



BAAZAR STYLE RETAIL LIMITED

IPO NOTE

August 2024

ISSUE HIGHLIGHTS

- ❑ The Company was originally incorporated in June 2013 as 'Dwarkanadas Mohanlal Pvt. Ltd' in Calcutta, West Bengal. The name was changed to 'Bazaar Style Retail Pvt. Ltd' in November 2013. Subsequently on conversion to public limited company the name was changed to 'Bazaar Style Retail Limited', in December 2021. The company is a **value fashion retailer, offering affordable products** under the **apparels and general merchandise segments**.
- ❑ The company is a **one-stop shop catering to** the requirements of the **entire family** by providing a **quality product portfolio at an affordable price**. Within the **apparels vertical**, it offers garments for **men, women, boys, girls and infants**, and the **general merchandise offerings** include both **non-apparels and home furnishing products**.
- ❑ Bazaar Style Retail has a **market share of 3.03% and 2.22%**, in organized value retail market in the states of **West Bengal and Odisha**, respectively. The company was the **fastest growing value retailer between 2017 - 2024**, in terms of both **store count and revenue from operations** as compared to listed value retailers.
- ❑ The company has the **largest retail footprint in Eastern India**, as compared to the listed value retailers. The company operates **162 stores** spread across over **1.47 million square feet** located in **146 cities**.
- ❑ The company's **Average Transaction Value was ₹ 1,038.69 in FY2024**, which was the **2nd highest** when compared to that of the **Listed Value Retailers** in India.
- ❑ The company's **revenues from operations grew at a CAGR of 32.86%** while the overall **lifestyle and home value retail market** grew at **CAGR of ~19.3%** during the same period.
- ❑ The company has a **healthy mix of both private label and third-party brands** that are offered in the stores including fashion apparel of brands such as **Killer and Sparky** in select stores. The company currently **owns 10 private label brands** contributing **₹ 368.99 Cr** in FY2024 representing **37.93%** of its revenue from operations.
- ❑ The company's **revenues from operations** have grown at a **CAGR of 32.86%** to **₹ 972.88 cr in FY2024** vs. ₹ 551.12 Cr in FY2022, while the **EBITDA** have grown to **14.61% from 12.40%** during the same period. Due to a lean working capital cycle, the company has managed to improve its operating efficiency. In FY2024 the **working capital days stood at 8.89 days vs. 17.96 days in FY2022**.

BRIEF FINANCIAL DETAILS[^]

(₹ IN Cr)

	As at Mar' 31,		
	2024(12)	2023(12)	2022(12)
	(consolidated)	(standalone)	
Share Capital	34.93	34.93	33.29
Net Worth as stated	212.6	191.0	141.2
Total Borrowings	178.23	115.18	101.57
Revenue from Operations	972.88	787.90	551.12
Revenue Growth (%) as stated	23.48	42.96	-
EBITDA as stated	142.16	101.48	68.35
EBITDA Margin (%) as stated	14.61	12.88	12.40
Net Profit for the period	21.94	5.10	-8.01
Net Profit (%) as stated	2.23	0.64	-1.43
EPS – Basic & Diluted (₹)	3.14	0.76	-1.31
RONW (%)	10.32	2.67	-5.67
NAV (₹)	30.43	27.35	21.21
ROE (%)	10.74	3.02	-6.86
ROCE (%)	18.39	13.77	6.59

Source: RHP, [^]Restated Consolidated,

Issue Details

Fresh Issue of up to ₹ 148 Crore and Offer for Sale of Up to 17,652,320 Equity Shares

Issue size: ₹ 801 – 835 Cr

No. of shares: 2,16,55,143-2,14,59,488Shares

Face value: ₹ 5/-

Employee Reservation: Shares aggregating Upto ₹ 1 Cr

Price band: ₹ 370-389

Bid Lot: 38 Shares and in multiple thereof

Employee Discount: ₹ 35/share

Post Issue Implied Market Cap =

₹ 2,768~ Cr - ₹ 2,903^ Cr

BRLMs: Axis Capital, Intensive Fiscal Services, JM Financial

Registrar: Link Intime India Pvt. Ltd

Issue opens on: Friday, 30 August 2024

Issue closes on: Tuesday, 03 September 2024

Indicative Timetable

Activity	On or about
Finalisation of Basis of Allotment	04-09-2024
Refunds/Unblocking ASBA Fund	05-09-2024
Credit of equity shares to DP A/c	05-09-2024
Trading commences	06-09-2024

Issue break-up

	No. of Shares		₹ In Cr		% of Issue
	@Lower	@Upper	@Lower	@Upper	
QIB	1,08,12,646	1,07,15,620	400.07	416.84	50%
NIB	32,43,794	32,14,686	120.02	125.05	15%
-NIB2	21,62,530	21,43,124	80.01	83.37	
-NIB1	10,81,264	10,71,562	40.01	41.68	
RET	75,68,853	75,00,934	280.05	291.79	35%
EMP	29,850	28,248	1.00	1.00	
Total	2,16,55,143	2,14,59,488	801.14	834.68	

NIB-1=NII Bid between ₹ 2 to 10 Lakhs

NIB-2 =NII Bid Above ₹ 10 Lakhs

Category	Retail Category	NII-Bid between ₹ 2 - 10 Lakhs	NII-Bid Above ₹ 10 Lakhs
Minimum Bid Lot (Shares)	38 Shares	532 Shares	2,584 Shares
Minimum Bid Lot Amount (₹)	₹ 14,782 [^]	₹ 206,948 [^]	₹ 10,05,176 [^]
Appl for 1x	1,97,393 Applications	2,014 Applications	4,028 Applications

Listing: BSE & NSE

Shareholding (No. of Shares)

Pre-issue	Post issue [^]	Post issue#
7,08,10,966	7,48,13,789	7,46,18,134

[^]@Lower price Band # @ Upper Price Band

Shareholding (%)

	Pre-Issue	Post-Issue
Promoter	33.56%	30.58%
Promoters Group	21.47%	14.98%
Investor Selling Shareholder	30.72%	25.80%
Public	14.26%	28.63%
Total	100.00%	100.00%

BACKGROUND

Company and Directors

The Company was incorporated in June 2013 as 'Dwarkanadas Mohanlal Pvt. Ltd' in Calcutta, West Bengal. Subsequently, the name was changed to 'Bazaar Style Retail Pvt. Ltd' in November, 2013. The company was converted into a public limited company and the name was changed to 'Baazar Style Retail Limited', in December 2021. The company is a value fashion retailer, offering affordable products under the apparels and general merchandise segments. Within the apparels vertical, it offers garments for men, women, boys, girls and infants, and the general merchandise offerings include both non-apparels and home furnishing products.

Brief Biographies of Directors

Pradeep Kumar Agarwal is one of the Promoters and is the Chairman and Whole-time Director of the Company. He has experience of 17+ years in the field of operations, and sales, and, of 21+ years in the field of finance. He currently is on the board of the company's subsidiary and Sri Narsingh Infrastructure Pvt. Ltd.

