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# SIGNORIA CREATION LIMITED



Our Company was incorporated as a private limited company under the provisions of Companies Act, 2013, pursuant to a Certificate of Incorporation dated September 30, 2019, issued by Central Registration Centre, Manesar. Subsequently, our Company was converted into a public limited company under the provisions of Companies Act, 2013, pursuant to the approval accorded by our Shareholders at their extraordinary general meeting held on July 28, 2023. Consequently, the name of our Company was changed to "Signoria Creation 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 RoC, Jaipur on August 17, 2023, and the Corporate Identification Number is U18209RJ2019PLC066461. The registered office of our company is situated at 324, Ayekar Nagar II, Near RICCO Industrial Area, Mansarovar, Jaipur, Rajasthan – 302020. For details of Incorporation, Change of Name and Registered Office of our Company, see the chapter titled "Our History and Certain Other Corporate Matters" beginning on page 156 of the Red Herring Prospectus.

Registered & Corporate office: 324, Ayekar Nagar II, Near RICCO Industrial Area, Mansarovar, Jaipur, Rajasthan – 302020  
Tel No: +91 9358838840 | Email: cs@signoria.in | Website: www.signoria.in Contact Person: Swati Jain, Company Secretary and Compliance Officer | CIN: U18209RJ2019PLC066461

## PROMOTER OF THE COMPANY: VASUDEV AGARWAL, BABITA AGARWAL, MOHIT AGARWAL AND KRITIKA CHACHAN

### THE ISSUE

INITIAL PUBLIC OFFERING OF UPTO 14,28,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH ("EQUITY SHARES") OF SIGNORIA CREATION LIMITED ("COMPANY" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [•] PER EQUITY SHARE), AGGREGATING UPTO ₹ [•] LAKHS ("THE ISSUE"). THIS ISSUE INCLUDES A RESERVATION OF UP TO 72,000 EQUITY SHARES AGGREGATING UP TO ₹ [•] LAKHS (CONSTITUTING UP TO [•] % OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION") AND RESERVATION OF UP TO 40,000 EQUITY SHARES, AGGREGATING TO ₹ [•] LAKHS (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 ISSUE LESS MARKET MAKER RESERVATION PORTION AND EMPLOYEE RESERVATION PORTION IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE [•] % AND [•] % RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

QIB Category: Not More Than 50.00% of the Net Issue  
Retail Category: Not Less Than 35.00% of the Net Issue  
Non-Institutional Investor Category: Not less than 15.00% of the Net Issue  
Market Maker Reserved Category: Up to 72,000 Equity Shares aggregating up to ₹ [•] Lakhs  
Employee Reserved Category: Up to 40,000 Equity Shares aggregating up to ₹ [•] Lakhs

Listing: The Equity Shares of our Company Issued through this Red Herring Prospectus are proposed to be listed on the EMERGE Platform of National Stock Exchange of India Limited ("NSE EMERGE"), in terms of the Chapter IX of the SEBI ICDR Regulations, 2018, as amended from time to time. Our Company has received In-Principal approval letter dated February 19, 2024 from National Stock Exchange of India Limited for using its name in the Issue document for listing of our shares on the EMERGE Platform of National Stock Exchange of India Limited. For the purpose of this Issue, National Stock Exchange of India Limited shall be the Designated Stock Exchange. A signed copy of the Red Herring Prospectus and the Prospectus shall be delivered to the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid / Issue Closing Date, see "Material Contracts and Documents for Inspection" on page 343 of the Red Herring Prospectus.

Disclaimer Clause of the SEBI: Since the Issue is being made in Chapter IX of the SEBI ICDR Regulation 2018, a copy of the Red Herring Prospectus is furnished to SEBI in soft copy. However, SEBI is not required to issue any observation on Red Herring Prospectus which was filed with SEBI. Hence, there is no such specific disclaimer clause of SEBI. However, Investors may refer to the entire "Disclaimer Clause of SEBI" on page 259 of the RHP.

Disclaimer Clause of the NSE It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the RHP has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 259 of the RHP for the full text of the "Disclaimer Clause of the NSE".

