



BENNETT, COLEMAN & CO. LTD.

VOL. 63 NO. 244 | MUMBAI | 24 PAGES | ₹3.00 OR *₹7.00 ALONG WITH THE TIMES OF INDIA

TUESDAY, 19 DECEMBER 2023

Unlike other years, this December has been a bumper month for equity issuances with cos poised to secure a record ₹20,989 cr from IPOs, QIPs and other avenues. ▶ BACK FLAP

▶ Govt Plea in Supreme Court: Allow Spectrum Allocation without Auction in Certain Situations: P1 ▶ US Parent of EbixCash Files for Bankruptcy: BACK FLAP

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 BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE" and together with BSE, 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").



(Please scan the QR code to view the RHP)

CREDO BRANDS MARKETING LIMITED

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 December 12, 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.credobrand.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 December 12, 2023.

We are engaged in the retail sale of garments and accessories under the brand name "Mufti", and we do not manufacture any apparel.

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 December 13, 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 pages 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 | For Fiscal 2023 | For Fiscal 2022 | For 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 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 number of manufacturing partners:

| Particular | For the six months period ended September 30, 2023 | For Fiscal 2023 | For Fiscal 2022 | For 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 | | For the Financial Year 2023 | | For the Financial Year 2022 | | For the Financial Year 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. Weighted average return on Net Worth for FY 2023, FY 2022 and FY 2021 is 20.86%.

10. Our ratio of Market capitalization / Revenue is higher than few of our listed peers.

11. The details of market capitalization to revenue, market capitalization to tangible assets and EV/EBITDA on the Floor Price and Cap 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 | 11.56 | 12.11 |
| 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/EBITDA is calculated as enterprise value (market capitalisation as on December 4, 2023+ Long and short term borrowings and Lease Liabilities - cash and cash equivalents)/EBITDA.

Continued on next page...

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12. 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^A | | |
| Kamal Khushlani | 22,260,420 | 8.48 |
| Poonam Khushlani | 18,164,380 | 0.16 |
| Name of the Promoter Group members^A | | |
| 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 |

^AAs certified by Dileep & Prithvi, Chartered Accountants by way of their certificate dated December 12, 2023.
^{*}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.
^AAlso acting as the Selling Shareholders

13. The weighted average cost of acquisition of all shares transacted in the last eighteen months, one year and three years preceding the date of this Addendum 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 | 16.57 | 16.90 | Nil-280.00 |
| Last eighteen months | 16.56 | 16.91 | 0.50-280.00 |
| Last three years | 16.56 | 16.91 | 0.50-280.00 |

^AAs certified by Dileep & Prithvi, Chartered Accountants by way of their certificate dated December 18, 2023.
[@] 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.

| | |
|---|--------------------------------|
| BID/ OFFER PERIOD | BID / OFFER OPENS TODAY |
| BID / OFFER CLOSSES ON THURSDAY, DECEMBER 21, 2023^A | |

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

Submission of Bids (other than Bids from Anchor Investors):

| Bid/Offer Period (except the Bid/Offer Closing Date) | |
|---|--|
| Submission and Revision in Bids | Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("IST")) |
| Bid/Offer Closing Date [*] | |
| Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For RILs, other than QIBs and Non-Institutional Investors | Only between 10.00 a.m. and up to 5.00 p.m. IST |
| Submission of Electronic Applications (Bank ASBA through Online channels like Internet Banking, Mobile Banking and Syndicate UPI ASBA applications) | Only between 10.00 a.m. and up to 4.00 p.m. IST |
| Submission of Electronic Applications (Syndicate Non-Retail, Non-Individual Applications) | Only between 10.00 a.m. and up to 3.00 p.m. IST |
| Submission of Physical Applications (Bank ASBA) | Only between 10.00 a.m. and up to 1.00 p.m. IST |
| Submission of Physical Applications (Syndicate Non-Retail, Non-Individual Applications of QIBs and Non-Institutional Investors) | Only between 10.00 a.m. and up to 12.00 p.m. IST |

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.

