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BAAZAR STYLE RETAIL LIMITED

Our Company was incorporated as Dwarakadas Moharal Private Limited, a private limited company under the Companies Act, 1956 on June 3, 2013, and was granted the certificate of incorporation by the Registrar of Companies, West Bengal at Kolkata ("RoC"). Subsequently, the name of the Company was changed to Bazar Style Retail Private Limited pursuant to a special resolution passed by the shareholders at the EGM on November 21, 2013, and a fresh certificate of incorporation dated November 26, 2013 was issued by the RoC. Pursuant to the conversion of our Company into a public limited company and a special resolution passed by our Shareholders at the EGM on December 16, 2021, the name of our Company was changed to "Bazar Style Retail Limited", and the RoC issued a fresh certificate of incorporation on January 6, 2022. For further details of change in name and registered and corporate office of the Company, see "History and Certain Corporate Matters" on page 261 of the red herring prospectus dated August 23, 2024 filed with the RoC ("RHP" or "Red Herring Prospectus").

Registered and Corporate Office: P S Srijan Tech Park, DN-42, 12th Floor, Street Number 11, DN Block, Sector V, Salt Lake, North 24 Parganas, Kolkata, - 700 091, West Bengal.
Tel: (+91 33) 6125 6125; Contact Person: Abinash Singh, Chief Compliance Officer, Company Secretary and Head-Legal and Compliance; E-mail: secretarial@stylebazaar.com; Website: www.stylebazaar.in



(Please scan the QR code to view the RHP)

OUR PROMOTERS: PRADEEP KUMAR AGARWAL, ROHIT KEDIA, SHREYANS SURANA, BHAGWAN PRASAD, SABITA AGARWAL, RAJENDRA KUMAR GUPTA, RAJENDRA KUMAR GUPTA (HUF) AND SRI NARSINGH INFRASTRUCTURE PRIVATE LIMITED

INITIAL PUBLIC OFFERING OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹5 EACH ("EQUITY SHARES") OF BAAZAR STYLE RETAIL LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹1[•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹1[•] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO [•] MILLION ("OFFER") COMPRISING A FRESH ISSUE OF UP TO [•] EQUITY SHARES BY OUR COMPANY AGGREGATING UP TO [•] 480.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [•] 1,682,389 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO [•] 1[•] MILLION, BY THE SELLING SHAREHOLDERS (AS DEFINED HEREINAFTER) ("OFFER FOR SALE"). THIS OFFER INCLUDES A RESERVATION OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹5 EACH (CONSTITUTING UP TO [•] 1% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL) AGGREGATING TO ₹10.00 MILLION, FOR PURCHASE BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER WOULD CONSTITUTE [•] % AND [•] %, RESPECTIVELY, OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

OUR COMPANY, IN CONSULTATION WITH THE BRLMS, HAS UNDERTAKEN A PRE-IPO PLACEMENT AGGREGATING TO ₹370.00 MILLION. THE SIZE OF THE FRESH ISSUE HAS BEEN REDUCED BY ₹370.00 MILLION AND ACCORDINGLY THE REVISED FRESH ISSUE SIZE AGGREGATES TO ₹1,480.00 MILLION.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND THE WEIGHTED AVERAGE COST OF ACQUISITION FOR THE TOP 10 SELLING SHAREHOLDERS			
Name of Selling Shareholder	Type	Number of equity shares of face value ₹5 each offered/amount (₹ in million)	Weighted average cost of acquisition per Equity Share (in ₹)*
Rakha Rakesh Jhunjhumwala	Investor Selling Shareholder	Up to 2,723,120 equity shares of face value ₹5 each aggregating up to ₹1[•] million	NIL
Intensive Softshare Private Limited	Investor Selling Shareholder	Up to 2,240,680 equity shares of face value ₹5 each aggregating up to ₹1[•] million	19.87
Intensive Finance Private Limited	Other Selling Shareholder	Up to 1,486,870 equity shares of face value ₹5 each aggregating up to ₹1[•] million	36.99
Chandurkar Investments Private Limited	Other Selling Shareholder	Up to 1,307,192 equity shares of face value ₹5 each aggregating up to ₹1[•] million	124.50
Madhu Surana	Promoter Group Selling Shareholder	Up to 964,858 equity shares of face value ₹5 each aggregating up to ₹1[•] million	2.62
Sabita Agarwal	Promoter Group Selling Shareholder	Up to 942,000 equity shares of face value ₹5 each aggregating up to ₹1[•] million	1.81
Subroto Trading & Finance Company Private Limited (formerly known as Subroto Trading & Finance Company Limited)	Promoter Group Selling Shareholder	Up to 919,156 equity shares of face value ₹5 each aggregating up to ₹1[•] million	10.88
Rajnish Gupta	Other Selling Shareholder	Up to 844,774 equity shares of face value ₹5 each aggregating up to ₹1[•] million	44.39
Rakha Kedia	Promoter Group Selling Shareholder	Up to 750,000 equity shares of face value ₹5 each aggregating up to ₹1[•] million	1.58
Shakuntala Devi	Promoter Group Selling Shareholder	Up to 700,000 equity shares of face value ₹5 each aggregating up to ₹1[•] million	1.37
D. K. Surana HUF	Other Selling Shareholder	Up to 540,680 equity shares of face value ₹5 each aggregating up to ₹1[•] million	36.99

