January 20, 2022

To,

JM Financial Limited
7th Floor, Cnergy
Appasaheb Marathe Marg
Prabhadevi, Mumbai 400 025
Maharashtra, India

BofA Securities India Limited
Ground Floor, A Wing, One BKC
G Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India

CLSA India Private Limited
8/F Dalamal House
Nariman Point
Mumbai 400 021
Maharashtra, India

Kotak Mahindra Capital Company Limited
1st Floor, 27 BKC, Plot No. 27,
G Block, Bandra Kurla Complex
Bandra (East), Mumbai 400 051
Maharashtra, India

Re: Proposed initial public offering of equity shares of face value of ₹5 each (the "Equity Shares") of Campus Activewear Limited (the "Company") consisting of an offer for sale by certain existing shareholders of the Company (the "Offer")

Ladies and Gentlemen,

This is with reference to the email dated January 14, 2022 (the **"Initial Observations"**), issued by the Securities and Exchange Board of India (**"SEBI"**), in connection with the draft red herring prospectus of the Company dated December 24, 2021 (the "**Draft Red Herring Prospectus**" or "**DRHP**") filed with SEBI in relation to the Offer, wherein we have been advised to provide certain clarifications regarding the Draft Red Herring Prospectus.

In this regard, enclosed is a point-wise in-seriatim responses to the Initial Observations as **Annexure I** hereto.

Please note that this letter can be relied upon by the Book Running Lead Managers and their counsels. Accordingly, you are requested to file your response to the SEBI Letter with SEBI.

All capitalized terms used herein and not specifically defined have the same meaning as ascribed to such terms in the DRHP.

Thanking you,

For Campus Activewear Limited

Name:Archana Maini
Designation: General Counsel and Company Secretary

ANNEXURE – I

In-seriatim responses to the Initial Observations

S. No.	Observation	Response
A.	It has been observed that in various instances disclosures have been made in the offer document stating 'we believe...' LM is advised to provide the basis for making such disclosures in the offer document while also explaining compliance with Regulation 24 (1) of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ("ICDR Regulations").	The term 'we believe' has been used primarily in the sections titled *"Our Business"*, *"Risk Factors"*, and *"Management's Discussion and Analysis of Financial Position and Results of Operations"* in the DRHP, and in the context of disclosures relating to the business and operations of the Company and the industry in which it operates, to the extent that such disclosures are qualitative in nature and not quantifiable. The term 'we believe' has been used in certain statements while describing the expected effect or possible outcome of a particular factor which cannot be quantifiably expressed or where the effect of a singular factor could not be distinguished and expressed in isolated terms from other factors that may have also affected a particular outcome. Further, such statements have also been used in these sections to describe the Company's belief in the strategies adopted by the Company in various aspects of its operations and its impact on the growth of its business. While the disclosures made in the DRHP are adequate so as to enable investors to make an informed investment decision, to the extent that any disclosures are qualitative in nature and not entirely quantifiable or ascribable to a particular cause, such disclosures have been qualified by the term 'we believe' in order to highlight to potential investors that such statements, while based on reasonable assumptions, cannot be confirmed in tangible terms or by an independent source. Further, we submit that the phrase 'we believe' has not been used in relation to the Company's market standing or position relative to its competitors. Any statements in relation to the market standing of the Company or its position relative to its competitors have been included based on the statements derived from the Technopak Report. Statements containing 'we believe' which will be retained in the RHP and the Prospectus to be filed in connection with the Offer will continue to be those which meet the rationale set out above. Accordingly, the DRHP is in compliance with Regulation 24(1) of the SEBI ICDR Regulations.
B. Forward Looking Statements		
1.	Page-18 – It is disclosed that this Draft Red Herring Prospectus contains certain "forward-looking statements". It may be noted that point (e) under Instructions of Part A of Schedule VI of ICDR Regulations, 2018, states that the offer document should not	Paragraph (11)(I)(C)(ii) of Part A of Schedule VI of the SEBI ICDR Regulations requires that factors that may affect the results of operations of the issuer shall be disclosed in the offer documents. Further, Paragraph (10)(B)(2) of Part A of Schedule VI of the SEBI ICDR Regulations requires that statements about the business strategy of the issuer shall be disclosed in its offer documents, without any forecast of projections relating to the financial performance of the issuer. Further, in accordance with Paragraph (5)(D)(1) of Part A of Schedule VI of the SEBI ICDR Regulations, details of risks envisaged by the issuer are required to be disclosed in the offer documents. In light of these disclosure requirements, certain forward-looking statements have been included in the DRHP to describe, among other things, the business strategies of the Company, the potential effect or outcome of certain risks which cannot be quantified, and

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S. No	Observation	Response
	make any forward looking statements that cannot be substantiated. In view of the same, you are advised to confirm and explain compliance with aforesaid provision with respect to all such forward looking statements made in the DRHP.	to indicate certain significant factors which could potentially have an impact on the results of operations or financial condition of the Company. In terms of point (e) under Instructions of Part A of Schedule VI of the SEBI ICDR Regulations, there is a restriction to include in the offer documents, any forward-looking statements, unless such statements can be substantiated. As set out in the section "*Forward-Looking Statements*" on page 18 of the DRHP, the assumptions based on which such forward-looking statements have been made in the DRHP are reasonable and reflect the views of the Company's management as of the date of the DRHP. Accordingly, in our understanding, such statements included in the DRHP are in compliance with point (e) under Instructions of Part A of Schedule VI of the SEBI ICDR Regulations.
C. Summary of the Issue Document		
2.	Page 20 – LM is advised to disclose the value and volume in absolute and percentage terms for the past 'X' years under primary business of the company.	Noted for compliance. We undertake to update "*Primary business of our Company*" in the section "*Summary of the Offer Document*" in the RHP in the following manner: *"We are the largest sports and athleisure footwear brand in India in terms of value and volume in Fiscal 2021. (Source: Technopak Report). As per the Technopak Report, our value in Fiscal 2021 was ₹ 7,100.00 million constituting 100% of our revenue from operations and our volume in Fiscal 2021 was 1.30 million pairs constituting 100% of total volume sold. We introduced our brand 'CAMPUS' in 2005 and are a lifestyle-oriented sports and athleisure footwear company that offers a diverse product portfolio for the entire family. We offer multiple choices across styles, color palettes, price points and an attractive product value proposition. We had an approximately 15% market share in the branded sports and athleisure footwear industry in India by value for Fiscal 2020, which increased to approximately 17% in Fiscal 2021. (Source: Technopak Report)"*
3.	Page 20 – The market share of the company in domestic footwear industry may be disclosed.	Noted for compliance. We undertake to update the section "*Primary business of our Company*" in the section "*Summary of the Offer Document*" in the RHP in the following manner: *"We are the largest sports and athleisure footwear brand in India in terms of value and volume in Fiscal 2021. (Source: Technopak Report). As per the Technopak Report, our value in Fiscal 2021 was ₹ 7,100.00 million constituting 100% of our revenue from operations and our volume in Fiscal 2021 was 1.30 million pairs constituting 100% of total volume sold. We introduced our brand 'CAMPUS' in 2005 and are a lifestyle-oriented sports and athleisure footwear company that offers a diverse product portfolio for the entire family. We offer multiple choices across styles, color palettes, price points and an attractive product value proposition. We had an approximately 15% market share in the branded sports and athleisure footwear industry in India by value for Fiscal 2020, which increased to approximately 17% in Fiscal 2021. (Source: Technopak Report)".*

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<table>
<tr><th>S. No.</th><th>Observation</th><th>Response</th></tr>
<tr><td>4.</td><td>Page 20 – The selling shareholder details may be provided in a tabular format along with the percentage stake that they are proposing to offload through the IPO route.</td><td>Noted for compliance. We undertake to include the following sub-section in the section "Summary of the Offer Document":

Offer for Sale

Each of the Selling Shareholders has, severally and not jointly, authorized and confirmed inclusion of their portion of the Offered Shares as part of the Offer for Sale, as set out below:

<table>
<tr><th>S. No.</th><th>Name of Selling Shareholder</th><th>No. of Equity shares offered in the Offer for Sale</th><th>% of pre-Offer paid-up Equity Share capital of our Company</th></tr>
<tr><td>1.</td><td>Hari Krishan Agarwal</td><td>Up to 9,000,000 Equity Shares</td><td>Up to 2.96%</td></tr>
<tr><td>2.</td><td>Nikhil Aggarwal</td><td>Up to 5,000,000 Equity Shares</td><td>Up to 1.64%</td></tr>
<tr><td>3.</td><td>TPG Growth III SF Pte. Ltd.</td><td>Up to 30,000,000 Equity Shares</td><td>Up to 9.86%</td></tr>
<tr><td>4.</td><td>QRG Enterprises Limited</td><td>Up to 6,700,000 Equity Shares</td><td>Up to 2.20%</td></tr>
<tr><td>5.</td><td>Rajiv Goel</td><td>Up to 100,000 Equity Shares</td><td>Up to 0.03%</td></tr>
<tr><td>6.</td><td>Rajesh Kumar Gupta</td><td>Up to 200,000 Equity Shares</td><td>Up to 0.07%</td></tr>
<tr><td></td><td>Total</td><td>Up to 51,000,000 Equity Shares</td><td>Up to 16.76%</td></tr>
</table></td></tr>
<tr><td colspan="3">D. Risk Factors</td></tr>
<tr><td>5.</td><td>LM is advised to rearrange the risk factors based on materiality.</td><td>Complied with and noted for compliance.

