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(Please scan this QR Code to view the Red Herring Prospectus)

SARASWATI SAREE DEPOT LIMITED

(FORMERLY KNOWN AS SARASWATI SAREE DEPOT PRIVATE LIMITED)

Our Company was incorporated under the provisions of the Companies Act, 2013 as "Saraswati Saree Depot Private Limited" pursuant to certificate of incorporation dated March 18, 2021 issued by Central Registration Centre, Registrar of Companies. Subsequently, our Company has been converted into a public limited company and the name of our Company has changed to "Saraswati Saree Depot Limited" pursuant to a special resolution passed at the Extra-Ordinary General Meeting of our Company held on March 08, 2023 and a fresh Certificate of Incorporation dated March 31, 2023 consequent upon change of name and upon conversion to public limited company has been issued by the RoC. For details in relation to the changes, if any, in our Registered Office of our Company, see "History and Certain Corporate Matters" beginning on page 198 of the Red Herring Prospectus dated August 06, 2024 ("RHP" or "Red Herring Prospectus") filed with RoC.

Registered Office: Sr No.144/1 Manademala, Near Tawade Hotel, Gandhinagar Road, Uchagaon, Kolhapur - 416005, Maharashtra, India. Telephone: +91 9271009858; Contact Person: Ruchika Gheeya, Company Secretary and Compliance Officer; E-mail: cs@saraswatisareedepotlimited.com; Website: www.saraswatisareedepot.com; Corporate Identity Number: U14101PN2021PLC199578

THE PROMOTERS OF OUR COMPANY ARE MAHESH DULHANI, RAJESH DULHANI, SHANKAR DULHANI AND VINOD DULHANI

INITIAL PUBLIC OFFER OF UP TO 10,000,800 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF SARASWATI SAREE DEPOT LIMITED ("COMPANY OR "ISSUER") FOR CASH AT A PRICE OF ₹ [·] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [·] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [·] MILLION COMPRISING A FRESH ISSUE OF UP TO 6,499,800 EQUITY SHARES AGGREGATING UP TO ₹ [·] MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 3,501,000 EQUITY SHARES AGGREGATING UP TO ₹ [·] MILLION ("OFFER FOR SALE"), COMPRISING OF UP TO 700,200 EQUITY SHARES AGGREGATING UP TO ₹ [·] MILLION BY TEJAS DULHANI, UP TO 700,200 EQUITY SHARES AGGREGATING UP TO ₹ [·] MILLION BY AMAR DULHANI, UP TO 700,200 EQUITY SHARES AGGREGATING UP TO ₹ [·] MILLION BY SHEVAKRAM DULHANI, UP TO 700,200 EQUITY SHARES AGGREGATING UP TO ₹ [·] MILLION BY SUJANDAS DULHANI, UP TO 350,100 EQUITY SHARES AGGREGATING UP TO ₹ [·] MILLION BY TUSHAR DULHANI, UP TO 350,100 EQUITY SHARES AGGREGATING UP TO ₹ [·] MILLION BY NIKHIL DULHANI, (COLLECTIVELY THE "PROMOTER GROUP SELLING SHAREHOLDERS") AND SUCH EQUITY SHARES OFFERED BY THE PROMOTER GROUP SELLING SHAREHOLDERS (THE "OFFERED SHARES"). (SUCH OFFER BY EACH OF THE PROMOTER GROUP SELLING SHAREHOLDERS, THE "OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER SHALL CONSTITUTE UP TO [·]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE PRICE PER EQUITY SHARE			
NAME OF SELLING SHAREHOLDER	TYPE OF SELLING SHAREHOLDER	NO. OF EQUITY SHARES OFFERED	WEIGHTED AVERAGE PRICE PER EQUITY SHARE (IN ₹)*
Tejas Dulhani	Promoter Group Selling Shareholder	Up to 700,200 Equity Shares of face value ₹10 each aggregating up to ₹[·] million	0.06
Amar Dulhani	Promoter Group Selling Shareholder	Up to 700,200 Equity Shares of face value ₹10 each aggregating up to ₹[·] million	0.04
Shevakram Dulhani	Promoter Group Selling Shareholder	Up to 700,200 Equity Shares of face value ₹10 each aggregating up to ₹[·] million	0.03
Sujandas Dulhani	Promoter Group Selling Shareholder	Up to 700,200 Equity Shares of face value ₹10 each aggregating up to ₹[·] million	0.06
Tushar Dulhani	Promoter Group Selling Shareholder	Up to 350,100 Equity Shares of face value ₹10 each aggregating up to ₹[·] million	0.05
Nikhil Dulhani	Promoter Group Selling Shareholder	Up to 350,100 Equity Shares of face value ₹10 each aggregating up to ₹[·] million	Nil

*As certified by M/s. Sanjay Vhanbatte and Co. by way of their certificate dated August 05, 2024.

We are engaged in the B2B trading of women's apparel including sarees, kurtis, dress materials, blouse pieces, lehengas, bottoms, etc.

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: ₹ 152 TO ₹ 160 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH.
THE FLOOR PRICE IS 15.2 TIMES OF THE FACE VALUE OF THE EQUITY SHARES AND
THE CAP PRICE IS 16 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE TO EARNINGS RATIO ("P/E") BASED ON BASIC AND DILUTED EPS FOR FISCAL 2024
FOR OUR COMPANY AT THE FLOOR PRICE IS 17.04 TIMES AND AT THE CAP PRICE IS 17.94 TIMES AS
COMPARED TO THE AVERAGE INDUSTRY PEER GROUP P/E RATIO OF 46.57 TIMES

BIDS CAN BE MADE FOR A MINIMUM OF 90 EQUITY SHARES AND IN MULTIPLES OF 90 EQUITY SHARES THEREAFTER

In accordance with the recommendation of Independent Directors of our Company, pursuant to their resolution dated August 06, 2024, the above provided price band is justified based on quantitative factors/KPIs disclosed in the 'Basis for Offer Price' section on pages 128 to 136 of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in 'Basis for Offer Price' section on pages 128 to 136 of the RHP and provided below in the advertisement.

In making investment decision, potential investors must only rely on the information included in the RHP 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

For details refer to section titled "Risk Factors" on page 41 of the RHP

1. **We are dependent on single product (i.e., women's sarees) for more than 90% of our sales :** Our business is highly concentrated on the sale of women's sarees and is vulnerable to variations in demand. For the Fiscals 2024, 2023 and 2022, our revenue from sale of women's sarees was ₹ 5,550.05 million, ₹ 5,533.60 million, and ₹ 5,001.34 million, respectively, representing 90.85%, 91.94% and 91.00%, respectively of our revenue from operations. For details, please refer to Risk Factor 1 on page 41 of the RHP.
2. **Negative Cash and Cash Equivalent:** We have experienced negative cash and cash equivalent in Fiscals 2024 of ₹ (91.81) million. Any negative cash flows in the future would adversely affect our results of operations and financial condition. For details, please refer to Risk Factor 9 on page 49 of the RHP.
3. **Brand related Risk:** Our Company is operating in wholesale segment due to which we lack visibility and direct connection with the end consumers of our products which may adversely affect our ability to build brand loyalty and awareness with the end consumers.
4. **Geographic Concentration Risk:** We operate out of only two stores which are located at Kolhapur and Ulhasnagar in Maharashtra and any localized social unrest, natural disaster or breakdown of services

or any other natural disaster in and around these particular geographical areas may have material adverse effect on our business and financial condition. The contribution of revenue from operations from Kolhapur and Ulhasnagar Stores, as a percentage of revenue from operations is as provided below:

Stores	Fiscals					
	2024		2023		2022	
	Revenue (₹ in million)	(%) of revenue from operations	Revenue (₹ in million)	(%) of revenue from operations	Revenue (₹ in million)	(%) of revenue from operations
Kolhapur	5,395.63	88.32	5,255.07	87.31	4,741.81	86.28
Ulhasnagar	713.41	11.68	763.84	12.69	753.96	13.72
Total	6,109.04	100.00	6,018.91	100.00	5,495.77	100.00

For details, please refer to Risk Factor 2 on page 42 of the RHP.

- 5 **Regional dependence:** Over 80% of our sales are derived from the western zone and any adverse developments in this market could adversely affect our business. In Fiscals 2024, 2023 and 2022, the revenues generated from sales in western zone represented 82.68%, 81.37% and 80.88%, respectively of our revenue from operations. For details, please refer to Risk Factor 6 on page 45 of the RHP.

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6. **Competition Risk:** We operate in highly competitive and fragmented industry with presence of large number of smaller unorganized players operating standalone outlets markets in each of our product segments and an inability to compete effectively may adversely affect our business, results of operations and financial condition.

7. **Low margin business:** Our business is a high volume-low margin business. Due to this nature of our business, our profit and operating margins are low. For Fiscals 2024, 2023 and 2022, our profit before tax margin was 6.43%, 5.13% and 3.00%, respectively and our profit after tax margin was 4.83%, 3.82% and 2.24%, respectively of our revenues. For details, please refer to Risk Factor 11 on page 50 of the RHP.

8. **Seasonality Risk:** Our business is subject to seasonality. For Fiscals 2024, 2023 and 2022, the revenues generated during festive season (of 3 months) and wedding season (of 3 months) contributed to 62.93%, 63.78% and 57.25%, respectively of our revenues. Lower revenues in the festive and wedding season of any fiscal may adversely affect our business, financial condition, results of operations and prospects. For details, please refer to Risk Factor 5 on page 45 of the RHP

9. **Dependence on Third Party weavers/suppliers:** We are dependent on third party weavers/suppliers for sourcing our products and we do not have long-term or exclusive agreements with them. For the Fiscals 2024, 2023 and 2022, our purchases from top 10 weavers/ suppliers were ₹ 1,395.68 million, ₹ 1,241.34 million, and ₹ 1,528. 31 million, respectively, representing 25.68%, 22.89% and 26.81%, respectively of our total purchases.

10. **Substantial Working Capital requirements:** Our Company being in the wholesale sector requires significant amount of working capital for a continued growth. For the Fiscals 2024, 2023 and 2022, our working capital requirement was ₹ 910.46 million, ₹ 509.58 million, and ₹ 585.96 million, respectively. If our Company is unable to raise sufficient working capital, the operations of our Company could be adversely affected.

11. **Inventory Risk:** For Fiscals 2024, 2023 and 2022, our inventory as a percentage of our Current Assets was 54.25%, 50.98% and 45.43%, respectively and inventory as a percentage of revenue from operations was 17.63%, 15.42% and 13.78%, respectively. Our inability to accurately forecast demand for our products and maintain an optimal level of inventory may be adversely affect our business, results of operations and financial condition. For details, please refer to Risk Factor 10 on page 49 of the RHP

12. The Price to Earnings ratio at the Floor Price is 17.04 times and the Cap Price is 17.94 times based on diluted EPS as per Restated Financial Statements for the fiscal 2024.

13. The BRLM associated with the Offer has handled 7 Main board public issues and 10 SME public issues in the past three years.

14. Average cost of acquisition of our Promoters and Promoter Group Selling Shareholders as on the date of RHP:

Investors should read the RHP carefully, including the “Risk Factors” on page 41 of the RHP before making any investment decision.

BID / OFFER SCHEDULE

BID/ OFFER OPENS ON MONDAY, AUGUST 12, 2024

BID/ OFFER CLOSES ON WEDNESDAY, AUGUST 14, 2024*

*UPI Mandate end time and date shall be 5.00 p.m on the Bid/Offer Closing Date.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company in compliance with SEBI ICDR Regulations and on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Floor Price is 15.2 times the face value and the Cap Price is 160 times the face value. Investors should refer to “Risk Factors”, “Our Business”, “Summary of Offer Document”, “Restated Financial Statements” and “Management Discussion and Analysis of Financial Position and Results of Operations” on pages 41, 179, 238 and 273, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are as follows:

- Diversified supplier and customer base;
- Diverse product portfolio;
- Bulk buying capabilities;
- Experienced Promoters and strong management team;
- Existing client and supplier relationships; and
- Collaborative and experienced work force

For further details, see “Our Business – Our Strengths” on page 185 of the RHP.

Quantitative Factors

Some of the information presented in this section is derived from our Restated Financial Statements. For details, see “Restated Financial Statements” on page 238, of the RHP. Investors should evaluate our Company and form their decisions taking into consideration its earnings and based on its growth strategy. 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 (EPS), as adjusted for changes in capital.**

As derived from the Restated Financial Statements

Year ended	Basic and Diluted EPS (in ₹)	Weight
Fiscal 2024	8.92	3
Fiscal 2023	6.94	2
Fiscal 2022	3.72	1
Weighted Average	7.39	

Name	No. of Equity Shares held	Average cost of acquisition (in ₹)*
Promoters		
Shankar Dulhani	3,310,000	0.03
Mahesh Dulhani	4,137,500	0.02
Rajesh Dulhani	4,137,500	0.02
Vinod Dulhani	2,482,500	0.02
Promoter Group Selling Shareholders		
Tejas Dulhani	1,655,000	0.06
Amar Dulhani	2,317,000	0.04
Shevakram Dulhani	1,655,000	0.03
Sujandas Dulhani	1,655,000	0.06
Tushar Dulhani	2,068,750	0.05
Nikhil Dulhani	2,068,750	Nil

* As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants, by way of their certificate dated August 05, 2024.

