This is a public announcement for information purposes only and is not a prospectus announcement and does not constitute an invitation or offer to acquire, purchase or subscribe to securities. Not for release, publication or distribution directly or indirectly, outside India. Initial Public Offer of equity shares on the main board of the Stock Exchanges in compliance with Chapter II of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("SEBI ICDR Regulations").

MUFTI

CREDO BRANDS MARKETING LIMITED

(Please scan the QR code to view the RHP)

Our Company was incorporated as a private limited company in the name of 'Credo Brands Marketing Private Limited' in Mumbai, Maharashtra, India under the Companies Act, 1956 pursuant to a certificate of incorporation dated April 29, 1999 issued by the Registrar of Companies, Maharashtra at Mumbai (the "**RoC**"). Subsequently, our Company was converted from a private limited company to a public limited company and the name of our Company was changed to 'Credo Brands Marketing Limited', pursuant to a board resolution dated April 7, 2023, and a special resolution passed by our shareholders on April 18, 2023, consequent to which a fresh certificate of incorporation dated May 11, 2023, was issued by the RoC to our Company. For further details on changes to the address of the Registered and Corporate Office, see *"History and Corporate Structure"* on page 186 of the red herring prospectus dated [•], 2023 ("**RHP**" or "**Red Herring Prospectus**").

Registered and Corporate Office: B-8, MIDC Central Road, Marol, Next to MIDC Police Station, Andheri (E), Mumbai 400093, Maharashtra, India; **Tel:** +91 22 6141 7200; **Website:** www.credobrands.in; **Contact Person:** Sanjay Kumar Mutha, Company Secretary and Compliance Officer; **E-mail:** investorrelations@mufti.in
Corporate Identity Number: U18101MH1999PLC119669

OUR PROMOTERS: KAMAL KHUSHLANI AND POONAM KHUSHLANI

INITIAL PUBLIC OFFER OF UP TO 19,634,960 EQUITY SHARES OF FACE VALUE OF ₹ 2 EACH ("EQUITY SHARES") OF CREDO BRANDS MARKETING LIMITED (THE "COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹[●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹[●] PER EQUITY SHARE) (THE "OFFER PRICE") AGGREGATING UP TO ₹[●] MILLION ("OFFER") COMPRISING AN OFFER FOR SALE OF UP TO 4,140,000 EQUITY SHARES. THE OFFER SHALL CONSTITUTE 30.54% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE OFFER FOR SALE BY THE SELLING SHAREHOLDERS			
NAME OF THE SELLING SHAREHOLDERS	TYPE	NUMBER OF EQUITY SHARES OFFERED / AMOUNT (₹ IN MILLION)	WEIGHTED AVERAGE COST OF ACQUISITION ON A FULLY DILUTED BASIS (IN ₹ PER EQUITY SHARE)*
Kamal Khushlani	Promoter Selling Shareholder	Up to 4,140,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	8.48
Poonam Khushlani	Promoter Selling Shareholder	Up to 4,275,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	0.16
Sonakshi Khushlani	Promoter Group Selling Shareholder	Up to 108,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	Nil
Andrew Khushlani	Promoter Group Selling Shareholder	Up to 108,000 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	Nil
Concept Communication Limited	Other Selling Shareholder	Up to 2,032,260 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	7.75
Bela Properties Private Limited	Other Selling Shareholder	Up to 5,031,260 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	46.99
Jay Milan Mehta	Other Selling Shareholder	Up to 1,970,220 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	5.71
Sagar Milan Mehta	Other Selling Shareholder	Up to 1,970,220 Equity Shares of face value of ₹ 2 each aggregating up to ₹ [●] million	5.71

As certified by Dileep & Prithvi, Chartered Accountants, by way of their certificate dated [●].

We are engaged in the retail sale of garments and accessories under the brand name "Mufti", and we do not manufacture any apparel. We sell our products through our distribution network comprising of exclusive brand outlets ("EBOs"), large format stores ("LFSs") and multi-brand outlets ("MBOs"), as well as online channels comprising of our website and other e-commerce marketplaces.

The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations.
• QIB Portion: Not more than 50% of the Offer • Non-Institutional Portion: Not less than 15% of the Offer • Retail Portion: Not less than 35% of the Offer

PRICE BAND: ₹ 266 TO ₹ 280 PER EQUITY SHARE OF FACE VALUE OF ₹ 2 EACH
THE FLOOR PRICE IS 133 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 140 TIMES THE FACE VALUE OF THE EQUITY SHARES
THE PRICE/EARNINGS RATIO BASED ON DILUTED EPS FOR FISCAL 2023 AT THE FLOOR PRICE IS 22.06 TIMES AND AT THE CAP PRICE IS 23.22 TIMES
BIDS CAN BE MADE FOR A MINIMUM OF 53 EQUITY SHARES AND IN MULTIPLES OF 53 EQUITY SHARES THEREAFTER

In accordance with the recommendation of Committee of Independent Directors of our Company, pursuant to their resolution dated [•], 2023, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for Offer Price' section of the RHP. The price band is in line with the weighted average cost of acquisition ("WACA") of primary and secondary transactions, as applicable, disclosed in the 'Basis for Offer Price' section on page 109-119 of the RHP.

In making an investment decision, potential investors must only rely on the information included in the Red Herring Prospectus and the terms of the Offer, including the risks involved and not rely on any other external sources of information about the Offer available in any manner.

RISKS TO INVESTORS:

1. Our business is primarily concentrated and dependent on the sale of men's casual western wear and is vulnerable to variations in demand and changes in consumer preferences. We do not manufacture any apparel. Our revenue from operations is as follows:

Particulars	For the three months period ended June 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Revenue from Operations (₹ in millions)	1,184.90	4,981.82	3,411.72	2,448.26

2. Inability to predict customer demands and inability to maintain optimum inventory levels may lead to an adverse effect on our results of operations, financial condition and cash flows. Details of our inventory levels is provided below:

Particulars	For the three months period ended June 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Inventories (in ₹ million)	1,122.61	1,134.03	657.38	586.09
Inventory turnover days	198	154	154	173
Inventory (as % of our current assets)	39.58%	39.42%	26.11%	27.53%

3. We enter into certain related party transactions in the ordinary course of business, and we cannot assure you that such transactions will not have an adverse effect on our business, results of operations and financial condition.
4. All our products are sold under a single brand, 'Mufti'. Any deterioration in public perception of our brand or any inability to effectively market our products, could adversely affect our footfall and consequently impact our business, financial condition, cash flows and results of operations. Our advertisement and sales promotion expenses is as follows:

Particulars	For the three months period ended June 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Advertisement and sales promotion expenses (in ₹ million)	51.41	173.64	22.31	15.02
% of revenue from operations	4.34%	3.49%	0.65%	0.61%

5. We operate in highly competitive markets in each of our product segments, in both offline and online channels and an inability to compete effectively may adversely affect our business, results of operations and financial condition. Further, any pricing pressure from our competitors may affect our ability to maintain or increase our product prices and, in turn, our revenue from product sale, gross margin and profitability, which may materially and adversely affect our business, cash flows, results of operations and financial condition.
6. While we design our products in-house, we rely on outsourcing the manufacturing of finished products to third-party manufacturing partners, without exclusivity arrangements, and are dependent on them for our finished goods. Any inability to obtain sufficient quantities of apparel of the requisite quality in a timely manner and at acceptable prices, or a slowdown, shutdown or disruption in such third party manufacturing partners' operations and performance, could adversely affect our business, cash flows, results of operations and financial condition.