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, may 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 RILs and NIs 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.

ADDENDUM TO THE RHP: NOTICE TO INVESTORS DATED DECEMBER 18, 2023 (THE "ADDENDUM")

- With reference to the red herring prospectus dated December 12, 2023, filed with the RoC on December 13, 2023, and thereafter with SEBI and Stock Exchanges, potential Bidders may note the following:
- The following disclosure shall be included under the heading "Shareholders' agreements and other Agreements - Share subscription agreement dated December 31, 2008 (the "BCCL SSA"), entered amongst Bennett Coleman & Co. Ltd. ("BCCL"), our Company, Kamal Khushlani, Poonam Khushlani and Kavita Khushlani, as amended by the amendment agreement to the BCCL SSA dated July 12, 2023 entered amongst BCCL, our Company, Kamal Khushlani and Poonam Khushlani (collectively referred to as the "Parties") ("BCCL Amendment Agreement")
Pursuant to a share purchase agreement dated December 15, 2023 ("ACM BCCL SPA") entered amongst BCCL, ACM Global Fund VCC ("ACM") and our Company, ACM has purchased 2,536,279 equity shares of face value of ₹ 2 each of the Company from BCCL for a consideration of ₹ 710,158,120.
Further, pursuant to a share purchase agreement dated December 16, 2023 ("NCSPL BCCL SPA") entered amongst BCCL, Negen Capital Services Private Limited ("NCSPL") acting as the Investment Manager of Negen Undiscovered Value Fund ("NUVF") and our Company, NUVF has purchased 3,60,000 equity shares of face value of ₹ 2 each of the Company from BCCL for a consideration of ₹ 100,800,000.
 - The following disclosure shall be included under the heading "Shareholders' agreements and other Agreements - Share subscription agreement dated December 31, 2008 (the "Dharmayug SSA"), entered amongst Dharmayug Investments Limited ("Dharmayug"), our Company, Kamal Khushlani, Poonam Khushlani and Kavita Khushlani, as amended by the amendment agreement to the Dharmayug SSA dated July 12, 2023 entered amongst Dharmayug, our Company, Kamal Khushlani and Poonam Khushlani (collectively referred to as the "Parties") ("Dharmayug Amendment Agreement")
Pursuant to a share purchase agreement dated December 15, 2023 ("ACM Dharmayug SPA") entered amongst Dharmayug, ACM Global Fund VCC ("ACM") and our Company, ACM has purchased 142,292 equity shares of face value of ₹ 2 each of the Company from Dharmayug for a consideration of ₹ 39,841,760. There are no special rights available to ACM under the ACM Dharmayug SPA.
 - Pursuant to the shares transferred by BCCL and Dharmayug to ACM Global Fund VCC ("ACM") and Negen Undiscovered Value Fund ("NUVF"), (the "Transfers"), the percentage of post transfer shareholding of BCCL, Dharmayug, NUVF and ACM in the Company is 7.88%, 0.47%, 0.54% and 0.04%, respectively on fully diluted basis, as on the date of this Addendum. The section titled "Capital Structure" beginning on page 84 of the RHP, will be suitably updated in the Prospectus, including details of: (a) the shareholding pattern of the Company as on the date of the Prospectus; (b) the total number of Shareholders of our Company; and (c) Shareholders holding 1% or more of the paid-up Equity Share capital of our Company on a fully diluted basis as on the date of the Prospectus.
 - The weighted average cost of acquisition of all shares transacted in the last eighteen months, one year and three years preceding the date of this Addendum 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 | 16.57 | 16.90 | Nil-280.00 |
| Last eighteen months | 16.56 | 16.91 | 0.50-280.00 |
| Last three years | 16.56 | 16.91 | 0.50-280.00 |

^AAs certified by Dileep & Prithvi, Chartered Accountants by way of their certificate dated December 18, 2023.
[®] 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.

