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# LANDMARK CARS LIMITED

Our Company was originally incorporated as "Landmark Insurance Broking Private Limited" at Mumbai, Maharashtra as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation dated February 23, 2006, issued by the Registrar of Companies, Maharashtra at Mumbai ("RoC, Mumbai"). The name of our Company was subsequently changed to "Landmark Cars Private Limited" pursuant to a fresh certificate of incorporation granted by the RoC, Mumbai on May 6, 2009. Subsequently, our Company was converted into a public limited company under the Companies Act, 2013, pursuant to the approval accorded by our Shareholders at their extra-ordinary general meeting held on November 10, 2021. Consequently, the name of our Company was changed to "Landmark Cars Limited" and a fresh certificate of incorporation consequent upon conversion from a private limited company to a public limited company was issued to our Company by the Registrar of Companies, Gujarat, Dadra & Nagar Haveli at Ahmedabad ("RoC") on December 3, 2021. For further details relating to the changes in the name of our Company and the registered office of our Company, see "History and Certain Corporate Matters" on page 221 of the red herring prospectus of the Company dated December 5, 2022 filed with the RoC ("RHP" or "Red Herring Prospectus").

Corporate Identity Number: U50100GJ2006PLC058553; Website: www.grouplandmark.in  
Registered Office: Landmark House, Opp. AEC, S.G. Highway, Thaltej, Near Gurudwara, Ahmedabad 380 059, Gujarat, India; Telephone: +91 79 6618 5555; Corporate Office: Unit No. 201 to 203, Landmark, 2<sup>nd</sup> Floor, G. M. Bhosale Marg, Worli, Mumbai 400 018, Maharashtra, India. Contact Person: Amol Arvind Rajee, Company Secretary and Compliance Officer; Telephone: +91 22 6271 9040; E-mail: companysecretary@landmarkindia.net.



## THE PROMOTER OF OUR COMPANY IS SANJAY KARSANDAS THAKKER

INITIAL PUBLIC OFFERING OF UP TO [•] EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING UP TO ₹ 5,520.00 MILLION ("OFFER"). THE OFFER COMPRISES A FRESH ISSUE OF UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 1,500.00 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [•] EQUITY SHARES ("OFFERED SHARES") AGGREGATING UP TO ₹ 4,020.00 MILLION, COMPRISING AS PER THE TABLE PROVIDED BELOW:

NAME OF SELLING SHAREHOLDER	TYPE	NUMBER OF SHARES OFFERED/ AMOUNT (₹ IN MILLION)
TPG GROWTH II SF PTE. LTD.	Investor Selling Shareholder	Up to [•] Equity Shares (up to ₹ 3,250.00 million)
AASTHA LIMITED	Other Selling Shareholder	Up to [•] Equity Shares (up to ₹ 620.00 million)
SANJAY KARSANDAS THAKKER HUF	Other Selling Shareholder	Up to [•] Equity Shares (up to ₹ 100.00 million)
GARIMA MISRA	Individual Selling Shareholder	Up to [•] Equity Shares (up to ₹ 50.00 million)

THIS OFFER INCLUDES A RESERVATION OF UP TO [•] EQUITY SHARES AGGREGATING UP TO ₹ 10.00 MILLION (CONSTITUTING UP TO [•]% OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION 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 SHALL CONSTITUTE [•]% AND [•]%, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY, RESPECTIVELY.

The Offer is being made under Regulation 6(1) of SEBI ICDR Regulations.

QIB Portion: Not more than 50% of the Net Offer | Non-Institutional Portion: Not less than 15% of the Net Offer

Retail Portion: Not less than 35% of the Net Offer | Employee Reservation Portion: Upto [•] Equity Shares aggregating up to ₹ 10.00 million

Price Band: ₹ 481 To ₹ 506 per Equity Share of Face Value of ₹ 5 each. | The Floor Price is 96.20 times the Face Value of the Equity Shares and the Cap Price is 101.20 times the Face Value of the Equity Shares. | Bids can be made for a minimum of 29 Equity Shares and in multiples of 29 Equity Shares thereafter.

A Discount of ₹ 48 Per Equity Share is being offered to Eligible Employees bidding in the Employee Reservation Portion.

In accordance with the recommendation of a Committee of Independent Directors of the Company, pursuant to their resolution dated December 7, 2022, the above provided price band is justified based on quantitative factors / KPIs disclosed in 'Basis for the Offer Price' section vis-à-vis the WACA of secondary transaction(s) disclosed in 'Basis for the Offer Price' section provided below in the advertisement.