The risk factors included in the DRHP were arranged and disclosed in order of materiality as perceived by the Company. This approach of disclosure of risk factors will also be followed for disclosure in the RHP. Specific suggestions on re-arrangement of risk factors on the basis of initial observations issued by SEBI and observations issued by the Stock Exchanges, if any, will be suitably incorporated in the RHP.</td></tr>
<tr><td>6.</td><td>Risk Factors – In all risk factors, wherever either only percentages or the absolute values are mentioned, LM shall ensure to disclose both the absolute values and percentages adequately.</td><td>Noted for compliance.</td></tr>
<tr><td>7.</td><td>Page 27 – LM shall ensure that the letter of appointment of</td><td>Complied with.</td></tr>
</table>

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S. No.	Observation	Response
	Technopak be a part of material documents for inspection.	As disclosed in *'Material Contracts and Documents for Inspection'* section on page 483 of the DRHP, the letter of appointment dated August 16, 2021, appointing Technopak for preparation of the Technopak Report has been included as a material document for inspection.
8.	**Risk Factor 1**: LM is advised to elaborate the role played by social media influencers for brand building and shall also disclose the terms and conditions of contracts, if any, entered to by the company with such people/firms.	Complied with. The role played by social media influencers for brand building has been disclosed in "*Our Business*" section on page 185 of the DRHP. A suitable cross-reference shall be included in risk factor 1 to "*Our Business*" section in the RHP in the following manner: ***"Failure to effectively promote or develop our brand could materially and adversely affect our business performance and brand perception.*** *We sell all our products from which we derive all of our revenues, under the Campus brand. Brand image is an important factor that affects a customer's purchasing decision. Our success therefore depends on, among other things, market recognition and acceptance of our brand and the culture, lifestyle, and images associated with the brand, as well as our ability to maintain and enhance the value and reputation of the Campus brand, some of which may not be within our control. To effectively promote our brand, we need to build and maintain the brand image by focusing on a variety of promotional and marketing activities to promote brand awareness, as well as to increase brand presence in the markets in which we compete. We also rely on social media influencers for brand building and advertising. For further details in relation to the role played by social media influencers for brand building, see "Our Business- Our Business and Operations – Marketing and Merchandising" on page [•]. The reputation and conduct of these influencers directly impacts our brand. Over Fiscals 2019, 2020, 2021 and six months ended September 30, 2020 and September 30, 2021, we have spent ₹ 298.43 million, ₹ 268.84 million, ₹ 329.38 million, ₹ 80.48 million and ₹ 241.74 million on advertising and sales promotion, which accounted for 5.02%, 3.67%, 4.63%, 5.91% and 5.92% of our revenue from operations for the respective years/periods, of which ₹ 14.56 million, ₹ 35.70 million, ₹ 103.58 million, ₹ 18.47 million and ₹ 88.12 million was towards digital advertising, which accounted for 0.24%, 0.49%, 1.46%, 1.36%, 2.16% of our revenue from operations for the respective years/periods. Any deterioration in public perception of our brands could affect the demand for our products and consequently adversely impact our business, financial condition, cash flows and results of operations. Maintaining and enhancing our brand image also may require us to make additional investments in areas such as advertising and sales promotion and digital advertising. These investments may be substantial and may not ultimately be successful. There is no assurance that we will be able to effectively promote or develop our brand, and if we fail to do so, the goodwill of our brand may be undermined and our business as well as our financial results may be adversely affected.* *In addition, negative publicity or disputes regarding our brand, products, company, or management could materially and adversely affect public perception of our brand. Any incidents involving our Company, our suppliers or manufacturers or distributors, or others could erode the trust and confidence of our customers, and damage the strength of our brand, especially if such incidents result in adverse publicity, governmental investigations, product recalls or litigation. Our brand and reputation could be adversely*

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S. No.	Observation	Response
		affected by any number of factors or events, including if our public image is tarnished by negative publicity due to our actions or those of persons associated with us or formerly associated with us. Our brand and reputation could also be negatively impacted by adverse publicity, whether or not valid, regarding allegations that we, or persons associated with us or formerly associated with us, have violated applicable laws or regulations, including but not limited to those related to marketing, employment, discrimination, harassment, whistle-blowing, privacy, corporate citizenship, improper business practices, or cybersecurity. Negative publicity regarding our suppliers or manufacturers or distributors could adversely affect our reputation and sales and could force us to identify and engage alternative suppliers or manufacturers or distributors. Our brand and reputation could also be adversely impacted by duplicates or counterfeits passing-off their products under the same brand name as us or which copy our brand without permission. Any impact on our ability to continue to promote our brand or any significant damage to our brand's image could materially and adversely affect our sales and profits." As on the date of this response, the Company does not have any contracts with social media influencers.
9.	**Risk Factor 1**: Impact on the company revenue/financials due to negative publicity in the past may be disclosed for past 'x' years.	There have been no negative publicity events that have had an impact on the Company's revenue and financials. Accordingly, we respectfully submit that no amendment to risk factor 1 is required.
10.	**Risk Factor 1:** The expenditure incurred for product warranties, product recalls and product liability claims may be disclosed in both absolute value and as a percentage of total income for the past "X" years.	Noted for compliance, to the extent applicable. Other than expenses incurred towards reimbursing its customers for product defects, the Company has not incurred any expenditure on product warranties, product recalls or product liability claims in Fiscals 2019, 2020 and 2021 and six months ended September 30, 2020 and September 30, 2021. Accordingly, risk factor 1 shall be updated in the RHP to include the expenses incurred towards reimbursing its customers, in value and as a percentage of revenue from operations, in the following manner: ***"Failure to effectively promote or develop our brand could materially and adversely affect our business performance and brand perception.*** *We sell all our products from which we derive all of our revenues, under the Campus brand. Brand image is an important factor that affects a customer's purchasing decision. Our success therefore depends on, among other things, market recognition and acceptance of our brand and the culture, lifestyle, and images associated with the brand, as well as our ability to maintain and enhance the value and reputation of the Campus brand, some of which may not be within our control. To effectively promote our brand, we need to build and maintain the brand image by focusing on a variety of promotional and marketing activities to promote brand awareness, as well as to increase brand presence in the markets in which we compete. We also rely on social media influencers for brand building and advertising. The reputation and conduct of these influencers directly impacts our brand. Over Fiscals 2019, 2020, 2021 and six months ended September 30, 2020 and September 30, 2021, we have spent ₹ 298.43 million, ₹ 268.84 million, ₹*

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S. No.	Observation	Response
		329.38 million, ₹ 80.48 million and ₹ 241.74 million on advertising and sales promotion, which accounted for 5.02%, 3.67%, 4.63%, 5.91% and 5.92% of our revenue from operations for the respective years/periods, of which ₹ 14.56 million, ₹ 35.70 million, ₹ 103.58 million, ₹ 18.47 million and ₹ 88.12 million was towards digital advertising, which accounted for 0.24%, 0.49%, 1.46%, 1.36%, 2.16% of our revenue from operations for the respective years/periods. Any deterioration in public perception of our brands could affect the demand for our products and consequently adversely impact our business, financial condition, cash flows and results of operations. Maintaining and enhancing our brand image also may require us to make additional investments in areas such as advertising and sales promotion and digital advertising. These investments may be substantial and may not ultimately be successful. There is no assurance that we will be able to effectively promote or develop our brand, and if we fail to do so, the goodwill of our brand may be undermined and our business as well as our financial results may be adversely affected. *In addition, negative publicity or disputes regarding our brand, products, company, or management could materially and adversely affect public perception of our brand. Any incidents involving our Company, our suppliers or manufacturers or distributors, or others could erode the trust and confidence of our customers, and damage the strength of our brand, especially if such incidents result in adverse publicity, governmental investigations, product recalls or litigation. We may also have to incur additional expenses towards reimbursing our customers for manufacturing defects of our products. In Fiscals 2019, 2020 and 2021 and six months ended September 30, 2020 and September 30, 2021, we incurred expenses amounting to ₹ 46.31 million, ₹ 64.55 million, ₹ 64.53 million, ₹ 13.24 million and ₹ 18.79 million, respectively, constituting 0.78%, 0.88%, 0.91%, 0.97% and 0.46% of our revenue from operations over the same period, towards reimbursing our customers for product defects. Our brand and reputation could be adversely affected by any number of factors or events, including if our public image is tarnished by negative publicity due to our actions or those of persons associated with us or formerly associated with us. Our brand and reputation could also be negatively impacted by adverse publicity, whether or not valid, regarding allegations that we, or persons associated with us or formerly associated with us, have violated applicable laws or regulations, including but not limited to those related to marketing, employment, discrimination, harassment, whistle-blowing, privacy, corporate citizenship, improper business practices, or cybersecurity. Negative publicity regarding our suppliers or manufacturers or distributors could adversely affect our reputation and sales and could force us to identify and engage alternative suppliers or manufacturers or distributors. Our brand and reputation could also be adversely impacted by duplicates or counterfeits passing-off their products under the same brand name as us or which copy our brand without permission. Any impact on our ability to continue to promote our brand or any significant damage to our brand's image could materially and adversely affect our sales and profits."*
11.	**Risk Factor 1**: LM is advised to elaborate on how the company is addressing the concerns w.r.t revenue loss and adverse brand image due to duplicate/counterfeit products.	The steps taken by the Company for protecting its intellectual property have been disclosed in "*Our Business*" section on page 186 of the DRHP. The Company is unable to quantify the impact of duplicate / counterfeit products on its revenue and brand image. Accordingly, we respectfully submit that no amendment to risk factor 1 is required.

