



CERTIFICATE ON RATIOS FOR BASIS OF ISSUE PRICE

To, Mr. Nikhil Shah Beeline Capital Advisors Private Limited B/1311-1314, Shilp Corporate Park Near Rajpath Club, Rajpath Rangoli Road, Sarkhej - Gandhinagar Hwy, Ahmedabad, Gujarat – 380054, India.	To, The Board of Directors, S D Retail Limited C-929, Venus Stratum, near East Wing, Niyogan Nagar, Nehru Nagar, Ambawadi, Ahmedabad, Gujarat – 380015, India.
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(BEELINE CAPITAL ADVISORS PRIVATE LIMITED REFERRED TO AS THE “BOOK RUNNING LEAD MANAGER”)

Dear Sir,

SUB: PROPOSED INITIAL PUBLIC OFFERING OF EQUITY SHARES OF ₹ 10 EACH (THE “EQUITY SHARES”) OF S D RETAIL LIMITED (FORMERLY KNOWN AS S D RETAIL PRIVATE LIMITED) (THE “COMPANY” AND SUCH OFFERING, THE “ISSUE”)

In connection with calculation of the issue price of the equity shares in the issue, we M/s V C A N & Co., Chartered Accounts, the Peer Review Auditor of the company, have verified the information mentioned in **Annexure A** with respect to the company, extracted from the Restated Standalone Financial Statements of the Company as at and for the Financial Years ended 31st March 2022, 2023, 2024 and other relevant records of the Company.

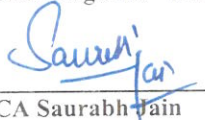
The companies taken in the listed peer group companies are based on the same line of business. Also, the list of listed peer group companies are provided by the management of the company.

We hereby confirm that while providing this certificate we have complied with the Code of Ethics issued by the Institute of Chartered Accountants of India.

This certificate may be relied upon by the book running lead manager and the legal counsel appointed in relation to the issue. We hereby consent to the extracts of this certificate being used in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus and in any other material used in connection with the issue. We also consent to the submission of this certificate as may be necessary, to any regulatory authority and / or for the records to be maintained by the book running lead manager in connection with the issue and in accordance with applicable law.

It should be noted that certain information contained in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus are not measures of operating performance or liquidity as defined by generally accepted accounting principles and may not be comparable to similarly titled measures presented by other companies. We make no comment about the company's definitions, calculations or usefulness for any purpose and we have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

For V C A N & Co.
Chartered Accountants
Firm Reg. No. - 125172W


CA Saurabh Jain
Partner

Membership No. 175015
UDIN: 24175015BKCIWB4236
DATE: 07/09/2024
PLACE: Ahmedabad



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“Priority of Service over personal gain”

ANNEXURE- A

1. Basic & Diluted Earnings Per Share (EPS):

$$\text{Basic earnings per share (₹)} = \frac{\text{Restated Standalone Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding}}$$
$$\text{Diluted earnings per share (₹)} = \frac{\text{Restated Standalone Profit After Tax attributable to Equity Shareholders}}{\text{Weighted Average Number of Equity Shares outstanding after adjusting adjusted for the effects of all dilutive potential equity shares}}$$

Financial Year/Period	Basic and Diluted EPS (in ₹) #	Weights
Financial Year ended March 31, 2024 (Post Bonus)	5.52	3
Financial Year ended March 31, 2023 (Post Bonus)	3.13	2
Financial Year ended March 31, 2022 (Post Bonus)	7.35	1
Weighted Average	5.03	6

Notes:

- Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. sum of (EPS x Weight) for each year / Total of weights.
- Basic and diluted EPS are based on the Restated Standalone Financial Information.
- The face value of each Equity Share is ₹10.
- Number of shares are adjusted by Increase in Capital through issue of Bonus shares on 08-07-2023 in the ratio of 1:1 i.e. 1 Bonus equity shares for every 1 equity share held on 23-06-2023.
- Number of shares are adjusted by Increase in Capital through issue of Bonus shares on 01-05-2024 in the ratio of 10:1 i.e. 10 Bonus equity shares for every 1 equity share held on 01-05-2024.