### Risks to Investors:

- The Company had reported a loss after tax of ₹289.39 million in Fiscal 2020 and may incur additional losses in the future. This was due to the decrease in revenue of 21.51% and new vehicle sales by 24.36%, which were primarily attributable to the higher discounts offered to customers to sell entire stock of Bharat Emission Stage IV engine vehicles and effects from the COVID-19 pandemic.
- The Offer Price, market capitalization to revenue multiple and price to earnings ratio on the Offer Price of our Company and return on net worth may not be indicative of the market price of the Equity Shares on listing or thereafter.
- The weighted average cost of acquisition of all Equity Shares transacted in the three years preceding the date of the Red Herring Prospectus is as follows:

Past transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Lower End of the "Price Band" with "Floor Price" (₹ 481) is 'X' times the Weighted average cost of acquisition	Upper End of the "Price Band" with "Cap Price" (₹ 506) is 'X' times the Weighted average cost of acquisition
Last 3 years	149.85 <sup>^</sup>	3.21	3.38

<sup>^</sup> The weighted average cost of acquisition has been calculated in the table above after giving effect to the sub-division of the face value of the equity shares of the Company from ₹10 each to ₹5 each.

- Average cost of acquisition of Equity Shares held by the Selling Shareholders ranges from ₹ 3.30 to ₹ 137.42 per Equity Share and Offer Price at upper end of the Price Band is ₹ 506 per Equity Share.
- The weighted average cost of acquisition of all Equity Shares transacted in the three years preceding the date of the Red Herring Prospectus is as follows:

Past transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Lower End of the "Price Band" with "Floor Price" (₹ 481) is 'X' times the Weighted average cost of acquisition	Upper End of the "Price Band" with "Cap Price" (₹506) is 'X' times the Weighted average cost of acquisition
TPG GROWTH II SF PTE. LTD.	137.42	3.50	3.68
AASTHA LIMITED	9.36	51.39	54.06
SANJAY KARSANDAS THAKKER HUF	3.30	145.76	153.33
GARIMA MISRA	3.30	145.76	153.33

- The two BRLMs associated with the Offer have handled 68 public issues in the past three years, out of which 23 issues closed below the Offer Price on listing date.

Name of BRLMs	Total Issues	Issues closed below IPO Price on listing date
Axis Capital Limited*	21	5
ICICI Securities Limited*	24	5
Common issues of above BRLMs	23	13
Total	68	23

\*Issues handled where there were no common BRLMs

### BID / OFFER PROGRAMME

**ANCHOR INVESTOR BIDDING DATE MONDAY, DECEMBER 12, 2022\***

**BID/OFFER OPENS ON TUESDAY, DECEMBER 13, 2022**

**BID/OFFER CLOSES ON THURSDAY, DECEMBER 15, 2022<sup>#</sup>**

\* Our Company and the Selling Shareholders in consultation with the BRLMs may consider participation by Anchor Investors in accordance with the SEBI/ICDR Regulations.  
<sup>#</sup>UPI mandate end time shall be 5:00 pm on the Bid/Offer Closing Date.

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

#### ASBA\* | Simple, Safe, Smart way of Application!!!

\*Applications Supported by Blocked Amount ("ASBA") is a better way of applying to offers by simply blocking the fund in the bank account. For further details, check section on ASBA below.

**Mandatory in public issues.**  
**No cheque will be accepted.**



UPI-Now available in ASBA for UPI Bidders applying through Registered Brokers, DPs and RTAs.

Retail Individual Investors also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and press release dated June 25, 2021 on page 425 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. ASBA-bid-cum-application forms and the Abridged Prospectus can be downloaded from the websites of BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE"), and together with BSE, the "Stock Exchanges" and can be obtained from the list of banks that is displayed on the website of SEBI at [www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFp=yes&intmid=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFp=yes&intmid=35) and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFp=yes&intmid=43>, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: [www.sebi.gov.in](http://www.sebi.gov.in). UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. Axis Bank Limited has been appointed as the Sponsor Banks for the Offer, in accordance with the requirements of SEBI circular dated November 1, 2018 as amended. For Offer related queries, please contact the Book Running Lead Managers ("BRLMs") on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail id: [ipo.upi@npci.org.in](mailto:ipo.upi@npci.org.in).

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BASIS FOR THE OFFER PRICE

The Price Band, Floor Price and Offer Price will be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, 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. Investors should also refer to "Our Business", "Risk Factors", "Restated Consolidated Financial Information" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 186, 28, 258 and 327 of the RHP, respectively, to have an informed view before making an investment decision.

