



THE ECONOMIC TIMES
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FRIDAY, 30 AUGUST 2024
Reliance Ind will consider a bonus issue, and change into a deep-tech, new-energy leader, Mukesh Ambani, RIL chairman, said at the company's AGM | P 1

► Allow Chinese FDI; We get Leverage on China When it invests in India: Panagariya ► Mahindra, VW at Advanced Stage of Forming 50:50 JV: P 1

THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY AND IS NOT A PROSPECTUS ANNOUNCEMENT AND DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES. NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION DIRECTLY OR INDIRECTLY, OUTSIDE INDIA. THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON THE MAIN BOARD PLATFORM OF BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") IN COMPLIANCE WITH CHAPTER II OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS").



(Please scan the QR code to view the RHP)

BAAZAR STYLE RETAIL LIMITED

Our Company was incorporated as Dwaikades 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 Bazaar Style Retail Private Limited pursuant to a special resolution passed by the shareholders of the Company 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 "Bazaar 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-5 Srijan Tech Park, DN-52, 12th Floor, Street Number 11, DN Block, Sector V, Salt Lake, North 24 Parganas, Kolkata - 700 091, West Bengal, India. (PIN: 700 091) (G125 6125). Contact Person: Abhinav Singh, Chief Compliance Officer, Company Secretary and Head Legal and Compliance.
Email: secretary@stylebazaar.com; Website: www.stylebazaar.in

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 ₹(*) PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹(*) 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 1,480,000 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 17,852,320 EQUITY SHARES OF FACE VALUE OF ₹5 EACH AGGREGATING UP TO (*) 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 (*)% 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 ₹1,480,000 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 ₹)
Rekha Rakash Jhunjumwala	Investor Selling Shareholder	Up to 2,723,120 equity shares of face value ₹5 each aggregating up to ₹(*) million	NIL
Intensive Software Private Limited	Investor Selling Shareholder	Up to 1,240,680 equity shares of face value ₹5 each aggregating up to ₹(*) 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 ₹(*) million	36.99
Chandurkar Investments Private Limited	Other Selling Shareholder	Up to 1,397,192 equity shares of face value ₹5 each aggregating up to ₹(*) million	124.50
Madhu Surana	Promoter Group Selling Shareholder	Up to 964,858 equity shares of face value ₹5 each aggregating up to ₹(*) million	2.62
Sabita Agarwal	Promoter Selling Shareholder	Up to 942,000 equity shares of face value ₹5 each aggregating up to ₹(*) 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 ₹(*) million	16.88
Rajnish Gupta	Other Selling Shareholder	Up to 844,774 equity shares of face value ₹5 each aggregating up to ₹(*) million	44.39
Rekha Kedia	Promoter Group Selling Shareholder	Up to 750,000 equity shares of face value ₹5 each aggregating up to ₹(*) million	1.58
Shakuntala Devi	Promoter Group Selling Shareholder	Up to 700,000 equity shares of face value ₹5 each aggregating up to ₹(*) million	1.37
D.K Surana HUF	Other Selling Shareholder	Up to 540,680 equity shares of face value ₹5 each aggregating up to ₹(*) 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 Bengal, Odisha and Assam, respectively as per the Technopak Report.
- Brand Risk:** The use of "Style Bazaar" 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, Prosopae 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%.

Continued on next page.

- **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	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 (in ₹)^	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*

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 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 of ₹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

BID/ OFFER OPENS TODAY

BID/ OFFER CLOSING ON TUESDAY, SEPTEMBER 3, 2024*

* UPI mandate end time and date shall be at 5:00 pm on the Bid/ Offer Closing Date.

An indicative timetable in respect of the Offer is set out below:

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

Bid/ Offer Period (except the Bid/ Offer Closing Date)	
Submission and Revision in Bids	Only between 10:00 am and 5:00 pm (Indian Standard Time ("IST"))
Bid/ Offer Closing Date*	
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For Retail Individual Bidders	Only between 10:00 am and 5:00 pm IST
Submission of Electronic Applications (Online ASBA through 3-in-1 accounts) – For Institutional Bidders	Only between 10:00 am and 4:00 pm IST
Submission of Electronic Applications (Syndicate Non-Retail, Non-Institutional Applications)	Only between 10:00 am and 5:00 pm IST
Submission of Physical Applications (Bank ASBA)	Only between 10:00 am and 1:00 pm IST
Submission of Physical Applications (Syndicate Non-Retail, Non-Institutional Applications of QIBs and Non-Institutional Investors where Bid Amount is more than ₹500,000)	Only between 10:00 am and 12:00 pm IST
Modification/ Revision/ Cancellation of Bids	
Upward Revision of Bids by QIBs and Non-Institutional Bidders (candidates)	Only between 10:00 a.m. and up to 5:00 p.m. IST on Bid/ Offer Closing Date
Upward or downward Revision of Bids or cancellation of Bids by Retail	Only between 10:00 am and 5:00 pm IST

* UPI mandate end time and date shall be at 5:00 pm on Bid/ Offer Closing Date.

QIBs and Non-Institutional Bidders may neither revise their bids downwards nor cancel/withdraw their bids.

Bid/ Offer Period:

Event

Indicative Date

Friday, August 30, 2024

Tuesday, September 3, 2024

On or about Wednesday, September 4, 2024

On or about Thursday, September 5, 2024

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