*As certified by Singhi & Co., Chartered Accountants pursuant their certificate dated August 23, 2024. For complete list of the Selling Shareholders, please see "The Offer" on page 79 of the RHP.

We are a value fashion retailer. We offer quality and affordable products under the apparels and general merchandise segments, through a chain of 'value retail' stores.

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 Net Offer | Non-Institutional Category: Not less than 15% of the Net Offer

Retail Category: Not less than 35% of the Net Offer

Employee Reservation Portion: Up to [•] Equity Shares each aggregating up to ₹10.00 million

PRICE BAND: ₹370 TO ₹389 PER EQUITY SHARE

THE FLOOR PRICE AND THE CAP PRICE ARE 74.00 TIMES AND

77.80 TIMES THE FACE VALUE OF THE EQUITY SHARES RESPECTIVELY

BIDS CAN BE MADE FOR A MINIMUM OF 38 EQUITY SHARES AND IN MULTIPLES OF 38 EQUITY SHARES THEREAFTER

A DISCOUNT OF ₹35 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES

BIDDING IN THE EMPLOYEE RESERVATION PORTION

In accordance with the recommendation of Independent Directors of our Company, pursuant to their resolution dated August 24, 2024, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the "Basis for Offer Price" section beginning on page 152 of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in the "Basis for Offer Price" section beginning on page 152 of the RHP and provided below in this advertisement.

In making an 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.

The details of the Pre-IPO Placement are as follows:

Date of the allotment	Number of Equity Shares	Price per Equity Share (₹)	Total Consideration (in ₹ million)	Name of the allottee
August 3, 2024	956,072	387	370.00	Volrado Venture Partners Fund II

RISKS TO INVESTORS:

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

- **Geographical Concentration Risk:** Our stores are concentrated in the eastern parts of India, and we generated a majority of our sales from our stores in West Bengal, Odisha, Assam and Bihar. The contribution of the stores in Core Markets to our total revenue from operations for Fiscals 2024, 2023 and 2022, respectively were 87.32%, 90.50% and 91.44%.
- **Product Concentration Risk:** Our business is currently highly concentrated on our apparel product category. The contribution of apparels to the revenue from operations for Fiscals 2024, 2023 and 2022, respectively were 83.80%, 85.61% and 86.94%.
- **Private Label Risk:** We currently own 10 private label brands. We may launch additional brands and labels in the future across product categories, in order to effectively market such offerings. However, we cannot assure you that any new labels or brands launched by us will be preferred by our customers or retail partners over our existing products, or that we will be able to recover costs or achieve profitability associated with developing such labels and brands. The contribution of our private label brands to our revenue from operations for Fiscals 2024, 2023 and 2022, respectively were 37.93%, 31.43% and 24.72%.
- **Our Company will not receive any proceeds from the Offer for Sale.**
- **Competition Risk:** We operate in the highly competitive industry which is characterised by swift shifts in consumer trends and technology, which may lead to an adverse impact on our market share at any time due to the significant number of competitors in our industry that may compete more effectively than us. We are a value fashion retailer with a market share of 3.03%, 2.22% and 2.45% in the organised value retail market (lifestyle and home) in the states of West

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Bengal, Odisha and Assam, respectively as per the Technopak Report.