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12.	**Risk Factor 2:** LM is advised to elaborate on how the company evaluates the consumer acceptance subsequent to launch of new designs. Further, for fiscals 2019, 2020 and 2021, the consumer acceptance of the new designs launched may be quantified and disclosed.	Complied with and noted for compliance. The Company evaluates the consumer acceptance based on number of new designs launched and its contribution to revenue from sale of goods. The Company has disclosed the number of new designs and its contribution to revenue from sale of goods for Fiscals 2019, 2020 and 2021 and six months ended September 30, 2020 and September 30, 2021 in risk factor 2 on page 28 of the DRHP. The Company has also disclosed the number of new design launches between Fiscal 2019 and six months ended September 30, 2021 in "*Our Business*" section on page 163 of the DRHP. Accordingly, we respectfully submit that no amendment to risk factor 2 is required.
13.	**Risk Factor 5:** LM is advised to explain the terms open and closed footwear appropriately.	Noted for compliance. The following disclosure shall be included in "*Our Business – Our Business and Operations - Style*" section in the RHP: *"Open footwear includes sandals and slippers. Closed footwear refers to footwear such as shoes and boots."* A suitable cross-reference to "*Our Business*" section shall be included in risk factor 5 in the RHP in the following manner: ***"Our business is affected by seasonality, which could result in fluctuations in our operating results.*** *We experience moderate fluctuations in our average selling price ("ASP") during the year. Historically, revenues in the third and fourth quarters have exceeded those in the first and second quarters. The mix of product sales varies considerably from time to time as a result of, among other things, changes in season. In the summer and rainy seasons, our customers typically purchase more open footwear as compared to closed footwear. Open footwear includes sandals and slippers. Closed footwear refers to footwear such as shoes and boots. For details, see "Our Business – Our Business and Operations – Style" on page [•]. According to the Technopak Report, open footwear primarily have a lower realization as compared to closed footwear, which have a higher realization. In addition, we typically see an increase in our business in the third and fourth quarter due to the festive period. As a result, our results of operations are likely to fluctuate from period to period and comparisons of our revenue and results of operations during the third and fourth quarters each year with other periods within a single calendar year or in different calendar years may not necessarily be meaningful and should not be relied on as indicators of our performance for any future fiscal period. Failure to manage seasonality in our business may cause our revenue and financial condition to be adversely affected and cause our results of operations to fluctuate."*
14.	**Risk Factor 6 & 7:** A cross reference may be provided to	Noted for compliance.

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	the geographies of manufacturing facilities.	Risk factors 6 and 7 shall be updated in the RHP in the following manner: ***"The COVID-19 pandemic has had, and we expect will continue to have, an adverse effect on our business, results of operations, financial condition and cash flows, the nature and extent of which are highly uncertain and unpredictable.*** *The continuing global spread of COVID-19, including corresponding preventative and precautionary measures that we and other businesses, communities and governments are taking to mitigate the spread of the disease, has led to unprecedented restrictions on, disruptions in, and other related impacts on business and personal activities. Further, in addition to travel restrictions put in place in early 2020, countries, states and governments may continue to close borders, impose prolonged quarantines, lock-downs or other restrictions and requirements on travel, and further limit our ability to manufacture our products and conduct business in-person as we did prior to COVID-19. The COVID-19 pandemic and the travel restrictions, quarantines, and other related public health measures and actions taken by governments and the private sector have adversely affected global economies, financial markets, and the overall environment for our business, and the extent to which it may continue to impact our results of operations and overall financial performance remains uncertain. The global macroeconomic effects of the pandemic may persist indefinitely, even after the pandemic has subsided.* *Together with the preventative and precautionary measures being taken, as well as the corresponding need to adapt to new and different methods of communication and conducting business, COVID-19 is having, and will likely continue to have, an adverse impact on significant aspects of our Company and business, including our manufacturing ability and sales due to the occurrence of some or all of the following events or circumstances, among others:* • *our and our third-party suppliers', contract manufacturers', logistics providers', and other business partners' inability to operate worksites at full capacity or at all, including manufacturing facilities and shipping and fulfillment centers as well as our retail stores, whether due to employee illness, reluctance to appear at work, or "stay-at-home" regulations;* • *our inability to meet consumer demand and delays in the delivery of our products to our customers, resulting in reputational harm and damaged customer relationships;* • *raw material or inventory shortages caused by a combination of increased demand that has been difficult to predict with accuracy, and longer lead-times and materials shortages in the manufacturing of our products, due to work restrictions related to COVID-19, shut-down or disruption of suppliers, which could impact our ability to purchase materials at favorable prices and in sufficient amounts; and* • *increases in shipping, logistics, freight, labor, and/or storage costs.* *For instance, sales through all our distribution channels were adversely affected from April 2020 to May 2020 as a result of the COVID-19 pandemic. Sales through our trade distribution channel were adversely affect from April 2020 to July 2020. In relation*

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S. No.	Observation	Response
		to our trade distribution channel, in April 2020, we had a complete shutdown of our sales operations through our trade distribution channel and in the month of May 2020 we had to stagger our operations from state to state, with limitations on the time and days of operations within a week for sales. Sales through our EBOs distribution channel were also adversely affected from April 2020 to June 2020 and sales through our online channel were adversely affected from April 2020 to May 2020. As a result, our overall sales were impacted for approximately four months due to the COVID-19 pandemic and locally imposed government lock-downs, and our revenue from operations decreased by 2.84% to ₹ 7,112.84 million for Fiscal 2021 from ₹ 7,320.43 million for Fiscal 2020. For further details in relation to the impact on COVID-19 on our COCOs, see "-We are subject to risks associated with leasing real estate for our retail stores, any termination of leases or increase in lease rentals may adversely affect our profitability" on page [•]. *During Fiscal 2020, we temporarily ceased production at our manufacturing facilities during the month of March 2020 due to the COVID-19 pandemic and locally imposed government lock-downs. For further details in relation to the manufacturing facilities, see "Our Business – Our Business and Operations – Manufacturing facilities" on page [•]. Further, there were restrictions on labor deployment until June 2020, and on sales until mid-August 2020. We resumed full production in July 2020. We also temporarily ceased production at our manufacturing facilities for two months due to the second wave of the COVID-19 pandemic in India and locally imposed government lock-downs during April and May 2021. The temporary suspension or shutdown in operations at our manufacturing facilities had an adverse impact on our Gross Margin, which decreased from 48.07% to 47.36% for Fiscals 2020 and 2021, respectively. In addition, we continued to make wage payments to our contract laborers at such manufacturing facilities on a voluntary basis to support our contract laborers. For further details of Gross Margin, see "Other Financial Information" on page 301. For further details in relation to the impact of COVID-19 pandemic on our receivables and liquidity / solvency position, see "Management's Discussion and Analysis of Financial Position and Results of Operations – Significant Factors Affecting our Results of Operations – Impact on COVID-19 pandemic" on page [•]. In addition, COVID-19 pandemic has, and will likely continue to, adversely impact the ability of our workforce to get to their places of work and maintain the continuity of our on-site operations. These impacts could impair our ability to manufacture and move our products through sales channels to end customers, and any such delay or shortage in the supply of products may result in our inability to satisfy consumer demand for our products in a timely manner or at all, which could harm our reputation, future sales and profitability.* *In addition, during Fiscal 2022, during second phase of national lockdown in India, we had to temporarily shut down production at our manufacturing facilities during the months of April 2021 and May 2021. This second phase of lockdown also had an adverse impact on the first quarter financials of Fiscal 2022, primarily as we experienced a drop in our sale of goods through our trade distribution channel.*

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The extent to which COVID-19 impacts our results of operations will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and the actions taken globally to contain the COVID-19 pandemic or treat its impact, among others."

"Our manufacturing facilities are located in India and the sales of our products are primarily concentrated in North India, in particular, and any adverse developments affecting India could adversely affect our business, results of operations, cash flows and financial condition.

Our manufacturing facilities are located in India. For further details in relation to the manufacturing facilities, see "Our Business – Our Business and Operations – Manufacturing facilities" on page [●]. Consequently, any significant social, political or economic disruption, natural calamities, civil disruptions in India, or changes in the policies of the state or central Government in India, may require us to suspend our operations, either temporarily or permanently, incur significant capital expenditure or change our business strategy, which may an adverse effect on our business, financial condition and results of operations. Any such adverse development affecting our operations could result in significant loss, which could affect our business reputation within the industry. The occurrence of, or our inability to effectively respond to, any such events, could have an adverse effect on our business, results of operations, financial condition and cash flows.