2. Price to Earnings (P/E) ratio in relation to Issue Price of ₹ [●]:

$$\text{Price to Earnings Ratio(P/E)} = \frac{\text{Issue Price}}{\text{Restated Standalone Earnings Per Share}}$$

Particulars	EPS (in ₹)	P/E at the Issue Price
Based on EPS of year ended on 31 st march, 2024	5.52	[●]
Based on Weighted Average EPS	5.03	[●]

Notes:

- Number of shares are adjusted by Increase in Capital through issue of 6,25,563 Bonus Equity Shares on 08-07-2023 in the ratio of 1:1 i.e. 1 Bonus equity shares for every 1 equity shares held on 23-06-2023.
- Number of shares are adjusted by Increase in Capital through issue of Bonus shares on 01-05-2024 in the ratio of 10:1 i.e. 10 Bonus equity shares for every 1 equity share held on 01-05-2024.



Industry PE:

Industry Average	P/E Ratio
Highest	78.21
Lowest	17.71
Average	38.41

* Based on Peer Group Companies as presented in Point 5 below.

3. Return on Net Worth:

$$\text{Return on Net Worth (\%)} = \frac{\text{Restated Profit After Tax attributable to Equity Shareholders}}{\text{Net Worth}} \times 100$$

Financial Year/Period	Return on Net Worth (%)	Weights
Financial Year ended March 31, 2024	18.18%	3
Financial Year ended March 31, 2023	12.58%	2
Financial Year ended March 31, 2022	33.81%	1
Weighted Average	18.92%	6

Notes:

- Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. sum of (RoNW x Weight) for each year / Total of weights;
- The figures disclosed above are based on the Restated Standalone Financial Statements of our Company.
- Net-worth, as restated at the end of the relevant financial year (Equity attributable to the owners of the company).

4. Net Asset Value per Equity Share:

$$\text{Restated Net Asset Value per equity share (₹)} = \frac{\text{Restated Net Worth as at the end of the year}}{\text{Number of Equity Shares outstanding}}$$

Particular	Amount (in ₹)
Financial Year ended March 31, 2024	30.37
Financial Year ended March 31, 2023	24.85
Financial Year ended March 31, 2022	21.73
After completion of the Issue	[●]
Issue Price per equity share	[●]

Notes:

- Number of shares are adjusted by Increase in Capital through issue of 6,25,563 Bonus Equity Shares on 08-07-2023 in the ratio of 1:1 i.e. 1 Bonus equity shares for every 1 equity shares held on 23-06-2023.
- Number of shares are adjusted by Increase in Capital through issue of Bonus shares on 01-05-2024 in the ratio of 10:1 i.e. 10 Bonus equity shares for every 1 equity share held on 01-05-2024.



5. Comparison of Accounting Ratios with Listed Peer Group Companies:

Following is the comparison with our peer companies listed in India:

Name of the company	Standalone / Consolidated	Face Value (₹)	Current Market Price (₹)	EPS (₹) Basic	P/E Ratio	RoNW (%)	NAV per Equity Share (₹)	Revenue from operations (₹ in Lakhs)
S D Retail Limited	Standalone	10.00	[●]	5.52	[●]	18.18%	30.37	16,255.89
Go Fashions (India) Limited	Standalone	10.00	[●]	15.32	78.67	13.82%	111.81	76,282.80
Bella Casa Fashion & Retail Limited	Standalone	10.00	[●]	8.89	22.52	12.02%	73.96	23,009.88
S.P. Apparels Limited	Standalone	10.00	[●]	41.35	14.03	14.30%	31.04	94,832.00

Source: All the financial information for listed industry peer mentioned above is on a consolidated basis sourced from the Annual Reports/Information of the peer company uploaded on the NSE and BSE website for the year ended March 31, 2024.

Notes:

1. P/E Ratio has been computed based on the closing market price of equity shares on the NSE on March 31, 2024 divided by the Basic EPS.
2. RoNW is computed as net profit after tax (after considering Comprehensive Income) divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.
3. NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.
4. The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.

The face value of Equity Shares of our Company is ₹ 10/- per Equity Share and the Issue price is [●] times the face value of equity share.