QUALITATIVE FACTORS

Some of the qualitative factors which form the basis for computing the Offer Price are:

- (a) Leading automotive dealership for major OEMs with a strong focus on high growth segments; (b) Growing presence in after-sales segment leading predictable growth in revenues and superior margins; (c) Comprehensive business model capturing entire customer value-chain; and (d) Robust business processes leveraging technological innovation and digitalization.

For further details, see "Risk Factors" and "Our Business- Our Strengths" on pages 28 and 189 of the RHP, respectively.

QUANTITATIVE FACTORS

Some of the information presented below relating to our Company is derived from the Restated Consolidated Financial Information. For details, see "Restated Consolidated Financial Information" on page 258 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")

Financial Period	Basic EPS (₹)	Diluted EPS (₹)	Weight
Fiscal 2022	17.88	17.45	3
Fiscal 2021	3.09	3.05	2
Fiscal 2020	(7.84)	(7.84)	1
Weighted Average	8.66	8.44	
Three months ended June 30, 2022 *	4.86	4.75	

\*Not annualised

Notes:

- The face value of each Equity Share is ₹ 5 each.
- Basic EPS (₹) = Basic earnings per share are calculated by dividing the Restated Net Profit/(loss) after tax for the year/period attributable to equity shareholders of the Company by the weighted average number of equity Shares outstanding during the year/period post sub-division of equity shares.
- Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the Net Restated Profit/(loss) after tax for the year/period attributable to equity shareholders of the Company by the weighted average number of equity Shares outstanding during the year/period adjusted for the effects of all dilutive potential equity shares post sub-division of equity shares. Basic EPS and Diluted EPS calculations are in accordance with Indian Accounting Standard 33 'Earnings per Share'.
- Weighted average number of Equity Shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during the year/period multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period.
- Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. [(EPS x Weight) for each year] / [Total of weights]
- The above statement should be read with significant accounting policies and notes on Restated Consolidated Financial Information as appearing in the section "Financial Information – Restated Consolidated Financial Information" on page 258 of the RHP.

II. Price/Earning ("P/E") ratio in relation to Price Band of ₹ 481 to ₹ 506 per Equity Share:

Particulars	P/E at the lower end of the Price Band (number of times)	P/E at the higher end of the Price Band (number of times)
Based on basic EPS for Fiscal 2022	26.90	28.30
Based on diluted EPS for Fiscal 2022	27.56	29.00
Based on basic EPS for three months ended June 30, 2022	98.97	104.12
Based on diluted EPS for three months ended June 30, 2022	101.26	106.53

Industry Peer Group P/E ratio

There are no listed entities in India whose business portfolio is comparable with that of our business.

III. Return on Net Worth ("RoNW") derived from Restated Consolidated Financial Information:

Financial period	RoNW (%)	Weight
Fiscal 2022	26.52	3
Fiscal 2021	6.23	2
Fiscal 2020	(16.99)	1
Weighted Average	12.51	
Three months ended June 30, 2022 *	6.64	

\*Not annualised

Notes:

- "Net worth means the aggregate value of the paid-up share capital and other equity.
- Return on Net worth attributable to the owners of the company (%) = Restated Profit/(loss) after tax for the year/period attributable to equity holders of the company by restated total equity attributable to the equity holders of the Parent. Return on Net worth attributable to the owners of the company is a non-GAAP measure. See "Management's Discussion and Analysis of Financial Position and Results of Operations – Key Performance Indicators and Non-GAAP Financial Measures" on page 343 of the RHP, for the reconciliation of Return of Net worth attributable to the owners of the company calculated from the Restated Consolidated Financial Information).
- Weighted average = Aggregate of year-wise weighted Return on Net worth attributable to the owners of the company divided by the aggregate of weights i.e. [(Return on Net worth attributable to the owners of the company x Weight) for each year] / [Total of weights]

IV. Net asset value per Equity Share (Face value of ₹ 5 each)

Net Asset Value per Equity Share	(₹)
As of June 30, 2022	73.25
As of March 31, 2022	67.42
After the completion of the Offer	At the Floor Price: 105.23
Offer Price	At the Cap Price: 105.64

Notes:

- Offer Price per Equity Share will be determined on conclusion of the Book Building Process.
- Pursuant to a resolution passed in the extra-ordinary general meeting dated November 10, 2021, Shareholders have approved split of each equity share of face value of ₹ 10 each into two equity shares of face value of ₹ 5 each (the "Split"). As a result, the effect of Split has been considered in calculation of net asset value per equity share.
- Weighted average number of equity shares is the number of Equity Shares outstanding at the beginning of the year/period adjusted by the number of Equity Shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.
- Net Asset Value Per Equity Share = Restated total equity attributable to the equity holders of the Parent / Weighted average number of Equity Shares outstanding during the year / period. Net Asset Value is a non-GAAP measure (please see "Management's Discussion and Analysis of Financial Position and Results of Operations – Key Performance Indicators and Non-GAAP Financial Measures" on page 343 of the RHP for the reconciliation of Net Asset Value calculated from the Restated Consolidated Financial Information).

V. Comparison with listed industry peers

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide an industry comparison in relation to our Company.

VI. The Offer Price is ₹ [●] times of the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholders in consultation with the BRLMs, on the basis of assessment of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management Discussion and Analysis of Financial Position and Results of Operations" and "Financial Information" on pages 28, 186, 327 and 258 of the RHP, respectively, to have a more informed view.

The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" on page 28 of the RHP and you may lose all or part of your investments.

VII. Key performance indicators of our Company

The key performance indicators disclosed below have been used historically by us to understand and analyze the business performance, which in result, help us in analysing our performance in comparison to our peers. The Bidders can refer to the below-mentioned key performance indicators, being a combination of financial indicators and operational key performance indicators, to assess our performance over the last three Fiscals and three months ended June 30, 2022 and make an informed decision. We have set out below some of our key performance indicators, as of and for the periods mentioned below.

Particulars	₹ in millions, except for ratios, vehicle numbers, and percentages)			
	As at, or for the three ended, June 30, 2022	As at, or for the fiscal year ended March 31,		
		2022	2021	2020
Sales Volumes				
Number of new vehicles sold <sup>(i)</sup>	5,398	19,264	13,282	16,730
Number of vehicles serviced	76,469	279,078	221,468	291,040
Average revenue earned for each vehicle serviced <sup>(ii)</sup>	21,559	21,030	19,098	16,515
Revenue				
Vehicle sales <sup>(iii)</sup>	6,300.96	23,798.64	15,215.89	17,351.95
After-sales service and spare parts and others <sup>(iv)</sup>	1,701.74	5,966.59	4,345.15	4,834.19
Revenue from operations	8,002.70	29,765.23	19,561.04	22,186.14
Total Income <sup>(v)</sup>	8,019.03	29,891.16	19,663.43	22,289.33
EBITDA				
Vehicle sales	205.46	682.62	368.14	-96.93
After-sales service and spare parts and others	309.02	1,085.36	771.12	865.83
EBITDA <sup>(vi)</sup>	528.34	1,872.81	1,200.63	831.95
EBITDA Margin				
Vehicle sales and other operating revenue	3.26%	2.87%	2.42%	-0.56%
After-sales service and spare parts and others	18.16%	18.19%	17.75%	17.91%
EBITDA Margin <sup>(vii)</sup>	6.59%	6.27%	6.11%	3.73%
Restated profit/(loss) for the period / year <sup>(viii)</sup>	181.42	661.82	111.48	(289.39)
Earning Per Share				
- Basic <sup>(ix)</sup>	4.86	17.88	3.09	(7.84)
- Diluted <sup>(x)</sup>	4.75	17.45	3.05	(7.84)
Inventory turnover days <sup>(xi)</sup>	49	45	57	54
Working capital turnover ratio <sup>(xii)</sup>	NA	NA	NA	NA
Operating profit before working capital changes	518.42	1,788.32	1,164.40	805.14
Gross margin <sup>(xiii)</sup>	16.31%	14.65%	14.88%	13.80%
Company P/E ratio to P/E ratio of Nifty auto index <sup>(xiv)</sup>	[-]	[-]	[-]	[-]
Company P/E ratio to P/E ratio of Nifty fifty index <sup>(xv)</sup>	[-]	[-]	[-]	[-]
Net Profit Ratio <sup>(xvi)</sup>	2.27%	2.22%	0.57%	(1.30)%
Return on Equity Ratio <sup>(xvii)</sup>	6.72%	26.66%	6.11%	(17.03)%
Return on Capital Employed <sup>(xviii)</sup>	3.67%	18.86%	8.59%	1.07%
Net Debt / EBITDA Ratio <sup>(xix)</sup>	7.92	1.49	2.54	3.90
Net Worth <sup>(xx)</sup>	2,682.67	2,469.42	1,817.75	1,691.25
Return on Net Worth (RoNW) <sup>(xxi)</sup>	6.64%	26.52%	6.23%	(16.99)%
NAV per Equity Share <sup>(xxii)</sup>	73.25	67.42	49.62	46.17