Rohit Kedia is one of the Promoters and is the Whole-time Director of the Company. He has experience of 22+ years in the field of operations and procurement within the garment industry, including in the company. He is currently on the board of Flying Shuttle Pvt. Ltd.

Shreyans Surana is one of the Promoters and is the Managing Director of the company. He has experience of 13+ years in the field of strategic planning. Previously he was with Zedd Retails Pvt. Ltd and Shreyans Creation Global Pvt. Ltd. Presently, he is on the board of Konnect Style Pvt. Ltd, the company's wholly owned subsidiary.

Bhagwan Prasad is one of the Promoters and is the Whole-time Director of the Company. He has experience of 16+ years in the field of operations and purchase activities, and 13+ years in the field of finance and sales. He is currently on the board of Skylark Retails Pvt. Ltd and Medmax Multispeciality Hospital Pvt. Ltd.

Ushma Sheth Sule is the Nominee Director of the Company. She has experience of 16+ years in the field of portfolio management of entities in the public and private equity portfolio. She is currently on the board of HRS Insight Financial Intermediaries Pvt. Ltd, Kewal Kiran Clothing Limited, Kraus Casuals Pvt. Ltd and JCB Salons Pvt. Ltd.

Dhanpat Ram Agarwal is the Independent Director of the Company. He has experience of 42+ years in the field of accountancy and taxation laws. Presently he is on the board of ITAG Business Solutions Ltd, Kumpepar Construction Pvt. Ltd, Lucas Financial Services Pvt. Ltd, ONGC Videsh Ltd, Style Investment and Properties Pvt. Ltd and TCI Finance Ltd.

Richa Manoj Goyal is the Independent Director of the Company. She has experience of 22 years in the field of corporate law matters, indirect taxation, copyrights, trademarks and patents. She is the founder and managing partner of a law firm Richa Goyal & Associates. She is currently on the board of Ami Organics, Waaree Energies, Bikaji Foods International, Shahlon Silk Industries and Jainam Broking.

Prashant Singhania is the Independent Director of the Company. He has experience of over 8 years in the fields of administration and governance. He was a former civil servant and was previously associated with Indian Railways Traffic Services, South-Eastern Railway with his last designation being the deputy chief commercial manager.

Saurabh Mittal is the Independent Director of the Company. He has 20+ years of experience, including over 5 years of experience in the field of wealth management. Previously, he was associated with Birla Sun Life Asset Management Company, Motilal Oswal Securities, Kotak Mahindra Bank and Credit Suisse Securities (India).

Rishabh Narendra Jain is the Independent Director of the Company. He has experience of 5+ years in the field of investment banking at Intensive Fiscal Services Private and 9+ years in the field of finance. He is currently the CFO of Bikaji Foods International.

OBJECTS OF THE ISSUE

Objects	Amount (₹ Cr)
<ul style="list-style-type: none"> Prepayment or repayment of all or a portion of certain outstanding borrowings availed by the Company 	146.00
<ul style="list-style-type: none"> General Corporate Purposes 	[•]
Total	[•]

PRE-IPO PLACEMENT

Date	Number of Shares	Price per Share	Total Amount (₹ Cr)	Name of the Allottee
03-Aug-2024	956,072	387	37.00	Volrado Venture Partners Fund II

OFFER DETAILS

Fresh Issue	No. of Shares	WACA per Equity Share (₹)
Fresh Issue (₹ 148 Cr)	Up to 40,02,823 ~ - 38,07,168 ^ Equity Shares	-

The Offer for Sale by:	No. of Shares	WACA per Equity Share (₹)
Rekha Rakesh Jhunjunwala - Investor Selling Shareholder	Up to 2,723,120 Equity Shares	-
Intensive Softshare Pvt. Ltd - Investor Selling Shareholder	Up to 2,240,680 Equity Shares	19.87
Intensive Finance Pvt. Ltd - Other Selling Shareholder	Up to 1,486,870 Equity Shares	36.99
Chandurkar Investments Pvt. Ltd - Other Selling Shareholder	Up to 1,307,192 Equity Shares	124.50
Madhu Surana - Promoter Group Selling Shareholder	Up to 964,858 Equity Shares	2.62
Sabita Agarwal - Promoter Group Selling Shareholder	Up to 942,000 Equity Shares	1.81
Subroto Trading & Finance Co. - Promoter Group Selling Shareholder	Up to 919,156 Equity Shares	10.88
Rajnish Gupta - Other Selling Shareholder	Up to 844,774 Equity Shares	44.39
Rekha Kedia- Promoter Group Selling Shareholder	Up to 750,000 Equity Shares	1.58
Shakuntala Devi - Promoter Group Selling Shareholder	Up to 700,000 Equity Shares	1.37
D.K Surana HUF - Other Selling Shareholder	Up to 540,680 Equity Shares	36.99

SHAREHOLDING PATTERN

Shareholders	Pre-offer		Fresh Issue and offer for sale shares^	Post-offer	
	Number of Equity Shares	% of Total Equity Share Capital		Number of Equity Shares	% of Total Equity Share Capital
Promoter and Promoters Group					
Promoter	2,37,62,760	33.56%	9,42,000	2,28,20,760	30.58%
Promoters Group	1,52,03,080	21.47%	40,27,156	1,11,75,924	14.98%
Total for Promoter and Promoter Group	3,89,65,840	55.03%	49,69,156	3,39,96,684	45.56%
Public - Other Selling Shareholders	2,17,49,882	30.72%	24,95,052	1,92,54,830	25.80%
Public - Other	1,00,95,244	14.26%	-	2,13,66,620	28.63%
Total for Public Shareholder	3,18,45,126	44.97%	24,95,052	4,06,21,450	54.44%
Total Equity Share Capital	7,08,10,966	100.00%		7,46,18,134	100.00%

(^ at upper price band)

BUSINESS OVERVIEW

Bazaar Style Retail is a value fashion retailer, offering quality and affordable products under the apparels and general merchandise segments, through a chain of 'value retail' stores. The offering under the apparels segment includes garments for men, women, boys, girls and infants and general merchandise offerings include both non-apparels and home furnishing products.

The company has a market share of 3.03% and 2.22%, respectively in organized value retail market in the states of West Bengal and Odisha. The company was the fastest growing value retailer between 2017 - 2024, in terms of both store count and revenue from operations, when compared to V2 Retail Ltd and V-Mart Retail Ltd (Listed Value Retailers). The company has the largest retail footprint in Eastern India as compared to the Listed Value Retailers in FY2024. The company operated 162 stores spread across over 1.47 million square feet located in 146 cities, as on March 31, 2024. The company operates its stores under the brand name 'Style Bazaar'.

