



# 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 CLOSURES 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.

ASBA has to be availed by all the investors except Anchor Investors. UPI may be availed by (i) Retail Individual Investors in the Retail Portion and (ii) Non-Institutional Investors with an application size of up to ₹ 500,000 in the Non-Institutional Portion (collectively, "UPI Bidders"). For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" 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?doRecognisedFpi=yes&intmid=35](http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=35) and <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=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.



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...

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.

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.

Table with 4 columns: Financial Period, Basic EPS (₹), Diluted EPS (₹), Weight. Rows include Fiscal 2022, Fiscal 2021, Fiscal 2020, and Weighted Average.

Table with 4 columns: Particulars, P/E at the lower end of the Price Band, P/E at the higher end of the Price Band. Rows include Based on basic EPS for Fiscal 2022, Based on diluted EPS for Fiscal 2022, etc.

Industry Peer Group P/E ratio
There are no listed entities in India whose business portfolio is comparable with that of our business.

Table with 3 columns: Financial period, RoNW (%), Weight. Rows include Fiscal 2022, Fiscal 2021, Fiscal 2020, and Weighted Average.

Table with 2 columns: Net Asset Value per Equity Share (₹), Offer Price. Rows include As of June 30, 2022, As of March 31, 2022, After the completion of the Offer, Offer Price.

Notes:
1. Offer Price per Equity Share will be determined on conclusion of the Book Building Process.
2. 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').

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...

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, helps 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.

Table with 4 columns: Particulars, As at, or for the three ended, June 30, 2022, As at, or for the fiscal year ended March 31, 2022, 2021, 2020. Rows include Sales Volumes, Revenue, EBITDA, Earnings Per Share, etc.

\*To be updated at the Prospectus stage
Notes:
(1) Including cars sold under agency model introduced by Mercedes-Benz with effect from October 1, 2021.
(2) 'Average revenue earned for each vehicle serviced' 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.

(11) 'Inventory Turnover Days' is calculated as average inventories divided by cost of goods sold multiplied with number of days in particular period/year.
(12) 'Working Capital Turnover Ratio' is calculated with revenue from operations divided by average working capital. Since our working capital is negative the same is considered as not applicable.

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.

Explanation for the key performance indicators
'Average revenue earned for each vehicle serviced', 'Total Income', 'Revenue from Operations', 'EBITDA', 'EBITDA Margin', 'Earnings per Share' and 'Gross Margin': These metrics are used by our management for assessing our financial performance during a particular period.

'Working Capital turnover ratio': 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': This provides information regarding the profitability of our business as well as to compare against the historical performance of our business.

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.

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 spares parts 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.

Table with 4 columns: OEM/Brand, Sales Outlets, Service and Spares Outlets, Total Outlets. Rows include Mercedes-Benz, Honda, Jeep, Volkswagen, Renault, Ashok Leyland, BYD, Total.

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

Table with 4 columns: Past transactions, Weighted average cost of acquisition per Equity Share (in ₹), Floor price in ₹ 481, Cap price in ₹ 506. Rows include 1. Weighted average cost of acquisition for last 18 months for primary/new issue of shares, 2. Weighted average cost of acquisition for last 18 months for secondary sale/acquisition of shares, etc.

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.

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.

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

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.

Table with 3 columns: BOOK RUNNING LEAD MANAGERS, REGISTRAR TO THE OFFER, COMPANY SECRETARY AND COMPLIANCE OFFICER. Includes logos for Axis Capital, ICICI Securities, Link Intime, and Amol Arvind Raj.

AVAILABILITY OF RHP: Investors are advised to refer to the RHP and the 'Risk Factors' beginning on page 28 of the RHP before applying in the Offer. A copy of the RHP will be made available on the website of the SEBI at www.sebi.gov.in, the websites of the BRLMs, Axis Capital Limited at www.axiscapital.co.in and ICICI Securities Limited at www.icicisecurities.com and the websites of the Stock Exchanges, BSE at www.bseindia.com and NSE at www.nseindia.com.

AVAILABILITY OF BID/CUM APPLICATION FORM: Bid cum Application Form can be obtained from the Registered Office of Company, LANDMARK CARS LIMITED: Telephone: +91 79 6618 5555; BRLMs: Axis Capital Limited, Telephone: +91 22 4325 2183 and ICICI Securities Limited, Telephone: +91 22 6807 7100 and at selected locations of Sub-Syndicate Members (as given below), Registered Brokers, SCSBs, Designated RTA Locations and Designated CDP Locations for participating in the Offer.

SYNDICATE MEMBERS: The BRLMs (Axis Capital Limited and ICICI Securities Limited) are Syndicate Members to the Offer.
SUB-SYNDICATE MEMBERS: Achievers Equities Limited; Almondz Global Securities Limited; Anand Rathi Share & Stock Brokers Limited; Anand Share Consultancy; ANS Pvt Limited; Ashwani Dandia & Co; Axis Securities Limited; Centrum Wealth Management Ltd; Choice Equity Broking Private Limited; DB (International) Stock Brokers Ltd; Edelweiss Broking Ltd; Eureka Stock & Share Broking Services Ltd; G Raj & Co. (Consultants) Limited; HDFC Securities Ltd; IDBI Capital Markets & Securities Limited; Jhaveri Securities; JM Financial Services Limited; Jobanputra Fiscal Services Pvt. Ltd; Kalpataru Multiplier Limited; Kantilal Chhaganlal Securities; Keynote Capital Limited; KJMCC Capital Market Services Limited; Kotak Securities Limited; LKP Securities Limited; Inventure Growth & Securities Ltd; Marwadi Shares & Finance; Motilal Oswal Financial Services Limited; Nirmal Bang Securities Pvt Limited; Patel Wealth Advisors Pvt Limited; Prabhudas Lilladher Pvt Limited; Pravin Rattilal Share & Stock Brokers Limited; RR Equity Brokers Pvt Limited; Sharekhan Ltd; SMC Global Securities Ltd; Systematix Shares and Stocks (India) Limited; Tanna Financial Services; Trade Bulls Securities (P) Ltd

ESCROW COLLECTION BANK, PUBLIC OFFER ACCOUNT BANK AND REFUND BANK: Axis Bank Limited. | SPONSOR BANKS: Axis Bank Limited and Kotak Mahindra Bank Limited. | UPI: UPI Bidders can also Bid through UPI mechanism.
All capitalised terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.