   We have engaged with the following manufacturing partners:

Particular	For the six months period ended September 30, 2023	Fiscal 2023	Fiscal 2022	Fiscal 2021
Number of Manufacturing Partners	48	54	50	53

   Value of our purchases from top ten and top five manufacturing partners and such amounts as percentage of our total cost of purchase of goods is as follows:

Particular	For the three months period ended June 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Value (in ₹ million)	%	Value (in ₹ million)	%	Value (in ₹ million)	%	Value (in ₹ million)	%
Top 10 manufacturing partners	390.97	79.59%	1,608.25	61.30%	916.06	58.71%	783.64	64.69%
Top five manufacturing partners	305.66	62.22%	1,117.14	42.58%	704.57	45.16%	565.44	46.68%

7. Our Subsidiary has incurred losses in the past and may incur losses in the future, which may have an adverse effect on our business and which may be required to be written off, in the event of further losses, which may adversely impact our profitability and results of operations. The total investment in the Subsidiary as on June 30, 2023 is ₹ 21.40 million.
8. We are primarily dependent on offline sales. The majority of our revenue from operations (more than 90% in each of the previous three Fiscals) was derived from offline retail distribution channels. If we fail to grow our revenues from online sales, we will continue to remain dependant on offline sales channels and any attendant risks. Our revenue from our online distribution channels is as follows:

	For the three months period ended June 30, 2023		Fiscal 2023		Fiscal 2022		Fiscal 2021	
	Amount (in ₹ Million)	% of Total Revenue from Operations	Amount (in ₹ Million)	% of Total Revenue from Operations	Amount (in ₹ Million)	% of Total Revenue from Operations	Amount (in ₹ Million)	% of Total Revenue from Operations
Online*	165.23	13.95%	254.45	5.11%	280.31	8.22%	201.05	8.21%

** Includes sales through our website and e-commerce marketplaces*

9. The Price/Earnings ratio based on diluted EPS for FY 2023 for our Company at the higher end of the price band is as high as 23.22 as compared to the average industry peer group Price/Earning ratio of 95.19.
10. Weighted average return on Net Worth for FY 2023, FY 2022 and FY 2021 is 20.86%.
11. Our ratio of Market capitalization / Revenue is higher than few of our listed peers.
12. The details of market capitalization to revenue, market capitalization to tangible assets and EV/EBITDA on the Cap Price and Floor Price including details of comparison done with industry peers is as follows:

Particulars	Market capitalization / Revenue		Market capitalization / Tangible assets		EV / EBITDA	
	At Floor Price	At Cap Price	At Floor Price	At Cap Price	At Floor Price	At Cap Price
Credo Brands Marketing Limited	3.36	3.53	6.35	6.68	10.44	10.99
Listed Industry Peers(1)(2)(3)(4)						
Aditya Birla Fashion and Retail Limited	1.76		424.94		18.62	
Go Fashion (India) Limited	10.79		13.67		35.86	
Arvind Fashions Limited@	1.29		9.80		15.12	
Kewal Kiran Clothing Limited	5.99		8.78		30.86	

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis, except Go Fashion (India) Limited as there is no consolidation and is sourced from the annual audited financial results of the listed industry peers

@ All the values mentioned above are based on both continued and discontinued operations for the year ended March 31, 2023.

Notes:

(1) The closing market price as on December 4, 2023 have been considered for the calculating the market capitalization and EV of the listed industry peers

(2) Market capitalization /Revenue is calculated as market capitalisation as on December 4, 2023/Total revenue for the year ended March 31, 2023.

(3) Market capitalization /Tangible assets is calculated as market capitalisation as on December 4, 2023/Total tangible assets for the year ended March 31, 2023. Tangible assets shall include all net assets excluding right of use assets (related total lease liabilities), intangible assets and deferred tax assets/ liabilities (net)

(4) EV/EBIDTA is calculated as enterprise value (market capitalisation as on December 4, 2023+ Long and short term borrowings and Lease Liabilities - cash and cash equivalents)/EBIDTA.

Continued on next page...

Size: 32.9x50cm

...continued from previous page.

13. The average cost of acquisition of Equity Shares held by our Promoters and Selling Shareholders as on the date of the Red Herring Prospectus is as follows and Offer Price at upper end of the Price Band is ₹ 280/-:

Name	Number of Equity Shares of face value of ₹2 each held as on the date of the Red Herring Prospectus	Average cost of acquisition per Equity Share of face value ₹ 2 each (in ₹)*#
*Name of the Promoters^*		
Kamal Khushlani	22,260,420	8.48
Poonam Khushlani	18,164,380	0.16
*Name of the Promoter Group members^*		
Sonakshi Khushlani	1,914,000	Nil
Andrew Khushlani	1,914,000	Nil
Name of the Other Selling Shareholders		
Concept Communication Limited	2,032,260	7.75
Bela Properties Private Limited	5,031,260	46.99
Jay Milan Mehta	1,970,220	5.71
Sagar Milan Mehta	1,970,220	5.71

**As certified by Dileep & Prithvi, Chartered Accountants by way of their certificate dated [●].*

 # Average cost of acquisition has been calculated after considering all bonus issuances by the Company and split of face value of Equity Shares pursuant to a resolution dated April 7, 2023 passed by the Board of Directors of the Company and dated April 18, 2023 by the Shareholders of the Company.

^Also acting as the Selling Shareholders

14. The weighted average cost of acquisition of all shares transacted in the last eighteen months, one year and three years preceding the date of the Red Herring Prospectus is as follows:

Period	Weighted average cost of acquisition per equity share (in ₹)*@	Upper end of the price band (₹280/-) is 'X' times the weighted average cost of acquisition	Range of acquisition price: Lowest price – Highest price (in ₹)*@
Last one year	Nil	NA	Nil
Last eighteen months	0.005	56,000	0.50-0.50
Last three years	0.005	56,000	0.50-0.50

**As certified by Dileep & Prithvi, Chartered Accountants by way of their certificate dated [●].*

@ Weighted average cost of acquisition has been calculated after considering all bonus issuances by the Company and split of face value of equity shares pursuant to a resolution dated April 7, 2023 passed by the Board of Directors of the Company and dated April 18, 2023 by the Shareholders of the Company.

15. Weighted average cost of acquisition, floor price and cap price

Past Transactions	Weighted average cost of acquisition (in ₹)	Floor Price (in ₹)	Cap Price (in ₹)
Weighted average cost of acquisition for primary transactions in the last 18 months prior to RHP.	NA*	NA	NA
Weighted average cost of acquisition for secondary transactions in the last three years prior to RHP.	NA**	NA	NA
Since there were no primary transactions or secondary transactions of equity shares of the Company during the 18 months preceding the date of filing of the RHP, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions (secondary transactions where Promoter /Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on the Board of Directors of the Company, are a party to the transaction), not older than three years prior to the date of the RHP irrespective of the size of the transaction			
Based on primary transaction	Nil	NA	NA
Based on secondary transaction	Nil	NA	NA

Note:

** There were no primary / new issue of shares (equity/convertible securities) other than Equity Shares issued pursuant to a bonus issue on April 7, 2023, in last 18 months and three years prior to the date of the RHP.*

*** Since, there were no secondary sales / acquisition of shares (equity/ convertible securities) transactions in last 18 months from the date of the RHP, therefore weighted average cost of acquisition is Nil or not applicable.*

16. The BRLMs associated with the Offer have handled 68 public issues in the past three years, out of which 24 issues closed below the offer price on listing date:

Name of the BRLMs	Total Issues	Issues closed below IPO Price on listing date
DAM Capital Advisors Limited*	12	5
ICICI Securities Limited*	49	17
Keynote Financial Services Limited*#	NIL	NA
Common issues of above BRLMs	7	2
Total	68	24

**Issues handled where there were no common BRLMs*

 # In compliance with the proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and Regulation 23(3) of the SEBI ICDR Regulations, Keynote Financial Services Limited will be involved only in marketing of the Offer. Keynote Financial Services Limited has signed the due diligence certificate and has been disclosed as a BRLM for the Offer.