In addition, as of Fiscal 2021 and the six months ended September 30, 2021, the sales of our products were primarily concentrated in North India as a whole, and our success is therefore closely tied to the general and local retail market and economic conditions of North India as a whole, which are outside our control. The following table sets forth the revenue contributed by trade distribution and direct-to-channnels from North India for the periods indicated:

	Fiscal 2019		***Fiscal 2020***		***Fiscal 2021***		***Six months ended September 30, 2020***		***Six months ended September 30, 2021***	
	Trade Distribution	***Direct-to-consumer***	***Trade Distribution***	***Direct-to-consumer***	***Trade Distribution***	***Direct-to-consumer***	***Trade Distribution***	***Direct-to-consumer***	***Trade Distribution***	***Direct-to-consumer***
Revenue contribution (in ₹ million)	*3,339.26*	*213.00*	*3,885.33*	*591.82*	*3,248.43*	*951.15*	*608.17*	*221.51*	*1,356.86*	*706.28*
Percentage of revenue contribute to revenue	*56.13%*	*3.57%*	*53.08%*	*8.09%*	*45.67%*	*13.37%*	*44.65%*	*16.27%*	*33.23%*	*17.30%*

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<table>
<tr><th>S. No</th><th>Observation</th><th>Response</th></tr>
<tr><td></td><td></td><td>
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<tr><td>from operations (%)</td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr>
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For further details in relation to the revenue contributed by trade distribution and direct-to-channels from select geographies, see "Management's Discussion and Analysis of Financial Position and Results of Operations – Overview – Geographical Presence" on page [•]. Negative developments in or the general weakness of the India economy across North India, such as increasing levels of unemployment, or social or political instability or change, may have a direct adverse impact on the spending patterns of our consumers, in terms their usage level which translates to the amount of products they purchase.
Weak economic conditions in India, particularly in North India, may cause the retail industry to suffer as consumers reduced their consumption of discretionary items, and may do so again in the future. Uncertainties regarding future economic prospects may also affect consumer-spending habits, as consumer purchases of discretionary items generally decline during periods of economic uncertainty.
The following, which is not meant to be comprehensive, could have, a material adverse effect on consumer spending patterns:

domestic, regional or global economic changes;
declines in the size of the middle class or the disposable income of the middle class;
increased inflation in India;
increases in property prices or rents that reduce disposable income;
changes in global commodity prices;
changes in taxation and zoning laws; and
adverse government regulations.

Any decline in consumer spending may impact us as follows: it may become (i) more difficult for us to increase the sales of our products, (ii) more likely that a certain number of our existing consumers who currently purchase our products with a higher retail price will switch to our products with a lower retail price, and (iii) more difficult to maintain or increase revenue. Therefore, a weak economy and negative economic, social and/or political developments in India, particularly North India, may jeopardize our growth targets and could limit our future prospects."
</td></tr>
<tr><td>15.</td><td>Risk Factor 6: The disclosure of impact of COVID-19 on the business of the company may</td><td>Complied with and noted for compliance, to the extent applicable.</td></tr>
</table>

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	be more specific, including the following: • Liquidity / solvency position of the company including its ability to service debt • Any existing contracts / agreements where non-fulfilment of the obligations by any party may have a significant impact on the company's business • Impact on receivables of the company	• As on the date of filing of the DRHP, COVID-19 pandemic has not impacted the Company's ability to service debt. The impact on liquidity / solvency position of the Company has been disclosed in the *"Management's Discussion and Analysis of Financial Position and Results of Operations – Significant Factors Affecting our Results of Operations – Impact on COVID-19 pandemic"* on page 316 of the DRHP. A suitable cross-reference shall be included in risk factor 6 in the RHP in the manner specified below. • The impact of COVID-19 pandemic on existing contracts and agreements has been disclosed in risk factor 6 on page 30 and risk factor 28 on page 43 of the DRHP. A suitable cross-reference to risk factor 28 shall be included in the risk factor 6 in the RHP in the manner specified below. • The impact on receivables of the Company have been disclosed in the *"Management's Discussion and Analysis of Financial Position and Results of Operations – Significant Factors Affecting our Results of Operations – Impact on COVID-19 pandemic"* on page 316 of the DRHP. A suitable cross-reference shall be included in risk factor 6 in the RHP in the manner specified below. ***"The COVID-19 pandemic has had, and we expect will continue to have, an adverse effect on our business, results of operations, financial condition and cash flows, the nature and extent of which are highly uncertain and unpredictable.*** *The continuing global spread of COVID-19, including corresponding preventative and precautionary measures that we and other businesses, communities and governments are taking to mitigate the spread of the disease, has led to unprecedented restrictions on, disruptions in, and other related impacts on business and personal activities. Further, in addition to travel restrictions put in place in early 2020, countries, states and governments may continue to close borders, impose prolonged quarantines, lock-downs or other restrictions and requirements on travel, and further limit our ability to manufacture our products and conduct business in-person as we did prior to COVID-19. The COVID-19 pandemic and the travel restrictions, quarantines, and other related public health measures and actions taken by governments and the private sector have adversely affected global economies, financial markets, and the overall environment for our business, and the extent to which it may continue to impact our results of operations and overall financial performance remains uncertain. The global macroeconomic effects of the pandemic may persist indefinitely, even after the pandemic has subsided.* *Together with the preventative and precautionary measures being taken, as well as the corresponding need to adapt to new and different methods of communication and conducting business, COVID-19 is having, and will likely continue to have, an adverse impact on significant aspects of our Company and business, including our manufacturing ability and sales due to the occurrence of some or all of the following events or circumstances, among others:*

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		• *our and our third-party suppliers', contract manufacturers', logistics providers', and other business partners' inability to operate worksites at full capacity or at all, including manufacturing facilities and shipping and fulfillment centers as well as our retail stores, whether due to employee illness, reluctance to appear at work, or "stay-at-home" regulations;* • *our inability to meet consumer demand and delays in the delivery of our products to our customers, resulting in reputational harm and damaged customer relationships;* • *raw material or inventory shortages caused by a combination of increased demand that has been difficult to predict with accuracy, and longer lead-times and materials shortages in the manufacturing of our products, due to work restrictions related to COVID-19, shut-down or disruption of suppliers, which could impact our ability to purchase materials at favorable prices and in sufficient amounts; and* • *increases in shipping, logistics, freight, labor, and/or storage costs.* *For instance, sales through all our distribution channels were adversely affected from April 2020 to May 2020 as a result of the COVID-19 pandemic. Sales through our trade distribution channel were adversely affect from April 2020 to July 2020. In relation to our trade distribution channel, in April 2020, we had a complete shutdown of our sales operations through our trade distribution channel and in the month of May 2020 we had to stagger our operations from state to state, with limitations on the time and days of operations within a week for sales. Sales through our EBOs distribution channel were also adversely affected from April 2020 to June 2020 and sales through our online channel were adversely affected from April 2020 to May 2020. As a result, our overall sales were impacted for approximately four months due to the COVID-19 pandemic and locally imposed government lock-downs, and our revenue from operations decreased by 2.84% to ₹ 7,112.84 million for Fiscal 2021 from ₹ 7,320.43 million for Fiscal 2020. For further details in relation to the impact on COVID-19 on our COCOs, see "-We are subject to risks associated with leasing real estate for our retail stores, any termination of leases or increase in lease rentals may adversely affect our profitability" on page [•].* *During Fiscal 2020, we temporarily ceased production at our manufacturing facilities during the month of March 2020 due to the COVID-19 pandemic and locally imposed government lock-downs. For further details in relation to the manufacturing facilities, see "Our Business – Our Business and Operations – Manufacturing facilities" on page [•]. Further, there were restrictions on labor deployment until June 2020, and on sales until mid-August 2020. We resumed full production in July 2020. We also temporarily ceased production at our manufacturing facilities for two months due to the second wave of the COVID-19 pandemic in India and locally imposed government lock-downs during April and May 2021. The temporary suspension or shutdown in operations at our manufacturing facilities had an adverse impact on our Gross Margin, which decreased from 48.07% to 47.36% for Fiscals 2020 and 2021, respectively. In addition, we continued to make wage payments to our contract laborers at such manufacturing facilities on a voluntary basis to support our contract laborers. For further details of Gross Margin, see "Other Financial Information" on page 301. For further details in relation to the impact of COVID-19 pandemic on our receivables and liquidity / solvency position, see "Management's Discussion and Analysis of Financial Position and Results of Operations – Significant Factors Affecting our Results of Operations – Impact on COVID-19 pandemic" on page [•]. In addition, COVID-19 pandemic has, and will likely continue*

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		to, adversely impact the ability of our workforce to get to their places of work and maintain the continuity of our on-site operations. These impacts could impair our ability to manufacture and move our products through sales channels to end customers, and any such delay or shortage in the supply of products may result in our inability to satisfy consumer demand for our products in a timely manner or at all, which could harm our reputation, future sales and profitability. *In addition, during Fiscal 2022, during second phase of national lockdown in India, we had to temporarily shut down production at our manufacturing facilities during the months of April 2021 and May 2021. This second phase of lockdown also had an adverse impact on the first quarter financials of Fiscal 2022, primarily as we experienced a drop in our sale of goods through our trade distribution channel.* *The extent to which COVID-19 impacts our results of operations will depend on future developments, which are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of COVID-19 and the actions taken globally to contain the COVID-19 pandemic or treat its impact, among others."*
16.	**Risk Factors 7:** While the disclosure is specifically stating that the sales are concentrated in North India, LM is advised to explicitly disclose the geographical extent in which the company operates its business and executes its sales. Also, LM may specifically disclose the sales revenue accrued from such geographies in % terms.	Complied with and noted for compliance. The revenue contributed by trade distribution and direct-to-channels from select geographies, including North India, along with percentages, have been disclosed *"Management's Discussion and Analysis of Financial Position and Results of Operations – Overview – Geographical Presence"* on page 310 of the DRHP. The revenue contributed by trade distribution and direct-to-channels from North India, along with percentages and a suitable cross-reference shall be included in risk factor 7 in the RHP in the following manner: ***"Our manufacturing facilities are located in India and the sales of our products are primarily concentrated in North India, in particular, and any adverse developments affecting India could adversely affect our business, results of operations, cash flows and financial condition.*** *Our manufacturing facilities are located in India. For further details in relation to the manufacturing facilities, see "Our Business – Our Business and Operations – Manufacturing facilities" on page [●]. Consequently, any significant social, political or economic disruption, natural calamities, civil disruptions in India, or changes in the policies of the state or central Government in India, may require us to suspend our operations, either temporarily or permanently, incur significant capital expenditure or change our business strategy, which may an adverse effect on our business, financial condition and results of operations. Any such adverse development affecting our operations could result in significant loss, which could affect our business reputation within the industry. The occurrence of, or our inability to effectively respond to, any such events, could have an adverse effect on our business, results of operations, financial condition and cash flows.*