- **Brand Risk:** The use of "Style Baazar" or similar trade names or images by third parties may result in loss of business to such third parties, and any potential negative publicity relating to such third parties may adversely affect our reputation, the goodwill of our brand and business prospects.
- **Expansion Risk:** The growth of our business depends on our ability to identify, obtain and retain quality retail spaces and our ability to effectively implement and manage our retail network. As on March 31, 2024, we had 162 stores across 86 districts in 9 states. The number of stores closed by our Company in Fiscals 2024, 2023 and 2022, respectively were 6, 5 and 3.
- **Fire Risk:** Our operations are exposed to the risk of fire accidents which could result in significant financial loss, property damage, interruption of our business operations and potential personal injury or loss of life. In May 2024, a fire accident occurred at our erstwhile warehouse located at J.L No. 11, Prospace Industrial Parks, Mouza – Belumilki, Pearapur Gram Panchayat, Sreerampur District, Hooghly – 712 223, West Bengal causing loss of inventory stored in the warehouse.
- **Financial Risk:** We have incurred losses in the past. For Fiscal 2022, loss after tax was ₹ (80.07) million. Additionally, we have low PAT margins. Any losses in the future or continued sustenance of low PAT margins may adversely impact our operations and financial conditions and the trading price of our Equity Shares. Our PAT margins for Fiscals 2024, 2023 and 2022, respectively, were 2.23%, 0.64% and (1.43)%.
- **Repeat Sales Risk:** Our future growth depends on our ability to continue to attract purchases from new customers and existing customers. The contribution of repeat sales to total gross sales for Fiscals 2024, 2023 and 2022, respectively, were 71.94%, 70.00% and 68.50%.
- **Market Risk:** The Offer Price, market capitalisation to revenue from operations and price to earnings ratio at the Offer Price of our Company, may not be indicative of the market price of the Company on listing and thereafter.

Particulars	Market capitalisation to revenue from operations ratio		P/E ratio	
			Cap Price	Floor Price
Our Company	2.98	2.85	123.89	117.83

- The Price to Earnings ratio based on basic and diluted EPS for Fiscal 2024 at the upper end of the Price band is as high as 123.89 as compared to the Price to Earnings Ratio of Nifty 50 index as on August 22, 2024 is 23.06.

- The average cost of acquisition of Equity Shares held by the Selling Shareholders ranges from Nil to ₹124.50 per Equity Share, and the Cap Price is ₹389.
- Weighted Average Return on Net Worth for Fiscals 2024, 2023 & 2022 is 5.11%.
- Weighted average cost of acquisition of all Equity Shares transacted in the one year, 18 months and three years preceding the date of the RHP

Period	Weighted average cost of acquisition (in ₹)*^	Cap Price is 'X' times the weighted average cost of acquisition	Range of acquisition price: lowest price – highest price (in ₹)
Last one year preceding the date of the RHP	10.31	37.73	387.00 - 387.00 [®]
Last 18 months preceding the date of the RHP	19.50	19.95	300.00 - 387.00 [®]
Last three years preceding the date of the RHP	36.50	10.66	Nil [®] - 387.00 [®]

As certified by M K Jalan & Associates, Chartered Accountants, pursuant to their certificate dated August 24, 2024.

* Pursuant to a resolution of our Board passed in their meeting held on July 14, 2023, and a resolution of our Shareholders passed in their AGM held on August 25, 2023, each fully paid - up equity share of our Company of face value ₹10 was split into 2 equity shares of ₹5 each, and accordingly, 34,927,447 equity shares of our Company of ₹10 each were split into 69,854,894 Equity Shares ₹5 each.

^ Excluding gift and Equity Shares allotted pursuant to bonus issue.

® No consideration has been paid as the Equity Shares have been acquired by way of transmission of equity shares.