## PRICE BAND: Rs. 61/- TO Rs. 65/- PER EQUITY SHARE OF FACE VALUE OF RS. 10/- EACH

## THE FLOOR PRICE IS 6.10 TIMES OF THE FACE VALUE OF EQUITY SHARES AND THE CAP PRICE IS 6.50 TIMES OF THE FACE VALUE OF EQUITY SHARES

## BIDS CAN BE MADE FOR A MINIMUM OF 2000 EQUITY SHARES AND IN MULTIPLES OF 2000 EQUITY SHARES THEREAFTER

### ASBA\*

### Simple, Safe, Smart way of Application!!!

\*Application Supported by Block Amount is a better way of applying to issues by simply blocking the fund in the bank account. ASBA has to be availed by all the investors except anchor investors. UPI may be availed by Retail Individual Investors. For details on the ASBA and UPI process, please refer to the details given in ASBA form and Abridged Prospectus and also please refer General Information Document.



Now Available in ASBA for Retail Individual Investors

\*Applications Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account. ASBA has to be availed by all the investors except anchor investors. UPI may be availed by Retail Individual Investors. For details on the ASBA and UPI process, please refer to the details given in ASBA form and Abridged Prospectus and also please refer General Information Document.

ASBA bid-cum Application forms can be obtained from Designated Branches of SCSBs, the list of banks that are available on website of SEBI at www.sebi.gov.in and website of Stock Exchange at www.nseindia.com. List of Banks supporting UPI is also available on the website of SEBI at www.sebi.gov.in. HDFC Bank Limited has been appointed as the Sponsor Bank to the Issue in accordance to SEBI circular dated November 01, 2018 and April 03, 2019.

### RISK TO INVESTORS

• The Average Cost of Acquisition of Equity Shares held by the Promoters is:

| S. No. | Name of the Shareholder | Category | Average Cost of Acquisition per equity share |
|--------|-------------------------|----------|----------------------------------------------|
| 1.     | Vasudev Agarwal         | Promoter | 0.17                                         |
| 2.     | Babita Agarwal          | Promoter | 20.78                                        |
| 3.     | Mohit Agarwal           | Promoter | -                                            |
| 4.     | Kritika Chachan         | Promoter | -                                            |

and the Issue Price at the upper end of the Price Band is Rs. 65/- Per Equity Share.

- The Merchant Banker associated with the Issue has handled 7 public issues in the past three years out of which 2 Issue closed below the Issue Price on listing date.
- The Price/Earnings Ratio based on Diluted EPS for Fiscal 2023 for the Company at upper end of the Price Band is 2.35.
- Weighted average Return on Networth for Fiscal 2023, 2022 and 2021 is 41.25%.
- The weighted average cost of acquisition of all Equity Shares transacted in the last Eighteen Months and three years from the date of RHP is as give below:

| Type of transactions                              | Weighted Average Cost of Acquisition (Rs. Per Equity Shares) | Floor price (I.e. Rs. 61) | Cap price (I.e. Rs. 65) |
|---------------------------------------------------|--------------------------------------------------------------|---------------------------|-------------------------|
| WACA of Primary Issuance (except for bonus issue) | 33/-                                                         | 1.85                      | 1.97                    |
| WACA of secondary transactions in last 3 years    | 2.34/-                                                       | 26.07                     | 27.78                   |

### BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the Book Running Lead Manager on the basis of assessment of market demand for the Equity Shares issued in the Issue through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is Rs. 10/- each and the Issue Price is 6.1 times of the face value at the lower end of the Price Band and 6.5 times of the face value at the higher end of the Price Band.

The financial data presented in this section are based on our Company's Restated Financial Statements. Investors should also refer to the sections titled "Risk Factors", "Our Business", "Financial Statements as Restated" and "Management's Discussion and Analysis of Financial Position and Results of Operations" on pages 29, 132, 188 and 223 respectively, to get a more informed view before making the investment decision.

#### QUALITATIVE FACTORS

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

- Experienced management & work force
- Established Manufacturing facility
- Focus on Quality and Safety
- Cost Leadership and time bound execution
- Existing relationship with the clients
- Cordial relationship between management and labour

For further details, see "Our Business – Our Competitive Strength" on page 134.