BID/ OFFER PERIOD	
	ANCHOR INVESTOR BID / OFFER PERIOD [●]
	BID / OFFER OPENS ON [●]
	BID / OFFER CLOSES ON [●]^

^UPI mandate end time shall be at 5:00 PM on Bid/ Offer Closing Date.

BASIS FOR OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares issued through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 2 each and the Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also see the sections entitled *"Our Business"*, *"Risk Factors"* and *"Restated Consolidated Financial Information"* on pages 158, 27, and 211 of the RHP, respectively, to have an informed view before making an investment decision.

Qualitative Factors

We believe the following business strengths allow us to successfully compete in the industry:

1. Strong brand equity with presence across categories;
2. Multi-channel pan-India distribution network; 3. Scalable asset light model;
4. Strong in-house design competencies to deliver innovative and high-quality products with end-to-end tech-enabled supply chain capabilities;
5. Financially stable business model; and
6. Experienced Promoter and senior management team.

For details, please see the section entitled *"Our Business – Our Strengths"* on page 161 of the RHP.

Quantitative Factors

Some of the information presented in this chapter is derived from the Restated Consolidated Financial Information. For further information, please see the section entitled *"Restated Consolidated Financial Information"* on page 211 of the RHP.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

1. Basic and Diluted Earnings per Share

Fiscal ended	Basic EPS (₹)	Diluted EPS (₹)	Weight
March 31, 2021	0.54	0.54	1
March 31, 2022	5.60	5.56	2
March 31, 2023	12.06	12.06	3
Weighted Average	**7.99**	**7.97**	
June 30, 2023*	1.33	1.33	

** Not annualised*

Notes:

i) Weighted Average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights

ii) Basic Earnings per Equity Share (₹) = Net profit after tax attributable to shareholders of the Company, as restated / Weighted average number of Equity Shares outstanding during the year or period

iii) Diluted Earnings per Equity Share (₹) = Net Profit after tax attributable to shareholders of the Company, as restated / Weighted average number of potential Equity Shares outstanding during the year or period

iv) Earnings per Share calculations are in accordance with the notified Indian Accounting Standard 33 'Earnings per share' – notified under the Companies (Indian Accounting Standards) Rules, 2015.

v) Weighted Average Number of Equity Shares is the number of equity shares outstanding at the beginning of the year or period adjusted by the number of equity shares issued during the year or period multiplied by the time weighting factor.

vi) The figures disclosed above are based on the Restated Consolidated Financial Information of our Company.

vii) The Company, pursuant to a Board resolution dated April 7, 2023 has allotted 9,645,282 bonus equity shares of face value of ₹ 10 each in the ratio 3:1. Further, pursuant to a Board resolution dated April 7, 2023 and Shareholders' resolution dated April 18, 2023, each equity share of our Company of face value ₹ 10 was sub- divided into 5 Equity Shares of face value of ₹ 2 and accordingly the issued and paid-up equity share capital of our Company was sub-divided from 12,860,376 equity shares of face value of ₹ 10 each to 64,301,880 equity shares of face value of ₹ 2 each. As required under Ind AS 33 "Earning per share", the above sub-division and Bonus shares are retrospectively considered for the computation of weighted average number of equity shares outstanding during the period, in accordance with Ind AS 33.

2. Price/Earning ("P/E") Ratio in relation to the Price Band of ₹ 266 to ₹ 280 per Equity Share:

Particulars	P/E at Floor Price (no. of times)*	P/E at Cap Price (no. of times)*
Based on basic EPS of ₹ 12.06 as per the Restated Consolidated Financial Information for the year ended March 31, 2023	22.06	23.22
Based on diluted EPS of ₹ 12.06 as per the Restated Consolidated Financial Information for the year ended March 31, 2023	22.06	23.22

3. Industry P/E ratio

Particulars	P/E ratio
Highest	157.08
Lowest	40.24
Industry composite	95.19

Notes:

1. The industry high and low has been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in hereunder.

2. P/E figures for the peers are computed based on closing market price as on December 4, 2023 on NSE, divided by Diluted EPS for the Period ending March 31, 2023

4. Average Return on Net Worth ("RoNW")

Fiscal/period ended	RoNW (%)	Weight
March 31, 2021	1.81	1
March 31, 2022	16.70	2
March 31, 2023	29.98	3
Weighted Average	**20.86**	
June 30, 2023*	3.00	

** Not annualised*

Notes:

i) Weighted Average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

ii) Return on Net Worth (%) = Net Profit after tax attributable to shareholders of the Company, as restated / Restated average net worth (i.e. (opening net worth +closing net worth) / 2)

iii) 'Net worth': Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

5. Net Asset Value per Equity Share ("NAV")

Net Asset Value per Equity Share	(₹)
March 31, 2023	43.75
June 30, 2023	45.08
After the Offer	
- At the Floor Price	45.08*
- At the Cap Price	45.08*
Offer Price	[●]

** As on June 30, 2023*

Notes:

1. Offer Price per Equity Share will be determined on conclusion of the Book Building Process.

2. Net Asset Value per Equity Share = Net worth as per the Restated Consolidated Financial Information at the end of the year / Number of equity shares outstanding as at the end of year and adjusted for bonus issue and split of equity shares post last balance sheet i.e. March 31, 2023.

3. 'Net worth': Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debit or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amalgamation.

4. The Company, pursuant to a Board resolution dated April 7, 2023 has allotted 9,645,282 bonus equity shares of face value of ₹ 10 each in the ratio 3:1. Further, pursuant to a Board resolution dated April 7, 2023 and Shareholders' resolution dated April 18, 2023, each equity share of our Company of face value ₹ 10 was sub- divided into 5 Equity Shares of face value of ₹ 2 and accordingly the issued and paid-up equity share capital of our Company was sub-divided from 12,860,376 equity shares of face value ₹ 10 each to 64,301,880 equity shares of face value of ₹ 2 each.