® Consideration of ₹387.00 per equity share is pursuant to the Pre-IPO Placement dated August 3, 2024

- The three BRLMs associated with the Offer have handled 61 public issues in the past three Financial Years, out of which 15 issues closed below the Offer price on the listing date.

Name of the BRLMs	Total Issues	Issues closed below IPO Price on listing date
Axis Capital Limited*	20	5
Intensive Fiscal Services Private Limited*	1	-
JM Financial Limited*	22	5
Common issues of above BRLMs	18	5
Total	61	15

*Issues handled where there were no common BRLMs

BID/ OFFER SCHEDULE

ANCHOR INVESTOR BIDDING DATE THURSDAY, AUGUST 29, 2024*

BID/ OFFER OPENS ON FRIDAY, AUGUST 30, 2024

BID/ OFFER CLOSES ON TUESDAY, SEPTEMBER 3, 2024[†]

*Our Company, in consultation with the Book Running Lead Managers, may consider participation by Anchor Investors in accordance with the SEBI/ICDR Regulations.
†UPI mandate and time and date shall be at 5:00 pm on the Bid/Offer Closing Date.



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The Price Band and Offer Price will be determined by our Company, in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of the quantitative and qualitative factors described below. The face value of the Equity Shares is ₹5 each and the Offer Price is 74.00 times the face value at the Floor Price and 77.80 times the face value at the Cap Price of the Equity Shares. Investors should also refer to "Our Business", "Risk Factors", "Restated Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 224, 41, 311 and 371 of the RHP, respectively, to have an informed view before making an investment decision.

Qualitative factors

- One of the fastest growing value retailers in eastern India with a market share of 3.03% and 2.22% in the states of West Bengal and Odisha, respectively in organized value retail market.
- Accelerated store expansion through a cluster-based approach.
- Strong understanding of customer preferences to offer a comprehensive, targeted and affordable product mix along with our private label brands leading to customer loyalty.
- High operational efficiency and lean cost structure due to strong focus on business processes and automation.
- Targeted marketing and promotion activities enabling increasing brand salience and generating customer loyalty.
- Experienced promoters and a strong management team with a proven track record, backed by investors; and
- Strong financial track record of growth.

For further details, see "Our Business" - Our Competitive Strengths" on page 227 of the RHP.

Quantitative factors

Some of the information presented below relating to our Company is based on the Restated Financial Information. For further information, see "Financial Information" on page 303 of the RHP.

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

I. Basic and diluted earnings per share ("EPS") as per the Restated Financial Information

Fiscal	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
Fiscal 2024	3.14	3.14	3
Fiscal 2023	0.76	0.76	2
Fiscal 2022	(1.31)	(1.31)	1
Weighted Average	1.61	1.61	

Note: EPS has been calculated in accordance with the Indian Accounting Standard 33 - "Earnings per share". The face value of equity shares of the Company is ₹5.

II. Price/Earnings ("P/E") ratio in relation to Price Band of ₹70 to ₹88 per Equity Share

Particulars	P/E at the lower end of Price Band (no. of times)	P/E at the higher end of Price Band (no. of times)
Based on basic and diluted EPS as per the Restated Financial Information for the financial year ended March 31, 2024	117.83	123.89

III. Industry Peer Group P/E ratio

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

Particulars	Industry P/E
Highest	138.88
Lowest	138.88
Average	138.88

Source: All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the financial results/annual reports of the respective company for the year ended March 31, 2024 submitted to the Stock Exchanges.

Note:

- The industry highest and lowest has been considered from the industry peer set provided later in the section "Basis for Offer Price - Comparison of accounting ratios with listed industry peers" on page 157 of the RHP and the industry peer which has reported losses for Fiscal 2024. The average P/E ratio has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section excluding the industry peer which has reported losses for Fiscal 2024. For further details, see "Comparison of accounting ratios with listed industry peers" on page 157 of the RHP.

IV. Average Return on Net Worth ("ROW") as per the Restated Financial Information

Period ended	ROW (%)	Weight
March 31, 2024	10.12	3
March 31, 2023	2.87	2
March 31, 2022	(5.87)	1
Weighted Average	5.11	

Note: ROW is calculated as net profit after taxation attributable to the equity shareholders of the Company divided by net worth for that year. Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debt or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amortisation.