#### QUANTITATIVE FACTORS

The information presented below relating to the company is based on the Restated Consolidated Financial Statements for the period ended on September 30, 2023, and for the fiscal year ended on March 31, 2023, March 31, 2022, and March 31, 2021, prepared in accordance with GAAP. The Companies Act, 2013 and SEBI ICDR Regulations. For details, see the chapter titled "Restated Financial Statements" and "Other Financial Information" beginning on pages 188 and 221.

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

1. Adjusted Basic & Diluted Earnings per share ("EPS")

(Pre-Issue and as adjusted for changes in capital after last balance sheet date).

| Year Ended                                     | Basic EPS | Diluted EPS | Weights |
|------------------------------------------------|-----------|-------------|---------|
| March 31, 2023                                 | 27.70     | 27.70       | 3       |
| March 31, 2022                                 | 13.51     | 13.51       | 2       |
| March 31, 2021                                 | 6.52      | 6.52        | 1       |
| Weighted Average EPS                           |           |             | 19.44   |
| Six months period ended on September 30, 2023* |           |             | 5.81    |

\*Not Annualized

- Notes:
1. Basic and diluted earnings EPS calculations are in accordance with AS-20 'Earnings Per Share', notified under section 133 of Companies Act, 2013 read together along with paragraph 7 of Companies (Accounts) Rules, 2014.
  2. Basic Earnings per share = Net profit after tax as restated attributable to equity shareholders for the year/Weighted average number of equities shares outstanding during the year.
  3. Diluted Earnings per share = Net profit after tax as restated / Weighted average number of potential equity shares outstanding during the year.
  4. The weighted average basic and diluted EPS is a product of basic and diluted EPS and respective assigned weight, dividing the resultant by total aggregate weight i.e. (EPS x Weight) for each year/Total of weights.
  5. Weighted Average Number of Equity Shares is the number of equity shares outstanding at the beginning of the year 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.
  6. The figures disclosed above are based on the Restated Financial Statements of our Company.
  7. The face value of each Equity Share is Rs. 10/- each.
  8. The Company has allotted 22,20,000 equity shares of face value of Rs.10/- each as Bonus Shares in the ratio of 2:1 i.e., 2 (Two) Equity Share having face value of Rs.10/- each for every 1 (One) Equity share having face value of Rs.10/- each. Appropriate adjustments have been made in calculation of EPS pursuant to this bonus issue after balance sheet date.

2. Price to Earnings (P/E) ratio in relation to Price Band of Rs. 61/- to Rs. 65/- per Equity Share of Rs. 10/- each fully paid up:

| Particulars                                       | P/E Ratio at the Lower end of the Price Band | P/E Ratio at the Upper end of the Price Band |
|---------------------------------------------------|----------------------------------------------|----------------------------------------------|
| P/E based on Basic & Diluted EPS for FY 2022-23   | 2.2                                          | 2.35                                         |
| P/E based on weighted average Basic & Diluted EPS | 3.14                                         | 3.34                                         |

#### Industry Peer Group P/E ratio

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

| Particulars        | P/E Ratio |
|--------------------|-----------|
| Highest            | 585.90    |
| Lowest             | 585.90    |
| Industry Composite | 585.90    |

- Notes:
- 1) The industry high and low has been considered from the industry peer set provided later in this chapter. The Industry Composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section. For further details, see "Comparison of Accounting Ratios with listed industry peers" on page 104.
  - 2) The industry P/E ratio mentioned above is as computed based on the closing market price of equity shares of our peer group companies listed on NSE Ltd as on November 1, 2023, divided by basic EPS for the financial year ended March 31, 2023.