The company's offerings are bifurcated under the apparels and general merchandise verticals. The apparels vertical offerings includes garments for men, women, boys, girls and infants, whereas the general merchandise offerings include both non-apparels and home furnishing products. The company's target customer segment is the aspiring middle class with an average annual household income of less than 5,000 USD, which forms the bulk of purchasing power of the Indian population.

The company is a one-stop shop catering to the requirements of the entire family by providing a quality product portfolio at an affordable price. The company's Average Transaction Value was ₹ 1,038.69, ₹1,040.88 and ₹1,026.17 for the FY2024, 2023 and 2022, respectively, with the Average Transaction Value for FY2024 being the 2nd highest when compared to that of the Listed Value Retailers in India.

The company's stores are strategically located with an attractive layout and varied range of affordable product offerings to cater to the demands of this growing aspiring middle-class population. The company follows a cluster-based expansion model, where new stores are opened within proximity or nearby districts of its existing stores. This enables the company to increase supply chain efficiencies, optimize inventory management strengthen the brand visibility in local markets, optimize the marketing expenditure, efficient utilization of human resources and provides the company with an incisive understanding of customer preferences at a micro market level. The company's EBITDA margins at 14.61% for FY2024 was the highest as compared to that of the Listed Value Retailers.

As of March 31, 2024, the company's stores had an average size of 9,046 square feet with trained staff to enhance customer experience. The company's Sales Per Square Feet for the FY2024 was ₹7,758.

MARKET OPPORTUNITY

The overall lifestyle and home value retail industry in India was estimated to be ₹ 6,592.11 billion and accounts for ~ 54% of the total market in these categories of Lifestyle and Home. The share of the organized retail apparel has increased from ~14% in FY2007 to ~ 46% in FY2024.

As of FY2024 the market size of Value Retailing industry in the eastern and north-eastern states of India is estimated at ₹1,417.48 billion. The eastern states are the fastest growing consumer markets for value retail with an expected market size of ₹ 2,208.02 billion and growth at a CAGR of 15.9% from FY 2024 to FY2027.

Bazaar Style Retail is a value fashion retailer with a share of 2.15% in the organised value retail market in Eastern India and North-Eastern India for FY 2024. Over the years, the company has expanded the geographical presence in the states of Odisha, Bihar, Assam, Jharkhand, Andhra Pradesh, Uttar Pradesh, Tripura and Chhattisgarh. The combined market opportunity for the value retailers in Eastern India and North India is expected to be approximately 8,000 stores by Fiscal 2027 and the combined market opportunity for each value retailer is expected to be 800-1,000 stores by Fiscal 2027.

KEY OPERATING AND FINANCIAL METRICS

Particulars	As at Mar' 31,		
	2024	2023	2022
	Consolidated	Standalone	
Store Count	162	135	106
Rental Area of Stores (Mn sq. ft)	1.47	1.25	1.02
Average store size (sq. ft)	9,046	9,289	9,628
Number of Bills (in million)	10.04	8.22	5.75
Average Transaction Value (₹)	1,038.69	1,040.88	1,026.17
Total Sales (₹ Cr)	971.86	787.13	550.43
Apparel (₹ Cr)	815.32	674.52	479.16
General Merchandise (₹ Cr)	156.53	112.62	71.27
Sales Mix (%)			
Apparel	83.89	85.69	87.05
General Merchandise	16.11	14.31	12.95
Sales Per Square Feet (₹)	7,758.00	7,445.00	6,190.00
Same Store Sale Growth (%)	9.54	25.73	17.04
Private label brands contribution (%)	37.93	31.43	24.72
Gross Profit (₹ Cr)	326.03	254.02	175.30
Gross Profit Margin (%)	33.51	32.24	31.81
PAT (₹ Cr)	21.94	5.10	-8.01
Working Capital Days	8.89	25.69	17.96
Net Cashflow from Operating Activities (₹ Cr)	111.62	32.91	15.59

Source: RHP

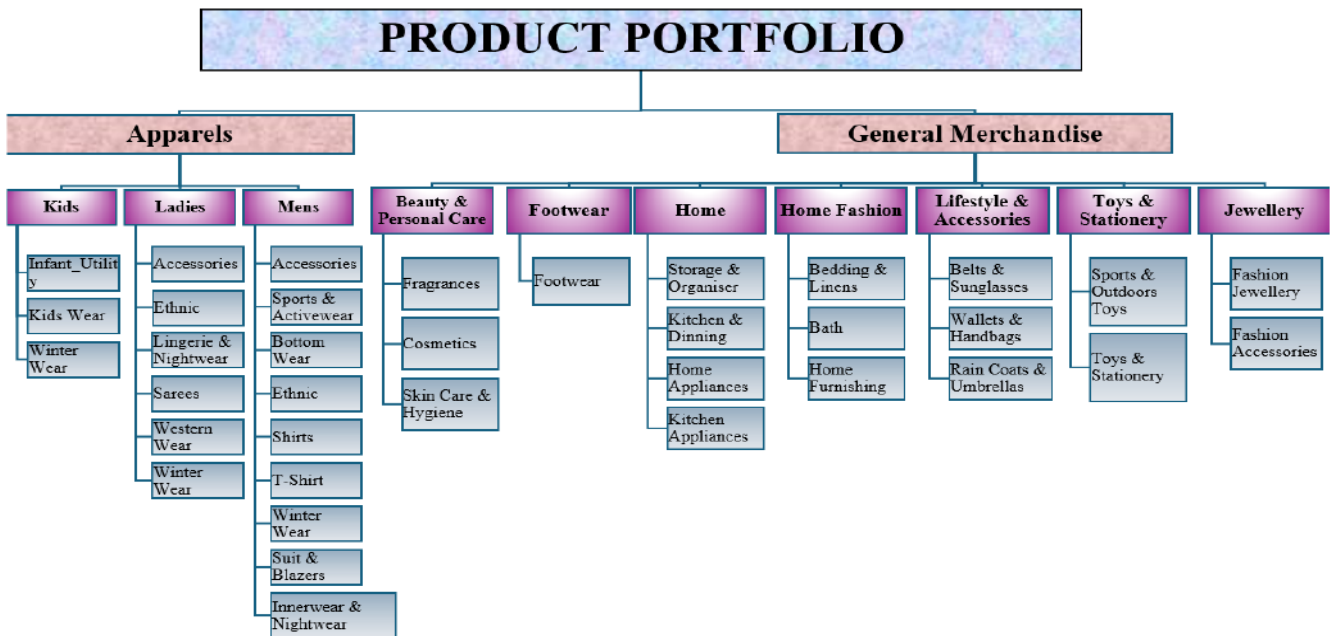
DESCRIPTION OF BUSINESS

The company is value fashion retailer with a market share of 3.03%, 2.22% and 2.45% in the states of West Bengal, Odisha and Assam, respectively in organized value retail market. As on March 31, 2024, the company had a total of 162 stores spread across 146 cities in 9 states, catering to the needs and requirements of the aspiring middle class in these cities.