6. Comparison of accounting ratios with listed industry peers

Following is the comparison with our peer group companies listed in India and in the same line of business as our Company:

Name of the company	Face Value (₹ Per Share)	Market Capitalisation (in ₹ million)	Closing price on December 4, 2023 (₹)	EBIDTA (₹ in million)	EPS (₹)		NAV (₹ per share)	P/E	ROCE (%)	RONW (%)	Market Capitalisation /Revenue	Market Capitalisation / tangible assets	EV/EBIDTA
					Basic	Diluted							
Credo Brands Marketing Limited*	2	-	-	1,638.50	12.06	12.06	43.75	-	28.16	29.98	-	-	-
Peer Group													
Aditya Birla Fashion and Retail Limited	10	2,20,546.43	232.45	15,004.20	-0.38	-0.38	35.24	-	4.64	-1.18	1.76	424.94	18.62
Go Fashion (India) Limited	10	73,060.65	1,352.75	2,122.86	15.33	15.33	96.36	88.24	17.72	17.27	10.79	13.67	35.86
Arvind Fashions Limited@	4	57,586.56	433.55	4,526.40	2.77	2.76	68.48	157.08	13.72	4.42	1.29	9.80	15.12
Kewal Kiran Clothing Limited	10	47,882.77	777.00	1,517.74	19.31	19.31	88.76	40.24	27.84	23.22	5.99	8.78	30.86

** Financial information for our Company is derived from the Restated Consolidated Financial Information as at and for the financial year ended March 31, 2023.*

#All the financial information for listed industry peer mentioned above is on a consolidated basis, except Go Fashion (India) Limited as there is no consolidation and is sourced from the annual audited financial results of the listed industry peer for the year ended March 31, 2023.

@All the values mentioned above are based on both continued and discontinued operations for the year ended March 31, 2023.

Notes for listed peers:

1. Basic EPS and Diluted EPS refer to the Basic EPS and Diluted EPS sourced from the financial statements/published results of the respective listed industry peer.

2. P/E Ratio has been computed based on the closing market price of equity shares on NSE on December 4, 2023 divided by the Diluted EPS provided.

3. Return on net worth ("RoNW") is computed as total profit/ (loss) for the year attributable to equity shareholders of the parent divided by average net worth (excluding non-controlling interest), as at March 31, 2023.

4. Net asset value per share is calculated by dividing net worth (excluding non-controlling interest) by number of equity shares outstanding as at March 31, 2023.

5. Market Capitalisation is based on closing market price on NSE as on December 4, 2023.

6. EBITDA is calculated as Profit before tax + Depreciation & Amortisation + Finance cost-Other Income.

7. ROCE: Return on Capital Employed is calculated as EBIT (profit before tax + Finance cost) divided by average capital employed excluding non-controlling interest ((opening capital employed +closing capital employed) /2), which is defined as average of Equity Fund plus debts plus lease liabilities.

8. ROE: Return on equity is calculated as PAT/ Average shareholder's equity excluding non-controlling interest ((opening equity +closing equity)/2).

9. Market Capitalisation /Revenue is calculated as market capitalisation as on December 4, 2023/Total revenue for the year ended March 31, 2023.

10. Market Capitalisation /Tangible assets is calculated as market capitalisation as on December 4, 2023/Total tangible assets for the year ended March 31, 2023. Tangible assets shall include all net assets excluding right of use assets (related total lease liabilities), intangible assets and deferred tax assets/ liabilities (net).

11. EV/EBIDTA is calculated as enterprise value (market capitalisation as on December 4, 2023+ Long and short term borrowings and Lease Liabilities - cash and cash equivalents)/EBIDTA.

7. Key Performance Indicators

We use certain financial and operational performance indicators or key performance indicators ("**KPI**") as supplemental measures to review and analyse our financial and operating performance from period to period, and to evaluate our business. In addition to our management, such measures may also be frequently used by securities analysts, investors and others within the retail industry to evaluate financial performance. Some of these KPI are not defined under Ind AS and are not presented in accordance with Ind AS. These KPI have limitations as analytical tools.

As a result, presentation of these KPI, should not be considered in isolation from, or as a substitute for, analysis of our historical financial performance, as reported and presented in our Restated Consolidated Financial Information set out in the Red Herring Prospectus. These measures may differ from similar titled information used by other companies, who may calculate such information differently and hence their comparability with those used by us may be limited. Therefore, these KPI should not be viewed as substitutes for performance or profitability measures under Ind AS or as indicators of our operating performance, liquidity or profitability.

For a description of the historic use of KPI by our Company to analyze, track or monitor the operational and/or financial performance of our Company and comparisons of Key Performance Indicators over time shall be explained based on additions or dispositions to the business, see *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators"* on page 274 of the RHP.

The table below sets forth the details of our KPI which our Company considers have a bearing for arriving at the basis for Offer Price, based on our Restated Consolidated Financial Information. The KPI set out in the table below have been approved by our Audit Committee by way of a resolution dated [•], 2023 and have been certified by independent chartered accountant, Dileep & Prithvi, Chartered Accountants, pursuant to their certificate dated [•], 2023.

Continued on next page...

Size: 32.9x50cm

...continued from previous page.

Key Financial Performance Indicators

(Amount in Million, except % and ratios)

KPI	As of/ for the			
	Three months period ended June 30, 2023	Financial year ended March 31, 2023	Financial year ended March 31, 2022	Financial year ended March 31, 2021
Revenue from Operations[1]	1,184.90	4,981.82	3,411.72	2,448.26
Year-on-Year Growth in Revenue from Operations (%)[2]	NA	46.02 %	39.35 %	(35.99) %
Gross Profit[3]	665.40	2,862.42	1,941.05	1,197.87
Gross Profit Margin[4]	56.16%	57.46 %	56.89 %	48.93 %
EBITDA[5]	302.52	1,638.50	950.97	484.82
EBITDA Margin[6]	25.53%	32.89 %	27.87 %	19.80 %
PAT[7]	85.75	775.14	357.40	34.41
PAT Margin[8]	7.24%	15.56 %	10.48 %	1.41 %
Net Debt/Equity[9] (number of times)	0.72	0.65	0.44	0.62
ROCE[10]	3.44%	28.16 %	17.31 %	5.86 %
ROE (Return on Equity)[11]	3.00%	29.98 %	16.70 %	1.81 %
Fixed Assets Turnover Ratio[12] (number of times)	1.86	9.79	8.64	5.83
Debtor Days[13]	113	101	132	183
Inventory Days[14]	198	154	154	173
Creditor Days[15]	47	73	91	101
Net Working Capital Days[16]	264	182	195	255

Notes:

*1. Revenue from Operations is the total revenue generated by the Company from its operation. 2. Year on Year Growth in Revenue from Operations is annual growth in revenue from operation as compared with previous year revenue from operation (Revenue from operation of current year- Revenue from operation of previous year/ Revenue from operation of previous year*100). 3. Gross Profit is Revenue from operation-cost of goods sold. 4. Gross Profit Margin is Gross Profit/ Revenue from Operations*100. 5. EBITDA is calculated as Profit before tax + Depreciation & Amortisation + Finance cost-Other Income. 6. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations*100. 7. PAT is mentioned as Profit after Taxes for the period. 8. PAT Margin is calculated as PAT/ Revenue from Operations*100. 9. Net Debt/Equity is calculated as (Total Long term & short term borrowings + lease liabilities -Cash and cash equivalents) /shareholder's equity excluding Non-controlling interest. 10. ROCE: Return on Capital Employed is calculated as EBIT (profit before tax + Finance cost) divided by average capital employed ((opening capital employed +closing capital employed) /2), which is defined as average of Equity Fund excluding Non-controlling interest plus debts plus lease liabilities. 11. ROE (Return on Equity) is calculated as PAT attributable to owners of the company/ Average Shareholder's Equity excluding Non-controlling interest ((opening equity +closing equity) /2). 12. Fixed Assets Turnover Ratio is calculated as revenue from operations/ average PPE. 13. Debtor Days is calculated as Trade Receivable as at the year-end or three month ended/Revenue from Operations*(365 or 91). Rounded off to the nearest integer. 14. Inventory Days is calculated as average inventory for the year or three months period ended ((opening + closing) /2)/cost of goods sold*(365 or 91). Rounded off to the nearest integer. 15. Creditor Days is calculated as Trade payable as at the year-end or three months ended /Cost of goods sold*(365 or 91). Rounded off to the nearest integer. 16. Net Working Capital Days is calculated as Debtor Days + Inventory Days – Creditor Days.*