3. Return on Net Worth ("RONW")

Return on Net Worth as per Restated Consolidated Financial Statements is as under:

| Financial Year / Period                     | RoNW (%) | Weight |
|---------------------------------------------|----------|--------|
| March 31, 2023                              | 39.62    | 3      |
| March 31, 2022                              | 44.76    | 2      |
| March 31, 2021                              | 39.11    | 1      |
| Weighted Average                            |          | 41.25  |
| Six months period ended September 30, 2023* |          | 9.96%  |

\*Not Annualized

- Notes:
- (1) Return on Net Worth (%) = Net Profit/(Loss) after tax divided by net worth (excluding revaluation reserve) as restated at the end of the year/period. Net worth has been computed as a sum of paid-up share capital and reserve & surplus.
  - (2) 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 year/period.
  - (3) The Weighted Average Return on Net Worth = Aggregate of year/period -wise weighted average RONW divided by the aggregate of weights i.e. (RONW x Weight) for each fiscal year/period / [Total of weights].

4. Net Asset Value (NAV) per share of Face Value of Rs 10/- each:

| Net Asset Value per Equity Share                                   | Amount in (₹) |
|--------------------------------------------------------------------|---------------|
| Net Assets Value per Equity Share as on March 31, 2023             | 52.54         |
| Net Assets Value per Equity Share after the Issue – At Cap Price   | 31.77         |
| Net Assets Value per Equity Share after the Issue – At Floor Price | 30.57         |
| Issue Price per Equity Share                                       | [•]           |
| Net Asset Value per Equity Share as on September 30, 2023          | 58.36         |

- Notes:
- (1) Net Asset Value per Equity Share = Net worth at the end of the respective year divided by the weighted average number of equity shares outstanding as at the end of respective year.
  - (2) Net worth has been computed as a sum of paid-up share capital and reserve & surplus.

- (3) Issue Price per Equity Share will be determined on conclusion of the Book Building Process.

#### 5. Comparison of Accounting Ratios with Listed Industry Peers:

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

| Name of the Company        | Face value (Rs. per share) | Total Revenue for financial year 2023 (Rs. in Lakhs) | EPS for financial year 2023 (Rs.) |         | NAV per equity share | P/E (Based on Diluted EPS) ** | RONW (%) |
|----------------------------|----------------------------|------------------------------------------------------|-----------------------------------|---------|----------------------|-------------------------------|----------|
|                            |                            |                                                      | Basic                             | Diluted |                      |                               |          |
| Signoria Creation Limited* | 10                         | 1,914.92                                             | 10.41#                            | 10.41#  | 52.54                | [•]                           | 36.92    |
| Listed Peers:              |                            |                                                      |                                   |         |                      |                               |          |
| Nandani Creations Limited  | 10                         | 4,475.61                                             | 0.11                              | 0.11    | 21.59                | 585.90                        | 0.39%    |

\*Financial information of our Company is derived from the Restated Financial Statements for the Financial Year ended March 31, 2023.

\*\* Listed Peers closing market price as on February 15, 2024 on NSE Ltd has been considered for calculation of P/E.

#The Company has allotted 22,20,000 equity shares of face value of Rs.10/- each as Bonus Shares in the ratio of 2:1 i.e., 2 (Two) Equity Share having face value of Rs.10/- each for every 1 (One) Equity share having face value of Rs.10/- each. The effect of issue of the Bonus Equity Shares have been considered for calculation of Earnings Per Shares for the period presented in the above results as required as per AS-20 "Earning Per Share".

Source: All the financial information for listed industry peers mentioned above is on a Consolidated basis from the audited financial statements of a respective company for the period ended March 31, 2023, submitted to stock exchange i.e., National Stock Exchange of India Ltd.

Notes: 1) Considering the nature and size of the business of the Company, the peers are not strictly comparable. However, the above Companies have been included for broad comparison.

2) Basic EPS and Diluted EPS refer to the Basic EPS and Diluted EPS sourced from the financial statements of the respective company for the year ended March 31, 2023.

3) P/E Ratio has been computed based on the closing market price of equity shares on NSE Ltd as on February 15, 2024, divided by the Basic EPS provided above in the table.

4) For listed peers, RONW is computed as profit after tax for the year ended March 31, 2023, divided by Shareholder's equity.

5) Shareholder's Equity has been computed as sum of paid-up share capital and reserve & surplus.