V. Net asset value per Equity Share (face value of ₹5 each) ("NAV") as per the Restated Financial Information

Net Asset Value per Equity Share (in ₹)	
As on March 31, 2024	30.43
After completion of the Offer	
(i) Floor Price	53.14
(ii) Cap Price	53.28
(iii) Offer Price	53.14

Note: Net Asset Value per equity share represents net worth as at the end of the financial period/year, as restated, divided by the number of Equity Shares outstanding at the end of the period/year and adjusted for the division of each equity share of ₹10 each into 2 (two) equity shares of ₹5 each undertaken during the financial year 2023-24.

VI. Comparison of accounting ratios with listed industry peers

Name of Company	Face Value	P/E (₹)	Basic	Diluted	NAV	ROW (%)
		(₹ Per Share)			(₹ per share)	
Our Company*	5	3.14	3.14	3.14	30.43	10.32
Listed Peers**						
V-Mart Retail Limited	10	NA*	(48.93)	(48.93)	NA*	(12.98)
V2 Retail Limited	10	138.88	8.04	8.04	79.42	10.12

* Will be populated at the time of finalisation of the Offer Price.

** Financial information of the Company for the financial year ended March 31, 2024 has been derived from the Restated Financial Information.

* Earnings: Net worth of the peer companies are negative, hence P/E ratio and Return on Net Worth has not been calculated.

** Source for listed peers information included above:

- All the financial information for listed industry peers is on a consolidated basis and is sourced from the financial information of such listed industry peers as at and for the year ended March 31, 2024 available on the website of the BSE.
- P/E Ratio for the listed industry peers has been computed based on the closing market price (August 22, 2024) of equity shares on BSE, divided by the EPS.
- ROW is calculated as net profit after taxation attributable to the equity shareholders of the Company divided by net worth for that year. Net worth means the aggregate value of the paid-up share capital and all reserves created out of the profits and securities premium account and debt or credit balance of profit and loss account, after deducting the aggregate value of the accumulated losses, deferred expenditure and miscellaneous expenditure not written off, as per the audited balance sheet, but does not include reserves created out of revaluation of assets, write-back of depreciation and amortisation.
- Net Asset Value per equity share represents net worth as at the end of the financial year, divided by the number of equity shares outstanding at the end of the year.

VII. Key financial and operational metrics

In evaluating our business, we consider and use certain KPIs as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Information. We use these KPIs to evaluate our financial and operating performance. These KPIs have limitations as analytical tools. Further, these KPIs may differ from the similar information used by other companies and hence their comparability may be limited. Therefore, these metrics should not be considered in isolation or construed as an alternative to the financial measures of performance or as an indicator of our operating performance, liquidity or results of operation. Although these KPIs are not a measure of performance calculated in accordance with applicable accounting standards, our Company's management believes that it provides an additional tool for investors to use in evaluating our ongoing operating results and trends and in comparing our financial performance with other companies in our industry because it provides consistency and comparability with past financial performance, when taken collectively with financial measures prepared in accordance with Ind AS. Investors are encouraged to review the Ind AS financial measures and not to rely on any single financial or operational metric to evaluate our business. Please see "Risk Factors - Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, US GAAP and IFRS, which investors may be more familiar with and may consider material to their assessment of our financial condition" on page 77 of the RHP.

The KPIs of our Company have been disclosed in the sections "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 224 and 371 of the RHP, respectively. We have described and defined the KPIs, as applicable, in the section "Definitions and Abbreviations" on page 6 of the RHP. 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, for a duration of one year after the date of filing of the Equity Shares on the Stock Exchange or such other duration as may be required under the SEBI ICDR Regulations.

Set forth below are KPIs, as certified by Singh & Co., Chartered Accountants through their certificate dated August 23, 2024, in which, have been used historically by our Company to understand and analyse the business performance, which in result, help in analyzing the growth of various verticals in comparison to our listed peers, and other relevant and material KPIs of the Company that have a bearing for arriving at the Basis for the Offer Price.