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		In addition, as of Fiscal 2021 and the six months ended September 30, 2021, the sales of our products were primarily concentrated in North India as a whole, and our success is therefore closely tied to the general and local retail market and economic conditions of North India as a whole, which are outside our control. The following table sets forth the revenue contributed by trade distribution and direct-to-channnels from North India for the periods indicated:

	Fiscal 2019		Fiscal 2020		Fiscal 2021		Six months ended September 30, 2020		Six months ended September 30, 2021	
	Trade Distribution	Direct-to-consumer	Trade Distribution	Direct-to-consumer	Trade Distribution	Direct-to-consumer	Trade Distribution	Direct-to-consumer	Trade Distribution	Direct-to-consumer
Revenue contribution (in ₹ million)	3,339.26	213.00	3,885.33	591.82	3,248.43	951.15	608.17	221.51	1,356.86	706.28
Percentage of revenue contribute to revenue from operations (%)	56.13%	3.57%	53.08%	8.09%	45.67%	13.37%	44.65%	16.27%	33.23%	17.30%

For further details in relation to the revenue contributed by trade distribution and direct-to-channels from select geographies, see "Management's Discussion and Analysis of Financial Position and Results of Operations – Overview – Geographical Presence" on page [•]. Negative developments in or the general weakness of the India economy across North India, such as increasing levels of unemployment, or social or political instability or change, may have a direct adverse impact on the spending patterns of our consumers, in terms their usage level which translates to the amount of products they purchase.

Weak economic conditions in India, particularly in North India, may cause the retail industry to suffer as consumers reduced their consumption of discretionary items, and may do so again in the future. Uncertainties regarding future economic prospects may also affect consumer-spending habits, as consumer purchases of discretionary items generally decline during periods of economic uncertainty.

The following, which is not meant to be comprehensive, could have, a material adverse effect on consumer spending patterns:

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		• *domestic, regional or global economic changes;* • *declines in the size of the middle class or the disposable income of the middle class;* • *increased inflation in India;* • *increases in property prices or rents that reduce disposable income;* • *changes in global commodity prices;* • *changes in taxation and zoning laws; and* • *adverse government regulations.* *Any decline in consumer spending may impact us as follows: it may become (i) more difficult for us to increase the sales of our products, (ii) more likely that a certain number of our existing consumers who currently purchase our products with a higher retail price will switch to our products with a lower retail price, and (iii) more difficult to maintain or increase revenue. Therefore, a weak economy and negative economic, social and/or political developments in India, particularly North India, may jeopardize our growth targets and could limit our future prospects."*
17.	**Risk Factor 8:** Exact nature of risk involved may be disclosed from the perspective of public shareholders.	Noted for compliance. We undertake to update risk factor 8 in the RHP in the following manner: ***"We have in the past entered into related party transactions and will continue to do so in the future, which may potentially involve conflict of interests with equity shareholders. ~~and w~~ We cannot assure you that we could not have achieved more favorable terms if such transactions had not been entered into with related parties.*** *We have in the past entered into transactions with certain of our related parties and are likely to do so in the future. Such related party transactions may potentially involve conflicts of interest with equity shareholders. In Fiscal 2019, 2020, 2021 and for period September 30, 2020 and September 30, 2021, the aggregate amount of such related party transactions (excluding transactions within the Group) was ₹ 204.44 million, ₹ 197.31 million, ₹ 76.82 million, ₹ 38.41 million and ₹ 39.27 million, respectively. The percentage of the aggregate value such related party transactions to our revenue from operations in Fiscal 2019, 2020 and 2021 and for period September 30, 2020 and September 30, 2021, was 3.44%, 2.70%, 1.08%, 2.82% and 0.96%, respectively. For details, see "Other Financial Information - Related Party Transactions" on page 305.* *While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we could not have obtained more favorable terms had such transactions been entered into with unrelated parties. Although all related party transactions that we may enter into post-listing, will be subject to audit committee, board or shareholder approval, as necessary under the Companies Act, 2013, as amended and the Listing Regulations, we cannot assure you that such transactions in the future, individually or in the aggregate, will always be in the best interests of our public shareholders and will not have an adverse effect on our financial condition and results of operations."*

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18.	**Risk Factor 8:** LM is advised to ensure that all RPTs are done at arm's length price. LM is advised to ensure that RPT should be in compliance with the Companies Act, 2013, SEBI (LODR) Regulations, relevant Accounting Standards and other statuary compliances. LM is advised to disclose the details of all/any conflicts of interest arised among the equity shareholders in relation to the related party transactions entered in the past.	We confirm that all related party transactions have been conducted at arm's length price, and in compliance with the Companies Act, 2013, SEBI Listing Regulations, relevant Accounting Standards and other statutory compliances. Further, we undertake to update risk factor 8 in the RHP in the following manner: ***"We have in the past entered into related party transactions and will continue to do so in the future, which may potentially involve conflict of interests with equity shareholders. ~~and w~~ We cannot assure you that we could not have achieved more favorable terms if such transactions had not been entered into with related parties.*** *We have in the past entered into transactions with certain of our related parties and are likely to do so in the future. Such related party transactions may potentially involve conflicts of interest with equity shareholders. In Fiscal 2019, 2020, 2021 and for period September 30, 2020 and September 30, 2021, the aggregate amount of such related party transactions (excluding transactions within the Group) was ₹ 204.44 million, ₹ 197.31 million, ₹ 76.82 million, ₹ 38.41 million and ₹ 39.27 million, respectively. The percentage of the aggregate value such related party transactions to our revenue from operations in Fiscal 2019, 2020 and 2021 and for period September 30, 2020 and September 30, 2021, was 3.44%, 2.70%, 1.08%, 2.82% and 0.96%, respectively. For details, see "Other Financial Information - Related Party Transactions" on page 305.* *While we believe that all such transactions have been conducted on an arm's length basis, we cannot assure you that we could not have obtained more favorable terms had such transactions been entered into with unrelated parties. Although all related party transactions that we may enter into post-listing, will be subject to audit committee, board or shareholder approval, as necessary under the Companies Act, 2013, as amended and the Listing Regulations, we cannot assure you that such transactions in the future, individually or in the aggregate, will always be in the best interests of our public shareholders and will not have an adverse effect on our financial condition and results of operations."*
19.	**Risk Factors 9 and 11:** Both these RFs may be merged into a single RF.	Noted for compliance. Risk factor 11 shall be merged into risk factor 9 in the RHP in the following manner: ***"Our management team and qualified employees are ~~is~~ critical to our continued success and the loss of such personnel could adversely affect our business.*** *Our success significantly depends upon the continued service of our management team who we believe are necessary to successfully lead the development of our business. The unplanned loss of the services of any of our directors or members of senior management could adversely affect our business until a suitable successor can be found. These executives possess technical and business capabilities that may be difficult to replace. Competition for individuals with specialized knowledge and experience is intense in our industry. For further details on the directors or key managerial personnel that have resigned over the last three Fiscals and the six months ended September 30, 2021, see "Our Management – Changes to our Board in the last three years" and "Our Management – Changes in the Key Managerial Personnel in last three years" on pages 213 and 223, respectively. Further, as we expect to*