Product Categories: The company operates under two business verticals namely, (i) apparels and (ii) general merchandise.

- (i) Within the apparels vertical, the company offers garments for men, women, boys, girls and infants.
- (ii) The products offered under the general merchandise segment includes both non-apparels and home furnishing products. The general merchandise offerings include footwear, imitation jewellery, toys, bags, luggage, gifts, novelties, cosmetics, skin care items and grooming products. The company’s homeware products include, storage products, organisers, kitchenware, dining ware, home appliances, kitchen appliances, bedding, linen products, bath ware and home furnishing products.

Portfolio of products offered by the company



Company’s presence: As on March 31, 2024, the company has 162 stores spread across 146 cities and towns in 9 states. The Company has over 1.47 million square feet of retail space along with 122,000 square feet of warehouse space in Hooghly, West Bengal, which is supported by an auto replenishment and warehousing management system technology.

The company intends to complement its cluster-based capabilities in Value Retailing through online business platforms and offer an online (e-retail) platform for the customers. The company has been selling its products on Flipkart and Amazon since FY2022 and on Meesho since FY2024. The company’s Subsidiary, Konnect Style Retail Pvt. Ltd has been incorporated in FY2024 to undertake sale of apparel through e-commerce platforms and since the incorporation of the Subsidiary, the company did not undertake sale of products on e-commerce platforms themselves. For FY2024 the revenues from operations from sale of products on ecommerce platforms was ₹ 0.23 Cr.

The Company also operates few stores under the brand name “Express Bazaar”, which are generally located in proximity to the regular stores to acquire additional customer base. Further, the Company also operations one store under the brand name “Mega Bazaar”, through which the company sells excess inventory and reduce holding costs of old inventory.

COMPETITIVE STRENGTHS

- **One of the fastest growing value retailer 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**

Bazaar Style & Retail was the fastest growing value retailers, between 2017 to 2024 as compared to the listed value retailers, growing at a CAGR of 35.8%, and have expanded across 9 states and operating 162 stores. It was also the fastest growing company in terms of revenue from operations, as compared to listed value retailers, registering a CAGR of 26.8% between 2017-2024. The company believes that its rapid expansion has been due to cluster-based expansion, high street stores, variety

of quality merchandise, comprehensive product mix, strategic store location and deep penetration in its Core Markets. The company’s revenues from operations from the core markets contributed 87.58%, 90.61% and 92.19% of the revenues for FY 2024, 2023 and 2022, respectively.

The market size of value-retailing industry in the eastern and north-eastern states in India is estimated at ₹1,417.48 billion as of FY2024 and the penetration of organized players is ~ 30% of the total market. The higher proportion of value retail in the eastern and northern states of India are reflective of the income levels & GDP per capita of these regions. The company’s target customer segment is the aspiring middle class comprising of households with an average annual income less than US\$ 5,000.

Bazaar Style’s market share in the Eastern States and North-Eastern States

Market Share	As at March 31 st ,		
	2024	2023	2022
Eastern States*	2.26%	2.43%	2.25%
North-Eastern States**	1.62%	1.56%	1.33%

Source: RHP; * Bihar, Jharkhand, Odisha and West Bengal, ** Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Tripura and Sikkim

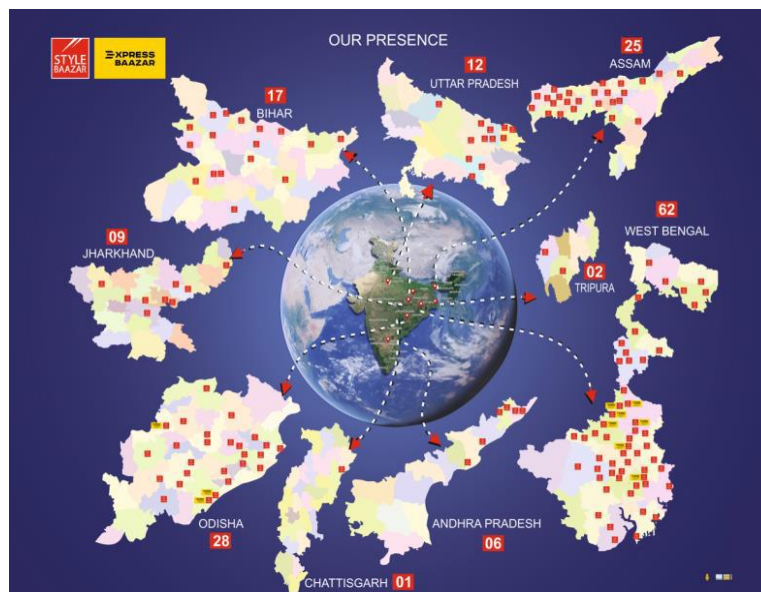
The company believes that it is well positioned to strategically leverage the opportunities unfolding in the eastern and north-eastern states in India on account of its incumbent market share and the success of its cluster-based expansion model in its Core Markets.

- Accelerated store expansion through a cluster-based approach**

The company’s store count has increased from 2 since incorporation to 162 in FY2024 indicating a CAGR of 55.18%. The company’s strength lies in understanding and responding to changing customer preferences and offering a wide product range at affordable prices.

Particulars	As at March 31 st ,		
	2024	2023	2022
	(Consolidated)	(Standalone)	
Incremental stores opened	33	34	18
Net operating stores	162	135	106
Rental space of stores (in million square feet)	1.47	1.25	1.02

Source: RHP



The company follows a methodical evaluation-based approach for opening new stores considering parameters such as local population density, location of stores on high street, footfall potential, availability of public transportation facilities, visibility of the location, future development potential, proximity to existing stores and distribution centre, estimated spending power of the population and local economy, payback period, competitive opportunities and threats, and the feasibility of store sites.

The company has the lowest number of store closures as compared to the Listed Value Retailers in the last three Fiscals. The company closed 6, 5 and 3 stores in FY2024, 2023 and 2022 respectively.