Sr. No.	KPIs	March 31, 2024	As at / for the financial year ended March 31, 2023	March 31, 2022
1	Store Count	182	135	106
2	Rental Area of Stores (square feet in million)	1.47	1.25	1.02
3	Average store size (in square feet)	9,046	9,289	9,623
4	No. of Bills (in million)	10,04	8.22	5.75
5	Average Transaction Value (in ₹)	1,038.69	1,040.88	1,026.17
6	Sales (in ₹ million)	9,718.55	7,871.34	5,504.31
7	Sales - Apparels (in ₹ million)	8,153.21	6,745.15	4,791.57
8	Sales - General Merchandise (in ₹ million)	1,565.34	1,126.19	712.74
9	Sales Mix - Apparels (in %)	83.89	85.69	87.05
10	Sales Mix - General Merchandise (in %)	16.11	14.31	12.95
11	Sales per square feet (in ₹)	7,758	7,445	6,180
12	Same Store Sales Growth (in %)	9.54	25.73	17.04
13	Private Label Brands Contribution to Total Revenue (in %)	37.83	31.43	24.72
14	Revenue from Operations (in ₹ million)	8,728.82	7,878.03	5,311.18
15	Gross Profit (in ₹ million)	3,260.25	2,540.17	1,732.95
16	Gross Profit Margin (in %)	33.51	32.24	31.81
17	EBITDA (in ₹ million)	1,421.64	1,014.84	683.52
18	EBITDA Margin (in %)	16.11	12.88	12.40
19	PAT (in ₹ million)	219.42	51.02	(80.07)
20	PAT Margin (in %)	2.53	0.64	(1.43)
21	Net Cash flow from Operating Activities (in ₹ million)	1,116.20	329.07	155.86
22	RoCE (in %)	18.39	13.77	6.59
23	RoE (in %)	10.74	3.02	(8.86)
24	Working Capital Days	8.89	25.69	17.96

Notes:

- Average store size refers to the total retail area of stores divided by the total number of store count.
- Number of Bills refers to the total number of tax invoices generated at stores through point of sales.
- Average Transaction Value means the total retail sales excluding e-commerce divided by the total number of bills.
- Sales refers to the sum of sales of apparels and general merchandise.
- Sales Mix refers to the percentage of a particular category on total sales.
- Sales per square feet means gross sales including taxes before Ind AS adjustments divided by the total annualised retail area.
- Same store sales growth means the cumulative growth of stores sales value over last year for stores under operations for more than 18 months during current year.
- Private Label Brands contribution to Total Revenue refers to the Company owned brand sales as a percentage of Total Revenue from Operations.
- Gross profit means revenue from operations minus purchase of stock and changes in inventories.
- Gross profit margin means gross profit divided by revenue from operations.
- EBITDA means the gross profits minus the employee benefit expenses minus the other expenses.

BASIS FOR OFFER PRICE

xii. EBITDA margin means EBITDA divided by the revenue from operations.

xiii. PAT means the profit before tax minus tax expenses.

xiv. PAT margin means the profit before tax minus tax expenses divided by total income.

xv. RoCE means EBIT divided by capital employed. (Capital employed is the sum of total equity, long term borrowings, short term borrowings (including intangible assets and deferred tax assets)).

xvi. RoE means PAT divided by average equity.

xvii. Working capital days refers to Current Assets minus Current Liabilities divided by the Revenue from Operations for the fiscal year multiplied by the number of days in the year.