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		continue to expand our operations and develop new products, we will need to continue to attract and retain experienced management personnel. If we are unable to retain or attract such members or are unable to locate suitable or qualified replacements, our results of operations may be adversely affected. *In addition, our success also depends on our ability to attract, develop and retain a sufficient number of qualified employees, including store, service and administrative personnel. We had 810 permanent employees as on September 30, 2021. The attrition rate for our employees for Fiscals 2019, 2020 and 2021 and the six months ended September 30, 2020 and September 30, 2021 was 16.84%, 10.20%, 16.94%, 8.13% and 8.38%, respectively. The turnover rate in the retail industry is high, and qualified individuals of the requisite caliber and number needed to fill these positions may be in short supply. Similarly, our rate of employee attrition could be impacted by the pace and recovery of businesses and the job market once the COVID-19 pandemic subsides, the general health of the economy, the rate of unemployment, the perceived or actual mobility of our highly skilled employees who may be recruited away by our competitors, or our existing employees' preferences with respect to remote or "hybrid" working arrangements based on their experiences during the COVID-19 pandemic, which preferences may diverge from the nature and conditions of the roles we believe are most appropriate for our business once the COVID-19 pandemic subsides. We may also be required to offer additional incentives to attract, retain and motivate employees, and our incentives may not be as effective as the current incentives offered by competitors. Our inability to recruit a sufficient number of qualified individuals in the future may delay planned openings of new stores or affect the speed with which we expand initiatives related to the brands that we sell and our operations. Delayed store openings, significant increases in employee turnover rates or significant increases in labor costs could have a material adverse effect on our business, financial condition and results of operations."*
20.	**Risk Factor 10:** The terms and conditions entered to by the company with the contractors may be disclosed briefly. Further, the wages & compensation paid to the contract labor may be disclosed as a % of total revenue for the past 'x' years.	Noted for compliance. Risk factor 10 shall be updated in the RHP in the following manner: ***"Any inability to procure or source contract labor or deterioration of labor relations with our contract labor staff or increase in labor costs could adversely affect our business and financial performance.*** *Our operations are labor-intensive. We utilize contract labor for a majority of our manufacturing requirements. We engage independent contractors through whom we hire contract labor for our manufacturing facilities and warehouses. We usually enter into agreements with such independent contractors for a period of one year and pursuant to such agreement, the independent contractors are required to, among other things, maintain requisite licenses for providing contract labor, comply with labor laws including in relation to provident fund, ESI and minimum wages and ensure payment of monthly wages to the contract laborers. We typically utilize three to four labor sub-contractors for each facility. These contract laborers carry our functions such as assembly of shoes, manufacturing of sole, packing operations, stitching, printing operations for shoe uppers, amongst other labor-intensive activities. Our employees typically carry out supervisory functions at our facilities. Any inability for these independent contractors*

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		to procure laborers for our facilities or any other shortage in contract laborers may require us to employ laborers directly at our facilities which may result in higher costs and reduced margins. *Our success depends, in part, upon our ability to manage our labor costs and its impact on our margins. Although we do not engage these laborers directly, we are responsible for any wage payments to be made to such laborers in the event of default by such independent contractors. We have spent ₹ 374.03 million, ₹ 595.01 million, ₹ 640.08 million, ₹ 221.81 million and ₹ 463.89 million constituting 6.29%, 8.13%, 9.00%, 16.29% and 11.36% of our revenue from operations in Fiscal 2019, 2020, 2021 and six months ended September 30, 2020 and September 30, 2021, respectively, towards wages and compensation paid to contract labor. All contract laborers engaged at our manufacturing facilities are assured minimum wages that are fixed by the state government from time to time. Any upward revision of wages that may be required by the state government to be paid to such contract laborers, or offer of permanent employment or the unavailability of the required number of contract laborers, may adversely affect the business and future results of our operations. Further, in the event of any non-compliance by contractors with statutory requirements, legal proceedings may be initiated against us. While the Contract Labor (Regulation and Abolition) Act, 1970 does not require us to retain contract laborers as our employees, the Indian courts on a case-by-case basis have directed employers in the past to absorb contract laborers as employees. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.* *The success of our operations depends on availability of labor and maintaining good relations with our contract laborers. We cannot assure you that our relations with this workforce will remain cordial at all times and that they will not undertake or participate in strikes, work stoppages or other industrial actions in the future. Shortage of labor or any labor disruption may adversely affect our manufacturing operations either by increasing our cost of production or halt a portion or all of our production. A strike, work slowdown or other labor unrest could impair our ability to supply our products to customers, which could result in reduced sales. While we have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past, there can be no assurance that we will not experience any such disruption in the future. Such disruptions may also divert our management's attention and result in increased costs."*
21.	**Risk Factor 14:** Strategic acquisitions/investments executed by the company may be disclosed for past 'x' years.	The Company has not completed any strategic acquisition in the last three Fiscals and six months ended September 30, 2021. The Company's investments for backward integration has been disclosed in risk factor 30 on page 43 and "*Our Business – Our Strategies – We intend to continue to invest in and integrate our supply chain*" on page 168 of the DRHP. The Company's investments for backward integration and a suitable cross-reference to "*Our Business*" section shall be included in risk factor 14 in the RHP in the following manner: ***"We may seek to grow our business through acquisitions of, or investments in, new or complementary businesses, facilities, technologies, or products, or through strategic alliances; the failure to adequately manage these acquisitions, investments, or alliances, to integrate them with our existing business, or to realize anticipated returns, could adversely affect us.***

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		From time to time, we may consider opportunities to acquire or make investments in new or complementary businesses, facilities, technologies, offerings, or products, or enter into strategic alliances, that may enhance our capabilities, expand our outsourcing and supplier network, complement our current products, or expand the breadth of our markets. For instance, during the six months ended September 30, 2021, we set up additional footwear assembly lines at our manufacturing facilities in Dehradun, Uttarakhand and Baddi, Himachal Pradesh. In Fiscal 2021, we commissioned a sole manufacturing plant at Ganaur, Haryana and in Fiscal 2020, we commissioned an uppers manufacturing facility at Haridwar, Uttarakhand. For further details, see "Our Business - Our Strategies – We intend to continue to invest in and integrate our supply chain" on page [•]. Acquisitions, investments and other strategic alliances involve numerous risks, including: • *problems integrating the acquired business, facilities, technologies, or products, including issues maintaining uniform standards, procedures, controls, policies, and culture;* • *unanticipated costs associated with acquisitions, investments, or strategic alliances;* • *diversion of management's attention from our existing business;* • *adverse effects on existing business relationships with suppliers, outsourced manufacturing partners, and other third parties;* • *risks associated with entering new markets in which we may have limited or no experience;* • *potential loss of key employees of acquired businesses; and* • *increased legal and accounting compliance costs.* *We may be unable to identify acquisitions or strategic relationships we deem suitable. Even if we do, we may be unable to successfully complete any such transactions on favorable terms or at all, or to successfully integrate any acquired business, facilities, technologies, or products into our business or retain any key personnel, suppliers, or customers. Furthermore, even if we complete such transactions and effectively integrate the newly acquired business or strategic alliance into our existing operations, we may fail to realize the anticipated returns and/or fail to capture the expected benefits, such as strategic or operational synergies or cost savings. The efforts required to complete and integrate these transactions could be expensive and time-consuming and may disrupt our ongoing business and prevent management from focusing on our operations. If we are unable to identify suitable acquisitions or strategic relationships, or if we are unable to integrate any acquired businesses, facilities, technologies, and products effectively, or if we fail to realize anticipated returns or capture expected benefits, our business, financial condition, and results of operations could be adversely affected."*
22.	**Risk Factor 15:** The commission structures agreed to by the company with third party market places may be disclosed. The covenants of	Complied with and noted for compliance. The covenants of agreements executed by the Company with online market places has been disclosed in "*Our Business*" section on page 186 of the DRHP. The disclosure shall be updated in the RHP in the following manner:

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	agreements executed by the company with such market places may be disclosed in brief.	*"We enter into agreements with the operators of different types of e-commerce channels. The terms of these agreements govern how our products are listed and sold through, or by, these channels. We have different arrangements ranging from fixed fees, revenues shares and other cost sharing arrangements for sales of our products on or by these channels. Our commission (inclusive of all components such as marketplace fee, logistics fee and payment gateway fee) ranges between (a) 25%-35% of the net selling price (MRP less discount) for third party pure play market places; (b) 35%-45% of MRP for third party managed marketplaces; and (c) 5%-15% of MRP for online-to-offline B2B platforms. The terms of these agreements typically continue unless terminated by either party or are for a fixed term with a right to renew."* A suitable cross-reference shall be included to "*Our Business*" section in risk factor 15 in the RHP in the following manner: ***"Our online sales are dependent on sales channels controlled by third party online market places and our inability to utilize these channels or significant changes to our business arrangements with these market places may impact our revenue from operations, cash flows and profitability.*** *Our sale of goods generated from online sales was ₹ 169.15 million, ₹ 572.33 million, ₹ 1,501.60 million, ₹ 361.10 million and ₹ 1,430.98 million, which accounted for 2.87%, 7.83%, 21.15%, 26.58% and 35.16% of our sale of goods for Fiscals 2019, 2020 and 2021 and six months ended September 30, 2020 and September 30, 2021, respectively. Online sales are a growing component of our sale of goods and according to the Technopak Report is the fastest growing sales channel for athleisure products in India. These online sales were undertaken through third party market places. For the six months ended September 30, 2021, sales through our top third party market place provider, and the entity which operates it, accounted for revenues from operations of ₹ 432.57 million, which represented 10.59% of our revenue from operations for the period. This was a result of the demand experienced on the market place for the period, and not due to any long-term supply arrangement. Our arrangements with these market places are capable of being impacted by external factors including regulatory changes affecting such market places, and also being terminated without cause by these third parties. Further, we are typically required to share a percentage of all sales made through these channels with the respective market place operator under the commission structures as agreed with such third party market places. For further details in relation to the agreements entered into with the market places and the commission structures, see "Our Business – Our Business and Operations – Online Presence" on page [•]. The commission structure, share of sales and other fees charged by these market places are subject to their review and may be revised from time to time, and any changes in the commission structure, including any increases in the percentage of sales to be received by our third party market place operators, could adversely impact the profitability of our online sales. In addition, if our third party market place operators terminate their arrangements with us with or without cause, or if there are any changes to the terms of their arrangements with us for whatever reason, including any changes in e-consumer protection legislations, in a manner which is not favorable to us, and we are unable to find suitable alternative third party online market place operators, this could result in a slowdown in our online sales or result in our inability to sell our products on online market places that are popular amongst our target customers, which may adversely affect our sales, cash flows and profitability."*