CERTIFICATE ON KEY PERFORMANCE INDICATORS

To, Mr. Nikhil Shah Beeline Capital Advisors Private Limited B/1311-1314, Shilp Corporate Park Near Rajpath Club, Rajpath Rangoli Road, Sarkhej - Gandhinagar Hwy, Ahmedabad, Gujarat – 380054, India.	To, The Board of Directors, S D Retail Limited C-929, Venus Stratum, near East Wing, Niyogan Nagar, Nehru Nagar, Ambawadi, Ahmedabad, Gujarat – 380015, India.
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Dear Sir(s),

SUB: PROPOSED INITIAL PUBLIC OFFERING OF EQUITY SHARES OF ₹ 10 EACH (THE “EQUITY SHARES”) OF S D RETAIL LIMITED (FORMERLY KNOWN AS S D RETAIL PRIVATE LIMITED) (THE “COMPANY” AND SUCH OFFERING, THE “ISSUE”)

The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of various verticals in comparison to our peers. The KPIs disclosed below have been approved by a resolution of our Audit Committee dated 20th June, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this Draft Prospectus.

The above certificate has been given on the specific request of the Company management for IPO of the company

It should be noted that certain information contained in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus are not measures of operating performance or liquidity as defined by generally accepted accounting principles and may not be comparable to similarly titled measures presented by other companies. we make no comment about the company's definitions, calculations or usefulness for any purpose and we have no responsibility to update this certificate for events and circumstances occurring after the date of this certificate.

Key Performance Indicators of our Company.

Particulars	For the Period ended on		
	31-Mar-24	31-Mar-23	31-Mar-22
Revenue from Operations (₹ in Lakhs)	16,255.89	13,508.81	12,852.93
Growth in Revenue from Operations (%)	20.11%	5.10%	33.57%
Gross Profit	8673.84	6,841.42	7,130.16
Gross Profit Margin (%)	53.36%	50.64%	55.47%
EBITDA (₹ in Lakhs)	1,334.80	760.85	1,363.21
EBITDA Margin (%)	8.21%	5.63%	10.61%
Profit After Tax (₹ in Lakhs)	79.76	430.17	1,011.06
PAT Margin (%)	4.67%	3.18%	7.87%
RoE (%)	6.29%	13.42%	40.69%
RoCE (%)	15.61%	14.41%	27.94%
Net Fixed Asset Turnover (In Times)	31.02	46.3	46.42
Net Working Capital Days	209.40	136.51	126.49
Operating Cash Flows (₹ in Lakhs)	(1219.11)	112.24	-251.52



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“Priority of Service over personal gain”

Notes:

- 1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Standalone Financial Statements.
- 2) Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.
- 3) Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed and Changes in inventories of Finished Goods and work-in-progress excluding of Manufacturing expenses.
- 4) Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
- 5) EBITDA is calculated as profit for the period / year, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), finance costs and depreciation and amortization expenses reduced by other Income.
- 6) EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- 7) Profit after Tax Means Profit for the period/year as appearing in the Restated Standalone Financial Statements.
- 8) PAT Margin (%) is calculated as Profit for the year/period as a percentage of Revenue from Operations.
- 9) RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity.
- 10) RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by average capital employed. Capital Employed includes Tangible Net worth (i.e. subtracting share capital and reserves & surplus by Intangible Assets), deferred tax liability, Long-Term Borrowing and Short-Term Borrowing.
- 11) Net Fixed Asset Turnover is calculated as Net Turnover divided by Average Written Down value of Fixed Assets which consists of property, plant and equipment, capital work-in-progress and Intangible Assets.
- 12) Net Working Capital Days is calculated as working capital (current assets minus current liabilities excluding short term borrowings) as at the end of the period / year divided by revenue from operations multiplied by number of days in a period / year.
- 13) Operating cash flows means net cash generated from operating activities as mentioned in the Restated Standalone Financial Statements.