6) Net Asset Value per share ("NAV") (in Rs.) is computed as the closing net worth divided by the equity shares outstanding as on March 31, 2023.

The Issue Price is [•] times of the face value of the Equity Shares.

The Issue Price of Rs. [•] has been determined by our Company in consultation with the BRLM, on the basis of assessment of demand from investors for the 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 the chapters titled "Our Business", "Management's Discussion and Analysis of Financial Position and Results of Operations", "Risk Factors" and "Financial Statements as Restated" beginning on pages 132, 223, 29 and 188 respectively to have a more informed view.

#### KEY FINANCIAL AND OPERATIONAL PERFORMANCE INDICATORS ("KPIs")

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

The KPIs disclosed below have been approved by a resolution of our Audit Committee dated February 21, 2024, and the members of the Audit Committee have verified the details of all KPIs pertaining to the Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three-year period prior to the date of filing of this RHP. Further, the KPIs herein have been certified by Vinod Singhal & Co LLP, Chartered Accountants, by their certificate dated February 21, 2024.

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

#### Explanation for KPI metrics

| KPI                                    | Explanations                                                                                                                                                                                       |
|----------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Revenue from Operations (Rs. in Lakhs) | Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps assess the overall financial performance of our Company and size of our business. |
| Growth in Revenue from Operations      | Growth in Revenue from Operations provides information regarding the growth of our business for the respective period/year.                                                                        |
| Gross Profit (Rs. in Lakhs)            | Gross Profit provides information regarding the profits from sale of products by our Company.                                                                                                      |
| Gross Profit Margin (%)                | Gross Profit Margin is an indicator of the profitability on sale of products by our Company.                                                                                                       |
| EBITDA (Rs. in Lakhs)                  | EBITDA provides information regarding the operational efficiency of the business.                                                                                                                  |
| EBITDA Margin (%)                      | EBITDA Margin is an indicator of the operational profitability and financial performance of our business.                                                                                          |
| Profit After Tax (Rs. in Lakhs)        | Profit after tax provides information regarding the overall profitability of the business.                                                                                                         |
| PAT Margin (%)                         | PAT Margin is an indicator of the overall profitability and financial performance of our business.                                                                                                 |
| ROE (%)                                | ROE provides how efficiently our Company generates profits from shareholders' funds.                                                                                                               |
| ROCE (%)                               | ROCE provides how efficiently our Company generates earnings from the capital employed in the business.                                                                                            |
| Net Fixed Asset Turnover (in Times)    | Net Fixed Asset turnover ratio is indicator of the efficiency with which our Company is able to leverage its assets to generate revenue from operations.                                           |
| Net Working Capital Days               | Net working capital days indicates the working capital requirements of our Company in relation to revenue generated from operations.                                                               |
| Operating Cash Flows (Rs. in Lakhs)    | Operating cash flows provides how efficiently our company generates cash through its core business activities.                                                                                     |
| Number of Kurtis Sold                  | This metric helps us to track the sales growth in volumes of our business according to the various product offerings.                                                                              |
| Number of Design                       | This metric indicates the number of designs provided by the company throughout the years to tap and establish its business in the market.                                                          |
| Average Revenue Per Kurti              | This metric helps us to track the average revenue generated by per piece of Kurtis.                                                                                                                |
| Average Cost Per Kurti                 | This metric helps us understand the average cost incurred to produce per piece of Kurti.                                                                                                           |
| New Clients Onboarded                  | This metric helps us understand how many new clients were onboarded by the company throughout the year/period.                                                                                     |