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23.	**Risk Factor 16:** LM is advised to disclose the following in the RF, summary, our business and any other relevant section of the DRHP. Average turnover/revenue per shop/store operated by the company. Average market value (based on market cap) per shop/store operated by the company. LM shall ensure that the aforementioned details shall also be disclosed in the price band advertisement along with the details of total market valuation considering the higher and lower price band.	Noted for compliance, to the extent applicable. With respect to average turnover / revenue per store operated by the Company, risk factor 16 shall be updated in the RHP in the following manner: ***"We are reliant on our sales and distribution channels, company owned stores, third party stores and online sales channels for a majority of our sales, any disruptions to the operations of these channels or our limitations on our ability to expand and grow this channel may adversely affect our sales, cash flows and profitability.*** *A large part of our growth has resulted from an increase in our trade distribution channel through increase in the number of our distributors, increase in the number of our retail sales outlets, including COCOs, and the increased sales volume and profitability provided by these sales outlets. We have over 400 distributors as on September 30, 2021. We have 48 COCOs and three Franchisees as on the end of the period of September 30, 2021. The number of our COCOs increased from 32 stores as on the end of Fiscal 2019, to 37 as on the end of Fiscal 2020, and to 45 stores as on the end of Fiscal 2021, and increased further to 48 stores as on the end of the period of September 30, 2021. The average revenue per EBO for Fiscals 2019, 2020 and 2021 and six months ended September 30, 2020 and September 30, 2021 was ₹ 4.84 million, ₹ 5.25 million, ₹ 3.83 million, ₹ 0.95 million and ₹ 1.68 million, respectively, constituting 1.95%, 2.47%, 2.21%, 2.52% and 1.92% of our revenue from operations for the same period. We also operate over 800 counters situated in Large Format Stores ("**LFS**"), as of September 30, 2021 ("**Counters**"). In the future, we will depend upon the addition of new retail stores and the expansion of our distribution network, to increase our sales volume and profitability. Opening these stores will significantly increase our expenses and we may encounter problems in opening these new stores that would affect our profitability. Our ability to effectively obtain real estate to open new retail stores depends on the availability of real estate that meets our criteria for traffic, square footage, co-tenancies, lease economics, demographics, and other factors. See "– We are subject to risks associated with leasing real estate for our retail stores, any termination of leases or increase in lease rentals may adversely affect our profitability" on page 42. Our growth will largely depend on our ability to successfully expand our Trade Distribution and Direct to Customer sales channels.* *In addition, we may not be able to open or profitably operate new stores in existing, adjacent, or new locations due to market saturation and/or other macro conditions (including the impact of COVID-19). We cannot assure you that we will be able to timely open and operate our new sales outlets or that any such expansion will be profitable. As part of our distribution strategy, we strive to provide our customers with an 'omnichannel experience', which involves multiple retail channels covering physical locations and online channels to provide consumers a seamless experience through all touchpoints. The integration of our physical and online channels is integral to our ability to remain connected with consumers through all touchpoints in the consumers' journey. If we encounter difficulties in integrating or expanding our distribution network in line with our 'omnichannel experience' distribution*

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		strategy, our growth prospects would be limited, which would in turn have a material adverse effect on our business, financial condition, results of operations and prospects." The average market value (based on market cap) per shop / store operated by the Company is not applicable as individual stores do not have a market value. We respectfully submit that the details requested do not have a correlation to the Price Band for the IPO and accordingly request that no reference be required to this information in the price band advertisement.
24.	**Risk Factor 17:** The number of personnel recruited in the past 'x' years may be disclosed and the cost incurred towards training the existing personnel may be disclosed as a % of total revenue/income for past 'x' years.	Noted for compliance, to the extent applicable. Risk factor 17 shall be updated in the RHP in the following manner: ***"We may not be able to execute our strategy or manage our growth in a timely and cost-efficient manner.*** *As part of our growth strategy, we have ramped up our growth significantly in the past few years. Our growth subjects us to a number of risks, including, among others, risks related to managing a much larger organization, standardizing practices and services as well as establishing an integrated supply chain infrastructure across a bigger network of manufacturing facilities. We may not be successful in adapting our business in geographies where we wish to expand. It may be challenging for us to operate our manufacturing facilities in new regions outside of our current locations and capitalize on our brand recognition in new areas. We cannot assure you that our growth strategy will be successful. Any failure to implement or manage our growth strategy effectively may materially and adversely affect our ability to capitalize on new business opportunities, place us at a competitive disadvantage and limit our growth, which may in turn have a material adverse effect on our business, financial condition and results of operations. Our ability to expand our business is subject to significant risks and uncertainties, including:* • *the unavailability of additional funding to open new stores, expand our production capacity, purchase additional fixed assets and purchase raw materials on favorable terms or at all;* • *our inability to identify and obtain suitable store locations or negotiate acceptable lease terms, hire qualified personnel and establish distribution methods;* • *conditions in the commercial real estate market existing at the time we seek to expand;* • *delays and cost overruns as a result of a number of factors, many of which may be beyond our control, such as problems with equipment vendors;*

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		• *failure to maintain high quality control standards;* • *shortage of raw materials or our inability to source for sufficient inventory;* • *our inability to obtain, or delays in obtaining, required approvals by relevant government authorities;* • *our ability to position our new stores to successfully establish a foothold in new markets and to execute our business strategy in new markets;* • *our ability to successfully integrate the new stores with our existing operations and achieve related synergies;* • *our ability to introduce an optimal mix of merchandise which successfully meets local customer preferences at attractive prices;* • *our ability to hire, train and retain skilled personnel. We have recruited 232, 304, 208, 120 and 95 personnel in Fiscals 2019, 2020 and 2021 and six months ended September 30, 2020 and September 30, 2021;* • *the competition that we face from incumbent and new footwear retailers in the region;* • *diversion of significant management attention and other resources; and* • *failure to execute our expansion plan effectively.* *The expansion of our business may place significant strain on our personnel, management, financial systems and operational infrastructure and may impede our ability to meet any increased demand for our products. To accommodate our growth, we will need to implement a variety of new and upgraded operational and financial systems, procedures, and controls, including improvements to our accounting and other internal management systems, by dedicating additional resources to our reporting and accounting function and improvements to our record keeping and contract tracking system. We will also need to recruit more personnel and train and manage our growing employee base. Furthermore, we will need to maintain and expand our relationships with our current and future customers, suppliers, distributors and other third parties, and there is no guarantee that we will succeed.* *If we encounter any of the risks described above or if we are otherwise unable to establish or successfully operate additional stores or additional production capacity, we may be unable to grow our business and revenues, reduce our operating costs, maintain our competitiveness or improve our profitability and, consequently, our business, financial condition, results of operations and prospects will be adversely affected."*

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		The Company does not provide any separate training and provides training on the job. As a result, the Company may not be able to quantify the cost incurred towards training the existing personnel. Accordingly, we respectfully submit that amendment to risk factor 17 in this regard is not required.
25.	**Risk Factor 18:** A relative comparison of surge in shipment costs pre and post covid may be disclosed.	Noted for compliance. Risk factor 18 shall be updated in the RHP in the following manner: ***"Our business depends on our warehousing and logistics and any disruptions may have a material adverse effect on our business.*** *We outsource the operation and leasing for our trade distribution warehouses from third party logistics providers. We also operate other warehouses for our business operations. Loss, damage and/or disruption to our warehouse or inventory due to weather, natural disaster, fire, terrorism, pandemics, strikes, disruptions of utility services, failures of equipment, or other similar reasons, could affect our ability to deliver orders to our customers. We cannot assure you that loss, damage and/or disruptions to our warehouse or inventory will not have an adverse effect on our business, financial condition, results of operations and prospects. Any delays in the delivery of our products to our customers may adversely affect our sales and damage our reputation.* *Our operations depend on the timely transport of raw materials to our manufacturing facilities and of our products to our customers. Additionally, the majority of all our transportation requirements from assembly plant to distribution centers and to the distributors are fulfilled by a single third party logistics provider, and our agreement with the third party logistics provider may be terminated with one month's notice by either party. The vast majority of our products are delivered to our distributors in the form of chartered trucks to deliver our products by land. The transportation of our products by third party logistics providers could be interrupted due to unforeseen events and could delay the delivery of our products to customers. Delivery disruptions may occur for various reasons beyond our control, including poor handling by logistics providers, transportation bottlenecks, adverse weather conditions and natural disasters, social unrest and labor strikes, which could result in delayed or lost deliveries, and may result in loss of revenue, customer dissatisfaction and loss of customer confidence, and may adversely affect our business, financial condition, results of operations and prospects. For example, we may experience disruption in the transportation of raw materials by ship, road or air due to bad weather conditions. In the past, we experienced a surge in our shipment freight costs on import of raw materials due to COVID-19 pandemic. Our freight costs on import of raw materials, as a percentage of FOB, increased from 6.07% in Fiscal 2020 to 10.92% in Fiscal 2021, and from 11.21% in six months ended September 30, 2020 to 20.16% in six months ended September 30, 2021. In the event any of our third party logistics providers are unable to meet their delivery commitments with us for any reason, there is no assurance that we will be able to obtain alternative third party logistics providers on similar terms or on terms acceptable to us. Any failure to maintain a continuous supply of raw materials or to deliver our products to our distributors and customers in an efficient and reliable manner could have an adverse effect on our business, results of operations, cash flows and financial conditions.".*