15. Weighted Average Return on Net Worth of our Company for Fiscals 2024, 2023 and 2022 is 60.92%.
16. The weighted average cost of acquisition of all Equity Shares acquired in last three years, 18 months and one year preceding the date of the RHP by are as follows:

Period	Weighted Average Cost of Acquisition (in ₹)*	Upper end of the Price band (₹ 160/-) is ‘x’ times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price-Highest Price (in ₹)
Last 1 year	Nil	-	-
Last 18 months	Nil	-	-
Last 3 years	0.03	5,333.33	10-10

* As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants, by way of their certificate dated August 05, 2024.

17. **Weighted average cost of acquisition, floor price and cap price:**

Type of transactions	Weighted Average Cost of Acquisition (in ₹)*	Floor Price (i.e ₹ 152/-)	Cap Price (i.e ₹ 160/-)
Weighted average cost of acquisition (WACA) of Primary issuances 18 month prior to RHP	NA	NA	NA
Weighted average cost of acquisition (WACA) of secondary transactions 18 month prior to RHP	Nil	NA	NA

* As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants, by way of their certificate dated August 05, 2024.

Notes:

- a) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights, i.e. (EPS x weight) for each year divided by the total of weights.
- b) Basic and diluted EPS are based on the Restated Consolidated Financial Information.
- c) The face value of each Equity Share is ₹10.
- d) Earnings per Share (₹) = Profit after tax excluding exceptional items before other comprehensive income attributable to equity shareholders for the year/period divided by the weighted average no. of equity shares. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue of Equity Shares.
- e) Basic EPS and diluted EPS calculations are in accordance with Indian Accounting Standard 33 ‘Earnings per Share’.
- f) The above statement should be read with significant accounting policies and the notes to the Restated Financial Statements.

2. **Price / Earning (P/E) Ratio in relation to Price band of ₹ 152 to ₹ 160 per Equity Share**

Particulars	P/E at the lower end of the price band (no. of times) *	P/E at the higher end of the price band (no. of times) *
a) P/E ratio based on Basic EPS as at March 31, 2024	17.04	17.94
b) P/E ratio based on Diluted EPS as at March 31, 2024	17.04	17.94

* To be updated at Prospectus stage.

Industry Price / Earning (P/E) Ratio

Based on the peer company information (excluding our Company) given below in this section:

Particulars	P/E ratio
Highest	71.80
Lowest	21.34
Average	46.57

Notes: P/E ratio has been computed based on the closing market price of equity shares on NSE as on, August 05, 2024, divided by the diluted EPS for the year ended March 31, 2024.

3. **Return on Net Worth (RONW):**

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As derived from the Restated Financial Statements

Year ended	RoNW (%)	Weight
Fiscal 2024	45.49%	3
Fiscal 2023	64.93%	2
Fiscal 2022	99.20%	1
Weighted Average	60.92%	

RoNW = *Net Profit after tax, as restated, attributable to the owners of the company*
Net-worth, as restated at the end of the relevant period (Equity attributable to the owners of the company, excluding non-controlling interest)

- Notes:
- 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.
 - The figures disclosed above are based on the Restated Consolidated Financial Statements of our Company.

4. Net Asset Value (NAV) per Equity Share

As derived from the Restated Financial Statements

Financial Year	Net Asset Value per equity shares
As of March 31, 2024	19.61
After Completion of the Offer	
- At the Floor Price	41.34
- At the Cap Price	42.65
Offer Price	[•]

- Notes:
- Net asset value per equity share is calculated as net worth as of the end of relevant year divided by the number of equity shares outstanding at the end of the year. Net worth represents aggregate value of equity share capital, instruments entirely equity in nature and other equity and are based on Restated Financial Statements.

5. Comparison with listed industry peers:

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

Name of the Company	For the year ended March 31, 2024						
	Face value (₹)	Revenue from operations (₹ in Mn) ⁽¹⁾	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	Return on net worth (%)	NAV per Equity Share (₹)
Saraswati Saree Depot Limited	10	6,109.04	8.92	8.92	[•]	45.49%	19.61
Peer Group							
Go Fashion (India) Ltd	10	7,628.28	15.32	15.32	71.80	13.71%	111.81
Sai Silks (Kalamandir) Limited	10	13,735.50	7.51	7.51	21.34	9.49%	72.14

Source: All the financial information for listed industry peers mentioned above is on a consolidated/standalone basis as available sourced from the financial reports of the peer company uploaded on the NSE website for the year ended March 31, 2024

- Notes:
- P/E Ratio has been computed based on the closing market price of equity shares on the NSE website on August 05, 2024 divided by the Diluted EPS.
 - RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.
 - NAV is computed as the closing net worth divided by the weighted average number of equity shares.

Investors should read the above mentioned information along with "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Position and Results of Operations" and "Restated Financial Statements" on pages 41, 179, 273 and 238, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" and you may lose all or part of your investments.

6. Key financial and operational performance indicators ("KPIs")

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Offer as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

KPI	Explanations
Revenue from Operations (₹ million)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Revenue	Total Revenue is used to track the total revenue generated by the business including other income.
Operating EBITDA (₹ million)	Operating EBITDA provides information regarding the operational efficiency of the business.
Operating EBITDA Margin (%)	Operating EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ million)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.
Interest Coverage Ratio	The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstanding debt.
Return on Capital Employed	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Net Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.
Return on Net Worth	This metric enables us to track how much profit a company generates with the money that the equity shareholders have invested.
Net Sales per sq.ft. area in use	This metric enables us to track the amount of sales that the company is generating for every square foot of area that it uses for business.
Average net sales per customer	This metric enables us to track the average net sales that the company generates per customer for the financial year.
Total pieces sold for the year	This metric enables us to track the total number of pieces sold in a year, which is a key metric to determine the sales performance for the year.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 15, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this RHP. Further, the KPIs herein have been certified by M/s. Sanjay Vhanbatte and Co., by their certificate dated August 05, 2024.

Financial KPI of our Company

Sr No.	Metric	As of and for the Fiscals		
		2024	2023	2022
1	Revenue From operations (₹ in million)	6,109.04	6,018.91	5,495.76
2	Total Income (₹ in million)	6,125.80	6,035.18	5,503.08
3	EBITDA (₹ in million)	411.41	340.53	208.46
4	EBITDA Margin (%)	6.73%	5.66%	3.79%
5	Profit/(loss) after tax for the year/ period (₹ in million)	295.28	229.74	123.08
6	Net profit Ratio/ Margin (%)	4.83%	3.82%	2.24%
7	Return on Equity (ROE) (%)	58.88%	96.15%	196.81%
8	Debt To Equity Ratio	0.67	1.17	5.37
9	Interest Coverage Ratio	16.95	9.09	4.67
10	ROCE (%)	64.46%	98.03%	169.07%
11	Current Ratio	1.41	1.19	1.06
12	Net Capital Turnover Ratio	10.64	21.06	59.67

- Notes:
- As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants pursuant to their certificate dated August 05, 2024. The Audit committee in its resolution dated June 15, 2024 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Red Herring Prospectus other than as disclosed in this section.
 - Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
 - EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items less other income.
 - EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
 - Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
 - Return on equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.
 - Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).
 - Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBIT by finance cost.
 - RoCE (Return on Capital Employed) (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as total assets minus current liabilities.
 - Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
 - Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).

See "Management Discussion and Analysis of Financial Position and Results of Operations" on page 273, for the reconciliation and the manner of calculation of our key financial performance indicators.

Further, set forth below are some of our key operational performance indicators as of and for the periods indicated which have been approved by our Audit Committee pursuant to its resolution dated June 15, 2024.

ASBA *

Simple, safe, smart way of Application!!!!

Mandatory in Public Issues. No Cheque will be accepted

*Applications supported by blocked amount (ASBA) is a better way of applying to Issues by simply blocking the fund in the bank account. For further details, check section on ASBA below.

UPI

UNIFIED PAYMENTS INTERFACE

UPI-Now available in ASBA for Retail Individual Investors and Non - Institutional Investor applying for amount upto ₹ 5,00,000/-, applying through Registered Brokers, DPs and RTAs. UPI Bidder 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, issued by the Central Board of Direct Taxes and the subsequent press releases, including press releases dated June 25, 2021 and September 17, 2021 and CBDT circular no.7 of 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

ASBA has to be availed by all the investors. UPI may be availed by (i) Retail Individual Investors in the Retail Portion; (ii) Non-Institutional Investors 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 ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" on page 332 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, ASBA bid-cum-application forms can be downloaded from the websites of 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?doRecognisedFp=yes&intmid=35 and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFp=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. HDFC Bank Limited and Axis Bank Limited have been appointed as Sponsor Banks for the Offer, in accordance with the requirements of the SEBI Circular dated November 1, 2018 as amended. For Offer related queries, please contact the BRLM on their respective email IDs as mentioned below.

Operational KPIs for the Company

Sr No.	Metric	As of and for the Fiscal		
		2024	2023	2022
1	Average net sales per customer	33,021.83	32,534.65	29,834.05
2	Net Sales per sq.ft. area in use	463,508.28	3,96,033.03	3,79,856.23
3	Total pieces sold for the year	16,076,129	15,707,221	14,772,335

- Note:
- Net sales per square foot of area in use is calculated as the total square foot of area in use at the Company's units, divided by the net sales for the year (total sales less the total sales returns for the year).
 - Average net sales per customer is calculated as the total net sales divided by the number of customers who purchased goods at least once in the financial year.
 - Total pieces sold for the year refers to the total quantity of products sold.

For further information in relation to historical use of such KPIs by our Company to monitor the operational and/or financial performance of our Company, please see "Our Business - Key Performance Indicators" on page 183.

Comparison of financial KPIs and Operational KPIs of our Company and listed peers.

Metric	Saraswati Saree Depot Limited			Go Fashion (India) Ltd			Sai Silks (Kalamandir) Limited		
	As of and for year Fiscal 2024	As of and for year Fiscal 2023	As of and for year Fiscal 2022	As of and for year Fiscal 2024	As of and for year Fiscal 2023	As of and for year Fiscal 2022	As of and for year Fiscal 2024	As of and for year Fiscal 2023	As of and for year Fiscal 2022
Revenue From operations (₹ in million)	6,109.04	6,018.91	5,495.76	31.78%	6,652.80	4,013.13	13,735.50	13,514.69	11,293.23
Total revenue (₹ in million)	6,125.80	6,035.18	5,503.08	827.76	6,771.94	4,221.07	13,970.20	13,589.20	11,330.16
EBITDA (₹ in million)	411.41	340.53	208.44	10.85%	2,122.86	1,222.47	2,119.80	2,125.31	1,330.48
EBITDA Margin (%)	6.73%	5.66%	3.79%	13.71%	31.91%	30.46%	15.43%	15.73%	11.78%
Profit after tax (₹ in million)	295.28	229.74	123.08	0.78	827.98	356.01	1,008.60	975.88	576.87
PAT Margin (%)	4.83%	3.82%	2.24%	3.82	12.23%	8.87%	7.34%	7.18%	5.11%
Return on Equity (ROE) (%)	58.88%	96.15%	196.81%	14.90%	234.01%	8.12%	9.49%	275.81%	19.19%
Debt To Equity Ratio	0.67	1.17	5.37	3.96	9.60	0.57	0.45	9.76	1.15
Interest Coverage Ratio	16.95	9.09	4.67	1.88	4.82	3.05	3.55	3.94	3.70
Return on Capital Employed (ROCE) (%)	64.46%	98.03%	169.07%	31.78%	17.14%	7.45%	14.46%	27.62%	24.36%
Current Ratio	1.41	1.19	1.06	827.76	3.57	5.68	3.41	1.41	1.38
Net Capital Turnover Ratio	10.64	21.06	59.67	10.85%	2.39	0.65	1.65	5.82	7.38
Average net sales per customer	463,508.28	396,033.03	379,856.23	NA	NA	NA	NA	NA	NA
Net Sales per sq.ft. area in use	33,021.83	32,534.65	29,834.05	NA	18,186.00	14,406	2,12,19	22,397	20,502
Total pieces sold for the year	16,076,129	15,707,221	14,772,335	NA	NA	NA	NA	NA	NA

- Notes:
- Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
 - EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items less other income.
 - EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
 - Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
 - Return on equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.
 - Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).
 - Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBIT by finance cost.
 - RoCE (Return on Capital Employed) (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as total assets minus current liabilities.
 - Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
 - Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).
 - Net sales per square foot of area in use is calculated as the total square foot of area in use at the Company's units, divided by the net sales for the year (total sales less the total sales returns for the year).
 - Average net sales per customer is calculated as the total net sales divided by the number of customers who purchased goods at least once in the financial year.
 - Total pieces sold for the year refers to the total quantity of products sold.
7. Weighted average cost of acquisition ("WACA"), floor price and cap price
- Price per share of the Company based on primary issuances of Equity Shares or convertible securities (excluding issuance of Equity Shares under ESOP/ESOS or pursuant to a bonus issue) during the 18 months preceding the date of this 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-transaction capital before such transactions) in a single transaction or multiple transactions combined together over a span of rolling 30 days.