Explanation for the KPI metrics

KPIs	Explanations
Store Count	Our Company's number of Stores operational at the end of the fiscal year. Stores count is a key metric used to measure the number of physical stores or locations the company operates. It provides valuable insights into the company's growth, expansion, and overall business health.
Rental Area of Stores	Rental Area of Stores operational at the end of the fiscal year. It is used to measure the sales space efficiency and optimizing stores layout.
Average store size	Average store size refers to the average retail area per store operational at the end of the fiscal year. This is used by the Company to assess the optimal area usage for any future stores. This is also used by the Company to assess the rental and other expense requirement.
No. of Bills	Number of Bills refers to the total number of tax invoices generated at stores through point of sales. This helps us track the growth in terms of number of customers.
Average Transaction Value	Average Transaction Value means the gross sale value per bill (excluding e-commerce Sales). This helps us in assessing retail performance, identifying growth opportunities, and formulating promotional strategies.
Sales	Sales refer to the revenue generated by the Company from selling its trading goods.
Sales - Apparels	Sales - Apparels is the net sales derived from the sale of apparels.
Sales - General Merchandise	Sales - General Merchandise is the net sales derived from sale of general merchandise.
Sales Mix - Apparels (in %)	Sales Mix - Apparels is the contribution of apparels sale to total sales.
Sales Mix - General Merchandise	Sales Mix - General Merchandise is the contribution of General Merchandise sale to total sales.
Sales per square feet	Sales per square feet is used to evaluate the operational and financial efficiency of the Company in terms of the per square feet utilised.
Same Store Sales Growth	Same store sales growth indicates the increase or decrease of sales from the same store which is used to assess the operational and financial efficiency of a store.
Private Label Brands Contribution to Total Revenue	Private Label Brands Contribution to Total Revenue is the contribution from own label brand sales in terms of the overall revenue from operations. This helps us in having better gross profit margin.
Revenue from Operations	Revenue from Operations is used to track the revenue profile of our business and in turn helps to assess the financial performance of the Company and size of our business.
Gross Profit	Gross Profit assesses the Company's total product margin earned from sales of traded goods.
Gross Profit Margin	Gross Profit Margin is an indicator of the operational efficiency of the business.
EBITDA	EBITDA provides insights into the Company's operational profitability from its business.
EBITDA Margin	EBITDA Margin is an indicator of the operational efficiency of our business.
PAT	Profit after tax takes into account the taxes paid by the company on its pre-tax earnings and is a crucial metric for assessing financial performance.
PAT Margin	PAT Margin is an indicator of the overall profitability of the Company.
Net Cash flow from Operating Activities	Net Cash flow from Operating activities means the cash derived from the principal revenue generating activities of the Company.
RoCE	Return on capital employed provides how efficiently our Company generates earnings from the capital employed in the business.
RoE	Return on equity provides how efficiently our Company generates profits from shareholders' funds.
Working Capital Days	Working capital days refers to the number of days the Company takes to convert its working capital into revenue.

Comparison of the KPI metrics of our Company and our listed peers* as at/for the financial year ended March 31, 2024

KPIs	Bazaar Style Retail Limited** As at / for the financial year ended March 31, 2024	V-Mart Retail Limited As at / for the financial year ended March 31, 2024	V2 Retail Limited As at / for the financial year ended March 31, 2024
Store Count	182	244	NA
Rental Area of Stores (square feet in million)	1.47	3.50	NA
Average store size (in square feet)	9,046	8,784	NA
No. of Bills (in million)	10.04	NA	NA
Average Transaction Value (in ₹)	1,038.69	1,065.00	NA
Sales (in ₹ million)	9,718.55	27,113.10	NA
Sales - Apparels (in ₹ million)	8,153.21	NA	NA
Sales - General Merchandise (in ₹ million)	1,565.34	NA	NA
Sales Mix - Apparels (in %)	83.89	NA	NA
Sales Mix - General Merchandise (in %)	16.11	NA	NA
Sales per square feet (in ₹)	7,758	7,682	NA
Same Store Sales Growth (in %)	9.54	NA	NA
Private Label Brands Contribution to Total Revenue (in %)	37.83	NA	NA
Revenue from Operations (in ₹ million)	8,728.82	27,856.00	11,647.27
Gross Profit (in ₹ million)	3,260.25	9,605.10	3,979.33
Gross Profit Margin (in %)	33.51	34.48	34.17
EBITDA (in ₹ million)	1,421.64	2,130.50	1,478.17
EBITDA Margin (in %)	16.11	7.65	12.89
PAT (in ₹ million)	219.42	(867.60)	278.11
PAT Margin (in %)	2.23	(3.47)	2.39
Net Cash flow from Operating Activities (in ₹ million)	1,116.20	3,856.90	934.25
RoCE (in %)	18.39	0.57	NA
RoE (in %)	10.74	NA	NA
Working Capital Days	8.89	18.73	45.99

* Information is the information not available from the sources stated herein.