Store count in Core & Focus Markets

Market / States	As at March 31 st ,			CAGR FY2022-24
	2024	2023	2022	
Core Markets				
West Bengal	62	58	48	13.7
Odisha	28	26	18	24.7
Assam	25	15	12	44.3
Bihar	17	15	17	-
Total (A)	132	114	95	17.9
Focus Markets				
Jharkhand	9	8	7	13.4
Andhra Pradesh	6	6	2	73.2
Tripura	2	2	2	-
Uttar Pradesh	12	4	-	-
Chhattisgarh	1	1	-	-
Total (B)	30	21	11	65.1
Grand Total (A+B)	162	135	106	23.6

Source: RHP

Revenue from operations from states

Market / States	As at March 31 st ,						Revenue CAGR FY2022-24
	2024	%	2023	%	2022	%	
Core Markets							
West Bengal	482.27	49.57	404.91	51.39	309.62	56.18	24.80
Odisha	157.34	16.17	134.82	17.11	74.74	13.56	45.10
Assam	112.13	11.53	80.03	10.16	51.79	9.40	47.10
Bihar	100.32	10.31	94.16	11.95	71.92	13.05	18.10
Total (A)	852.06	87.58	713.92	90.61	508.06	92.19	29.50
Focus Markets							
Jharkhand	49.15	5.05	38.60	4.90	26.37	4.78	36.50
Andhra Pradesh	24.22	2.49	16.94	2.15	8.77	1.59	66.20
Tripura	11.48	1.18	10.05	1.28	7.92	1.44	20.40
Uttar Pradesh	33.19	3.41	7.67	0.97	-	-	-
Chhattisgarh	2.79	0.29	0.72	0.09	-	-	-
Total (B)	120.82	12.42	73.98	9.39	43.06	7.81	67.50
Grand Total (A+B)	972.88	100.00	787.90	100.00	551.12	100.00	32.90

Source: RHP; FY2024 Consolidated numbers, FY2023 & FY2022 standalone numbers; % = revenue contribution

The company's stores increased at a CAGR of 23.62% during FY 2022 – 2024. The company's revenues from operations grew at a CAGR of 32.86% from ₹ 551.12 Cr in FY2022 to ₹ 972.88 Cr in FY2024, while the overall lifestyle and home value retail market grew at CAGR of ~19.3% during the same period. The company's store roll-out strategy is based on a cluster-based approach in which a new store is opened and operated within the same or nearby districts in which it operates its existing stores.

Particulars	As at March 31 st ,		
	2024	2023	2022
At the beginning of the Fiscal	135	106	91
Added during the Fiscal	33	34	18
Closed during the Fiscal	6	5	3
At the end of the Fiscal	162	135	106

Source: RHP

The company believes that its ability to evaluate and select potential locations for its new stores, effectively utilize the company's existing staff and targeted marketing initiatives has enabled it to open new stores on time. This is evidenced by the fact that while the has opened 85 stores in the last 3 Fiscals, the company has closed only 14 stores during this period.

- **Strong understanding of customer preferences to offer a comprehensive, targeted and affordable product mix along with the company's private label brands leading to customer loyalty**

The company has a product portfolio that includes both apparels and general merchandise including cosmetics and imitation jewellery, consumer appliances, houseware products and bags, as highlighted below. The portfolio of apparels includes shirts, t-shirts, trousers, sarees, sports and active wear, winter wear, night wear, western ware, ethnic wear and accessories catering to the needs of men, women, children, and youngsters.

The company's deep understanding of the of clusters has enabled it to customize its product assortment as per the local needs and respond to changing customer preferences, which has led to the company's Average Transaction Value for FY 2024 being ₹ 1,038.69, which is the 2nd highest compared to that of the Listed Value Retailers.

The company has a healthy mix of both private label and third-party brands that are offered in the stores including fashion apparel of brands such as Killer and Sparky in select stores with potential for sales based on the company's deep understanding of customer preferences. The company's top 3 private labels contributed 25.21%, 21.18% and 16.68% to the company's total revenue from operations for FY 2024, 2023 and 2022, respectively. The revenue from operations from the company's private labels was ₹ 368.99 Cr in FY2024.

Revenue contribution from sale of private brands and its gross margin percentage

Particulars	FY2024	FY2023	FY2022
	Consolidated	Standalone	
Revenue from Operations from private label brands	368.99	247.65	136.25
Revenues of Private label brands as % of revenues from operations	37.93	31.43	24.72
Gross Profit Margin (%)	33.51	32.24	31.81
EBITDA Margin (%)	14.61	12.88	12.40

Source: RHP

Private label brands, apparel segment of each private label brand and their revenue contribution

Private Label Brands	Logo	Target Customers	Product Description & Segmentation	Revenue from Sales (In ₹ Cr)			CAGR FY22-24 (%)
				FY2024	FY2023	FY2022	
				Consolidated	Standalone		
Square up		Men and Boys	Casual wear and accessories	112.08	76.49	42.45	62.49
Awaya		Ladies	Ethnic wear and accessories	70.32	40.91	21.85	79.39
Miss19		Ladies	Smart causals and accessories	62.84	49.51	27.65	50.75
Miss12		Girls and Infants	Apparels and accessories for girls under the age of 12 and infants	28.50	15.89	6.07	116.66
Kirtle		Men and Boys	Apparel and accessories	23.99	20.38	10.30	52.62
Walsey		Men	Trendy apparel and accessories	11.68	11.30	7.05	28.75
Miss Desi		Ladies	Ethnic wear, western wear and accessories	8.96	15.84	10.65	(8.30)
Dozo		Girls and Infants	Apparel and accessories for girls and infants	13.93	7.05	4.77	70.94
Corenergy		Men	Activewear and accessories	0.58	1.43	0.22	62.58
Home Focus		Family	Home Fashion and Interiors	36.12	8.88	5.24	162.55
Total				369.00	247.65	136.25	64.57

Source: RHP

The revenue from sale of the company's private label brands grew at a CAGR of 64.57% during the FY 2022 - 2024. The company's repeat purchases from existing customers were 71.94% for the FY2024 which has led us to maximise the company's Average Transaction Value per square feet sale.

- **Targeted marketing and promotion activities enabling increasing brand salience and garnering customer loyalty**

The company's marketing approach focuses on promotion of its brands, encouraging interactive engagement with larger audience, creating awareness about its products and visibility within the target community. The company has achieved repeat purchases of 71.94%, 70.00% and 68.50%, as of Fiscals 2024, 2023 and 2022, respectively. The company have an in-house marketing team consisting of 13 personnel as of March 31, 2024, to carry out marketing initiatives. The marketing team is

supported by a creative team to generate designs to roll out the company's marketing initiatives. The Company enjoys social patronage of over 170,000 followers across all social media platforms as of March 31, 2024.

- **Experienced promoters and a strong management team with a proven track record, backed by investors**

The experience of the company's promoters has enabled the company to develop a strategy aimed at creating value, increasing operational efficiency and profitability. The promoters and senior management personnel with have a multi-decadal experience in the apparel industry in various functions such as marketing, manufacturing, retail operations, procurement, merchandizing, supply chain management and finance. Further, the company has a strong designing and merchandising team of 57 personnel who have experience in understanding and sensing regional preferences of the target customers and work to provide latest trends in the market to the customers through their experience in the retail and the textile industry.

The Company is also backed by various investors including Rekha Rakesh Jhunjhunwala, the wife of Late Rakesh Jhunjhunwala, Kewal Kiran Clothing, Manohar Lal Agarwal, promoter of Haldiram Snacks, Boon-family office of Supreme Industries, Intensive Softshare Pvt. Ltd, D.K. Surana, Ajay Kumar Jain and Sanjay Kumar Jain, partners of J.K. Jain Sparky (India) LLP, who have provided the company with valuable management and organizational inputs and have been instrumental in the formulation and execution of the company's strategies.

