover Ratio	Cost of Goods sold	Average Inventory	Times	2.46	3.02	-19%	-
6	Trade Receivables Turnover	Net Sales	Average Accounts Receivable	Times	2.43	2.15	13%	-
7	Trade Payable Turnover Ratio	Net Purchases	Average Trade Payables	Times	6.34	5.24	21%	-
8	Net Capital Turnover Ratio	Net Sales	Average Working Capital	Times	2.04	2.32	-12%	-
9	Net Profit Ratio	Net Profit	Net Sales	%	4.99%	4.95%	1%	-

Notes to the Financial Statements
for the year ended on March 31, 2026

Sr. No.	Particulars	Numerator	Denominator	Unit	For the year ended March 31, 2026	For the year ended March 31, 2025	% Change in Ratio	Reason for Change if Percentage change is >25% or more
10	Return on Capital Employed	Earnings before Interest & Tax	Average Capital Employed	%	12.52%	9.70%	29%	Refer Note (c) below
11	Return on Investment	Earnings before Interest & Tax	Average Investments	%	NA	NA	NA	-

Notes:-

(a) During the current year, the company has significantly repaid secured borrowing - cash credit. Additionally, shareholder's funds are increased with profit earned during the year resulting in lower debt equity ratio.
(b) During the current year, the company has borne comparatively lower finance cost and lower working capital loan / term loan principal repayment as compared to previous year. Further with higher EBIT as compared to previous year, the company secured better debt service coverage ratio.
(c) Return on capital employed is increased by 30% mainly on account of significantly higher operational profit earned during the year.

Note 45: IPO Proceeds Utilisation

In the previous financial year, the Company has completed its initial public offer ("IPO") of 49,60,000 Equity Shares of ₹ 10 each at an issue price of ₹ 131 per equity share (Security Premium ₹ 121 per equity share). The issue was entirely fresh issue of Equity Shares for value aggregating ₹ 6,497.60 lakhs. Pursuant to IPO, the equity shares of the Company were listed on Emerge platform of National Stock Exchange of India Limited w.e.f. September 27, 2024.

The details of utilization of the net proceeds of ₹ 6,041.86 Lakhs (net off IPO expenses of ₹ 455.74 lakhs), is follows:

(₹ in Lakhs)

Objects of the Issue as per Prospectus	Amount to be utilised (net)	Amount Utilised upto March 31, 2026	Amount Unutilised
Capital expenditure for setting up new exclusive brand outlets ("EBOs")	1,648.85	583.22	1,065.63
Funding Working Capital Requirement	3,500.00	3,010.00	490.00
General Corporate Expenses	893.01	648.64	244.37
Total	**6,041.86**	**4,241.86**	**1,800.00**

Notes to the Financial Statements
for the year ended on March 31, 2026

The unutilised IPO proceeds will be strategically deployed, in a phased manner, towards the expansion of Exclusive Brand Outlets ("EBOs") and other identified objectives outlined above. This utilisation will be in alignment with the Company's long-term growth roadmap. Out of unutilised amount of ₹ 1,800.00 Lakhs, the Company has parked amount as follows:-

(₹ in Lakhs)

Particulars	Amount
In Deposit with Scheduled Bank	1,800.00
Total Unutilised Amount	**1,800.00**

Utilisation of balance IPO proceeds beyond the originally envisaged timeline of March 31, 2026 has been approved by the Board of Directors, and the Company shall utilise the balance proceeds within the revised timeline.

Note 46: Events occurring after the balance sheet date

There are no other events after the reporting date that require disclosure in the financial statements

For and on behalf of Board of Directors of
S D Retail Limited
(formerly S D Retail Private Limited)

Hitesh Ruparelia
Chairman & Managing Director
DIN: 00490790

Utpal Ruparelia
Managing Director
DIN: 00300525

Ritesh Surendra Saraogi
Chief Financial Officer

Place: Ahmedabad
Date: May 19, 2026

Poojaben Shah
Company Secretary

Place: Ahmedabad
Date: May 19, 2026

sweet dreams

S D Retail Limited

C-929, Stratum @ Venus Ground,
Near Jhansi Ki Rani Statue, Nehru Nagar,
Ahmedabad-380006, Gujarat, India

CIN No.: L52520GJ2004PLC054076
Email: sdrpl@sweetdreamsindia.com
Website: www.sweetdreams.in

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