- Following documents will be included under the heading "Material Contracts and Documents for Inspection - Material Documents" on page 376 of the RHP:
i. Share purchase agreement dated December 15, 2023 entered amongst Bennett Coleman & Co. Ltd., ACM Global Fund VCC and our Company; ii. Share purchase agreement dated December 16, 2023 entered amongst Bennett Coleman & Co. Ltd., Negen Capital Services Private Limited (acting as the Investment Manager of Negen Undiscovered Value Fund) and our Company; iii. Share purchase agreement dated December 15, 2023 entered amongst Dharmayug Investments Limited, ACM Global Fund VCC and our Company;
The above changes are to be read in conjunction with the RHP and accordingly their references in the RHP stand updated pursuant to this Addendum. The information in this Addendum supplements the RHP and updates the information in the RHP, as applicable. Investors should read the Addendum in conjunction with the RHP, before making an investment decision in the Offer. All capitalised terms used in this Addendum shall, unless the context otherwise requires, have the meaning ascribed to them in the RHP.
Please note that the Addendum does not reflect all the changes that have occurred between the date of filing of the RHP with the RoC and the date hereof, and accordingly does not include all the changes and/or updates that will be included in the Prospectus.

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| 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 -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?do=RecognisedPis-yes&ntmid=35 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?do=RecognisedPis-yes&ntmid=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 . |
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| BOOK RUNNING LEAD MANAGERS | | REGISTRAR TO THE OFFER | COMPANY SECRETARY AND COMPLIANCE OFFICER | |
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|  DAM CAPITAL DAM Capital Advisors Limited One BKC, Tower C, 15 th Floor, Unit No. 1511, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051, Maharashtra, India. Telephone: +91 22 4202 2500 E-mail: multi.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: multi.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 Keynote Financial Services Limited* The Ruby, 9 th Floor, Senapati Bapat Marg Dadar (West), Mumbai - 400 028, Maharashtra, India Telephone: +91 22 6826 6000 E-mail: mdb@keynoteindia.net Website: www.keynoteindia.net Investor grievance e-mail: investors@keynoteindia.net Contact Person: Radha Kirithivasan / Sunu Thomas SEBI Registration No.: INM000003606 | LINK Intime Link Intime India Private Limited C-101, 1 st 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 Gopalakrishnan 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@multi.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 Company at www.credobrands.in and 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: Anand Rathi Share & Stock Brokers Limited, Axis Capital Limited, Centrum Broking Limited, Centrum Wealth Management Ltd, Choice Equity Broking Private Limited, DB International) Stock Brokers Ltd, Eureka Stock & Share Broking Services Ltd, Finwizard Technology private Limited, HDFC Securities Limited, IDBI Capital Markets & Services Limited, IIFL Securities Limited, J.M Financial Services Ltd, Jobanputra Fiscal Services Pvt. Ltd, KJMC Capital Market Services Ltd, Kotak Securities Ltd., LKP Securities Limited, Inventure Growth & Securities Ltd., Motilal Oswal Financial Services Limited, Nirmal Bang Securities Pvt.Ltd., Nuvama Wealth and Investment Limited, Prabhudas Liladhar Pvt Ltd., Pravin Rattal Share and Stock Brokers Ltd., Religare Broking Ltd., RR Equity Brokers Pvt Ltd., SBICAP Securities Limited, SMC Global Securities Limited, SS Corporate Securities Ltd., Sushil Financial Services Pvt.Ltd., Systematix Shares and Stocks (India) Limited, Trade Bulls Securities (P) Ltd., Way2wealth brokers Pvt.Ltd., Yes Securities (India) Limited

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.

Place: Mumbai
Date: December 18, 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 red herring prospectus dated December 12, 2023 with the RoC read with this Addendum (the "RHP"). 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 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 have not been and will not be registered under the U.S. Securities Act of 1933 (the "U.S. Securities Act") or any state securities laws in the United States, and unless so registered, and 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 U.S. state securities laws. Accordingly, the Equity Shares are being offered and sold outside the United States in "offshore transactions" as defined in and in reliance on Regulation S and the applicable laws of each jurisdictions where such offers and sales are made. There will be no public offering of the Equity Shares in the United States.

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