- **Strong financial track record of growth**

The company's store network has grown at a CAGR of 23.62% to 162 stores in FY2024 from 106 stores in FY2022. The company's revenues from operations have grown at a CAGR of 32.86% to ₹ 972.88 Cr in FY2024 vs. ₹ 551.12 Cr in FY2022, while the EBITDA have grown to 14.61% from 12.40% during the same period. Due to a lean working capital cycle, the company has managed to improve its operating efficiency. In FY2024 the working capital days stood at 8.89 days vs. 17.96 days in FY2022.

KEY BUSINESS STRATEGIES

- **Expand profit margins and increase revenue contribution from the private labels. Focus towards creating differentiation and achieving greater control over product quality of private labels**

The company's gross profit margins have been consistently increasing from 31.81% in FY2022 to 33.51% in FY2024 through better management of resources, increase in the share of private label, expansion of the stores on cluster-based approach, better product assortment, product merchandising, effective use of CRM as well as through use of data analytics to efficient planning of working capital requirements.

The company currently owns 10 private label brands contributing ₹ 368.99 Cr, ₹ 247.65 Cr and ₹ 136.25 Cr comprising of 37.93%, 31.43% and 24.72% of its revenue from operations for FY 2024, 2023 and 2022, respectively. The company plans to increase the revenue contribution from its private label brands by increasing the number of SKUs at every store across all brand segments. The growth in SKUs, increased production and achieving economies of scale with improved productivity is expected to drive an improvement in EBITDA margins.

The company intends to sharpen its focus on creating differentiation to further strengthen its product offerings under its private label brands by offering trendy and affordable merchandise without compromising on quality. The company believes that a healthy mix of private labels and third-party brands not only helps it to differentiate its offerings but also offers diverse selections to the customers.

- **Strengthen the market position by increasing penetration in existing clusters, expand footprint in the Focus Markets, increase focus on customer retention and garnering brand loyalty**

The company plans to focus on penetrating further in existing clusters including those located in the Core Markets and Focus Markets, with an appetite for increased demand and high growth potential. The company has expanded its presence in terms of store count in the target markets at a CAGR of 23.62% between FY2022 to FY2024, which is attributable to the company's growth in the Core Markets and Focus Markets at a CAGR of 17.88% and 65.14%, respectively during these periods.

As per the Technopak Report, value retailers have an opportunity to add 800-1000 stores by the FY 2027, in the Northern India and Eastern India. The company further plans to consolidate its existing position by opening new stores in high catchment areas and emerging states. The company plans to roll out news stores in the focus markets on the cluster-based approach supported by its score-card system which includes comprehensive objective assessment of multiple parameters such as including location, accessibility, visibility, building layout, population, competition, cannibalization and mid-term market evaluation. The company has a cumulative customer base of 11.26 million customers as on March 31, 2024. Additionally, the majority of the company's revenues from operations are not attributed to its top 10 customers. The company aim to further

expand its presence by way of opening new stores in high street areas and continue to provide affordable product offerings based on the deep knowledge of consumer preferences.

The company will continue to make investments in brand building exercise through various above and below the line marketing initiatives and celebrity endorsement, influencer marketing and customer engagement initiatives through social media to increase the number of footfalls and the footfall conversion rate.

- **Continue to invest in technology adoption initiatives, data analytical capabilities and implementation of omni-channel retailing business model**

The company's business model is driven by the strength of its system-driven technology infrastructure, its data analytical capabilities. The company's supply chain and inventory management processes are system-driven with every stage in the supply chain driven through data analysis and automation, including the procurement of materials, warehouse management and store replenishment. The company currently use tools such as Supplymint, WMS and Tableau in addition to the enterprise resource planning tool for the purpose of analysing the customer preferences and managing the inventory. The company plans to further strengthen the IT infrastructure and data analytical capabilities, in specific to help the company optimize its operations further and make data driven decisions as the company expands its warehousing capabilities which would increase the operational efficiency and profitability.

The company also plans to implement an omni-channel retailing business model to capture additional customer base by providing an online (e-retail) platform through which customers can shop its products from anywhere and anytime through mobile application or website. The company believes that the implementation of omni-channel retailing business model will contribute to significant value addition to the existing business model of brick-and-mortar stores by creating internal synergies, helping it increase the revenue from operations and the awareness of the company's brand.

- **Continue to invest in strengthening the supply chain management and human capital to further reduce the operating costs**

The company plans to further improve its operating efficiency and continue to invest in supply chain management by:

- continuing to refine the store operating systems based on the performance of the stores and feedback from the customers and local management teams;
- continuing to strengthen the relationships with Suppliers through cooperation and closer coordination;
- expanding and upgrading the existing distribution centres to improve the efficiency of inventory and supply management. The company will continue to expand the distribution centres to serve its existing and new stores when it is cost effective and efficient to do so; and
- continuing to absorb best industry practices.

COMPETITION

The industry is intensely competitive and characterized by many organized players. The company faces competition from various kinds of fashion players including, players operating in retail, wholesale and e-commerce space. Further, the company competes with national and local department stores and independent retail stores that market similar lines of merchandise as us. Some of the competitors include Baazar Kolkata, M Baazar, V Mart, V2 Retail and City Kart.

Market Share of Key Players in Value- Lifestyle & Home Market

FY 2024E	Revenue (₹ Cr)	Market Share – Value Retail Market		
		India	East & North-East	East & North- East Value Organised Mkt
Style Baazar	972.88	0.49%	0.64%	2.15%
Baazar Kolkata	NA	NA	NA	NA
M Baazar	NA	NA	NA	NA
Citykart	NA	NA	NA	NA
V2 Retail	1,164.70	0.59%	NA	NA
V Mart	2,785.60	1.41%	0.36%	1.20%

Overview of Key Players

Key Players	Year of Inception	Operating Company	No. of Stores	States where present	Cities where stores present
Style Baazar	2013	Baazar Style Retail Ltd	162	9	145
Baazar Kolkata	2002	Baazar Style Retail Pvt. Ltd	172	9	103
M Baazar	2009	Metro retail Pvt. Ltd	155	9	132
Citykart	2016	Citykart Pvt. Ltd	107	9	74
V2 Retail	2001	V2 Retail Ltd	119	16	90
V Mart	2003	V-Mart Retail Ltd	444	26	269

Store count: Growth 2017-2024

Key Players	2017	2018	2019	2020	2021	2022	2023	2024	CAGR (2017-2024)
Style Bazaar	19	38	72	84	91	106	135	162	35.8%
Bazaar Kolkata	40	NA	NA	106	116	115	155	172	23.2%
M Bazaar	NA	52	73	NA	118	118	148	156	20.1%
Citykart	18	29	48	63	79	69	103	108	29.1%
V2 Retail	37	49	77	76	95	83	107	119	18.2%
V Mart	141	171	214	266	279	429	447	444	17.8%