Explanation of the relevance of the above Key Financial Performance Indicators for the business operations of the Company are set forth below:

S. no.	KPI	Explanation
1.	Revenue from Operation	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 the Company and volume of company business.
2	Year on Year Growth in Revenue from Operations	Percentage Revenue from operations is used by management to track the growth in revenue from operation as compared with previous period and in turn helps to assess the overall growth in revenue and of the company.
3	Gross Profit	Gross profit is used by management to assess whether the company's business is profitable after meeting its operating cost.
4	Gross Profit Margin	Gross profit margin is used by management to tract and assess the growth in company's business as compared with previous year or with competitor.
5	EBITDA	EBITDA is used by management to assess that whether the company is generating sufficient profit after meeting operating expenses and overheads.
6	EBITDA Margin	EBITDA margins is largely used to compare the profitability of the company against last year margin, competitor and against the industry averages.
7	PAT	Profit after tax is used by the company to assess that the whether company is able to generate profit for the shareholders after meeting expenses as well as due taxes on profit.
8	PAT Margin	PAT margins is largely used to compare the profitability of the company against last year margin, competitor and against the industry averages.
9	Net Debt/Equity	Net Debt/Equity is used by the company to assess the leverage position of the company as compared with industry average or competitor.
10	ROCE	ROCE (Return on capital employed) indicates the company's efficiency because it measures the company's profitability after factoring in the capital that has been used to achieve that profitability.
11	ROE (Return on Equity)	ROE is considered a tool to compare profitability and how efficient the company is generating profits.
12	Fixed Assets Turnover Ratio	Fixed Assets Turnover ratio is used by the management of the company to assess that how effectively company uses its assets to generate revenue.
13	Debtor Days	Debtor's day's ratio is used by the management of the company to assess the number of times required for collection of amount from trade receivable.
14	Inventory Days	Inventory day's ratio is used by the management of the company to assess the number of days required/needed to convert the average inventory in to sales.
15	Creditor Days	Creditor day's ratio is used by the management of the company to assess the number of times required for payment to the trade payable.
16	Net Working Capital Days	Net working capital days is used by the management to assess the number of days required for conversion of working capital into sales.

Key Operational Performance Indicators

KPI	As of/ for the			
	Three months period ended June 30, 2023	Financial year ended March 31, 2023	Financial year ended March 31, 2022	Financial year ended March 31, 2021
Average Cost of Capital Expenditure per EBO[1] (in ₹ million)	2.21	2.85	2.56	2.07
Average Revenue per EBO[2] (in ₹ million)	1.79	7.58	5.51	4.48
Average Revenue per Product Sold[3] (in ₹)	1,307.59	1,348.21	1,207.94	1,023.25
Average Ticket Value per Bill for EBOs [4] (in ₹)	4,411.87	4,156.95	3,442.13	2,939.97

Notes:

1. Average Cost of Capital Expenditure per EBO is calculated by dividing the total addition or capital expenditures done for opening of new EBO (COCO, COFO) with total new addition of stores during the period. 2. Average Revenue per EBO is calculated as total revenue from the EBO divided by the total no of EBO, which are operational at the year end or three months ended. 3. Average Revenue per Product Sold is calculated as total revenue from the sale of product divided by no of product sold (shirt, T-shirt, bottom and outerwear product). 4. Average Ticket Value per Bill (for EBOs) is calculated as total revenue generated from the EBOs divided by the total number of bills generated during the period.

Explanation of the relevance of the above Key Operational Performance Indicators for the business operations of the Company are set forth below:

S. no.	KPI	Explanation
1.	Average Cost of Capital Expenditure per EBO	Average cost of capital expenditure per EBO represent cost incurred for opening of new stores i.e. COCO and COFO stores only.
2.	Average Revenue per EBO	Average revenue per EBO represents average revenue generated by each EBO, which are operational at the end of year.
3.	Average Revenue per Product Sold	Average revenue per product sold represent the average value of revenue generated from sales of shirt, t-shirt, bottom wear and outerwear products.
4.	Average Ticket Value per Bill for EBOs	Average ticket value per bill represents the average of revenue sales per bill.

For details of our other KPI disclosed elsewhere in the Red Herring Prospectus and a discussion of how the KPI disclosed in the Red Herring Prospectus have been used by the management historically to analyse, track or monitor the operational and/or financial performance of our Company, see *"Our Business – Key Performance Indicators"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators"* on pages 160 and 274 of the RHP, respectively.

The members of the Audit Committee have, by way of a resolution dated [•], 2023, confirmed that except as disclosed in the Red Herring Prospectus, there are no additional key performance indicators pertaining to the Company have been disclosed to any shareholders of our Company and/or investors at any point of time during the three year period preceding the date of the Red Herring Prospectus.