** Information of listed peers have been derived on the basis of data sourced from Annual Reports and Audited Financial Results available on the website of BSE. Computation of amounts, percentages and ratios, not directly available in the source data have been computed following the same principles as followed during computation of the Company's KPIs. # Since PAT of Peer Company is negative, hence RoE has not been calculated.

Notes:

- Average store size refers to the total retail area of stores divided by the total number of store count.
- Number of Bills refers to the total number of tax invoices generated at stores through point of sales.
- Average Transaction Value means the total retail sales excluding e-commerce divided by the total number of bills.
- Sales refers to the sum of sales of apparels and general merchandise.
- Sales Mix refers to the percentage of a particular category on total sales.
- Sales per square feet means gross sales including taxes before Ind AS adjustments divided by the total annualised retail area.
- Same store sales growth means the cumulative growth of stores sales value over last year for stores under operations for more than 18 months during current year.
- Private Label Brands contribution to Total Revenue refers to the Company owned brand sales as a percentage of Total Revenue from Operations.
- Gross profit means revenue from operations minus purchase of stock and changes in inventories.
- Gross profit margin means gross profit divided by revenue from operations.
- EBITDA means the gross profits minus the employee benefit expenses minus the other expenses.
- EBITDA margin means EBITDA divided by the revenue from operations.
- PAT means the profit before tax minus tax expenses.
- PAT margin means the profit before tax minus tax expenses divided by total income.
- RoCE means EBIT divided by capital employed. (Capital employed is the sum of total equity, long term borrowings, short term borrowings (including intangible assets and deferred tax assets)).
- RoE means PAT divided by average equity.
- Working capital days refers to Current Assets minus Current Liabilities divided by the Revenue from Operations for the fiscal year multiplied by the number of days in the year.

VIII. Weighted average cost of acquisition

A. Price per share of our Company (as adjusted for corporate actions, including bonus issuances) based on primary issuances of Equity Shares or convertible securities (including Equity Shares issued under the ESOP Schemes and Issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of our Company (calculated based on the pre-offer Equity Share capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances").

Our Company has not issued any Equity Shares or convertible securities during the 18 months preceding the date of the Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted issued and paid-up Equity Share capital (calculated based on the pre-offer Equity Share capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

B. Price per share of our Company (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving any of our Promoters, members of the Promoter Group, Selling Shareholders or other shareholders with the right to nominate directors on our Board during the 18 months preceding the date of filing of the 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-offer Equity Share capital before such transaction(s) and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

C. Since there are no such transactions to report under A and B, the following are the details of the price per share of our Company based on the last five primary or secondary transactions (secondary transactions where our Promoters, members of the Promoter Group, Selling Shareholders or other shareholders with the right to nominate directors on our Board, are a party to the transaction), not older than three years prior to the date of filing of the Red Herring Prospectus irrespective of the size of the transactions:

Primary Transactions

Date of allotment	Number of equity shares allotted (1) (adjusted for sub-division)	Nature of consideration	Nature of allotment	Total consideration (₹)	Issue price per equity share (1) (adjusted for sub-division)
March 30, 2022	5,612,236	Cash	Private placement	644,004,081.00	114.75
June 7, 2022	919,396	Cash	Private placement	105,500,691.00	114.75
March 20, 2023	1,700,012	Cash	Private placement	255,001,800.00	150.00
August 3, 2024	650,002	Cash	Private placement	97,500,300.00	150.00
August 3, 2024	666,072	Cash	Private Placement	369,999,864.00	397.20

Weighted average cost of acquisition (WACA) (primary transactions) (₹ per Equity Share)

As certified by Singh & Co., Chartered Accountants, pursuant to their certificate dated August 23, 2024.

Notes:

- Pursuant to a resolution of our Board passed in their meeting held on July 14, 2023, and a resolution of our Shareholders passed in their AGM held on August 25, 2023, each fully paid-up equity share of our Company of face value ₹10 was split into 2 equity shares of ₹5 each, and accordingly, 34,927,447 equity shares of our Company of ₹10 each were split into 69,854,894 Equity Shares of ₹5 each. Further 956,072 equity shares of ₹5 each has been allotted on August 3, 2024.

Continued on next page.