Store Closures FY 2021-2024

Key Players	FY2021	FY2022	FY2023	FY2024
Style Bazaar	2	3	5	5
V2 Retail	8	4	11	9
V Mart	7	12	16	25
Shoppers Stop	20	4	1	3
Westside	2	10	6	12

Region-wise split of key players - Stores

Key Players	Total	North	South	East	West	Central
Style Bazaar	162	12	6	143	-	1
Bazaar Kolkata	172	13	-	159	-	1
M Bazaar	156	11	-	145	-	-
Citykart	108	54	-	53	-	1
V2 Retail	119	49	9	52	4	5
V Mart	444	203	80	127	15	19

Store Presence- Tier-wise

Key Players	Total Stores	Metro & Mini Metro	Tier-1	Tier-2	Tier-3	Tier-4 & beyond
Style Bazaar	162	4	27	19	51	61
Bazaar Kolkata	172	NA	NA	NA	NA	NA
M Bazaar	156	13	29	30	40	44
Citykart	108	0	21	17	66	4
V2 Retail	119	NA	NA	NA	NA	NA
V Mart	444	36	117	94	100	97

Category-wise Presence of Key Players

Category	Sub-Category	Style Bazaar	V Mart	M Bazaar	V2 retail	Citykart	Bazaar Kolkata
Men	Winter Wear	✓	✓	✓	✓	✓	✓
	Western Wear	✓	✓	✓	✓	✓	✓
	Indian Wear	✓	✓	✓	-	✓	✓
	Sportswear	✓	✓	✓	-	✓	✓
	Accessories	✓	✓	-	-	✓	✓
Women	Winter Wear	✓	✓	✓	✓	✓	✓
	Western Wear	✓	✓	✓	✓	✓	✓
	Indian Wear	✓	✓	✓	-	✓	✓
	Sportswear	✓	✓	-	-	✓	✓
	Accessories	✓	✓	✓	-	✓	✓
Kids	Western Wear	✓	✓	✓	-	✓	✓
	Indian Wear	✓	✓	✓	✓	✓	✓
	Toys & Board Games	✓	✓	✓	-	✓	-
Home	Bathing	✓	✓	✓	-	✓	-
	Bed Linen	✓	✓	✓	-	✓	✓
	Light Furniture	✓	-	-	-	-	-
	Storage	✓	-	✓	-	✓	-
	Crockery	✓	-	✓	-	✓	✓
	Luggage	✓	-	✓	-	✓	✓

Comparison of Revenue from Operations Vs. Peers

(₹ Cr)

Company	2017	2018	2019	2020	2021	2022	2023	CAGR FY2017-24
Style Bazaar	184.3	306.9	629.3	426.8	551.1	787.9	972.9	26.8%
Bazaar Kolkata	NA	NA	651.2	448.3	642.1	974.6	NA	14.4%
M Bazaar	396.4	503.6	555.5	370.7	533.7	715.9	NA	10.4%
Citykart	147.4	187.5	358.7	226.7	374.9	523.7	NA	23.5%
V2 Retail	471.4	559.4	701.2	538.6	629.2	838.9	1,164.7	13.8%
V Mart	1,001.7	1,222.4	1,662.0	1,075.5	1,666.2	2,464.8	2,785.6	15.7%

Comparison of EBITDA & EBITDA margins Vs. Peers

(₹ Cr)

Company	2020		2021		2022		2023		2024		CAGR FY 2020-24
	Amt	%	Amt	%	Amt	%	Amt	%	Amt	%	
Style Bazaar	64.1	10.2%	46.7	10.9%	68.4	12.4%	101.5	12.9%	142.2	14.6%	22.0%
Bazaar Kolkata	105.3	16.2%	52.5	11.7%	76.9	12.0%	93.2	9.6%	-	-	-3.0%
M Bazaar	43.3	7.8%	23.8	6.4%	49.0	9.2%	74.1	10.3%	-	-	14.4%
Citykart	34.5	9.6%	32.2	12.0%	46.9	12.5%	52.8	10.1%	-	-	11.2%
V2 Retail	100.0	14.3%	48.5	9.0%	64.7	10.3%	84.0	10.0%	142.4	12.2%	9.2%
V Mart	213.8	12.9%	131.2	12.2%	204.3	12.3%	271.5	10.9%	213.1	7.6%	-0.1%

Comparison of PAT & PAT Margins Vs. Peers

Company	2020		2021		2022		2023		2024		CAGR FY 2020-24
	Amt	%	Amt	%	Amt	%	Amt	%	Amt	%	
Style Bazaar	(9.9)	(1.6%)	(18.3)	(4.3%)	(8.0)	(1.4%)	5.1	0.6%	21.9	2.3%	-
Bazaar Kolkata	(16.8)	(2.6%)	(163.9)	(36.6%)	(47.7)	(7.4%)	(73.7)	(7.6%)	-	-	-
M Bazaar	24.4	4.4%	12.1	3.3%	29.2	5.5%	47.2	6.6%	-	-	24.6%
City kart	21.2	5.9%	4.9	1.8%	6.8	1.8%	0.2	0.1%	-	-	(78.8%)
VI Retail	8.8	1.3%	(1.3)	(2.4%)	(11.7)	(1.9%)	(12.8)	(15.0%)	27.3	2.3%	45.9%
V Mart	4.9	3.0%	(6.2)	(0.6%)	11.6	0.7%	(7.8)	(0.30%)	(96.8)	(3.5%)	-

Cash Conversion cycle vs. peers

Company	2020	2021	2022	2023	2024
Style Bazaar	52	68	75	86	97
Bazaar Kolkata	66	97	77	59	-
M Bazaar	23	116	91	84	-
Citykart	14	29	43	55	-
V2 Retail	86	141	155	117	80
V Mart	75	131	103	87	56

Comparison of other key metrics -FY2024

Key Players	Sales Per sq. ft (₹)	Avg. Inventory /sq. ft	EBITDA/sq. ft (₹)	Inventory per store (₹ Cr)	% share of apparel in Revenue	Average Transaction Value	Total retail footprint in East India (lakh sq. ft)
Style Bazaar	7,758	2,558	1,057	2.7	84%	1,039	13.0
M Bazaar	5,792	1,220	559	1.0	~70%	NA	12.3
Citykart	6,120	1,839	575	1.6	~75%	NA	4.5
V2 Retail	10,755	2,949	1,314	2.7	96%	797	4.7
V Mart	7,692	2,108	533	1.9	80%	1,065	11.4

COMPARISON WITH LISTED INDUSTRY PEERS (AS ON 31ST MARCH 2024)