9. Comparison of our financial key performance indicators with listed industry peers

Financial KPIs	Credo Brand Marketing Limited ("Mufti")				Aditya Birla Fashion and Retail Limited				Go Fashion (India) Limited				Arvind Fashions Limited				Kewal Kiran Clothing Limited			
	Jun-23	Mar-23	Mar-22	Mar-21	Jun-23	Mar-23	Mar-22	Mar-21	Jun-23	Mar-23	Mar-22	Mar-21	Jun-23	Mar-23	Mar-22	Mar-21	Jun-23	Mar-23	Mar-22	Mar-21
Revenue from Operations[1]	1,184.90	4,981.82	3,411.72	2,448.26	31,960.60	1,24,179.00	81,362.20	52,489.20	1,901.03	6,652.80	4,013.13	2,506.69	9,571.60	44,210.80	30,560.40	22,011.80	1,784.00	7,794.50	6,076.10	3,027.30
Year on Year Growth in Revenue from Operations (%)[2]	NA	46.02	39.35	-35.99	NA	52.62	55.01	-40.27	NA	65.78	60.1	-36.31	NA	44.67	38.84	-43.07	NA	28.28	100.71	-42.84
Gross Profit[3]	665.4	2,862.42	1,941.05	1,197.87	17,500.40	68,659.20	44,160.50	26,859.60	1,255.92	4,437.71	2,658.26	1,585.08	5,054.50	21,293.90	13,462.30	9,141.80	903.20	4,071.80	3,196.34	1,440.21
Gross Profit Margin[4]	56.16%	57.46	56.89	48.93	54.76	55.29	54.28	51.17	66.07	66.7	66.24	63.23	52.81	48.16	44.05	41.53	50.63	52.24	52.61	47.57
EBITDA[5]	302.52	1,638.50	950.97	484.82	2,927.00	15,004.20	11,022.60	5,544.10	642.20	2,122.86	1,190.15	463.49	1,052.70	4,526.40	1,801.60	-521.9	341.20	1,517.74	998.52	190.44
EBITDA Margin[6]	25.53%	32.89	27.87	19.8	9.16	12.08	13.55	10.56	33.78	31.91	29.66	18.49	11.00	10.24	5.9	-2.37	19.13	19.47	16.43	6.29
PAT[7]	85.75	775.14	357.4	34.41	(1,414.30)	-594.70	-1,183.60	-7,360.00	262.80	827.98	356.01	-35.38	(164.30)	869.60	-2,367.00	-5,959.90	337.00	1,190.30	816.28	198.02
PAT Margin[8]	7.24%	15.56	10.48	1.41	(4.43)	-0.48	-1.45	-14.02	13.82	12.45	8.87	-1.41	(1.72)	1.97	-7.75	-27.08	18.89	15.27	13.43	6.54
Net Debt/Equity[9] (No. of times)	0.72	0.65	0.44	0.62	NA	1.76	1.44	1.15	NA	0.59	0.47	0.77	NA	1.2	1.16	3.27	NA	-0.19	-0.24	-0.27
ROCE[10]	3.44%	28.16	17.31	5.86	NA	4.64	3.22	-5.65	NA	17.72	11.83	3.45	NA	13.72	0.71	-9.13	NA	27.84	21.07	5.76
ROE (Return on Equity)[11]	3.00%	29.98	16.7	1.81	NA	-1.18	-4.37	-39.66	NA	17.27	9.87	-1.24	NA	4.42	-42.04	-103.49	NA	23.22	17.92	4.51
Fixed Assets Turnover Ratio[12] (No. of times)	1.86	9.79	8.64	5.83	NA	15.14	13.49	8.62	NA	8.93	6.55	4.22	NA	40.5	19.55	8.84	NA	8.85	7.59	4.01
Debtor Days[13]	113	101	132	183	NA	26	34	51	NA	40	55	69	NA	46	68	104	NA	80	103	158
Inventory Days[14]	198	154	154	173	NA	235	234	300	NA	326	333	370	NA	144	175	300	NA	137	104	162
Creditor Days[15]	47	73	91	101	NA	253	335	338	NA	50	48	43	NA	162	224	264	NA	47	68	105
Net Working Capital Days[16]	264	182	195	255	NA	8	-67	13	NA	316	340	396	NA	28	19	140	NA	170	139	215

Notes:

*1. Revenue from operations is the total revenue generated by the Company from its operation. 2. Year-on-Year Growth in Revenue from Operations is annual growth in revenue from operation as compare with previous year revenue from operation (Revenue from operation of current year- Revenue from operation of previous year/ Revenue from operation of previous year*100). 3. Gross Profit is Revenue from operation-cost of goods sold. 4. Gross Profit Margin is Gross Profit/ Revenue from Operations*100. 5. EBITDA is calculated as Profit before tax + Depreciation & Amortisation + Finance cost – Other Income. 6. EBITDA Margin is calculated as EBITDA divided by Revenue from Operations*100. 7. PAT is mentioned as Profit after Taxes for the period. 8. PAT Margin is calculated as PAT/ Revenue from Operations*100. 9. Net Debt/Equity is calculated as (Total Long term & short term borrowings + lease liabilities -Cash and cash equivalents) /shareholder's equity excluding non-controlling interest. 10. ROCE: Return on Capital Employed is calculated as EBIT (profit before tax + finance cost) divided by average capital employed ((opening capital employed +closing capital employed) /2), which is defined as average of Equity Fund excluding non-controlling interest plus debts plus lease liabilities. 11. ROE (Return on equity) is calculated as PAT attributable to owners of the Company/ Average Shareholder's Equity excluding non-controlling interest ((opening equity +closing equity)/2). 12. Fixed Assets Turnover Ratio is calculated as revenue from operations/average PPE. 13. Debtor Days is calculated as Trade Receivables as at the year-end or three months ended /Revenue from Operations*365. Rounded off to the nearest integer. 14. Inventory Days is calculated as average inventory for the year (opening value +closing value/2)/cost of goods sold*365. Rounded off to the nearest integer. 15. Creditor Days is calculated as Trade payables as at the year-end or three months ended /Cost of goods sold*365. Rounded off to the nearest integer. 16. Net Working Capital Days is calculated as Debtor Days + Inventory Days – Creditor Days. 17. Financial information for our Company is derived from the Restated Consolidated Financial Information as at and for the financial year ended March 31, 2023, March 31, 2022 and March 31, 2021. 18. All the financial information for listed industry peer mentioned above is on a consolidated basis, except Go Fashion (India) Limited as there is no consolidation and is sourced from the annual audited financial results of the listed industry peer for the year ended March 31, 2023, March 31, 2022 and March 31, 2021.*

10. Comparison of our operational key performance indicators with listed industry peers

Financial KPIs	Credo Brand Marketing Limited ("Mufti")				Aditya Birla Fashion and Retail Limited				Go Fashion (India) Limited				Arvind Fashions Limited				Kewal Kiran Clothing Limited			
	Jun-23	Mar-23	Mar-22	Mar-21	Jun-23	Mar-23	Mar-22	Mar-21	Jun-23	Mar-23	Mar-22	Mar-21	Jun-23	Mar-23	Mar-22	Mar-21	Jun-23	Mar-23	Mar-22	Mar-21
Average Cost of Capital Expenditure per EBO[1] (in ₹ million)	2.21	2.85	2.56	2.07	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Average Revenue per EBO[2] (in ₹ million)	1.79	7.58	5.51	4.48	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Average Revenue per Product Sold[3] (in ₹)	1307.59	1348.21	1207.94	1023.25	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
Average Ticket Value per Bill for EBOs [4] (in ₹)	4411.87	4156.95	3442.13	2939.97	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

Notes:

1. Average Cost of Capital Expenditure per EBO is calculated by dividing the total addition or capital expenditures done for opening of new EBO (COCO, COFO) with total new addition of stores during the period. 2. Average Revenue per EBO is calculated as total revenue from the EBO divided by the total no of EBO, which are operational at the year end or three months ended. 3. Average Revenue per Product Sold is calculated as total revenue from the sale of product divided by no of product sold (shirt, T-shirt, bottom and outerwear product). 4. Average Ticket Value per Bill (for EBOs) is calculated as total revenue generated from the EBOs divided by the total of bills generated during the period. 5. 'NA' in the context of the above table means 'Not Available'.

11. Weighted average cost of acquisition ("WACA"), floor price and cap price

(a) The price per share of the Company based on the primary/ new issue of shares (equity/ convertible securities)

There have been no issuance of any Equity Shares or convertible securities, excluding issuance of bonus shares and equity shares pursuant to exercise of ESOP granted under ESOP Scheme 2020, during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-Offer capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(b) The price per share of the Company based on secondary sale/ acquisitions of shares (equity/ convertible securities)

There have been no secondary sale/ acquisitions of Equity Shares or any convertible securities, where the Promoters, Promoter Group, the Selling Shareholders or shareholder(s) having the right to nominate director(s) on our Board are a party to the transaction, during the 18 months preceding the date of the Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid up share capital of our Company (calculated based on the pre-Offer capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

(c) The price per share based on the last five primary or secondary transactions

Since there are no such transactions to report to under (a) and (b), therefore, information based on last 5 primary or secondary transactions (secondary transactions where Promoters / Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on the Board of our Company, are a party to the transaction), not older than three years prior to the date of the RHP irrespective of the size of transactions, is as below:

Primary transactions:

There have been no primary transactions in the last three years preceding the date of the RHP.