\*To be updated at the Prospectus stage

Notes:

- Including cars sold under agency model introduced by Mercedes-Benz with effect from October 1, 2021.
- Average revenue earned for each vehicle serviced<sup>(ii)</sup> is calculated as a sum of (i) revenue from sale of spares, lubricants and others and (ii) sale of services provided by the number of vehicles serviced.
- Vehicle sales<sup>(iii)</sup> is the sum of (i) revenue from sales of new cars and schemes and incentives income from OEMs pertaining to sales of cars (ii) commission income from the sale of Mercedes-Benz vehicles due to change in business model w.e.f. October 1, 2021 (iii) income from financial products (insurance and vehicle finance) and (iv) income from pre-owned vehicles sold.
- After-sales service and spare parts revenue<sup>(iv)</sup> includes sales spare parts, lubricants and accessories and income from incentives and schemes from OEMs pertaining to after-sales revenue.
- Total Income<sup>(v)</sup> represents the total turnover of our business.
- EBITDA<sup>(vi)</sup> is calculated as the sum of (i) restated profit/(loss) for the period/year, (ii) total tax expense, (iii) finance costs, and (iv) depreciation and amortisation expense.
- EBITDA Margin<sup>(vii)</sup> is calculated as EBITDA divided by total income and is an indicator of the operational profitability of our business before interest, depreciation, amortisation, and taxes.
- Restated profit for the period / year<sup>(viii)</sup> represents the profit / loss that we make for the financial year or during a given period.
- Basic EPS (₹) = Basic earnings per share are calculated by dividing the Restated Net Profit/(loss) after tax for the year/period attributable to equity shareholders of the Company by the weighted average number of equity Shares outstanding during the year/period post sub-division of equity share.
- Diluted EPS (₹) = Diluted earnings per share are calculated by dividing the Net Restated Profit/(loss) after tax for the year/period attributable to equity shareholders of the Company by the weighted average number of equity Shares outstanding during the year/period adjusted for the effects of all dilutive potential equity shares post sub-division of equity shares. Basic EPS and Diluted EPS calculations are in accordance with Indian Accounting Standard 33 'Earnings per Share'. Diluted EPS provides earnings available per share to equity shareholders after adjustment of the dilutive potential shares.
- Inventory Turnover Days<sup>(xi)</sup> is calculated as average inventories divided by cost of goods sold multiplied with number of days in a particular period / year.
- Working Capital Turnover Ratio<sup>(xii)</sup> is calculated with revenue from operations divided by average working capital. Since our working capital is negative the same is considered as not applicable.
- Gross margin<sup>(xiii)</sup> is calculated (i) Gross Profit, divided by (ii) revenue from operations. Gross Profit is calculated as revenue from operations, less purchase of cars, spares and others, changes in inventories of stock-in-trade and job-work charges.
- Net Profit Ratio<sup>(xvi)</sup> is calculated as restated profit/(loss) for the period/year divided by revenue from operations.
- Return on Equity Ratio<sup>(xvii)</sup> is calculated as restated profit/(loss) for the period/year divided by total equity.
- Return on Capital Employed<sup>(xviii)</sup> is calculated as (i) EBITDA, divided by (ii) Capital Employed. EBITDA is calculated as the sum of (i) restated profit/(loss) before tax for the period/year, and (iii) interest expenses on financial liabilities carried at amortised cost. Capital Employed is calculated as the sum of non-current borrowings, current borrowings, vehicle floor plan, and total equity.
- Net Debt / EBITDA Ratio<sup>(xix)</sup> is calculated as the (i) Net Debt, divided by (ii) EBITDA. Net Debt is calculated as (i) sum of non-current borrowings, current borrowings and vehicle floor plan, less (ii) sum of cash and cash equivalents and other balances with banks.
- Return on Net Worth<sup>(xxi)</sup> is calculated as the sum of the paid-up share capital and other equity.
- Return on Net Worth (RoNW)<sup>(xxi)</sup> is calculated as restated profit/(loss) for the period/year attributable to owners of the company divided by Net Worth.
- NAV per Equity Share<sup>(xxii)</sup> is calculated as Net Worth divided by the weighted average number of Equity Shares outstanding during the year/period post sub-division

The key performance indicators set forth above are the only relevant and material key performance indicators pertaining to us which may have a bearing on the Offer Price. The key performance indicators have been approved by the Audit Committee pursuant to its resolution dated December 2, 2022 and certified by M/s Manubhai & Shah LLP, Chartered Accountants, by their certificate dated December 5, 2022. Further, the Audit Committee has on December 2, 2022 taken on record that other than the key performance indicators set out above, our Company has not disclosed any other key performance indicators during the three years preceding the RHP with its investors.