| Financial KPIs of our Company                         |                                         | (Rs. in Lakhs) |          |        |  |
|-------------------------------------------------------|-----------------------------------------|----------------|----------|--------|--|
| Key Performance Indicator                             | For the period ended September 30, 2023 | 2023           | 2022     | 2021   |  |
| Revenue from Operations <sup>(1)</sup> (Rs. in Lakhs) | 652.85                                  | 1,914.92       | 1,181.60 | 585.23 |  |
| Growth in Revenue from Operations <sup>(2)</sup> (%)  | -                                       | 62.06%         | 101.90%  | -      |  |
| Gross Profit <sup>(3)</sup> (Rs. in Lakhs)            | 241.34                                  | 611.96         | 338.10   | 194.48 |  |
| Gross Profit Margin (%) <sup>(4)</sup>                | 36.97%                                  | 31.96%         | 28.61%   | 33.23% |  |
| EBITDA <sup>(5)</sup> (Rs. in Lakhs)                  | 117.01                                  | 383.18         | 146.15   | 75.77  |  |
| EBITDA Margin (%) <sup>(6)</sup>                      | 17.92%                                  | 20.01%         | 12.37%   | 12.95% |  |
| Profit After Tax <sup>(7)</sup> (Rs. in Lakhs)        | 64.52                                   | 231.05         | 67.53    | 32.60  |  |
| PAT Margin (%) <sup>(8)</sup>                         | 9.88%                                   | 12.07%         | 5.72%    | 5.57%  |  |
| ROE <sup>(9)</sup> (%)                                | 10.48%                                  | 62.95%         | 57.66%   | 48.62% |  |
| ROCE <sup>(10)</sup> (%)                              | 7.38%                                   | 24.58%         | 29.65%   | 23.71% |  |
| Net Fixed Asset Turnover (in Times) <sup>(11)</sup>   | 0.70                                    | 2.57           | 21.74    | 16.66  |  |
| Net Working Capital Days <sup>(12)</sup>              | 155                                     | 143            | 120      | 154    |  |
| Operating Cash Flows <sup>(13)</sup> (Rs. in Lakhs)   | 24.17                                   | -113.99        | -82.76   | -19.97 |  |

Pursuant to the certificate dated February 21, 2024, from our Peer Review Auditor Vinod Singhal & Co LLP Chartered Accountants.

\*Not Annualized

Notes:

- (1) Revenue from Operations means the Revenue from Operations as appearing in the Restated Standalone Financial Statements.
- (2) Growth in Revenue from Operations (%) is calculated as a percentage of Revenue from Operations of the relevant year/period minus Revenue from Operations of the preceding year/period, divided by Revenue from Operations of the preceding year/period.
- (3) Gross Profit is calculated as Revenue from Operations less Cost of Materials consumed, Changes in inventories of finished goods, Direct Expenses, Wages and other income.
- (4) Gross Profit Margin (%) is calculated as Gross Profit divided by Revenue from Operations.
- (5) EBITDA is calculated as profit for the year/period, plus tax expenses (consisting of current tax, deferred tax and current taxes relating to earlier years), Finance costs and depreciation and amortization expenses.
- (6) EBITDA Margin (%) is calculated as EBITDA divided by Revenue from Operations.
- (7) Profit After Tax Means Profits for the year/period as appearing in the Restated Standalone Financial Statements.
- (8) PAT Margin (%) is calculated as Profits for the year/period as a percentage of Revenue from Operations.
- (9) ROE (Return on Equity) (%) is calculated as net profit after tax (PAT) for the year/period divided by Average Shareholder Equity.
- (10) ROCE (Return on Capital Employed) (%) is calculated as earnings before interest and taxes divided by capital employed.
- (11) Net Fixed Asset Turnover is calculated as Net Turnover divided by Fixed Assets which consists of property, plant and equipment, Intangible Assets and capital work-in-progress.
- (12) Net Working Capital Days is calculated as working capital (current assets minus current liabilities) as at the end of the year/period divided by revenue from operations multiplied by number of days in a year/period.
- (13) Operating cash flows means net cash generated from operating activities as mentioned in the Restated Standalone Financial Statements.

#### Operational KPIs of the Company

| Particulars                                | For the period ended September 30, 2023 | 2023 | 2022 | 2021 |
|--------------------------------------------|-----------------------------------------|------|------|------|
| 1) Number of Kurtis Sold (Amount in Lakhs) | 1.49                                    | 3.98 | 2.23 | 1.12 |
| 2) Number of Designs of Kurtis             | 360                                     | 958  | 737  | 430  |
| 3) Average Revenue Per Kurti Sold (in Rs.) | 480                                     | 481  | 529  | 527  |
| 4) Average Cost Per Kurti sold (in Rs.)    | 325                                     | 335  | 403  | 421  |
| 5) New Clients Onboarded                   | 25                                      | 51   | 127  | 189  |

\*Pursuant to the certificate dated February 21, 2024, from our Peer Review Auditor Vinod Singhal & Co LLP Chartered Accountants.