There has been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-offer capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days

- Price per share of the Company based on secondary sale or acquisition of Equity Shares or convertible securities (excluding gifts) involving any of the Promoters, members of the Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction, during the 18 months preceding the date of filing of this Red Herring Prospectus, where the 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-transaction capital before such transactions), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Date of Transfer	Name of Transferor	Name of Transferee	No. of Securities*	Nature of Securities	Face value of Securities	Price of securities (₹)*	Nature of transaction	Nature of consideration	Total Consideration
April 03, 2023	Koushibai Dulhani	Mahesh Dulhani	8,27,500	Gift	10	-	Transfer from Koushibai Dulhani by way of Gift	Other Than Cash	-
April 03, 2023	Koushibai Dulhani	Rajesh Dulhani	8,27,500	Gift	10	-	Transfer from Koushibai Dulhani by way of Gift	Other Than Cash	-
April 03, 2023	Koushibai Dulhani	Vinod Dulhani	8,27,500	Gift	10	-	Transfer from Koushibai Dulhani by way of Gift	Other Than Cash	-
Weighted average cost of acquisition (WACA)									-

* Adjusted for bonus shares allotted in the ratio of equity shares for every one equity share pursuant to allotment dated June 20, 2023.
Floor price and cap price being X times the weighted average cost of acquisition (WACA) based on primary/ secondary transaction(s) as disclosed in terms of clause (a) and (b), shall be disclosed in the following manner:

Past Transactions	Weighted average cost of acquisition* (₹)	Floor Price	Cap Price
WACA of Equity Shares that were issued by our Company	NA	₹152	₹160
WACA of Equity Shares that were acquired or sold by way of secondary transactions	Nil	NA	NA

* As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants, by way of their certificate dated August 05, 2024

c) Justification for Basis for Offer Price.

Detailed explanation for Offer Price/Cap Price along with our Company's KPIs and financial ratios for the period presented in the Restated Financial Statements and in view of the external factors which may have influenced the pricing of the Offer, if any:

- We are a key player in sarees wholesale (B2B) segment (Source: CRISIL Report) and our origin into the sarees business dates back to the year 1966.
- In Fiscal 2024, we have served over 13,000 unique customers and our product catalogue consists of more than 3,00,000 different SKUs.
- Saree industry in India is expected to grow at a 5-6% CAGR over fiscal 2024 to fiscal 2029 reaching Rs 650-675 billion by fiscal 2029. (Source: CRISIL Report).
- All the Promoters of the company have more than 2 decades of experience in the industry. Our management team consists of professionals with several years of experience and knowledge in the industry and their respective fields such as sales, marketing, technical support, R&D, supply chain, production and finance.
- We intends to enter in men's ethnic wear space to gain due to increasing trend of multi-day weddings, wider acceptance of traditional outfits during festival celebrations. The men's wear segment is projected to increase to Rs.3.8 - 3.9 trillion by FY29, implying a CAGR of nearly 10-11% between fiscals 2024 and 2029. (Source: CRISIL Report).
- We intends to focus on strengthening sales through e-commerce channels to benefit from evolving customer trends. We intend to make investments in digital channels to build an omni-channel engagement experience for customers (both B2B and B2C) and have a dedicated team for e-commerce operations. By fiscal 2029, e-commerce penetration is expected to increase up to 9-11% in saree industry in India. (Source: CRISIL Report)

d) 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 BRLM, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Position and Results of Operations" and "Financial Information" on pages 41, 179, 273 and 238, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" and you may lose all or part of your investments.

For further details please see the chapter titled "Basis for Offer Price" beginning on page 128 of the RHP.

AKSH OPTIFIBRE LIMITED				
Registered Office: F-1080, RIICO Industrial Area, Phase-III, Bhiwadi-301 019 (Rajasthan) Corporate Office: A 32, 2nd Floor, Mohan Co-operative Indl. Estate, Mathura Road, New Delhi-110 044 Corporate Identification No. (CIN) : L24305RJ1986PLC016132				
EXTRACT OF STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024				
Rs. in lakhs except per share data				
S. No.	Particulars	Quarter Ended		
		Jun 24 (Unaudited)	Mar 24 (Unaudited)	Year Ended Mar 24 (Audited)
1.	Total income from operations:	4,134.23	4,860.99	5,738.81
2.	Net Profit/(loss) for the period (before tax and exceptional items)	(405.17)	(498.03)	266.62
3.	Net Profit/(loss) for the period before tax (after exceptional items)	(417.02)	(23,469.57)	267.29
4.	Net Profit/(loss) for the period after tax (after exceptional items)	(311.07)	(21,074.21)	253.77
5.	Total Comprehensive Income for the period [Comprising Profit / (loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(311.07)	(19,197.55)	253.77
6.	Paid-up Equity Capital (Face Value Rs.5 each)	8,134.90	8,134.90	8,134.90
7.	Other equity			2,797.29
8.	Earnings Per Share (of Rs. 5/- each)			
	Basic :	(0.19)	(12.95)	0.16
	Diluted:	(0.19)	(12.95)	0.16
EXTRACT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2024				
Rs. in lakhs except per share data				
S. No.	Particulars	Quarter Ended		
		Jun 24 (Unaudited)	Mar 24 (Unaudited)	Year Ended Mar 24 (Audited)
1.	Total income from operations	4,229.19	5,078.51	5,828.72
2.	Net Profit/(loss) for the period (before tax and exceptional items)	(643.88)	(938.71)	(164.61)
3.	Net Profit/(loss) for the period before tax (after exceptional items)	(658.25)	(5,846.60)	(181.20)
4.	Net Profit/(loss) for the period after tax (after exceptional items)	(551.5)	(6,036.63)	(180.06)
5.	Total Comprehensive Income for the period [Comprising Profit / (loss) for the period (after tax) and Other Comprehensive Income (after tax)]	(521.9)	(2,201.22)	(168.52)
6.	Paid-up Equity Capital (Face Value Rs.5 each)	8,134.90	8,134.90	8,134.90
7.	Other equity			(4,087.89)
8.	Earnings Per Share (of Rs. 5/- each)			
	Basic :	(0.34)	(3.71)	(0.11)
	Diluted:	(0.34)	(3.71)	(0.11)
Note: The above is an extract of the detailed format of Quarterly Financial results filed with Stock Exchanges under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. The full format of the Quarter ended results are available on the Company's website i.e. www.akshoptifibre.com and on the stock exchange websites i.e. www.bseindia.com & www.nseindia.com.				
For and on behalf of the Board of Directors For Aksh Optifibre Limited sdl- Dr. Kailash S Choudhary Chairman DIN: 00023824				
Place: New Delhi Date : August 06, 2024				

SIGACHI INDUSTRIES LIMITED									
229/1 & 9, Kalyan's Tulsiram Chambers, Madinaguda, Hyderabad-500049. Telangana. CIN: L24110TG1989PLC009497									
Extract of unaudited financial results of Sigachi Industries Limited and its subsidiaries for the quarter ended 30th June 2024 prepared in compliance with Indian Accounting Standards.									
Rs. In Lakhs									
S.No	Particulars	Standalone				Consolidated			
		Quarter Ended		Year Ended		Quarter Ended		Year Ended	
		30.06.2024	31.03.2024	30.06.2023	31.03.2024	30.06.2024	31.03.2024	30.06.2023	31.03.2024
		Unaudited	Audited	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
1	Total Income from Operations	8,181.49	9,082.06	7,946.93	32,907.29	9,738.94	11,137.02	8,633.37	41,064.49
2	Net Profit /(Loss) for the period (before tax,Exceptional and /or extraordinary items)	1,272.41	1,698.92	1,362.68	5,513.69	1,639.25	1,721.10	1,470.68	6,977.25
3	Net Profit /(Loss) for the period before tax,(after Exceptional and /or extraordinary items)	1,272.41	1,698.92	1,362.68	5,513.69	1,639.25	1,721.10	1,470.68	6,977.25
4	Net Profit /(Loss) for the period after tax,(after Exceptional and /or extraordinary items)	928.86	1,172.93	1,013.75	4,101.43	1,275.84	1,517.01	1,087.57	5,726.75
5	Total Comprehensive Income for the period [Comprising Profit / (Loss) for the period (after tax) and Other Comprehensive Income (after tax)]	931.65	1,191.35	1,011.33	4,112.60	1,279.59	1,535.37	1,086.31	5,729.80
6	Equity Share Capital	3,281.95	3,281.95	3,074.25	3,281.95	3,281.95	3,281.95	3,074.25	3,281.95
7	Reserves(excluding Revaluation Reserve) as shown in the Audited Balance Sheet of the previous year	-	-	-	37,744.52	-	-	-	40,821.05
8	Earnings Per Share (of Rs.1 each)								
	Basic in Rs.	0.28	0.37	0.33	1.30	0.40	0.48	0.35	1.81
	Diluted in Rs.	0.22	0.31	0.33	1.10	0.32	0.41	0.35	1.54
Notes:									
1. The above is an extract of the detailed format of Standalone and Consolidated Unaudited Financial Results for the quarter ended 30th June,2024. The same have been reviewed by the Audit Comitee and were taken on record by the Board of Directors in their respective meetings held on 06.08.2024. The Statutory Auditors of the company have carried out a Limited review of the aforesaid results.									
2. The above is an extract of the detailed format of Standalone and Consolidated Unaudited Financial Results for the quarter ended 30th June,2024 filed with the Stock Exchange under Regulation 33 of the SEBI (Listing and Other Disclosure Requirements) Regulations,2015. The unaudited Financial Results in full format are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) and the company (www.sigachi.com)									
For Sigachi Industries Limited Sd/- Amit Raj Sinha Managing Director & CEO (DIN: 01263292)									
Place : Hyderabad Date: 06-08-2024									

...continued from previous page.

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

In case of revision in the Price Band, the Bid/ Offer Period will be extended by at least three (3) additional Working Days after such revision of the Price Band, subject to the Bid/ Offer Period not exceeding ten (10) Working Days. In cases of force majeure, banking strike or similar unforeseen circumstances, our Company in consultation with the Book Running Lead Manager, may for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of one (1) Working Days, subject to the Bid/ Offer Period not exceeding 10 (Ten) Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the website of the Book Running Lead Manager ("BRLM"), and at the terminals of the members of the Syndicate and by intimation to Self Certified Syndicate Banks ("SCSBs"), the Sponsor Bank and other Designated Intermediaries, as applicable.

The Offer is being made in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations. The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIB Portion"). Further, 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation to NIIIs ("Non-Institutional Category") of which one-third of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹0.20 million and up to ₹1.00 million and two-thirds of the Non-Institutional Category shall be available for allocation to Bidders with an application size of more than ₹1.00 million and under-subscription in either of these two sub-categories of Non-Institutional Category may be allocated to Bidders in the other sub-category of Non-Institutional Category in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Offer shall be available for allocation to RIIs ("Retail Category"), in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All Bidders shall mandatorily participate in this Offer only through the Application Supported by Blocked Amount ("ASBA") process and shall provide details of their respective bank account (including UPI ID (defined hereinafter) in case of UPI Bidders (defined hereinafter) in which the Bid Amount will be blocked by the Self Certified Syndicate Banks ("SCSBs") or the Sponsor Bank(s), as the case may be. For details, see "Offer Procedure" on page 332 of the RHP.

Bidders / Applicants should ensure that DP ID, PAN and Client ID and UPI ID (as applicable) 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 and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidder/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 and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants 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 unblocking of ASBA Account or for other correspondence(s) related to an 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 dated February 13, 2020 issued by the Central Board of Direct Taxes (CBDT) dated February 13, 2020 and the read with press release dated June 25, 2021, read with press release dated September 17, 2021 and CBDT circular no. 7 of 2022 dated March 30, 2022 read with press release dated 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 and other objects of our Company, see "History and Certain Corporate Matters" on page 198 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 the section "Material Contracts and Documents for Inspection" on page 381 of the RHP.

LIABILITY OF MEMBERS OF THE COMPANY: Limited by shares.

AMOUNT OF SHARE CAPITAL OF THE COMPANY AND CAPITAL STRUCTURE: The authorized share capital of the Company is ₹ 410,000,000 divided into 41,000,000 Equity Shares of ₹ 10/- each. The issued, subscribed and paid-up share capital of the Company before the Offer is ₹ 331,000,000 divided into 33,100,000 Equity Shares of face value ₹ 10/-. For details of the Capital Structure, see chapter titled "Capital Structure" on page 101 of the RHP.

NAMES OF THE SIGNATORIES TO THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AND THE NUMBER OF EQUITY SHARES SUBSCRIBED BY THEM: Given below are the names of the signatories of the Memorandum of Association of the Company and the number of Equity Shares subscribed by them at the time of signing of the Memorandum of Association of our Company: Mahesh Dulhani – 10,000 Equity Shares, Tejas Dulhani – 10,000 Equity Shares, Sujandas Dulhani – 10,000 Equity Shares, Rajesh Dulhani – 10,000 Equity Shares, Amar Dulhani – 10,000 Equity Shares, Anil Dulhani – 10,000 Equity Shares, Shevakram Dulhani – 5,000 Equity Shares, Vinod Dulhani – 5,000 Equity Shares, Dinesh Dulhani – 5,000 Equity Shares, Gulshan Dulhani – 5,000 Equity Shares, Shankar Dulhani – 10,000 Equity Shares, and Tushar Dulhani – 10,000 Equity Shares aggregating to 100,000 Equity Shares of face value ₹ 10/- each.