Name of the company	Revenue (₹ in Cr)	Face Value (₹)	EPS (₹)		P/E (X)	RoNW (%)	NAV (₹)
			Basic	Diluted			
Style Bazaar	972.90	5	3.14	3.14	[•]	10.32	30.43
V-Mart Retail	2,785.60	10	(48.93)	(48.93)	NA	(12.98)	NA
V2 Retail	1,164.70	10	8.04	8.04	138.88	10.12	79.42

Source: RHP; P/E figures for the peer is computed based on closing market price as on August 22, 2024

Restated Summary Statement of Profit and Loss

(₹ in Cr)

Particulars	As at March 31st,		
	2024	2023	2022
	(Consolidated)	(Standalone)	
INCOME			
Revenue from operations	972.88	787.90	551.12
Other income	9.94	6.49	10.02
Total income	982.83	794.39	561.14
Expenses			
Purchase of stock-in-trade	762.87	570.42	454.55
Changes in Inventories	(116.01)	(36.54)	(78.73)
Employee benefits expense	84.52	68.49	46.40
Finance costs	49.44	41.38	35.38
Depreciation and amortisation expenses	73.45	61.19	53.05
Other expenses	99.34	84.04	60.54
Total Expenses	953.61	788.98	571.19
Restated profit before tax	29.22	5.41	(10.05)
Tax expense	7.28	0.31	(2.04)
Profit/ (loss)for the year	21.94	5.10	(8.01)
Other comprehensive income, net of tax	(0.40)	(0.07)	0.03
Total comprehensive income	21.54	5.03	(7.98)
Restated Earnings per equity share			
Basic & Diluted (₹)	3.14	0.76	(1.31)

Source: RHP;

Restated Summary Statement of Assets and Liabilities

(₹ in Cr)

Particulars	As at March 31st,		
	2024	2023	2022
	(Consolidated)	(Standalone)	
ASSETS			
Non-current assets			
Property, Plant and Equipment	190.22	134.58	105.22
Right-Of-Use Assets	428.48	332.75	280.60
Capital Work-In-Progress	6.92	1.53	2.65
Intangible Assets	1.26	0.94	0.64
Financial Assets			
Loans	0.05	-	-
Other Financial Assets	19.69	16.89	13.33
Deferred Tax Assets (Net)	15.88	12.72	9.76
Tax Assets (Net)	0.01	2.33	3.01
Other Assets	0.21	0.12	0.31
Total Non-Current Assets	662.72	501.84	415.49
Current assets			
Inventories	432.91	316.90	280.36
Financial Assets	0.00	0.00	0.00
Cash And Cash Equivalents	14.08	5.14	22.97
Bank Balances (other than Cash and Cash Equivalents)	0.78	-	1.51
Loans	0.03	-	-
Other Financial Assets	6.14	4.20	3.35
Tax Assets (Net)	2.42	2.89	-
Other Assets	46.89	36.14	30.52
Total Current Assets	503.25	365.27	338.71
Total Assets	1,165.97	867.11	754.20
Equity And Liabilities			
Equity			
Equity Share Capital	34.93	34.93	33.29
Other Equity	180.20	158.66	110.48
Total Equity	215.13	193.59	143.77
Non-Current Liabilities			
Financial Liabilities			
Borrowings	29.10	18.10	17.03
Lease Liabilities	440.46	343.48	279.80
Provisions	1.67	2.14	2.01
Total Non-Current Liabilities	471.23	363.72	298.83
Current Liabilities			
Financial Liabilities			

Particulars	As at March 31st,		
	2024	2023	2022
	(Consolidated)	(Standalone)	
Borrowings	149.13	97.08	84.54
Lease Liabilities	38.80	31.64	28.05
Trade Payables	261.76	166.00	180.16
Other Financial Liabilities	21.21	12.80	16.78
Provisions	1.19	0.13	0.08
Tax Liabilities (Net)	4.61	-	-
Other Liabilities	2.92	2.16	1.98
Total Current Liabilities	479.62	309.80	311.59
Total Liabilities	950.84	673.52	610.42
Total Equity and Liabilities	1,165.97	867.11	754.20

Source: RHP;

Restated Statement of Cash Flows

(₹ in Cr)

Particulars	As at March 31st,		
	2024	2023	2022
	(Consolidated)	(Standalone)	
Restated Profit/(Loss) before tax	29.22	5.41	(10.05)
Adjustments Related to Non-Cash & Non-Operating Items	116.71	100.52	80.65
Operating Profits before Working Capital Changes	145.93	105.92	70.60
Adjustments for Changes in Working Capital	(31.50)	(67.58)	(53.33)
Net cash generated from operations before tax	114.43	38.34	17.26
Income tax paid – (net)	(2.81)	(5.44)	(1.68)
Net cash generated from operating activities (a)	111.62	32.91	15.59
Net cash used in investing activities (b)	(84.54)	(43.02)	(26.53)
Net cash used in financing activities (c)	(18.14)	(7.72)	28.53
Net (decrease) / increase in cash and cash equivalents during the period (a+b+c)	8.94	(17.83)	17.59
Cash and Cash Equivalents at Beginning of the Year	5.14	22.97	5.39
Cash and Cash Equivalents at End of the Year	14.08	5.14	22.97

Source: RHP

AXIS CAPITAL LTD

Axis House, 1st Floor, Level-1, C-Wing, C-2, Wadia International Center, Pandurang Budhkar Marg, Worli, Mumbai 400 025.

Tel: +91 22 4325 2525; Fax: +91 22 4325 3000

www.axiscapital.co.in

This document has been prepared by Axis Capital Ltd. Affiliates of Axis Capital Ltd may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. The views and opinions expressed in this document may or may not match or may be contrary with the views, estimates, rating and target price of the Affiliates research report.

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent.

This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient.

Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved) and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors.

Axis Capital Ltd has not independently verified all the information given in this document. Accordingly, no representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document.

The Disclosures of Interest Statement incorporated in this document is provided solely to enhance transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval.

Axis Capital Ltd, its affiliates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct, and independent of each other. The recipient should take this into account before interpreting the document.

This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of Axis Capital Ltd. The views expressed are those of the analyst and the company may or may not subscribe to all the views expressed therein.

This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. Neither this document nor any copy of it may be taken or transmitted into the United State (to U.S. Persons), Canada, or Japan or distributed, directly or indirectly, in the United States or Canada or distributed or redistributed in Japan or to any resident thereof.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject Axis Capital Ltd to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.

Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information.

Bazaar Style Retail Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its equity shares and has filed the RHP with the RoC and thereafter with SEBI and the Stock Exchanges. The RHP is available on the website of Securities and Exchange Board of India at www.sebi.gov.in, on the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com as well as on the websites of the BRLMs, Axis Capital Ltd at www.axiscapital.co.in. Investors should note that investment in equity shares involves a high degree of risk and for details relating to such risk, see "Risk Factors" of the RHP. Potential investors should not rely on the DRHP filed with SEBI for making any investment decision.

Copyright in this document vests exclusively with Axis Capital Ltd