Operational KPI's of the Company:

Key Financial Performance	March 31, 2024	March 31, 2023	March 31, 2022
Revenue split between domestic and exports			
Domestic Market (in Lakhs)	16,112.78	13,222.85	12,713.96
Export Market (in Lakhs)	143.11	285.97	138.97
Domestic Market (%)	99.12%	97.88%	98.92%
Export Market (%)	0.88%	2.12%	1.08%

Explanation for KPI metrics

Key Financial Performance	Explanations
Financial KPIs	
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business



EBITDA Margin	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business
PAT Margin	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
Net Debt	Net debt is calculated as total debt minus cash and cash equivalents. Total debt is computed as non-current borrowings plus current borrowings.
Debt equity ratio	Debt equity ratio is calculated as Total debt/total equity
Net Debt to EBITDA	Net Debt to EBITDA is calculated as calculated as Net Debt divided by EBITDA.
RoE (%)	RoE (Return on Equity) (%) is calculated as net profit after tax for the year / period divided by Average Shareholder Equity.
RoCE (%)	RoCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by average capital employed. Capital Employed includes Tangible Net Worth, Long-Term Borrowing, ShortTerm Borrowing and Deferred Tax Liability/(Deferred Tax Asset).
Net Fixed Asset Turnover (In Times)	Net Fixed Asset Turnover is calculated as Net Turnover divided by Average Fixed Assets which consists of property, plant and equipment, capital work-in-progress and intangible assets, if any.
Operating Cash Flows (₹ in Lakhs)	Operating cash flows means net cash generated from operating activities as mentioned in the Restated Consolidated Financial Statements.
Working capital days	Working capital days is calculated as working capital multiplies with respective days divided by total revenue. Working capital refers to current assets minus current liability.
Working Capital Turnover Ratio	Working capital turnover ratio is calculated as revenue from operation plus other operating revenue divided by working capital. Working capital refers to current assets minus current liabilities.
Operational KPIs	
Export Revenue (Amount in ₹) and Export % of Revenue	This metric enables us to track the progress of our revenues in the export markets
Domestic Revenue (Amount in ₹) and Domestic % of Revenue	This metric enables us to track the progress of our revenues in the domestic markets

COMPARISON OF FINANCIAL KPIs OF OUR COMPANY AND OUR LISTED PEERS:

Particulars	S D Retails Limited			Go Fashions (India) Limited		
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operation	16,255.89	13,508.81	12,852.93	76,282.80	66,527.95	40,131.25
EBITDA	1,334.80	760.85	1,363.21	24,243.61	21,228.59	11,901.54
EBITDA Margin	8.21%	5.63%	10.61%	31.78%	31.91%	29.66%
PAT	759.76	430.17	1,011.06	8,344.74	8,187.73	3,577.70
PAT Margin	4.67%	3.18%	7.87%	10.94%	12.31%	8.91%



COMPARISON OF FINANCIAL KPIs OF OUR COMPANY AND OUR LISTED PEERS:

Particulars	Bella Casa Fashion			S.P Apparels		
	March 31, 2024	March 31, 2023	March 31, 2022	March 31, 2024	March 31, 2023	March 31, 2022
Revenue from Operation	23,009.88	20,176.32	20,581.23	94,832.00	93,952.20	73,508.70
EBITDA	1,899.64	2,124.18	1,125.02	17,590.30	6,555.21	7,135.32
EBITDA Margin	8.26%	10.32%	8.73%	18.55%	6.98%	9.71%
PAT	1,020.55	1,123.89	552.21	11,146.00	852.11	837.52
PAT Margin	4.44%	5.46%	4.29%	11.75%	0.91%	1.14%

Notes: (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements/ Annual Reports of the respected

(2) Growth in Revenue from Operations (%) is calculated as Revenue from Operations of the relevant period minus Revenue from Operations of the preceding period, divided by Revenue from Operations of the preceding period.

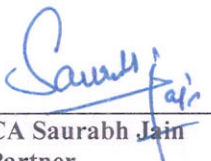
(3) EBITDA is calculated as Profit before tax + Depreciation + Finance Cost - Other Income

(4) 'EBITDA Margin' is calculated as EBITDA divided by Revenue from Operations

(5) 'PAT Margin' is calculated as PAT for the period/year divided by revenue from operations.

(6) Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account

For V C A N & Co.
Chartered Accountants
Firm Reg. No. - 125172W


CA Saurabh Jain
Partner

Membership No. 175015
UDIN: 24175015BKCIVY9050
DATE: 07/09/2024
PLACE: Ahmedabad