LISTING: The Equity Shares offered through the RHP are proposed to be listed on BSE and NSE. Our Company has received in-principle approvals from BSE and NSE for listing of the Equity Shares pursuant to their letters each dated March 18, 2024. For the purposes of this Offer, NSE shall be the Designated Stock Exchange. A signed copy of the RHP has been filed with the RoC and the Prospectus shall be filed with the RoC in accordance with Section 26(4) 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 381 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 308 of the RHP for the full text of the Disclaimer Clause of SEBI.

DISCLAIMER CLAUSE OF BSE: It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the RHP has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 312 of the RHP for the full text of the Disclaimer Clause of BSE.

DISCLAIMER CLAUSE OF NSE (THE DESIGNATED STOCK EXCHANGE): 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 312 of the RHP for the full text of the Disclaimer Clause of NSE.

GENERAL RISK: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this 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 issued in the Offer have neither been recommended nor approved by Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of the RHP. Specific attention of the investors is invited to the chapter titled "Risk Factors" beginning on page 41 of the RHP.

BOOK RUNNING LEAD MANAGER		REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER
 UNISTONE UNISTONE CAPITAL PRIVATE LIMITED A/305, Dynasty Business Park Andheri-Kurla Road, Andheri East, Mumbai – 400 059. Telephone: +91 022-46046494 Email: mb@unistonecapital.com Investor grievance email: compliance@unistonecapital.com Contact Person: Brijesh Parekh Website: www.unistonecapital.com SEBI registration number: INM000012449 CIN: U65999MH2019PTC330850		 BIGSHARE SERVICES PRIVATE LIMITED S6-2, 6th Floor, Pinnacle Business Park, Next to Ahura Centre, Mahakali Caves Road, Andheri (East), Mumbai –400 093, Maharashtra, India. Telephone: 022-62638200 Facsimile: +91 22-6263 8299 Email: ipo@bigshareonline.com Investor grievance email: investor@bigshareonline.com Contact Person: Babu Rapheal C. Website: www.bigshareonline.com SEBI Registration Number: INR000001385 CIN: U99999MH1994PTC076534U	Ruchika Gheeya Sr No.144/1 Manademala, Near Tawade Hotel, Gandhinagar Road, Uchagaon, Kolhapur, Maharashtra – 416005, India. Email: cs@saraswatisareedepotlimited.com Telephone: +91 9271009858 Investors can contact the Company Secretary and Compliance Officer, BRLM 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.

AVAILABILITY OF RHP: Investors are advised to refer to the RHP and the Risk Factors contained therein before applying in the Offer. Full copy of the RHP is available on the website of the SEBI at www.sebi.gov.in, the website of the BRLM to the Offer at www.unistonecapital.com and websites of BSE and NSE i.e. www.bseindia.com and www.nseindia.com, respectively and the website of the Company at www.saraswatisareedepot.com.

AVAILABILITY OF BID-CUM-APPLICATION FORMS: Bid-Cum-Application forms can be obtained from the Registered Office of the Company: **Saraswati Saree Depot Limited** (Telephone: +91 9271009858); **BRLM: Unistone Capital Private Limited** (Telephone: +91 022-46046494); **Syndicate Member: Globalworth Securities Limited** (Telephone: 022 69190011), Registered Brokers, RTA and CDPs participating in the Offer. Bid-cum-application Forms will also be available on the websites of BSE (www.bseindia.com), NSE (www.nseindia.com) and the designated branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI.

ESCROW COLLECTION BANK / REFUND BANK/ SPONSOR BANK: Axis Bank Limited

PUBLIC OFFER BANK/ SPONSOR BANK: HDFC Bank Limited

UPI: UPI Bidders can also Bid through UPI Mechanism.

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

For Saraswati Saree Depot Limited
On Behalf of the Board of Directors

Sd/-
Vinod Dulhani

Managing Director

Place: Kolhapur, Maharashtra
Date: August 06, 2024

SARASWATI SAREE DEPOT LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offering of its Equity Shares and has filed the RHP with Registrar of Companies, Maharashtra at Pune. The RHP shall be available on the website of the SEBI at www.sebi.gov.in, the website of the BRLM to the Offer at www.unistonecapital.com and the website of the Company at www.saraswatisareedepot.com and websites of BSE and NSE i.e. www.bseindia.com and www.nseindia.com, respectively. Investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, see section titled "Risk Factors" beginning on page 41 of the RHP. Potential investors should not rely on the DRHP for making any investment decision.

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 (the "Securities Act") or any state securities laws in 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 Securities Act and any applicable U.S. state securities laws. There will be no public offering in the United States and the securities being offered in this announcement are not being offered or sold in the United States.

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 FOR 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 this QR Code to view the Red Herring Prospectus)



SARASWATI SAREE DEPOT LIMITED

(FORMERLY KNOWN AS SARASWATI SAREE DEPOT PRIVATE LIMITED)

Our Company was incorporated under the provisions of the Companies Act, 2013 as "Saraswati Saree Depot Private Limited" pursuant to certificate of incorporation dated March 18, 2021 issued by Central Registration Centre, Registrar of Companies. Subsequently, our Company has been converted into a public limited company and the name of our Company has changed to "Saraswati Saree Depot Limited" pursuant to a special resolution passed at the Extra-Ordinary General Meeting of our Company held on March 08, 2023 and a fresh Certificate of Incorporation dated March 31, 2023 consequent upon change of name and upon conversion to public limited company has been issued by the RoC. For details in relation to the changes, if any, in our Registered Office of our Company, see "History and Certain Corporate Matters" beginning on page 198 of the Red Herring Prospectus dated August 06, 2024 ("RHP" or "Red Herring Prospectus") filed with RoC.

Registered Office: Sr No.144/1 Manademala, Near Tawade Hotel, Gandhinagar Road, Uchagaon, Kolhapur - 416005, Maharashtra, India. Telephone: +91 9271009858; Contact Person: Ruchika Gheeya, Company Secretary and Compliance Officer; E-mail: cs@saraswatisareedepotlimited.com; Website: www.saraswatisareedepot.com; Corporate Identity Number: U14101PN2021PLC199578

THE PROMOTERS OF OUR COMPANY ARE MAHESH DULHANI, RAJESH DULHANI, SHANKAR DULHANI AND VINOD DULHANI

INITIAL PUBLIC OFFER OF UP TO 10,000,800 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF SARASWATI SAREE DEPOT LIMITED ("COMPANY OR "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [•] MILLION COMPRISING A FRESH ISSUE OF UP TO 6,499,800 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 3,501,000 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION ("OFFER FOR SALE"), COMPRISING OF UP TO 700,200 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY TEJAS DULHANI, UP TO 700,200 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY AMAR DULHANI, UP TO 700,200 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY SHEVAKRAM DULHANI, UP TO 700,200 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY SUJANDAS DULHANI, UP TO 350,100 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY TUSHAR DULHANI, UP TO 350,100 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY NIKHIL DULHANI, (COLLECTIVELY THE "PROMOTER GROUP SELLING SHAREHOLDERS") AND SUCH EQUITY SHARES OFFERED BY THE PROMOTER GROUP SELLING SHAREHOLDERS (THE "OFFERED SHARES"). (SUCH OFFER BY EACH OF THE PROMOTER GROUP SELLING SHAREHOLDERS, THE "OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER SHALL CONSTITUTE UP TO [•]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE PRICE PER EQUITY SHARE			
NAME OF SELLING SHAREHOLDER	TYPE OF SELLING SHAREHOLDER	NO. OF EQUITY SHARES OFFERED	WEIGHTED AVERAGE PRICE PER EQUITY SHARE (IN ₹)*
Tejas Dulhani	Promoter Group Selling Shareholder	Up to 700,200 Equity Shares of face value ₹10 each aggregating up to ₹[•] million	0.06
Amar Dulhani	Promoter Group Selling Shareholder	Up to 700,200 Equity Shares of face value ₹10 each aggregating up to ₹[•] million	0.04
Shevakram Dulhani	Promoter Group Selling Shareholder	Up to 700,200 Equity Shares of face value ₹10 each aggregating up to ₹[•] million	0.03
Sujandas Dulhani	Promoter Group Selling Shareholder	Up to 700,200 Equity Shares of face value ₹10 each aggregating up to ₹[•] million	0.06
Tushar Dulhani	Promoter Group Selling Shareholder	Up to 350,100 Equity Shares of face value ₹10 each aggregating up to ₹[•] million	0.05
Nikhil Dulhani	Promoter Group Selling Shareholder	Up to 350,100 Equity Shares of face value ₹10 each aggregating up to ₹[•] million	Nil

*As certified by M/s. Sanjay Vhanbatte and Co. by way of their certificate dated August 05, 2024.

We are engaged in the B2B trading of women's apparel including sarees, kurtis, dress materials, blouse pieces, lehengas, bottoms, etc.

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: ₹ 152 TO ₹ 160 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH.
THE FLOOR PRICE IS 15.2 TIMES OF THE FACE VALUE OF THE EQUITY SHARES AND
THE CAP PRICE IS 16 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE TO EARNINGS RATIO ("P/E") BASED ON BASIC AND DILUTED EPS FOR FISCAL 2024
FOR OUR COMPANY AT THE FLOOR PRICE IS 17.04 TIMES AND AT THE CAP PRICE IS 17.94 TIMES AS
COMPARED TO THE AVERAGE INDUSTRY PEER GROUP P/E RATIO OF 46.57 TIMES

BIDS CAN BE MADE FOR A MINIMUM OF 90 EQUITY SHARES AND IN MULTIPLES OF 90 EQUITY SHARES THEREAFTER

In accordance with the recommendation of Independent Directors of our Company, pursuant to their resolution dated August 06, 2024, the above provided price band is justified based on quantitative factors/KPIs disclosed in the 'Basis for Offer Price' section on pages 128 to 136 of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in 'Basis for Offer Price' section on pages 128 to 136 of the RHP and provided below in the advertisement.

In making investment decision, potential investors must only rely on the information included in the RHP 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

For details refer to section titled "Risk Factors" on page 41 of the RHP

- We are dependent on single product (i.e., women's sarees) for more than 90% of our sales :** Our business is highly concentrated on the sale of women's sarees and is vulnerable to variations in demand. For the Fiscals 2024, 2023 and 2022, our revenue from sale of women's sarees was ₹ 5,550.05 million, ₹ 5,533.60 million, and ₹ 5,001.34 million, respectively, representing 90.85%, 91.94% and 91.00%, respectively of our revenue from operations. For details, please refer to Risk Factor 1 on page 41 of the RHP.
- Negative Cash and Cash Equivalent:** We have experienced negative cash and cash equivalent in Fiscals 2024 of ₹ (91.81) million. Any negative cash flows in the future would adversely affect our results of operations and financial condition. For details, please refer to Risk Factor 9 on page 49 of the RHP.
- Brand related Risk:** Our Company is operating in wholesale segment due to which we lack visibility and direct connection with the end consumers of our products which may adversely affect our ability to build brand loyalty and awareness with the end consumers.
- Geographic Concentration Risk:** We operate out of only two stores which are located at Kolhapur and Ulhasnagar in Maharashtra and any localized social unrest, natural disaster or breakdown of services

or any other natural disaster in and around these particular geographical areas may have material adverse effect on our business and financial condition. The contribution of revenue from operations from Kolhapur and Ulhasnagar Stores, as a percentage of revenue from operations is as provided below:

Stores	Fiscals					
	2024		2023		2022	
	Revenue (₹ in million)	(%) of revenue from operations	Revenue (₹ in million)	(%) of revenue from operations	Revenue (₹ in million)	(%) of revenue from operations
Kolhapur	5,395.63	88.32	5,255.07	87.31	4,741.81	86.28
Ulhasnagar	713.41	11.68	763.84	12.69	753.96	13.72
Total	6,109.04	100.00	6,018.91	100.00	5,495.77	100.00

For details, please refer to Risk Factor 2 on page 42 of the RHP.

- Regional dependence:** Over 80% of our sales are derived from the western zone and any adverse developments in this market could adversely affect our business. In Fiscals 2024, 2023 and 2022, the revenues generated from sales in western zone represented 82.68%, 81.37% and 80.88%, respectively of our revenue from operations. For details, please refer to Risk Factor 6 on page 45 of the RHP.

