

2026. If our COFO and FOFO Models are not successful in the future, or do not grow at the same rate or at all, or if stores operated under these models are closed, then our business growth, prospects and operations may be adversely impacted.

5. Working capital requirements risk: Our business is working capital intensive, primarily on account of inventory required to be stocked at our stores and warehouses. Our Company proposes to utilize ₹2,413.47 million out of the Net Proceeds towards our incremental net working capital requirements for Fiscal 2027 and Fiscal 2028. We may need to obtain additional financing to expand our operations, and any inability to manage our working capital requirements or raise such financing may adversely affect our business, revenue from operations and financial condition.

6. Independent Director's securities market association risk: One of our Independent Directors, Asit Chimanlal Mehta is associated as a shareholder, promoter or director with the entities associated with the securities market and by virtue of such association he may be subject to certain stringent obligations under securities laws. He is also involved in a proceeding currently pending before the Supreme Court of India, pertaining to an appeal filed by SEBI against an order of the Securities Appellate Tribunal quashing SEBI's adjudication order dated September 29, 2015. Any failure to comply with securities law or any adverse outcome in such proceeding could adversely affect his reputation, which may in turn impact our reputation, business and prospects.

7. Risk related to performance of the Company as compared to listed peer companies: Some of our listed peers have historically performed better than us in relation to certain key performance indicators such as Gross Profit margin, Operating EBITDA Margin, PAT Margin, ROE, ROCE and ROCE (post tax) between Fiscal 2024 and Fiscal 2026. We cannot assure you that we will in the future perform better than our peers in relation to these or other key performance indicators, or that we will continue to experience growth in our revenue from operations, profit, EPS and net worth.

8. Risk related to stamp duty and registration compliance: As of the date of the Red Herring Prospectus, out of 424 leased properties that we operate, the lease / leave and license agreements for 381 properties require registration of which the agreements for 82 properties are not registered. Certain of our property documents are also not adequately stamped, and such agreements may not be accepted as evidence in a court of law. This may affect our ability to enforce our rights and remedies under these agreements, and we may be required to pay penalties for non-registration and non-payment of or inadequate stamp duty.

9. Company's P/E ratio in comparison to its listed peers: The average Price to Earnings (P/E) ratio of our listed industry peers for Fiscal 2026 is 31.89 times. At the upper end of the Price Band our Company's P/E ratio is 46.54 times and at the lower end it is 44.24 times, representing a premium of 1.46 times and 1.39 times, respectively, over the average P/E of our peer set. We cannot assure you that this premium is justified or that we will be able to sustain or improve this P/E in the future.

10. Risk related to negative operating cash flow:

The table below sets forth our net cash flows from / (used in) operating activities for the Fiscals indicated:

Particulars	Fiscal 2026 (in ₹ million)	Fiscal 2025 (in ₹ million)	Fiscal 2024 (in ₹ million)
Net cash (used in) / generated from operating activities	325.22	14.17	(49.25)

Negative net cash flows from operating activities in the future could require us to increase our external borrowings, curtail our business operations, defer investments towards our operations all of which individually or collectively could have an adverse impact on our growth prospects.

11. The Offer comprises a Fresh Issue of Equity Shares as well as an Offer for Sale of Equity Shares by the Selling Shareholders. The proceeds from the Offer for Sale will be paid to the Selling Shareholders and we will not receive any proceeds from the Offer for sale.

12. The average cost of acquisition per Equity Share for our Promoters and the Selling Shareholders as at the date of the Red Herring Prospectus is set forth below:

Period	Number of Equity Shares held as of the date of this Red Herring Prospectus	Number of Equity Shares acquired since inception	Average cost of acquisition per Equity Share (in ₹)
Promoters*			
Siddharth Gurnant Shah	33,608,600	33,608,600	7.49
Deepa Siddharth Shah	8,740,150	10,040,150	2.05
Harshal Kishor Parekh	5,559,850	6,825,000	2.27
Bhavini Harshal Parekh	1,950,000	2,275,000	2.27
Selling Shareholder			
Rakhi Narendra Firodia	32,50,000	9,750,000	13.32

As certified by M/s Manek & Associates, Chartered Accountants (Firm No. 126679W), pursuant to a certificate dated September 8, 2026.

*Also, Selling Shareholders

13. Details of price at which Equity Shares were acquired by our Promoters, the members of our Promoter Group, Selling Shareholders and Shareholders with right to nominate Directors or other rights in the last 3 years preceding the date of the Red Herring Prospectus:

Name	Date of Acquisition	Number of Equity Shares Acquired	Face Value (in ₹)	Acquisition price per Equity Share ^a
Promoters*				
Siddharth Gurnant Shah	June 10, 2024	93,672	100	1,384.62**
	June 29, 2024	32,500	100	1,846.15**
	September 5, 2025	26,886,880	10	N.A. ^a
Deepa Siddharth Shah	September 5, 2025	6,968,000	10	N.A. ^a
	November 24, 2025	30,150	10	N.A. ^a
Harshal Kishor Parekh	September 5, 2025	4,472,000	10	N.A. ^a
Bhavini Harshal Parekh	September 5, 2025	1,560,000	10	N.A. ^a
Selling Shareholders				
Rakhi Narendra Firodia	September 5, 2025	2,600,000	10	N.A. ^a
Promoter Group				
Kishor Ratilal Parekh	June 13, 2025	500	100	10,000.00**
	September 5, 2025	20,000	10	N.A. ^a
Other Shareholders with special rights – Nil				

*Also, Selling Shareholders

** These acquisitions were undertaken prior to sub-division of face value of Equity Shares and the bonus issue of Equity Shares.

^a N.A. denotes either shares acquired through bonus issue or gift.

^a As certified by M/s Manek & Associates, Chartered Accountants (Firm No. 126679W), pursuant to a certificate dated September 8, 2026.

14. Details of weighted average cost of acquisition of all Equity Shares transacted in the 3 years, 18 months and 1 year preceding the date of the Red Herring Prospectus:

Name	Weighted Average Cost of Acquisition (in ₹)*	Floor Price is 'X' times the weighted average cost of acquisition	Cap Price is 'X' times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest price – highest price (in ₹)
Last 3 years	7.57	53.24	56.01	Nil – 10,000.00 ^a
Last 18 months	3.27	123.24	129.66	Nil – 10,000.00 ^a
Last 1 year	Nil	NA	NA	Nil

^a As certified by M/s Manek & Associates, Chartered Accountants (Firm No. 126679W), pursuant to a certificate dated September 8, 2026.

^a The acquisitions done at ₹ 10,000.00 per share were undertaken prior to sub-division of face value of Equity Shares and the bonus issue of Equity Shares.

15. Weighted average cost of acquisition, Floor Price and Cap Price:

Category of transactions	Weighted average cost of acquisition ^a (WACA) (in ₹)	Floor Price (₹403) is 'X' times the WACA	Cap Price (₹424) is 'X' times the WACA
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 and issuance of bonus shares, during the 18 months preceding the date of filing of the Red Herring Prospectus, where such issuance is equal to or more than five per cent of the paid-up share capital of our Company (calculated based on the pre-issue capital before such transactions 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

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