Set forth below are the details of comparison of key performance of indicators with our listed industry peers:

#### Comparison of financial KPIs of our Company and our listed peers:

While our listed peers (mentioned below), like us, operate in the textile industry and may have similar offerings or end use applications, our business may be different in terms of differing business models, different product verticals serviced or focus areas or different geographical presence.

| (Rs. in Lakhs)                                           |                                            |                                |         |        |                                            |                                |         |         |
|----------------------------------------------------------|--------------------------------------------|--------------------------------|---------|--------|--------------------------------------------|--------------------------------|---------|---------|
| Particulars                                              | Signoria Creation Limited                  |                                |         |        | Nandani Creations Limited                  |                                |         |         |
|                                                          | For the period ended on September 30, 2023 | For the Year ended on March 31 |         |        | For the period ended on September 30, 2023 | For the Year ended on March 31 |         |         |
|                                                          | 2023                                       | 2022                           | 2021    |        | 2023                                       | 2022                           | 2021    |         |
| Revenue from Operations <sup>(1)</sup><br>(Rs. in Lakhs) | 652.85                                     | 1914.92                        | 1181.6  | 585.23 | 1432.57                                    | 4475.61                        | 5520.18 | 4568.86 |
| Growth in Revenue from Operations <sup>(2)</sup> (%)     | -                                          | 62.06%                         | 101.90% | -      | -                                          | 18.92%                         | 20.82%  | -       |
| Gross Profit <sup>(3)</sup><br>(Rs. in Lakhs)            | 241.34                                     | 611.96                         | 338.1   | 194.48 | 756.84                                     | 2000.03                        | 2117.71 | 2072.43 |
| Gross Margin (%) <sup>(4)</sup>                          | 36.97%                                     | 31.96%                         | 28.61%  | 33.23% | 52.83%                                     | 44.69%                         | 38.36%  | 45.36%  |
| EBITDA <sup>(5)</sup><br>(Rs. in Lakhs)                  | 117.01                                     | 383.18                         | 146.15  | 75.77  | -136.27                                    | 288.23                         | 196.93  | 403.18  |
| EBITDA Margin (%) <sup>(6)</sup>                         | 17.92%                                     | 20.01%                         | 12.37%  | 12.95% | -9.51%                                     | 6.44%                          | 3.57%   | 8.82%   |
| Profit After Tax <sup>(7)</sup><br>(Rs. in Lakhs)        | 64.52                                      | 231.05                         | 67.53   | 32.60  | -221.29                                    | 10.99                          | 10.22   | 149.90  |
| PAT Margin (%) <sup>(8)</sup>                            | 9.88%                                      | 12.07%                         | 5.72%   | 5.57%  | -15.45%                                    | 0.25%                          | 0.19%   | 3.28%   |
| ROE <sup>(9)</sup> (%)                                   | 10.48%                                     | 62.95%                         | 57.66%  | 48.62% | -8.21%                                     | 0.51%                          | 0.69%   | 6.00%   |
| ROCE <sup>(10)</sup> (%)                                 | 7.38%                                      | 24.52%                         | 29.64%  | 22.40% | -6.70%                                     | 7.24%                          | 7.17%   | 21.46%  |
| Net Fixed Asset Turnover <sup>(11)</sup>                 | 0.70                                       | 2.57                           | 21.74   | 16.66  | 3.47                                       | 9.13                           | 12.53   | 16.26   |
| Net Working Capital Days <sup>(12)</sup>                 | 155                                        | 143                            | 120     | 154    | 299                                        | 212                            | 104     | 111     |
| Operating Cash Flows <sup>(13)</sup><br>(Rs. in Lakhs)   | 24.17                                      | -113.99                        | -82.76  | -19.97 | -470.32                                    | -360.09                        | -356.90 | 134.29  |