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6. **Competition Risk:** We operate in highly competitive and fragmented industry with presence of large number of smaller unorganized players operating standalone outlets markets in each of our product segments and an inability to compete effectively may adversely affect our business, results of operations and financial condition.
7. **Low margin business:** Our business is a high volume-low margin business. Due to this nature of our business, our profit and operating margins are low. For Fiscals 2024, 2023 and 2022, our profit before tax margin was 6.43%, 5.13% and 3.00%, respectively and our profit after tax margin was 4.83%, 3.82% and 2.24%, respectively of our revenues. For details, please refer to Risk Factor 11 on page 50 of the RHP.
8. **Seasonality Risk:** Our business is subject to seasonality. For Fiscals 2024, 2023 and 2022, the revenues generated during festive season (of 3 months) and wedding season (of 3 months) contributed to 62.93%, 63.78% and 57.25%, respectively of our revenues. Lower revenues in the festive and wedding season of any fiscal may adversely affect our business, financial condition, results of operations and prospects. For details, please refer to Risk Factor 5 on page 45 of the RHP
9. **Dependence on Third Party weavers/suppliers:** We are dependent on third party weavers/suppliers for sourcing our products and we do not have long-term or exclusive agreements with them. For the Fiscals 2024, 2023 and 2022, our purchases from top 10 weavers/ suppliers were ₹ 1,395.68 million, ₹ 1,241.34 million, and ₹ 1,528. 31 million, respectively, representing 25.68%, 22.89% and 26.81%, respectively of our total purchases.
10. **Substantial Working Capital requirements:** Our Company being in the wholesale sector requires significant amount of working capital for a continued growth. For the Fiscals 2024, 2023 and 2022, our working capital requirement was ₹ 910.46 million, ₹ 509.58 million, and ₹ 585.96 million, respectively. If our Company is unable to raise sufficient working capital, the operations of our Company could be adversely affected.
11. **Inventory Risk:** For Fiscals 2024, 2023 and 2022, our inventory as a percentage of our Current Assets was 54.25%, 50.98% and 45.43%, respectively and inventory as a percentage of revenue from operations was 17.63%, 15.42% and 13.78%, respectively. Our inability to accurately forecast demand for our products and maintain an optimal level of inventory may be adversely affect our business, results of operations and financial condition. For details, please refer to Risk Factor 10 on page 49 of the RHP
12. The Price to Earnings ratio at the Floor Price is 17.04 times and the Cap Price is 17.94 times based on diluted EPS as per Restated Financial Statements for the fiscal 2024.
13. The BRLM associated with the Offer has handled 7 Main board public issues and 10 SME public issues in the past three years.
14. Average cost of acquisition of our Promoters and Promoter Group Selling Shareholders as on the date of RHP:

Investors should read the RHP carefully, including the “Risk Factors” on page 41 of the RHP before making any investment decision.

BID / OFFER SCHEDULE

BID/ OFFER OPENS ON MONDAY, AUGUST 12, 2024

BID/ OFFER CLOSES ON WEDNESDAY, AUGUST 14, 2024*

*UPI Mandate end time and date shall be 5.00 p.m on the Bid/Offer Closing Date.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company in compliance with SEBI ICDR Regulations and on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Floor Price is 15.2 times the face value and the Cap Price is 160 times the face value. Investors should refer to “Risk Factors”, “Our Business”, “Summary of Offer Document”, “Restated Financial Statements” and “Management Discussion and Analysis of Financial Position and Results of Operations” on pages 41, 179, 238 and 273, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are as follows:

- Diversified supplier and customer base;
- Diverse product portfolio;
- Bulk buying capabilities;
- Experienced Promoters and strong management team;
- Existing client and supplier relationships; and
- Collaborative and experienced work force

For further details, see “Our Business – Our Strengths” on page 185 of the RHP.

Quantitative Factors

Some of the information presented in this section is derived from our Restated Financial Statements. For details, see “Restated Financial Statements” on page 238, of the RHP. Investors should evaluate our Company and form their decisions taking into consideration its earnings and based on its growth strategy. 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 (EPS), as adjusted for changes in capital.**
As derived from the Restated Financial Statements

Year ended	Basic and Diluted EPS (in ₹)	Weight
Fiscal 2024	8.92	3
Fiscal 2023	6.94	2
Fiscal 2022	3.72	1
Weighted Average	7.39	

Name	No. of Equity Shares held	Average cost of acquisition (in ₹)*
Promoters		
Shankar Dulhani	3,310,000	0.03
Mahesh Dulhani	4,137,500	0.02
Rajesh Dulhani	4,137,500	0.02
Vinod Dulhani	2,482,500	0.02
Promoter Group Selling Shareholders		
Tejas Dulhani	1,655,000	0.06
Amar Dulhani	2,317,000	0.04
Shevakram Dulhani	1,655,000	0.03
Sujandas Dulhani	1,655,000	0.06
Tushar Dulhani	2,068,750	0.05
Nikhil Dulhani	2,068,750	Nil

- * As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants, by way of their certificate dated August 05, 2024.
15. Weighted Average Return on Net Worth of our Company for Fiscals 2024, 2023 and 2022 is 60.92%.
16. The weighted average cost of acquisition of all Equity Shares acquired in last three years, 18 months and one year preceding the date of the RHP by are as follows:

Period	Weighted Average Cost of Acquisition (in ₹)*	Upper end of the Price band (₹ 160/-) is ‘x’ times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price-Highest Price (in ₹)
Last 1 year	Nil	-	-
Last 18 months	Nil	-	-
Last 3 years	0.03	5,333.33	10-10

- * As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants, by way of their certificate dated August 05, 2024.
17. **Weighted average cost of acquisition, floor price and cap price:**

Type of transactions	Weighted Average Cost of Acquisition (in ₹)*	Floor Price (i.e ₹ 152/-)	Cap Price (i.e ₹ 160/-)
Weighted average cost of acquisition (WACA) of Primary issuances 18 month prior to RHP	NA	NA	NA
Weighted average cost of acquisition (WACA) of secondary transactions 18 month prior to RHP	Nil	NA	NA

* As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants, by way of their certificate dated August 05, 2024.

- Notes:**
- a) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights, i.e. (EPS x weight) for each year divided by the total of weights.
- b) Basic and diluted EPS are based on the Restated Consolidated Financial Information.
- c) The face value of each Equity Share is ₹10.
- d) Earnings per Share (₹) = Profit after tax excluding exceptional items before other comprehensive income attributable to equity shareholders for the year/period divided by the weighted average no. of equity shares. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue of Equity Shares.
- e) Basic EPS and diluted EPS calculations are in accordance with Indian Accounting Standard 33 ‘Earnings per Share’.
- f) The above statement should be read with significant accounting policies and the notes to the Restated Financial Statements.
2. **Price / Earning (P/E) Ratio in relation to Price band of ₹ 152 to ₹ 160 per Equity Share**
- | Particulars | P/E at the lower end of the price band (no. of times) * | P/E at the higher end of the price band (no. of times) * |
|--|---|--|
| a) P/E ratio based on Basic EPS as at March 31, 2024 | 17.04 | 17.94 |
| b) P/E ratio based on Diluted EPS as at March 31, 2024 | 17.04 | 17.94 |

* To be updated at Prospectus stage.

Industry Price / Earning (P/E) Ratio

Based on the peer company information (excluding our Company) given below in this section:

Particulars	P/E ratio
Highest	71.80
Lowest	21.34
Average	46.57

Notes: P/E ratio has been computed based on the closing market price of equity shares on NSE as on, August 05, 2024, divided by the diluted EPS for the year ended March 31, 2024.

3. **Return on Net Worth (RONW):**

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As derived from the Restated Financial Statements

Year ended	RoNW (%)	Weight
Fiscal 2024	45.49%	3
Fiscal 2023	64.93%	2
Fiscal 2022	99.20%	1
Weighted Average	60.92%	

RoNW = $\frac{\text{Net Profit after tax, as restated, attributable to the owners of the company}}{\text{Net-worth, as restated at the end of the relevant period (Equity attributable to the owners of the company, excluding non-controlling interest)}}$

Notes:

- a) 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.
- b) The figures disclosed above are based on the Restated Consolidated Financial Statements of our Company.

4. Net Asset Value (NAV) per Equity Share

As derived from the Restated Financial Statements

Financial Year	Net Asset Value per equity shares
As of March 31, 2024	19.61
After Completion of the Offer	
- At the Floor Price	41.34
- At the Cap Price	42.65
Offer Price	[•]

Notes:

- a) Net asset value per equity share is calculated as net worth as of the end of relevant year divided by the number of equity shares outstanding at the end of the year. Net worth represents aggregate value of equity share capital, instruments entirely equity in nature and other equity and are based on Restated Financial Statements.

5. Comparison with listed industry peers:

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

Name of the Company	For the year ended March 31, 2024						
	Face value (₹)	Revenue from operations (₹ in Mn) ⁽ⁱ⁾	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	Return on net worth (%)	NAV per Equity Share (₹)
Saraswati Saree Depot Limited	10	6,109.04	8.92	8.92	[•]	45.49%	19.61
Peer Group							
Go Fashion (India) Ltd	10	7,628.28	15.32	15.32	71.80	13.71%	111.81
Sai Silks (Kalamandir) Limited	10	13,735.50	7.51	7.51	21.34	9.49%	72.14

Source: All the financial information for listed industry peers mentioned above is on a consolidated/standalone basis as available sourced from the financial reports of the peer company uploaded on the NSE website for the year ended March 31, 2024

Notes:

- 1. P/E Ratio has been computed based on the closing market price of equity shares on the NSE website on August 05, 2024 divided by the Diluted EPS.
- 2. RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.
- 3. NAV is computed as the closing net worth divided by the weighted average number of equity shares.

Investors should read the above mentioned information along with “Risk Factors”, “Our Business”, “Management Discussion and Analysis of Financial Position and Results of Operations” and “Restated Financial Statements” on pages 41, 179, 273 and 238, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” and you may lose all or part of your investments.

6. Key financial and operational performance indicators (“KPIs”)

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Offer as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

KPI	Explanations
Revenue from Operations (₹ million)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Revenue	Total Revenue is used to track the total revenue generated by the business including other income.
Operating EBITDA (₹ million)	Operating EBITDA provides information regarding the operational efficiency of the business.
Operating EBITDA Margin (%)	Operating EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ million)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders’ funds.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company’s financial leverage.
Interest Coverage Ratio	The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstanding debt.
Return on Capital Employed	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Net Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.
Return on Net Worth	This metric enables us to track how much profit a company generates with the money that the equity shareholders have invested.
Net Sales per sq.ft. area in use	This metric enables us to track the amount of sales that the company is generating for every square foot of area that it uses for business.
Average net sales per customer	This metric enables us to track the average net sales that the company generates per customer for the financial year.
Total pieces sold for the year	This metric enables us to track the total number of pieces sold in a year, which is a key metric to determine the sales performance for the year.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 15, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this RHP. Further, the KPIs herein have been certified by M/s. Sanjay Vhanbatte and Co., by their certificate dated August 05, 2024.

Financial KPI of our Company

Sr No.	Metric	As of and for the Fiscals		
		2024	2023	2022
1	Revenue From operations (₹ in million)	6,109.04	6,018.91	5,495.76
2	Total Income (₹ in million)	6,125.80	6,035.18	5,503.08
3	EBITDA (₹ in million)	411.41	340.53	208.46
4	EBITDA Margin (%)	6.73%	5.66%	3.79%
5	Profit/(loss) after tax for the year/ period (₹ in million)	295.28	229.74	123.08
6	Net profit Ratio/ Margin (%)	4.83%	3.82%	2.24%
7	Return on Equity (ROE) (%)	58.88%	96.15%	196.81%
8	Debt To Equity Ratio	0.67	1.17	5.37
9	Interest Coverage Ratio	16.95	9.09	4.67
10	ROCE (%)	64.46%	98.03%	169.07%
11	Current Ratio	1.41	1.19	1.06
12	Net Capital Turnover Ratio	10.64	21.06	59.67

Notes:

- a) As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants pursuant to their certificate dated August 05, 2024. The Audit committee in its resolution dated June 15, 2024 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Red Herring Prospectus other than as disclosed in this section.
- b) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- c) EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items less other income.
- d) EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- e) Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
- f) Return on equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.
- g) Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).
- h) Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBIT by finance cost.
- i) RoCE (Return on Capital Employed) (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as total assets minus current liabilities.
- j) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- k) Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).

See “Management Discussion and Analysis of Financial Position and Results of Operations” on page 273, for the reconciliation and the manner of calculation of our key financial performance indicators.


Further, set forth below are some of our key operational performance indicators as of and for the periods indicated which have been approved by our Audit Committee pursuant to its resolution dated June 15, 2024.

ASBA *

Simple, safe, smart way of Application!!!!

Mandatory in Public Issues. No Cheque will be accepted

*Applications supported by blocked amount (ASBA) is a better way of applying to Issues by simply blocking the fund in the bank account. For further details, check section on ASBA below.



UPI-Now available in ASBA for Retail Individual Investors and Non - Institutional Investor applying for amount upto ₹ 5,00,000/-, applying through Registered Brokers, DP's and RTA's. UPI Bidder 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, issued by the Central Board of Direct Taxes and the subsequent press releases, including press releases dated June 25, 2021 and September 17, 2021 and CBDT circular no.7 of 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

ASBA has to be availed by all the investors. UPI may be availed by (i) Retail Individual Investors in the Retail Portion; and (ii) Non-Institutional Investors 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 ASBA form and abridged prospectus and also please refer to the section “Offer Procedure” on page 332 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. ASBA bid-cum-application forms can be downloaded from the websites of 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?doRecognisedFP=yes&ntmid=35 and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFP=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. HDFC Bank Limited and Axis Bank Limited have been appointed as Sponsor Banks for the Offer, in accordance with the requirements of the SEBI Circular dated November 1, 2018 as amended. For Offer related queries, please contact the BRLM on their respective email IDs as mentioned below.

Operational KPIs for the Company

Sr No.	Metric	As of and for the Fiscal		
		2024	2023	2022
1	Average net sales per customer	33,021.83	32,534.65	29,834.05
2	Net Sales per sq.ft. area in use	463,508.28	3,96,033.03	3,79,856.23
3	Total pieces sold for the year	16,076,129	15,707,221	14,772,335

Note:

- a) Net sales per square foot of area in use is calculated as the total square foot of area in use at the Company’s units, divided by the net sales for the year (total sales less the total sales returns for the year).
- b) Average net sales per customer is calculated as the total net sales divided by the number of customers who purchased goods at least once in the financial year.
- c) Total pieces sold for the year refers to the total quantity of products sold.