Explanation for the key performance indicators

- Average revenue earned for each vehicle serviced<sup>(ii)</sup>, Total Income<sup>(v)</sup>, Revenue from Operations<sup>(v)</sup>, EBITDA<sup>(vi)</sup>, EBITDA Margin<sup>(vii)</sup>, Earnings per Share<sup>(ix)</sup> and Gross Margin<sup>(viii)</sup>: These metrics are used by our management for assessing financial performance during a particular period.
- Vehicle sales<sup>(iii)</sup> and the After-sales service and spare parts revenue<sup>(iv)</sup>: These metrics are used by our management to calculate (i) revenue earned and growth in business from sale of new vehicles per OEM and other operational revenue pertaining to vehicle sales per OEM and (2) revenue earned and growth in income pertaining to after-sales business from various OEMs, which is useful in assessing operational efficiency and profitability of the business.
- Inventory turnover days<sup>(xi)</sup>: Inventory turnover ratio provides number of days in which inventory turnaround in particular period / year.

For further details, please see the chapter titled "BASIS FOR THE OFFER PRICE" beginning on page 142 of the RHP.

- Working Capital turnover ratio<sup>(xii)</sup>: This metric provides number of times working capital turnaround in particular period / year based on revenue from operations for the respective period / year. This metric is used to determine the financial performance and analyse its overall operations, particularly to determine our ability to meet current financial obligations.
- Net Profit Ratio<sup>(xvi)</sup>: This provides information regarding the profitability of our business as well as to compare against the historical performance of our business.
- Return on Equity Ratio<sup>(xvii)</sup>: This metric measures our profitability and is indicative of the profit generation by us against the equity contribution.
- Return on Capital Employed<sup>(xviii)</sup>: This metric is indicative of our efficiency as it measures our profitability. RoCE is indicative of the profit generation by us against the capital employed over a period of time.
- Net Debt to EBITDA Ratio<sup>(xix)</sup>: This metric is used to calculate how many years it would take us to pay back our debt if net debt and EBITDA are held constant.
- Net worth<sup>(xx)</sup>: This metric is indicative of our efficiency as it measures our profitability.
- Return on Net worth<sup>(xxi)</sup>: This metric is indicative of the profit generation by us against the net worth over a period of time.
- Restated profit for the period / year<sup>(viii)</sup>: This metric represents the profit / loss that we make for the financial year or during the a given period. It provides information regarding the profitability of our business.
- NAV per Equity Share<sup>(xxii)</sup>: This metric reflects the total shareholder equity position in our Company.

Justification of the Offer Price

Please note the following rationale in relation to the justification of the Offer Price:

- We are a leading premium automotive retail business in India with dealerships for Mercedes-Benz, Honda, Jeep, Volkswagen and Renault. (Source: CRISIL Report). We also cater to the commercial vehicle retail business of Ashok Leyland in India. • In the last five years, the premium segment in India has grown at a healthy 8% CAGR, expanding its contribution from 38% in Fiscal 2016 to 56% in Fiscal 2021. (Source: CRISIL Report) • In the mass market segment and premium segment in India, UVs witnessed a growth of 13% CAGR over Fiscal 2016 to Fiscal 2021. CRISIL Report projects UVs to drive the growth of passenger vehicle industry in the long term. Furthermore, the UV segment volumes are expected to grow at a CAGR of 9% to 11% from Fiscal 2021 to Fiscal 2026. (Source: CRISIL Report) • In addition, our business focus has been on the fast-growing premium and luxury segments of the Indian passenger vehicle market. CRISIL Research expects the premium segment to grow at a CAGR of 10-12% CAGR from Fiscal 2021 to Fiscal 2026, while the luxury segment is expected to grow at a CAGR of 20-22% during the same period. (Source: CRISIL Report) • Through our dealership with Mercedes-Benz, our sales revenue from new cars has decreased from 32.88% in Fiscal 2021 to 21.68% in Fiscal 2022. • Through our dealership with Honda, our sales revenue has decreased from 20.71% in Fiscal 2021 to 16.41% in Fiscal 2022. • Through our dealership with Jeep, our sales revenue has increased from 14.14% in Fiscal 2021 to 24.43% in Fiscal 2022. • Through our dealership with Renault, our sales revenue has decreased from 12.89% in Fiscal 2021 to 10.65% in Fiscal 2022. • Through our dealership with Volkswagen, our sales revenue has increased from 6.46% in Fiscal 2021 to 6.88% in Fiscal 2022. • We have through our Subsidiary, WCPL have signed a letter of intent on November 30, 2021 with one of the leading electric vehicle automaker BYD for our Company to be their dealer in NCR and Mumbai in respect of their electric passenger vehicles. • Our Company sells commercial vehicles and offers a wide range of mini-buses, trucks and light vehicles through its Ashok Leyland dealership. As of Fiscal 2022, the new commercial vehicle sales amounted to ₹ 3,866.41 million. • We expanded our outlets from 42 in Fiscal 2015 to 112 outlets as of June 30, 2022. We opened our first Honda outlet in Ahmedabad, Gujarat in 1998, Volkswagen outlet in Ahmedabad, Gujarat and Ashok Leyland sales outlet in Vadodra, Gujarat in 2008, Mercedes-Benz outlet in Ahmedabad, Gujarat in Fiscal 2009, Renault outlet in Punjab in 2016, Jeep outlet in Delhi, NCR in 2017 and BYD outlet in Delhi, NCR in 2021. • The following table sets forth our outlets by OEM and by type as of June 30, 2022.

OEM/Brand	Sales Outlets	Service and Spares Outlets	Total Outlets
Mercedes-Benz	8	13	21
Honda	10	10	20
Jeep	9	8	17
Volkswagen	9	8	17
Renault	19	11	30
Ashok Leyland	2	2	4
BYD	2	1	3
Total	59	53	112

- Our after-sales service and spares revenue contributed to 21.66%, 21.62% and 19.72% in Fiscal 2020, 2021 and 2022 of our revenue from operations. • Our after-sales service and spare parts revenue EBITDA contributed to 104.07%, 64.23% and 57.95% of our EBITDA during Fiscal 2020, 2021 and 2022. Our EBITDA margins from our after-sales service and spares business was 17.91%, 17.75% and 18.19% in Fiscal 2020, 2021 and 2022. • Despite a decline in revenue from Fiscal 2019 to Fiscal 2021 due to industry downturn, our Company continued to be profitable during the said period and our EBITDA margins increased from 3.73% in Fiscal 2020 to 6.11% in Fiscal 2021 to 6.27% in Fiscal 2022, with improving returns and debt profile along with increasing revenue share of after sales and services segment.

VIII. Weighted average cost of acquisition, floor price and cap price

Past transactions	Weighted average cost of acquisition per Equity Share (in ₹)	Floor price in ₹ 481	Cap price in ₹ 506
1. Weighted average cost of acquisition for last 18 months for primary / new issue of shares (equity convertible securities), excluding shares issued under an employee stock option plan/ employee stock option scheme and issuance of bonus shares, during the 18 months preceding the date of filing of the RHP, where such issuance is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NIL*	NIL times	NIL times
2. Weighted average cost of acquisition for last 18 months for secondary sale / acquisition of shares (equity convertible securities), where promoter / promoter group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) in our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of filing of the RHP, where either acquisition or sale is equal to or more than five per cent of the fully diluted paid-up share capital of our Company (calculated based on the pre-issue capital before such transaction/s and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days	NIL**	NIL times	NIL times
3. Since there were no primary or secondary transactions of equity shares of our Company during the 18 months preceding the date of filing of the RHP, the information has been disclosed for price per share of our Company based on the last five secondary transactions where promoter / promoter group entities or Selling Shareholders or shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction, not older than three years prior to the date of filing of the RHP irrespective of the size of the transaction***	149.85***	3.21 times	3.38 times

Note: As certified by Manubhai & Shah LLP, Chartered Accountants, pursuant to their certificate dated December 7, 2022. Note: In accordance with the recommendation of a Committee of Independent Directors of the Company, pursuant to their resolution dated December 7, 2022, the price band is justified based on quantitative factors / KPIs disclosed in Basis for the Offer Price section vis-à-vis the WACA of secondary transaction(s) disclosed in Basis for the Offer Price section.

\* There were no primary / new issue of shares (equity convertible securities) transactions in last 18 months and three years prior to the date of this Red Herring Prospectus.

\*\* There were no secondary sales / acquisition of shares of shares (equity convertible securities) transactions in last 18 months.