Secondary transactions:

There have been no secondary transactions in the last three years preceding the date of the RHP.

12. The Floor Price is [●] times and the Cap Price is [●] times the weighted average cost of acquisition at which the Equity Shares were issued by our Company, or acquired or sold by our Promoters or Promoter Group or Selling Shareholders or shareholder(s) having the right to nominate director(s) on the Board in the last 18 months or three years preceding the date of the Red Herring Prospectus are disclosed below:

Past Transactions	Weighted average cost of acquisition (in ₹)	Floor Price (in ₹)	Cap Price (in ₹)
Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity/convertible securities), excluding shares issued under an employee stock option plan/employee stock option scheme, during the 18 months preceding the date of filing of the RHP, where such issuance is equal to or more than 5 per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA*	NA	NA
Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity/ convertible securities), where Promoter / Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the RHP, where either acquisition or sale is equal to or more than 5 per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NA**	NA	NA
Since there were no primary transactions or secondary transactions of equity shares of the Company during the 18 months preceding the date of filing of the RHP, the information has been disclosed for price per share of the Company based on the last five primary or secondary transactions (secondary transactions where Promoter /Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on the Board of Directors of the Company, are a party to the transaction), not older than three years prior to the date of the RHP irrespective of the size of the transaction			
Based on primary transaction	Nil	NA	NA
Based on secondary transaction	Nil	NA	NA

Note:

** There were no primary / new issue of shares (equity/convertible securities) other than Equity Shares issued pursuant to a bonus issue on April 7, 2023, in last 18 months and three years prior to the date of the RHP.*

*** Since, there were no secondary sales / acquisition of shares (equity/ convertible securities) transactions in last 18 months from the date of the RHP, therefore weighted average cost of acquisition is Nil or not applicable.*

13. Justification for Basis of Offer price*

The following provides an explanation to the Offer Price/Cap Price being Nil times of the weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoters, the Promoter Group, the Selling Shareholders or shareholder(s) having the right to nominate director(s) in the 18 months or three years preceding the date of the Red Herring Prospectus compared to our Company's KPI and financial ratios for the and for the Financial Years 2023, 2022 and 2021 and three months period ended June 30, 2023:

NA

The following provides an explanation to the Offer Price/Cap Price being Nil times of weighted average cost of acquisition of Equity Shares that were issued by our Company or acquired or sold by our Promoters, the Promoter Group, the Selling Shareholders or shareholder(s) having the right to nominate director(s) in the 18 months or three years preceding the date of the Red Herring Prospectus in view of external factors which may have influenced the pricing of the Offer, if any:

NA

** To be updated upon finalization of the Price Band.*

14. The Offer Price is [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the abovementioned information along with *"Risk Factors"*, *"Our Business"*, *"Restated Consolidated Financial Information"* and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* on pages 27, 158, 211 and 272 of the RHP, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in *"Risk Factors"* on page 27 of the RHP and any other factors that may arise in the future and you may lose all or a part of your investment.

For further details, please see the chapter titled "BASIS FOR OFFER PRICE" begining on page 109 of the RHP.

THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE

In case of any revision in the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company may, in consultation with the BRLMs, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to Designated Intermediaries and the Sponsor Bank(s), as applicable. In case of revision of Price Band, the Bid Lot shall remain the same. In case of revision of Price Band, the Bid Lot shall remain the same.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957 read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("**QIBs**") ("**QIB Portion**"), provided that our Company in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("**Anchor Investor Portion**"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to QIB Portion (other than the Anchor Investor Portion) (the "**Net QIB Portion**"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, subject to valid Bids being received at or above the Offer Price, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds. Further, not less than 15% of the Offer shall be available for allocation to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. One-third of the Non-Institutional Portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹200,000 and up to ₹1,000,000 and two-third of the Non-Institutional Portion shall be available for allocation to Non-Institutional Bidders with a Bid size of more than ₹1,000,000 provided that under-subscription in either of these two sub-categories of the Non-Institutional Portion may be allocated to Non-Institutional Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("**ASBA**") process by providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders (defined herein), as applicable, pursuant to which their corresponding Bid Amount will be blocked by the Self Certified Syndicate Banks ("**SCSBs**") or by the Sponsor Bank(s) under the UPI Mechanism, as the case may be, to the extent of the respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see *"Offer Procedure"* on page 328 of the RHP.

Bidders/Applicants should ensure that DP ID, PAN and the Client ID and UPI ID (for UPI Bidders bidding through UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID and UPI ID available (for UPI Bidders bidding through the UPI Mechanism) in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for RIBs and NIIs bidding through the UPI mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

Investors must ensure that their PAN is linked with Aadhaar and are in compliance with the notification issued by Central Board of Direct Taxes notification dated February 13, 2020 and read with press releases dated June 25, 2021, September 17, 2021 and March 28, 2023 and any subsequent press releases in this regard.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AS REGARDS ITS OBJECTS: For information on the main objects of our Company, investors are requested to see "*History and Corporate Structure*" beginning on page 186 of the RHP. The Memorandum of Association of our Company is a material document for inspection in relation to the Offer. For further details, see "*Material Contracts and Documents for Inspection*" beginning on page 405 of the RHP.

LIABILITY OF THE MEMBERS OF OUR COMPANY: Limited by shares.

AMOUNT OF SHARE CAPITAL OF OUR COMPANY AND CAPITAL STRUCTURE: As on the date of the RHP, the authorised share capital of our Company is ₹ 140,000,000 divided into 70,000,000 Equity Shares of face value of ₹2 each. The issued, subscribed and paid-up Equity share capital of our Company is ₹ 128,603,760 divided into 64,301,880 Equity Shares of face value of ₹ 2 each. For details of the capital structure of our Company, see "*Capital Structure*" beginning on page 84 of the RHP.

NAMES OF THE INITIAL SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF OUR COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: The names of the initial signatories of the Memorandum of Association of our Company along with their allotment are: Allotment of 100 equity shares to Kamal Khushlani and 100 equity shares to Poonam Khushlani. For details of the share capital history and capital structure of our Company see "*Capital Structure*" beginning on page 84 of the RHP.

LISTING: The Equity Shares offered through the RHP are proposed to be listed on the Stock Exchanges. Our Company has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters each dated September 1, 2023. For the purposes of the Offer, the Designated Stock Exchange shall be BSE Limited. A signed copy of the RHP and the Prospectus shall be delivered to the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the RHP up to the Bid/ Offer Closing Date, see *"Material Contracts and Documents for Inspection"* on page 405 of the RHP.

DISCLAIMER CLAUSE OF SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI"): SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities stated in the Offer Document. The investors are advised to refer to page 307 of the RHP for the full text of the disclaimer clause of SEBI.

DISCLAIMER CLAUSE OF BSE (the Designated Stock Exchange): It is to be distinctly understood that the permission given by BSE Limited should not in any way be deemed or construed that the RHP has been cleared or approved by BSE Limited nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to the page 308 of the RHP for the full text of the disclaimer clause of BSE.

DISCLAIMER CLAUSE OF NSE: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 309 of the RHP for the full text of the disclaimer clause of NSE.

GENERAL RISKS: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors of the RHP carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the RHP. Specific attention of the investors is invited to *"Risk Factors"* on page 27 of the RHP.

ASBA* | **Simple, Safe, Smart way of Application!!!**

*Applications Supported by Blocked Amount ("**ASBA**") is a better way of applying to offers by simply blocking the fund in the bank account. For further details, check section on ASBA.