For further information in relation to historical use of such KPIs by our Company to monitor the operational and/or financial performance of our Company, please see “Our Business - Key Performance Indicators” on page 183.

Comparison of financial KPIs and Operational KPIs of our Company and listed peers.

Metric	Saraswati Saree Depot Limited			Go Fashion (India) Ltd			Sai Silks (Kalamandir) Limited		
	As of and for year Fiscal 2024	As of and for year Fiscal 2023	As of and for year Fiscal 2022	As of and for year Fiscal 2024	As of and for year Fiscal 2023	As of and for year Fiscal 2022	As of and for year Fiscal 2024	As of and for year Fiscal 2023	As of and for year Fiscal 2022
Revenue From operations (₹ in million)	6,109.04	6,018.91	5,495.76	31.78%	6,652.80	4,013.13	13,735.50	13,514.69	11,293.23
Total revenue (₹ in million)	6,125.80	6,035.18	5,503.08	827.76	6,771.94	4,221.07	13,970.20	13,589.20	11,330.16
EBITDA (₹ in million)	411.41	340.53	208.44	10.85%	2,122.86	1,222.47	2,119.80	2,125.31	1,330.48
EBITDA Margin (%)	6.73%	5.66%	3.79%	13.71%	31.91%	30.46%	15.43%	15.73%	11.78%
Profit after tax (₹ in million)	295.28	229.74	123.08	0.78	827.98	356.01	1,008.60	975.88	576.87
PAT Margin (%)	4.83%	3.82%	2.24%	3.82	12.23%	8.87%	7.34%	7.18%	5.11%
Return on Equity (ROE) (%)	58.88%	96.15%	196.81%	14.90%	234.01%	8.12%	9.49%	275.81%	19.19%
Debt To Equity Ratio	0.67	1.17	5.37	3.96	9.60	0.57	0.45	9.76	1.15
Interest Coverage Ratio	16.95	9.09	4.67	1.88	4.82	3.05	3.55	3.94	3.70
Return on Capital Employed (ROCE) (%)	64.46%	98.03%	169.07%	31.78%	17.14%	7.45%	14.46%	27.62%	24.36%
Current Ratio	1.41	1.19	1.06	827.76	3.57	5.68	3.41	1.41	1.38
Net Capital Turnover Ratio	10.64	21.06	59.67	10.85%	2.39	0.65	1.65	5.82	7.38
Average net sales per customer	463,508.28	396,033.03	379,856.23	NA	NA	NA	NA	NA	NA
Net Sales per sq.ft. area in use	33,021.83	32,534.65	29,834.05	NA	18,186.00	14,406	2,12,19	22,397	20,502
Total pieces sold for the year	16,076,129	15,707,221	147,72,335	NA	NA	NA	NA	NA	NA

Notes:

- a) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
- b) EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items less other income.
- c) EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
- d) Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
- e) Return on equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.
- f) Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).
- g) Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBIT by finance cost.
- h) RoCE (Return on Capital Employed) (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as total assets minus current liabilities.
- i) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
- j) Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).
- k) Net sales per square foot of area in use is calculated as the total square foot of area in use at the Company’s units, divided by the net sales for the year (total sales less the total sales returns for the year).
- l) Average net sales per customer is calculated as the total net sales divided by the number of customers who purchased goods at least once in the financial year.
- m) Total pieces sold for the year refers to the total quantity of products sold.

7. Weighted average cost of acquisition (“WACA”), floor price and cap price

- a) Price per share of the Company based on primary issuances of Equity Shares or convertible securities (excluding issuance of Equity Shares under ESOP/ESOS or pursuant to a bonus issue) during the 18 months preceding the date of this 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-transaction capital before such transactions) in a single transaction or multiple transactions combined together over a span of rolling 30 days.

There has been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-offer capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days

- b) Price per share of the Company based on secondary sale or acquisition of Equity Shares or convertible securities (excluding gifts) involving any of the Promoters, members of the Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction, during the 18 months preceding the date of filing of this Red Herring Prospectus, where the 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-transaction capital before such transactions), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Date of Transfer	Name of Transferor	Name of Transferee	No. of Securities*	Nature of Securities	Face value of Securities	Price of securities (₹)*	Nature of transaction	Nature of consideration	Total Consideration
April 03, 2023	Koushibai Dulhani	Mahesh Dulhani	8,27,500	Gift	10	-	Transfer from Koushibai Dulhani by way of Gift	Other Than Cash	-
April 03, 2023	Koushibai Dulhani	Rajesh Dulhani	8,27,500	Gift	10	-	Transfer from Koushibai Dulhani by way of Gift	Other Than Cash	
April 03, 2023	Koushibai Dulhani	Vinod Dulhani	8,27,500	Gift	10	-	Transfer from Koushibai Dulhani by way of Gift	Other Than Cash	-
Weighted average cost of acquisition (WACA)									-

* Adjusted for bonus shares allotted in the ratio of equity shares for every one equity share pursuant to allotment dated June 20, 2023.

Floor price and cap price being X times the weighted average cost of acquisition (WACA) based on primary/ secondary transaction(s) as disclosed in terms of clause (a) and (b), shall be disclosed in the following manner:

Past Transactions	Weighted average cost of acquisition* (₹)	Floor Price	Cap Price
WACA of Equity Shares that were issued by our Company	NA	₹152	₹160
WACA of Equity Shares that were acquired or sold by way of secondary transactions	Nil	NA	NA

* As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants, by way of their certificate dated August 05, 2024

- c) Justification for Basis for Offer Price.

Detailed explanation for Offer Price/Cap Price along with our Company’s KPIs and financial ratios for the period presented in the Restated Financial Statements and in view of the external factors which may have influenced the pricing of the Offer, if any:

- 1. We are a key player in sarees wholesale (B2B) segment (Source: CRISIL Report) and our origin into the sarees business dates back to the year 1966.
- 2. In Fiscal 2024, we have served over 13,000 unique customers and our product catalogue consists of more than 3,00,000 different SKUs.
- 3. Saree industry in India is expected to grow at a 5-6% CAGR over fiscal 2024 to fiscal 2029 reaching Rs 650-675 billion by fiscal 2029. (Source: CRISIL Report).
- 4. All the Promoters of the company have more than 2 decades of experience in the industry. Our management team consists of professionals with several years of experience and knowledge in the industry and their respective fields such as sales, marketing, technical support, R&D, supply chain, production and finance.
- 5. We intends to enter in men’s ethnic wear space to gain due to increasing trend of multi-day weddings, wider acceptance of traditional outfits during festival celebrations. The men’s wear segment is projected to increase to Rs.3.8 - 3.9 trillion by FY29, implying a CAGR of nearly 10-11% between fiscals 2024 and 2029. (Source: CRISIL Report).
- 6. We intends to focus on strengthening sales through e-commerce channels to benefit from evolving customer trends. We intend to make investments in digital channels to build an omni-channel engagement experience for customers (both B2B and B2C) and have a dedicated team for e-commerce operations. By fiscal 2029, e-commerce penetration is expected to increase up to 9-11% in saree industry in India. (Source: CRISIL Report)

- d) 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 BRLM, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with “Risk Factors”, “Our Business”, “Management Discussion and Analysis of Financial Position and Results of Operations” and “Financial Information” on pages 41, 179, 273 and 238, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the “Risk Factors” and you may lose all or part of your investments.

For further details please see the chapter titled “Basis for Offer Price” beginning on page 128 of the RHP.

Continued on next page...

Lucknow

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(Please scan this QR Code to view the Red Herring Prospectus)



SARASWATI SAREE DEPOT LIMITED

(FORMERLY KNOWN AS SARASWATI SAREE DEPOT PRIVATE LIMITED)

Our Company was incorporated under the provisions of the Companies Act, 2013 as "Saraswati Saree Depot Private Limited" pursuant to certificate of incorporation dated March 18, 2021 issued by Central Registration Centre, Registrar of Companies. Subsequently, our Company has been converted into a public limited company and the name of our Company has changed to "Saraswati Saree Depot Limited" pursuant to a special resolution passed at the Extra-Ordinary General Meeting of our Company held on March 08, 2023 and a fresh Certificate of Incorporation dated March 31, 2023 consequent upon change of name and upon conversion to public limited company has been issued by the RoC. For details in relation to the changes, if any, in our Registered Office of our Company, see "History and Certain Corporate Matters" beginning on page 198 of the Red Herring Prospectus dated August 06, 2024 ("RHP" or "Red Herring Prospectus") filed with RoC.

Registered Office: Sr No.144/1 Manademala, Near Tawade Hotel, Gandhinagar Road, Uchagaon, Kolhapur - 416005, Maharashtra, India. Telephone: +91 9271009858; Contact Person: Ruchika Gheeya, Company Secretary and Compliance Officer; E-mail: cs@saraswatisareedepotlimited.com; Website: www.saraswatisareedepot.com; Corporate Identity Number: U14101PN2021PLC199578

THE PROMOTERS OF OUR COMPANY ARE MAHESH DULHANI, RAJESH DULHANI, SHANKAR DULHANI AND VINOD DULHANI

INITIAL PUBLIC OFFER OF UP TO 10,000,800 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF SARASWATI SAREE DEPOT LIMITED ("COMPANY OR "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ [•] MILLION COMPRISING A FRESH ISSUE OF UP TO 6,499,800 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 3,501,000 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION ("OFFER FOR SALE"), COMPRISING OF UP TO 700,200 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY TEJAS DULHANI, UP TO 700,200 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY AMAR DULHANI, UP TO 700,200 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY SHEVAKRAM DULHANI, UP TO 700,200 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY SUJANDAS DULHANI, UP TO 350,100 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY TUSHAR DULHANI, UP TO 350,100 EQUITY SHARES AGGREGATING UP TO ₹ [•] MILLION BY NIKHIL DULHANI, (COLLECTIVELY THE "PROMOTER GROUP SELLING SHAREHOLDERS") AND SUCH EQUITY SHARES OFFERED BY THE PROMOTER GROUP SELLING SHAREHOLDERS (THE "OFFERED SHARES"). (SUCH OFFER BY EACH OF THE PROMOTER GROUP SELLING SHAREHOLDERS, THE "OFFER FOR SALE" AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER"). THE OFFER SHALL CONSTITUTE UP TO [•]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND WEIGHTED AVERAGE PRICE PER EQUITY SHARE

NAME OF SELLING SHAREHOLDER	TYPE OF SELLING SHAREHOLDER	NO. OF EQUITY SHARES OFFERED	WEIGHTED AVERAGE PRICE PER EQUITY SHARE (IN ₹)*
Tejas Dulhani	Promoter Group Selling Shareholder	Up to 700,200 Equity Shares of face value ₹10 each aggregating up to ₹[•] million	0.06
Amar Dulhani	Promoter Group Selling Shareholder	Up to 700,200 Equity Shares of face value ₹10 each aggregating up to ₹[•] million	0.04
Shevakram Dulhani	Promoter Group Selling Shareholder	Up to 700,200 Equity Shares of face value ₹10 each aggregating up to ₹[•] million	0.03
Sujandas Dulhani	Promoter Group Selling Shareholder	Up to 700,200 Equity Shares of face value ₹10 each aggregating up to ₹[•] million	0.06
Tushar Dulhani	Promoter Group Selling Shareholder	Up to 350,100 Equity Shares of face value ₹10 each aggregating up to ₹[•] million	0.05
Nikhil Dulhani	Promoter Group Selling Shareholder	Up to 350,100 Equity Shares of face value ₹10 each aggregating up to ₹[•] million	Nil

*As certified by M/s. Sanjay Vhanbatte and Co. by way of their certificate dated August 05, 2024.

We are engaged in the B2B trading of women's apparel including sarees, kurtis, dress materials, blouse pieces, lehengas, bottoms, etc.

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: ₹ 152 TO ₹ 160 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH.
THE FLOOR PRICE IS 15.2 TIMES OF THE FACE VALUE OF THE EQUITY SHARES AND
THE CAP PRICE IS 16 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

THE PRICE TO EARNINGS RATIO ("P/E") BASED ON BASIC AND DILUTED EPS FOR FISCAL 2024
FOR OUR COMPANY AT THE FLOOR PRICE IS 17.04 TIMES AND AT THE CAP PRICE IS 17.94 TIMES AS
COMPARED TO THE AVERAGE INDUSTRY PEER GROUP P/E RATIO OF 46.57 TIMES

BIDS CAN BE MADE FOR A MINIMUM OF 90 EQUITY SHARES AND IN MULTIPLES OF 90 EQUITY SHARES THEREAFTER

In accordance with the recommendation of Independent Directors of our Company, pursuant to their resolution dated August 06, 2024, the above provided price band is justified based on quantitative factors/KPIs disclosed in the 'Basis for Offer Price' section on pages 128 to 136 of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in 'Basis for Offer Price' section on pages 128 to 136 of the RHP and provided below in the advertisement.