\*\*\* Secondary transactions where Promoter / Promoter Group entities or Selling Shareholders or Shareholder(s) having the right to nominate director(s) on our Board, are a party to the transaction: (i.e., by Aastha Limited and Ami Sanjay Thakkar).

\* The weighted average cost of acquisition has been calculated in the table above after giving effect to the sub-division of the face value of the equity shares of the Company from ₹ 10 each to ₹ 5 each.

IX. Detailed explanation for Cap Price being 3.38 times price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in VIII above) along with our Company's key performance indicators and financial ratios for the three months ended June 30, 2022 and the Fiscals 2022, 2021 and 2020.

Please refer the Justification of Offer Price provided on page 146 of the RHP.


X. Explanation for Cap Price being 3.38 times price of weighted average cost of acquisition of primary issuance price/secondary transaction price of Equity Shares (set out in VIII above) in view of the external factors which may have influenced the pricing of the Offer.

Not Applicable

In case of any revision in the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company and the Selling Shareholders may, for reasons to be recorded in writing, extend the Bid/Offer Period for a minimum of three Working Days, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Banks, as applicable.

This Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 61 of the SEBI ICDR Regulations wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Portion"), provided that our Company and the Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"). One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from the domestic Mutual Funds at or above the Anchor Investor Allocation Price in accordance with the SEBI ICDR Regulations. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion (other than the Anchor Investor Portion) (the "Net QIB Portion"). Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors ("Non-Institutional Portion") of which one-third of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 200,000 and up to ₹ 1,000,000 and two-thirds of the Non-Institutional Portion shall be available for allocation to Bidders with an application size of more than ₹ 1,000,000 and under-subscription in either of these two sub-categories of Non-Institutional Portion may be allocated to Bidders in the other sub-category of Non-Institutional Portion in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. Further, not less than 35% of the Net Offer shall be available for allocation to Retail Individual Investors ("Retail Investor Portion") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. Further, Equity Shares will be allocated on a proportionate basis to Eligible Employees applying under the Employee Reservation Portion, subject to valid Bids received from them at or above the Offer Price. All Bidders, other than Anchor Investors, are required to participate in the Offer by mandatorily utilising the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA Accounts, and UPI ID in case of UPI Bidders using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts will be blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Banks under UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors are not permitted to participate in the Offer through the ASBA process. For details, see "Offer Procedure" on page 419 of the RHP.

Bidders/Applicants should ensure that DP ID, PAN and the Client ID and UPI ID (for UPI Bidders bidding through UPI mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE OFFER	COMPANY SECRETARY AND COMPLIANCE OFFICER	
<div><b>AXIS CAPITAL</b></div> <div>Axis Capital Limited 1<sup>st</sup> Floor, Axis House, C-2, Wadia International Centre Pandurang Budhkar Marg, Worli, Mumbai 400 025, Maharashtra Telephone: +91 22 4325 2183; E-mail: landmark.ipo@axiscap.in Investor grievance e-mail: complaints@axiscap.in Website: www.axiscapital.co.in; Contact person: Pratik Pednekar SEBI registration number: INN000012029</div>		<div><b>ICICI Securities</b></div> <div>ICICI Securities Limited ICICI Venture House, Appasaheb Marathe Marg Prabhadevi, Mumbai 400 025, Maharashtra Telephone: +91 22 6807 7100; E-mail: landmark.ipo@icicisecurities.com Investor grievance e-mail: customercare@icicisecurities.com Website: www.icicisecurities.com; Contact person: Harsh Thakkar/Shekhar Asnani SEBI registration number: INN0000011179</div>	<div><b>LINKIntime</b></div> <div>Link Intime India Private Limited C-101, 1<sup>st</sup> Floor, 247 Park, L.B.S. Marg Vikhroli (West), Mumbai 400 083, Maharashtra Telephone: +91 22 4918 6200; E-mail: landmark.ipo@linkintime.co.in Investor grievance e-mail: landmark.ipo@linkintime.co.in Website: www.linkintime.co.in; Contact person: Shanti Gopalakrishnan SEBI registration number: INR000004058</div>	<div><b>Amol Arvind Raj</b> Landmark Cars Limited Plot No. 275/1, Ghodbunder Road, Patlipada, Thane (West), Thane 400 607, Maharashtra, India Telephone: +91 22 6271 9040; E-mail: companysecretary@landmarkindia.net Website: www.grouplandmark.in</div> <div>Investors can contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations or non-receipt of funds by electronic mode, etc.</div>