



IPO INSIGHTS



Credo Brands Marketing Limited

Issue Dates - Opens: 19-12-2023 | Closes: 21-12-2023

IPO Note	<ol style="list-style-type: none"> Credo Brands Marketing Limited offers casual clothing for men with its flagship brand "Mufti". The Company offers a wide range of products including sweatshirts, jeans, cargos, chinos, jackets, blazers and sweaters.
Rating	★★★(Good)

IPO SNAPSHOT

Issue Size	₹ 549.78Crores
Issue Type	Book Built Issue IPO
Fresh Issue	-
Offer for Sale	₹ 549.78 Crores
Face Value Per Share	₹ 2
Price Band Per Share	₹266 to ₹280
Minimum Lot Size	53 shares
Listing On	BSE, NSE
Registrar to the Issue	Link Intime India Private Ltd

IPO SNAPSHOT – Credo Brands Marketing Limited

About the Company

- Incorporated in 1999
- The company's product range consisted only of shirts, T-shirts and trousers. Today, however, the company offers a wide range of products including sweatshirts, jeans, cargos, chinos, jackets, blazers and sweaters.
- The Company currently operates 1,773 retail outlets across India (as of May 31, 2023). These include 379 exclusive brand stores (EBOs), 89 large format stores (LFSs) and 1,305 multi-brand stores (MBOs).
- The company's reach extends from major metropolitan areas to Tier 3 cities. As of March 31, 2023, March 31, 2022, and March 31, 2021, the company is present in 582, 598 and 569 cities, respectively.
- Their products are designed to provide a youthful appearance while keeping up with the ongoing fashion trends. They are engaged in the retail sale of garments and accessories, and they do not manufacture any apparel.
- Their product mix has evolved significantly over the past several years from consisting of only shirts, t-shirts and trousers in the year 1998 to a wide range of products including sweatshirts, jeans, cargos, chinos, jackets, blazers and sweaters in relaxed holiday casuals, authentic daily casuals to urban casuals, party wear and also athleisure categories as on date.

Competitive Strengths

- Strong brand equity with presence across categories
- Multi-channel pan-India distribution network
- Scalable asset light model
- Strong in-house design competencies to deliver innovative and high-quality products with end-to-end tech-enabled supply chain capabilities
- Financially stable business model
- Experienced Promoters and management team

Financials (₹ in Crores)

Particulars	31-3-2021	31-3-2022	31-03-2023	Y-o-Y
Revenue	244.82	341.17	498.18	46%
EBITDA	48.48	95.10	163.85	72%
EBITDA Margin	19.8%	27.9%	32.9%	
PAT	3.44	35.74	77.51	117%
PAT Margin	1.4%	10.5%	15.6%	

Valuation

- Attributing Annualized FY23 Earnings asking P/E = 23.22

Peers

Company Name	P/E ratio
Aditya Birla Fashion and Retail Limited	NR
Go Fashion (India) Limited	84.92
Arvind Fashions Limited	145.90
Kewal Kiran Clothing Limited	39.86

Note : P/E ratio is calculated as closing share price as on December 15, 2023.

NR : Not relevant

Promoters

- Kamal Khushlani
- Poonam Khushlani

Objects of the issue

- The Company will not receive any proceeds from the Offer

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