In making investment decision, potential investors must only rely on the information included in the RHP 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

For details refer to section titled "Risk Factors" on page 41 of the RHP

- We are dependent on single product (i.e., women's sarees) for more than 90% of our sales :** Our business is highly concentrated on the sale of women's sarees and is vulnerable to variations in demand. For the Fiscals 2024, 2023 and 2022, our revenue from sale of women's sarees was ₹ 5,550.05 million, ₹ 5,533.60 million, and ₹ 5,001.34 million, respectively, representing 90.85%, 91.94% and 91.00%, respectively of our revenue from operations. For details, please refer to Risk Factor 1 on page 41 of the RHP.
- Negative Cash and Cash Equivalent:** We have experienced negative cash and cash equivalent in Fiscals 2024 of ₹ (91.81) million. Any negative cash flows in the future would adversely affect our results of operations and financial condition. For details, please refer to Risk Factor 9 on page 49 of the RHP.
- Brand related Risk:** Our Company is operating in wholesale segment due to which we lack visibility and direct connection with the end consumers of our products which may adversely affect our ability to build brand loyalty and awareness with the end consumers.
- Geographic Concentration Risk:** We operate out of only two stores which are located at Kolhapur and Ulhasnagar in Maharashtra and any localized social unrest, natural disaster or breakdown of services

or any other natural disaster in and around these particular geographical areas may have material adverse effect on our business and financial condition. The contribution of revenue from operations from Kolhapur and Ulhasnagar Stores, as a percentage of revenue from operations is as provided below:

Stores	Fiscals					
	2024		2023		2022	
	Revenue (₹ in million)	(%) of revenue from operations	Revenue (₹ in million)	(%) of revenue from operations	Revenue (₹ in million)	(%) of revenue from operations
Kolhapur	5,395.63	88.32	5,255.07	87.31	4,741.81	86.28
Ulhasnagar	713.41	11.68	763.84	12.69	753.96	13.72
Total	6,109.04	100.00	6,018.91	100.00	5,495.77	100.00

For details, please refer to Risk Factor 2 on page 42 of the RHP.

- Regional dependence:** Over 80% of our sales are derived from the western zone and any adverse developments in this market could adversely affect our business. In Fiscals 2024, 2023 and 2022, the revenues generated from sales in western zone represented 82.68%, 81.37% and 80.88%, respectively of our revenue from operations. For details, please refer to Risk Factor 6 on page 45 of the RHP.

Continued on next page...

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6. **Competition Risk:** We operate in highly competitive and fragmented industry with presence of large number of smaller unorganized players operating standalone outlets markets in each of our product segments and an inability to compete effectively may adversely affect our business, results of operations and financial condition.
7. **Low margin business:** Our business is a high volume-low margin business. Due to this nature of our business, our profit and operating margins are low. For Fiscals 2024, 2023 and 2022, our profit before tax margin was 6.43%, 5.13% and 3.00%, respectively and our profit after tax margin was 4.83%, 3.82% and 2.24%, respectively of our revenues. For details, please refer to Risk Factor 11 on page 50 of the RHP.
8. **Seasonality Risk:** Our business is subject to seasonality. For Fiscals 2024, 2023 and 2022, the revenues generated during festive season (of 3 months) and wedding season (of 3 months) contributed to 62.93%, 63.78% and 57.25%, respectively of our revenues. Lower revenues in the festive and wedding season of any fiscal may adversely affect our business, financial condition, results of operations and prospects. For details, please refer to Risk Factor 5 on page 45 of the RHP
9. **Dependence on Third Party weavers/suppliers:** We are dependent on third party weavers/suppliers for sourcing our products and we do not have long-term or exclusive agreements with them. For the Fiscals 2024, 2023 and 2022, our purchases from top 10 weavers/ suppliers were ₹ 1,395.68 million, ₹ 1,241.34 million, and ₹ 1,528. 31 million, respectively, representing 25.68%, 22.89% and 26.81%, respectively of our total purchases.
10. **Substantial Working Capital requirements:** Our Company being in the wholesale sector requires significant amount of working capital for a continued growth. For the Fiscals 2024, 2023 and 2022, our working capital requirement was ₹ 910.46 million, ₹ 509.58 million, and ₹ 585.96 million, respectively. If our Company is unable to raise sufficient working capital, the operations of our Company could be adversely affected.
11. **Inventory Risk:** For Fiscals 2024, 2023 and 2022, our inventory as a percentage of our Current Assets was 54.25%, 50.98% and 45.43%, respectively and inventory as a percentage of revenue from operations was 17.63%, 15.42% and 13.78%, respectively. Our inability to accurately forecast demand for our products and maintain an optimal level of inventory may be adversely affect our business, results of operations and financial condition. For details, please refer to Risk Factor 10 on page 49 of the RHP
12. The Price to Earnings ratio at the Floor Price is 17.04 times and the Cap Price is 17.94 times based on diluted EPS as per Restated Financial Statements for the fiscal 2024.
13. The BRLM associated with the Offer has handled 7 Main board public issues and 10 SME public issues in the past three years.
14. Average cost of acquisition of our Promoters and Promoter Group Selling Shareholders as on the date of RHP:

Investors should read the RHP carefully, including the “*Risk Factors*” on page 41 of the RHP before making any investment decision.

BID / OFFER SCHEDULE

BID/ OFFER OPENS ON MONDAY, AUGUST 12, 2024

BID/ OFFER CLOSES ON WEDNESDAY, AUGUST 14, 2024*

*UPI Mandate end time and date shall be 5.00 p.m on the Bid/Offer Closing Date.

BASIS FOR OFFER PRICE

The Price Band and the Offer Price will be determined by our Company in compliance with SEBI ICDR Regulations and on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and the quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Floor Price is 15.2 times the face value and the Cap Price is 160 times the face value. Investors should refer to “*Risk Factors*”, “*Our Business*”, “*Summary of Offer Document*”, “*Restated Financial Statements*” and “*Management Discussion and Analysis of Financial Position and Results of Operations*” on pages 41, 179, 238 and 273, respectively, to have an informed view before making an investment decision.

Qualitative Factors

Some of the qualitative factors and our strengths which form the basis for computing the Offer Price are as follows:

- Diversified supplier and customer base;
- Diverse product portfolio;
- Bulk buying capabilities;
- Experienced Promoters and strong management team;
- Existing client and supplier relationships; and
- Collaborative and experienced work force

For further details, see “*Our Business – Our Strengths*” on page 185 of the RHP.

Quantitative Factors

Some of the information presented in this section is derived from our Restated Financial Statements. For details, see “*Restated Financial Statements*” on page 238, of the RHP. Investors should evaluate our Company and form their decisions taking into consideration its earnings and based on its growth strategy. 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 (EPS), as adjusted for changes in capital.**

As derived from the Restated Financial Statements

Year ended	Basic and Diluted EPS (in ₹)	Weight
Fiscal 2024	8.92	3
Fiscal 2023	6.94	2
Fiscal 2022	3.72	1
Weighted Average	7.39	

Name	No. of Equity Shares held	Average cost of acquisition (in ₹)*
Promoters		
Shankar Dulhani	3,310,000	0.03
Mahesh Dulhani	4,137,500	0.02
Rajesh Dulhani	4,137,500	0.02
Vinod Dulhani	2,482,500	0.02
Promoter Group Selling Shareholders		
Tejas Dulhani	1,655,000	0.06
Amar Dulhani	2,317,000	0.04
Shevakram Dulhani	1,655,000	0.03
Sujandas Dulhani	1,655,000	0.06
Tushar Dulhani	2,068,750	0.05
Nikhil Dulhani	2,068,750	Nil

- * As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants, by way of their certificate dated August 05, 2024.
15. Weighted Average Return on Net Worth of our Company for Fiscals 2024, 2023 and 2022 is 60.92%.
16. The weighted average cost of acquisition of all Equity Shares acquired in last three years, 18 months and one year preceding the date of the RHP by are as follows:

Period	Weighted Average Cost of Acquisition (in ₹)*	Upper end of the Price band (₹ 160/-) is ‘x’ times the Weighted Average Cost of Acquisition	Range of acquisition price: Lowest Price-Highest Price (in ₹)
Last 1 year	Nil	-	-
Last 18 months	Nil	-	-
Last 3 years	0.03	5,333.33	10-10

- * As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants, by way of their certificate dated August 05, 2024.
17. **Weighted average cost of acquisition, floor price and cap price:**

Type of transactions	Weighted Average Cost of Acquisition (in ₹)*	Floor Price (i.e ₹ 152/-)	Cap Price (i.e ₹ 160/-)
Weighted average cost of acquisition (WACA) of Primary issuances 18 month prior to RHP	NA	NA	NA
Weighted average cost of acquisition (WACA) of secondary transactions 18 month prior to RHP	Nil	NA	NA

* As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants, by way of their certificate dated August 05, 2024.

- Notes:**
- a) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights, i.e. (EPS x weight) for each year divided by the total of weights.
- b) Basic and diluted EPS are based on the Restated Consolidated Financial Information.
- c) The face value of each Equity Share is ₹10.
- d) Earnings per Share (₹) = Profit after tax excluding exceptional items before other comprehensive income attributable to equity shareholders for the year/period divided by the weighted average no. of equity shares. The weighted average number of Equity Shares outstanding during the year is adjusted for bonus issue of Equity Shares.
- e) Basic EPS and diluted EPS calculations are in accordance with Indian Accounting Standard 33 ‘Earnings per Share’.
- f) The above statement should be read with significant accounting policies and the notes to the Restated Financial Statements.

2. **Price / Earning (P/E) Ratio in relation to Price band of ₹ 152 to ₹ 160 per Equity Share**

Particulars	P/E at the lower end of the price band (no. of times) *	P/E at the higher end of the price band (no. of times) *
a) P/E ratio based on Basic EPS as at March 31, 2024	17.04	17.94
b) P/E ratio based on Diluted EPS as at March 31, 2024	17.04	17.94

- * To be updated at Prospectus stage.
- Industry Price / Earning (P/E) Ratio**
- Based on the peer company information (excluding our Company) given below in this section:
- | Particulars | P/E ratio |
|-------------|-----------|
| Highest | 71.80 |
| Lowest | 21.34 |
| Average | 46.57 |
- Notes: P/E ratio has been computed based on the closing market price of equity shares on NSE as on, August 05, 2024, divided by the diluted EPS for the year ended March 31, 2024.
3. **Return on Net Worth (RONW):**

Continued on next page...

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As derived from the Restated Financial Statements

Year ended	RoNW (%)	Weight
Fiscal 2024	45.49%	3
Fiscal 2023	64.93%	2
Fiscal 2022	99.20%	1
Weighted Average	60.92%	

RoNW = $\frac{\text{Net Profit after tax, as restated, attributable to the owners of the company}}{\text{Net-worth, as restated at the end of the relevant period (Equity attributable to the owners of the company, excluding non-controlling interest)}}$

Notes:

- a) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. $(EPS \times Weight)$ for each year/Total of weights.
b) The figures disclosed above are based on the Restated Consolidated Financial Statements of our Company.

4. Net Asset Value (NAV) per Equity Share

As derived from the Restated Financial Statements

Financial Year	Net Asset Value per equity shares
As of March 31, 2024	19.61
After Completion of the Offer	
- At the Floor Price	41.34
- At the Cap Price	42.65
Offer Price	[*]

Notes:

- a) Net asset value per equity share is calculated as net worth as of the end of relevant year divided by the number of equity shares outstanding at the end of the year. Net worth represents aggregate value of equity share capital, instruments entirely equity in nature and other equity and are based on Restated Financial Statements.

5. Comparison with listed industry peers:

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

Name of the Company	For the year ended March 31, 2024						
	Face value (₹)	Revenue from operations (₹ in Mn) ⁽ⁱ⁾	Basic EPS (₹)	Diluted EPS (₹)	P/E (based on Diluted EPS)	Return on net worth (%)	NAV per Equity Share (₹)
Saraswati Saree Depot Limited	10	6,109.04	8.92	8.92	[*]	45.49%	19.61
Peer Group							
Go Fashion (India) Ltd	10	7,628.28	15.32	15.32	71.80	13.71%	111.81
Sai Silks (Kalamandir) Limited	10	13,735.50	7.51	7.51	21.34	9.49%	72.14

Source: All the financial information for listed industry peers mentioned above is on a consolidated/standalone basis as available sourced from the financial reports of the peer company uploaded on the NSE website for the year ended March 31, 2024

Notes:

1. P/E Ratio has been computed based on the closing market price of equity shares on the NSE website on August 05, 2024 divided by the Diluted EPS.
2. RoNW is computed as net profit after tax divided by the closing net worth. Net worth has been computed as sum of share capital and reserves and surplus.
3. NAV is computed as the closing net worth divided by the weighted average number of equity shares.

Investors should read the above mentioned information along with "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Position and Results of Operations" and "Restated Financial Statements" on pages 41, 179, 273 and 238, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" and you may lose all or part of your investments.

6. Key financial and operational performance indicators ("KPIs")

The KPIs disclosed below have been used historically by our Company to understand and analyse the business performance, which in result, help us in analysing the growth of various verticals.

Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Offer as per the disclosure made in the Objects of the Offer Section, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations.