Mandatory in public issues.
No cheque will be accepted.

UPI
UNIFIED PAYMENTS INTERFACE

UPI-Now available in ASBA for Retail Individual Investors and Non Institutional Investor applying in public issues where the application amount is up to ₹ 500,000, applying through Registered Brokers, Syndicate, CDPs & RTAs. Retail Individual Investors and Non-Institutional Investors also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 read with press release dated September 17, 2021, CBDT Circular No. 7 of 2022 dated March 30, 2022 read with the press release dated March 28, 2023..

*ASBA has to be availed by all the investors except Anchor Investors. UPI may be availed by (i) Retail Individual Bidders in the Retail Portion; (ii) Non-Institutional Bidders with an application size of up to ₹ 500,000 in the Non-Institutional Portion. For details on the ASBA and UPI process, please refer to the details given in the Bid Cum Application Form and abridged prospectus and also please refer to the section "Offer Procedure" on page 328 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("**AIBI**") and Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the websites of BSE Limited ("**BSE**") and National Stock Exchange of India Limited ("**NSE**", and together with BSE, the "**Stock Exchanges**") and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmId=35 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes &intmId=43, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: www.sebi.gov.in. UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. Axis Bank Limited and HDFC Bank Limited have been appointed as the Sponsor Banks for the Offer, in accordance with the requirements of SEBI circular dated November 1, 2018 as amended. For Offer related queries, please contact the Book Running Lead Managers ("**BRLMs**") on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail Id: ipo.upi@npci.org.in.*

Continued on next page...

Size: 32.9x50cm

...continued from previous page.

BOOK RUNNING LEAD MANAGERS			REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
DAM Capital Advisors Limited One BKC, Tower C, 15th Floor, Unit No. 1511, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India. **Telephone:** +91 22 4202 2500 **E-mail:** mufti.ipo@damcapital.in **Website:** www.damcapital.in **Investor grievance e-mail:** complaint@damcapital.in **Contact Person:** Chandresh Sharma / Akshay Bhandari **SEBI Registration No.:** MB/INM000011336	**ICICI Securities Limited** ICICI Venture House, Appasaheb Marathe Marg Prabhadevi, Mumbai - 400 025 Maharashtra, India **Telephone:** +91 22 6807 7100 **E-mail:** mufti.ipo@icicisecurities.com **Website:** www.icicisecurities.com **Investor grievance e-mail:** customercare@icicisecurities.com **Contact Person:** Namrata Ravasia / Gaurav Mittal **SEBI Registration No.:** INM000011179	**Keynote Financial Services Limited#** The Ruby, 9th Floor, Senapati Bapat Marg Dadar (West), Mumbai – 400 028, Maharashtra, India **Telephone:** +91 22 6826 6000 **E-mail:** mbd@keynoteindia.net **Website:** www.keynoteindia.net **Investor grievance e-mail:** investors@keynoteindia.net **Contact Person:** Radha Kirthivasan / Sunu Thomas **SEBI Registration No.:** INM000003606	**Link Intime India Private Limited** C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083 Maharashtra, India **Telephone:** +91 81081 14949 **E-mail:** credobrands.ipo@linkintime.co.in **Website:** www.linkintime.co.in **Investor grievance e-mail:** credobrands.ipo@linkintime.co.in **Contact Person:** Shanti Gopalkrishnan **SEBI Registration No.:** INR000004058	**Sanjay Kumar Mutha** **CREDO BRANDS MARKETING LIMITED** B 8, MIDC Central Road, Marol, Next to MIDC Police Station, Andheri (E)– Mumbai - 400093, Maharashtra, India. **Telephone:** +91 22 6141 7200 **E-mail:** investorrelations@mufti.in **Website:** www.credobrands.in Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode.

 # In compliance with the proviso to Regulation 21A of the SEBI Merchant Bankers Regulations and Regulation 23(3) of the SEBI ICDR Regulations, Keynote Financial Services Limited will be involved only in marketing of the Offer. Keynote Financial Services Limited has signed the due diligence certificate and has been disclosed as a BRLM for the Offer.

AVAILABILITY OF THE RHP: Investors are advised to refer to the RHP and the "*Risk Factors*" beginning on page 27 of the RHP before applying in the Offer. A copy of the RHP has been made available on the website of SEBI at www.sebi.gov.in and is available on the website of the BRLMs, DAM Capital Advisors Limited at www.damcapital.in, ICICI Securities Limited at www.icicisecurities.com and Keynote Financial Services Limited at www.keynoteindia.net and the websites of the Stock Exchanges, for BSE at www.bseindia.com and for NSE at www.nseindia.com.

AVAILABILITY OF BID CUM APPLICATION FORM: Bid cum Application Form can be obtained from the Registered Office of our Company, **CREDO BRANDS MARKETING LIMITED:** Tel: +91 22 6141 7200; **BRLMs:** DAM Capital Advisors Limited, Telephone: +91 22 4202 2500; ICICI Securities Limited, Telephone: +91 22 6807 7100 and Keynote Financial Services Limited, Telephone: +91 22 6826 6000 and **Syndicate Members:** Sharekhan Limited, Telephone: 022 6750 2000 and Keynote Capitals Limited, Telephone: +91 22 6826 6000-3 and at selected locations of Sub-Syndicate Members (as given below), Registered Brokers, SCSBs, Designated RTA Locations and Designated CDP Locations for participating in the Offer. Bid cum Application Forms will also be available on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com and at all the Designated Branches of SCSBs, the list of which is available on the websites of the Stock Exchanges and SEBI.

SUB-SYNDICATE MEMBERS:

ESCROW COLLECTION BANK AND REFUND BANK: Axis Bank Limited.

PUBLIC OFFER ACCOUNT BANK: HDFC Bank Limited. **| SPONSOR BANKS:** Axis Bank Limited and HDFC Bank Limited.

UPI: UPI Bidders can also Bid through UPI Mechanism.

All capitalised terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

For **CREDO BRANDS MARKETING LIMITED**
On behalf of the Board of Directors
Sd/-
Sanjay Kumar Mutha
Company Secretary and Compliance Officer

Place: Mumbai
Date: [•], 2023

CREDO BRANDS MARKETING LIMITED is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares and has filed a draft red herring prospectus dated July 13, 2023 with SEBI (the "**DRHP**") and a red herring prospectus dated [•], 2023 with the RoC. The RHP is made available on the website of the SEBI at www.sebi.gov.in as well as on the website of the BRLMs i.e., DAM Capital Advisors Limited at www.damcapital.in, ICICI Securities Limited at www.icicisecurities.com and Keynote Financial Services Limited at www.keynoteindia.net, the website of the NSE at www.nseindia.com and the website of the BSE at www.bseindia.com and the website of the Company at www.credobrands.in. Any potential investor should note that investment in equity shares involves a high degree of risk and for details relating to such risks, please see the section titled *"Risk Factors"* beginning on page 27 of the RHP. Potential investors should not rely on the DRHP for making any investment decision but can only rely on the information included in the Red Herring Prospectus.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**U.S. Securities Act**"), or any state law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) within the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act) under Section 4(a) of the U.S. Securities Act, and (ii) outside the United States in "offshore transactions" as defined in and in compliance with Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales are made. There will be no public offering of the Equity Shares in the United States.

CONCEPT

Size: 32.9x11 cm