KPI	Explanations
Revenue from Operations (₹ million)	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business.
Total Revenue	Total Revenue is used to track the total revenue generated by the business including other income.
Operating EBITDA (₹ million)	Operating EBITDA provides information regarding the operational efficiency of the business.
Operating EBITDA Margin (%)	Operating EBITDA Margin is an indicator of the operational profitability and financial performance of our business.
Profit After Tax (₹ million)	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin	PAT Margin is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders' funds.
Debt To Equity Ratio	Debt-to-equity (D/E) ratio is used to evaluate a company's financial leverage.
Interest Coverage Ratio	The interest coverage ratio is a debt and profitability ratio used to determine how easily a company can pay interest on its outstanding debt.
Return on Capital Employed	ROCE provides how efficiently our Company generates earnings from the capital employed in the business.
Current Ratio	It tells management how business can maximize the current assets on its balance sheet to satisfy its current debt and other payables.
Net Capital Turnover Ratio	This metric enables us to track the how effectively company is utilizing its working capital to generate revenue.
Return on Net Worth	This metric enables us to track how much profit a company generates with the money that the equity shareholders have invested.
Net Sales per sq.ft. area in use	This metric enables us to track the amount of sales that the company is generating for every square foot of area that it uses for business.
Average net sales per customer	This metric enables us to track the average net sales that the company generates per customer for the financial year.
Total pieces sold for the year	This metric enables us to track the total number of pieces sold in a year, which is a key metric to determine the sales performance for the year.

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated June 15, 2024 and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years period prior to the date of filing of this RHP. Further, the KPIs herein have been certified by M/s. Sanjay Vhanbatte and Co., by their certificate dated August 05, 2024.

Financial KPI of our Company

Sr No.	Metric	As of and for the Fiscals		
		2024	2023	2022
1	Revenue From operations (₹ in million)	6,109.04	6,018.91	5,495.76
2	Total Income (₹ in million)	6,125.80	6,035.18	5,503.08
3	EBITDA (₹ in million)	411.41	340.53	208.46
4	EBITDA Margin (%)	6.73%	5.66%	3.79%
5	Profit/(loss) after tax for the year/ period (₹ in million)	295.28	229.74	123.08
6	Net profit Ratio/ Margin (%)	4.83%	3.82%	2.24%
7	Return on Equity (ROE) (%)	58.88%	96.15%	196.81%
8	Debt To Equity Ratio	0.67	1.17	5.37
9	Interest Coverage Ratio	16.95	9.09	4.67
10	ROCE (%)	64.46%	98.03%	169.07%
11	Current Ratio	1.41	1.19	1.06
12	Net Capital Turnover Ratio	10.64	21.06	59.67

Notes:

- a) As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants pursuant to their certificate dated August 05, 2024. The Audit committee in its resolution dated June 15, 2024 has confirmed that the Company has not disclosed any KPIs to any investors at any point of time during the three years preceding the date of this Red Herring Prospectus other than as disclosed in this section.
b) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
c) EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items less other income.
d) EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
e) Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
f) Return on equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.
g) Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).
h) Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBIT by finance cost.
i) RoCE (Return on Capital Employed) (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as total assets minus current liabilities.
j) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
k) Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).

See "Management Discussion and Analysis of Financial Position and Results of Operations" on page 273, for the reconciliation and the manner of calculation of our key financial performance indicators.

Further, set forth below are some of our key operational performance indicators as of and for the periods indicated which have been approved by our Audit Committee pursuant to its resolution dated June 15, 2024.

Operational KPIs for the Company

Sr No.	Metric	As of and for the Fiscal		
		2024	2023	2022
1	Average net sales per customer	33,021.83	32,534.65	29,834.05
2	Net Sales per sq.ft. area in use	463,508.28	3,96,033.03	3,79,856.23
3	Total pieces sold for the year	16,076,129	15,707,221	14,772,335

Note:

- a) Net sales per square foot of area in use is calculated as the total square foot of area in use at the Company's units, divided by the net sales for the year (total sales less the total sales returns for the year).
b) Average net sales per customer is calculated as the total net sales divided by the number of customers who purchased goods at least once in the financial year.
c) Total pieces sold for the year refers to the total quantity of products sold.

For further information in relation to historical use of such KPIs by our Company to monitor the operational and/or financial performance of our Company, please see "Our Business - Key Performance Indicators" on page 183.

Comparison of financial KPIs and Operational KPIs of our Company and listed peers.

Metric	Saraswati Saree Depot Limited			Go Fashion (India) Ltd			Sai Silks (Kalamandir) Limited		
	As of and for year Fiscal 2024	As of and for year Fiscal 2023	As of and for year Fiscal 2022	As of and for year Fiscal 2024	As of and for year Fiscal 2023	As of and for year Fiscal 2022	As of and for year Fiscal 2024	As of and for year Fiscal 2023	As of and for year Fiscal 2022
Revenue From operations (₹ in million)	6,109.04	6,018.91	5,495.76	31.78%	6,652.80	4,013.13	13,735.50	13,514.69	11,293.23
Total revenue (₹ in million)	6,125.80	6,035.18	5,503.08	827.76	6,771.94	4,221.07	13,970.20	13,589.20	11,330.16
EBITDA (₹ in million)	411.41	340.53	208.44	10.85%	2,122.86	1,222.47	2,119.80	2,125.31	1,330.48
EBITDA Margin (%)	6.73%	5.66%	3.79%	13.71%	31.91%	30.46%	15.43%	15.73%	11.78%
Profit after tax (₹ in million)	295.28	229.74	123.08	0.78	827.98	356.01	1,008.60	975.88	576.87
PAT Margin (%)	4.83%	3.82%	2.24%	3.82	12.23%	8.87%	7.34%	7.18%	5.11%
Return on Equity (ROE) (%)	58.88%	96.15%	196.81%	14.90%	234.01%	8.12%	9.49%	275.81%	19.19%
Debt To Equity Ratio	0.67	1.17	5.37	3.96	9.60	0.57	0.45	9.76	1.15
Interest Coverage Ratio	16.95	9.09	4.67	1.88	4.82	3.05	3.55	3.94	3.70
Return on Capital Employed (ROCE) (%)	64.46%	98.03%	169.07%	31.78%	17.14%	7.45%	14.46%	27.62%	24.36%
Current Ratio	1.41	1.19	1.06	827.76	3.57	5.68	3.41	1.41	1.38
Net Capital Turnover Ratio	10.64	21.06	59.67	10.85%	2.39	0.65	1.65	5.82	7.38
Average net sales per customer	463,508.28	396,033.03	379,856.23	NA	NA	NA	NA	NA	NA
Net Sales per sq.ft. area in use	33,021.83	32,534.65	29,834.05	NA	18,186.00	14,406	2,12,19	22,397	20,502
Total pieces sold for the year	16,076,129	15,707,221	147,72,335	NA	NA	NA	NA	NA	NA

Notes:

- a) Revenue from Operations means the Revenue from Operations as appearing in the Restated Financial Statements.
b) EBITDA refers to earnings before interest, taxes, depreciation, amortisation, gain or loss from discontinued operations and exceptional items less other income.
c) EBITDA Margin refers to EBITDA during a given period as a percentage of revenue from operations during that period.
d) Net Profit Ratio/Margin quantifies our efficiency in generating profits from our revenue and is calculated by dividing our net profit after taxes by our revenue from operations.
e) Return on equity (RoE) is equal to profit for the year divided by the average total equity and is expressed as a percentage.
f) Debt to equity ratio is calculated by dividing the debt (i.e., borrowings (current and non-current) and current maturities of long-term borrowings) by total equity (which includes issued capital and all other equity reserves).
g) Interest Coverage Ratio measures our ability to make interest payments from available earnings and is calculated by dividing EBIT by finance cost.
h) RoCE (Return on Capital Employed) (%) is calculated as EBIT divided by capital employed. Capital employed is calculated as total assets minus current liabilities.
i) Current Ratio is a liquidity ratio that measures our ability to pay short-term obligations (those which are due within one year) and is calculated by dividing the current assets by current liabilities.
j) Net Capital Turnover Ratio quantifies our effectiveness in utilizing our working capital and is calculated by dividing our revenue from operations by our working capital (i.e., current assets less current liabilities).
k) Net sales per square foot of area in use is calculated as the total square foot of area in use at the Company's units, divided by the net sales for the year (total sales less the total sales returns for the year).
l) Average net sales per customer is calculated as the total net sales divided by the number of customers who purchased goods at least once in the financial year.
m) Total pieces sold for the year refers to the total quantity of products sold.
7. Weighted average cost of acquisition ("WACA"), floor price and cap price
a) Price per share of the Company based on primary issuances of Equity Shares or convertible securities (excluding issuance of Equity Shares under ESOP/ESOS or pursuant to a bonus issue) during the 18 months preceding the date of this 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-transaction capital before such transactions) in a single transaction or multiple transactions combined together over a span of rolling 30 days.

There has been no issuance of Equity Shares or convertible securities during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-offer capital before such transaction(s)), in a single transaction or multiple transactions combined together over a span of rolling 30 days

- b) Price per share of the Company based on secondary sale or acquisition of Equity Shares or convertible securities (excluding gifts) involving any of the Promoters, members of the Promoter Group or Shareholder(s) having the right to nominate director(s) in the Board of Directors of the Company are a party to the transaction, during the 18 months preceding the date of filing of this Red Herring Prospectus, where the 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-transaction capital before such transactions), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

Date of Transfer	Name of Transferor	Name of Transferee	No. of Securities*	Nature of Securities	Face value of Securities	Price of securities (₹)*	Nature of transaction	Nature of consideration	Total Consideration
April 03, 2023	Koushibai Dulhani	Mahesh Dulhani	8,27,500	Gift	10	-	Transfer from Koushibai Dulhani by way of Gift	Other Than Cash	-
April 03, 2023	Koushibai Dulhani	Rajesh Dulhani	8,27,500	Gift	10	-	Transfer from Koushibai Dulhani by way of Gift	Other Than Cash	
April 03, 2023	Koushibai Dulhani	Vinod Dulhani	8,27,500	Gift	10	-	Transfer from Koushibai Dulhani by way of Gift	Other Than Cash	-
Weighted average cost of acquisition (WACA)									-

* Adjusted for bonus shares allotted in the ratio of equity shares for every one equity share pursuant to allotment dated June 20, 2023.

Floor price and cap price being X times the weighted average cost of acquisition (WACA) based on primary/ secondary transaction(s) as disclosed in terms of clause (a) and (b), shall be disclosed in the following manner:

Past Transactions	Weighted average cost of acquisition* (₹)	Floor Price	Cap Price
WACA of Equity Shares that were issued by our Company	NA	NA	NA
WACA of Equity Shares that were acquired or sold by way of secondary transactions	Nil	NA	NA

* As certified by M/s. Sanjay Vhanbatte and Co., Chartered Accountants, by way of their certificate dated August 05, 2024

c) Justification for Basis for Offer Price.

Detailed explanation for Offer Price/Cap Price along with our Company's KPIs and financial ratios for the period presented in the Restated Financial Statements and in view of the external factors which may have influenced the pricing of the Offer, if any:

1. We are a key player in sarees wholesale (B2B) segment (Source: CRISIL Report) and our origin into the sarees business dates back to the year 1966.
2. In Fiscal 2024, we have served over 13,000 unique customers and our product catalogue consists of more than 3,00,000 different SKUs.
3. Saree industry in India is expected to grow at a 5-6% CAGR over fiscal 2024 to fiscal 2029 reaching Rs 650-675 billion by fiscal 2029. (Source: CRISIL Report).
4. All the Promoters of the company have more than 2 decades of experience in the industry. Our management team consists of professionals with several years of experience and knowledge in the industry and their respective fields such as sales, marketing, technical support, R&D, supply chain, production and finance.
5. We intends to enter in men's ethnic wear space to gain due to increasing trend of multi-day weddings, wider acceptance of traditional outfits during festival celebrations. The men's wear segment is projected to increase to Rs.3.8 - 3.9 trillion by FY29, implying a CAGR of nearly 10-11% between fiscals 2024 and 2029. (Source: CRISIL Report).
6. We intends to focus on strengthening sales through e-commerce channels to benefit from evolving customer trends. We intend to make investments in digital channels to build an omni-channel engagement experience for customers (both B2B and B2C) and have a dedicated team for e-commerce operations. By fiscal 2029, e-commerce penetration is expected to increase up to 9-11% in saree industry in India. (Source: CRISIL Report)

d) 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 BRLM, on the basis of market demand from investors for Equity Shares, as determined through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Position and Results of Operations" and "Financial Information" on pages 41, 179, 273 and 238, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" and you may lose all or part of your investments.

For further details please see the chapter titled "Basis for Offer Price" beginning on page 128 of the RHP.

ASBA *

Simple, safe, smart way of Application!!!!

Mandatory in Public Issues. No Cheque will be accepted

*Applications supported by blocked amount (ASBA) is a better way of applying to Issues by simply blocking the fund in the bank account. For further details, check section on ASBA below.



UNIFIED PAYMENTS INTERFACE

UPI-Now available in ASBA for Retail Individual Investors and Non - Institutional Investor applying for amount upto ₹ 5,00,000/-, applying through Registered Brokers, DPs and RTAs. UPI Bidder 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, issued by the Central Board of Direct Taxes and the subsequent press releases, including press releases dated June 25, 2021 and September 17, 2021 and CBDT circular no.7 of 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

ASBA has to be availed by all the investors. UPI may be availed by (i) Retail Individual Investors in the Retail Portion; (ii) Non-Institutional Investors 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 ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" on page 332 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. ASBA bid-cum-application forms can be downloaded from the websites of 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?doRecognisedFp=yes&intmid=35 and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFp=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. HDFC Bank Limited and Axis Bank Limited have been appointed as Sponsor Banks for the Offer, in accordance with the requirements of the SEBI Circular dated November 1, 2018 as amended. For Offer related queries, please contact the BRLM on their respective email IDs as mentioned below.

Continued on next page...