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26.	**Risk Factor 19:** The replacement cost of the outdated equipments, if any, in the past may be disclosed. Further, delay or non-receipt of regulatory approvals, if any, may be disclosed.	Complied with, to the extent applicable. As on the date of the Draft Red Herring Prospectus, the Company has not incurred any material costs for replaced outdated equipment in the past. The Company has incurred maintenance and repair costs for plant and machinery in Fiscals 2019, 2020 and 2021 and the stub period. The information shall be updated at RHP stage. Risk factor 19 shall be updated in the RHP in the manner specified below. The risk in relation to delay or non-receipt of regulatory approvals has been disclosed in risk factor 43 on page 50 of the DRHP. A suitable cross-reference shall be included to risk factor 43 in risk factor 19 in the RHP in the following manner: ***We are reliant on our production sites for the manufacture of our products and any unscheduled or prolonged disruption of our manufacturing operations, including any shortage or non-availability of electricity, fuel or water or an increase in fuel prices, could adversely affect our business.*** *We own and operate five manufacturing facilities across India with an installed annual capacity for assembly of 25.60 million pairs as of September 30, 2021, of which, our Haridwar Facility is responsible for manufacturing our uppers, Ganaur Facility is responsible for manufacturing 37.50% of the soles required in the manufacture of our products, and three of our manufacturing facilities in Dehradun Facility, Baddi Facility and Campus AI Baddi Facility are responsible for assembling all of our products. Through our manufacturing facilities, we are able to manufacture 37.50% of our requirements of soles and 8.98% of shoe uppers in-house and assemble 100.00% of our products in-house. As such, we are dependent on the continued operations of our manufacturing facilities for the production of our products. Should a disruption occur at any one of our manufacturing facilities, particularly at our manufacturing facility in Ganaur Facility which is responsible for the manufacturing of the soles for our footwear, or our manufacturing facilities in Dehradun Facility, Baddi Facility and Campus AI Baddi Facility which are responsible for assembling all of our products, we could experience temporary shortfalls in production or an increase in our cost of sales, which could have an adverse effect on our business, financial condition, results of operations and prospects. We may encounter manufacturing problems, experience difficulties or unscheduled or prolonged disruption of our manufacturing operations, as a result of occurrence of any of the following events, or any other event beyond our ability to control:* • *forced or voluntary closings of manufacturing facilities, including as a result of regulatory inspections;* • *problems with supply chain continuity, including as result of weather or a natural or man-made disaster, at one of our facilities or at a critical supplier or vendor;* • *manufacturing shutdowns, product shortages, including backorders and discards, any delays in product manufacturing;* • *labor strikes and lock-outs that may result in temporary shutdowns or manufacturing disruptions;* • *problems with manufacturing, quality assurance / quality control or supply, or government approval delays;*

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		• *failure of any of our key suppliers to provide us with necessary raw materials, supplies or finished goods for an extended period of time, which could impact continuous supply;* • *shortage of qualified personnel;* • *changes in applicable local and international legislations, rules and regulations;* • *failures or bottlenecks in manufacturing processes, especially due to power failure, fire, unexpected mechanical failure of equipment;* • *product recalls or market withdrawals;* • *our equipment and manufacturing facilities becoming obsolete; and* • *other manufacturing or distribution problems, including due to earthquakes and other natural disasters, industrial accidents or any significant social, political or economic disturbances.* *Any of the above events may reduce our ability to manufacture our products and adversely affect sales and revenues from operations in such period. The occurrence of any such incidents could also result in a destruction of certain assets, and adversely affect our results of operations. Any such disruption may interrupt our operations, which may interfere with manufacturing process, requiring us to either stop our operations or repeat activities that may involve additional time and increase our costs. Additionally, as our equipment ages, it will need to be replaced. We have incurred ₹ 15.66 million, ₹ 24.39 million and ₹ 19.06 million in Fiscals 2019, 2020 and 2021 towards repairs and maintenance of plant and machinery, constituting 0.26%, 0.33% and 0.27% of our revenue from operations during the same period. Replacement of equipment has the potential to introduce variations in the manufacturing processes that may result in lot failures or manufacturing shutdown, delay in release of product batches, product recalls or regulatory action. Our customers rely on the timely delivery of our products and our ability to provide an uninterrupted supply of our products is critical to our business. Although we take precautions to minimize the risk of any significant operational problems at our manufacturing facilities, our customer relationships, business, financial condition, results of operations, and cash flows, may be adversely affected by any disruption of operations at our manufacturing facilities, including due to any of the factors mentioned above.* *As regulatory approvals are site specific, in the event of disruption of our manufacturing operations, we may be unable to transfer manufacturing activities to another location immediately. For further details in relation to the risks related to delay or non-receipt of regulatory approvals see, "-We are required to obtain, renew or maintain certain statutory and regulatory permits and approvals issued by various governmental authorities such as the relevant state pollution control boards, fire departments, and labor and employment departments, required to operate our business, and if. If we fail to obtain, renewal or maintain such permits and approvals do so in a timely manner or at all, or these requirements are made more stringent, we may be unable to fully or partially operate our business and our results of operations may be adversely affected" on page [•]. Similarly, there is no assurance that those of our manufacturing facilities unaffected by an interruption will have the capacity to increase their output to manufacture products for the affected manufacturing facilities, to the extent that all outstanding orders will be fulfilled in a timely manner. In the*

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		event of prolonged interruptions in the operations of our manufacturing facilities, we may have to make alternate arrangements for supplies and products in order to meet our production requirements, which could affect our profitability. Catastrophic events may also destroy any inventory located in our facilities. *In addition, our manufacturing facilities require a significant amount and continuous supply of electricity, fuel and water. We source electricity and water for our manufacturing facilities from the relevant state departments and third parties pursuant to contractual arrangements entered into with them. We have installed diesel generator units at our manufacturing facilities for uninterrupted supply of electricity due to any power disruptions. If the supply of electricity, water or fuel is not available for any reason, we will need to rely on alternative sources. Any failure on our part to obtain alternate sources of electricity, fuel or water, in a timely fashion, and at an acceptable cost, may have an adverse effect on our business, results of operations, cash flows and financial condition.*
27.	**Risk Factor 20:** The heading of the RF mentions 'certain' products, which is ambiguous. LM is advised to modify the disclosure unambiguously.	Noted for compliance. Risk factor 20 shall be updated in the RHP in the following manner: ***We rely on third parties to manufacture slippers~~certain products~~. Any failure by or loss of a third party manufacturer could result in delays and increased costs, which may adversely affect our business.*** We ~~also~~ rely on third parties to manufacture slippers~~certain products~~. We depend on these third party manufacturers to allocate to us a portion of their manufacturing capacity sufficient to meet our needs, to produce products of acceptable quality and at acceptable manufacturing yields and to deliver those products to us on a timely basis and at acceptable prices. However, we cannot guarantee that these third party manufacturers will be able to meet our near-term or long-term manufacturing requirements, which could result in lost sales and have an adverse effect on our business. Other risks associated with our reliance on third parties to manufacture these products include, reliance on the third party for quality assurance, misappropriation of our intellectual property by these third parties, limited ability to manage our inventory, possible breach of the manufacturing agreement by the third party and the possible termination or non-renewal of the manufacturing agreement by the third party at a time that is inconvenient for us. Moreover, if any of our third party manufacturers suffer any damage to facilities, lose benefits under material agreements, experience disruptions on account of power outages or otherwise, theft of materials, encounter financial difficulties, are unable to secure necessary raw materials from their suppliers or suffer any other reduction in efficiency, we may experience significant business disruption. In the event of any such disruption, we would need to seek and source other qualified third party manufacturers, likely resulting in further delays and increased costs, which could affect our business adversely. Accordingly, in case of any disruption, we may not be able to switch to qualified third party manufacturers in a timely manner or at all.
28.	**Risk Factor 21:** Logistics disruption in the past and its impact on the raw material supply chain and thereby, any	The Company has not witnessed any material negative impact on sales and revenue due to a logistics disruption in Fiscals 2019, 2020 and 2021 and six months ended September 30, 2020 and September 30, 2021 that has had an impact on the raw material supply chain. Accordingly, we respectfully submit that no amendment to risk factor 21 is required.

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	negative impact on sales and revenues may be disclosed.	
29.	**Risk Factor 25:** Technological disruptions on the operations of the company in the past may be disclosed. Further, the impact of such disruptions on the financials of the company may also be disclosed.	The Company has not experienced any technological disruptions in Fiscals 2019, 2020 and 2021 and six months ended September 30, 2020 and September 30, 2021. Accordingly, we respectfully submit that no amendment to risk factor 25 is required.
30.	**Risk Factor 25:** Data protection norms and cyber security protocols incorporated by the Issuer Company may be disclosed. The findings of the InfoSec audit may also be disclosed. Also, Details of non-compliance with data protection norms and InfoSec related Indian and foreign laws may be disclosed.	Complied with, to the extent applicable. The Company is not statutorily required to audit its information technology systems. Accordingly, we respectfully submit that no amendment to risk factor 25 is required.
31.	**Risk Factor 26** – Percentage of revenue spent on upgrading the IT systems may be disclosed for the past 'x' years.	Noted for compliance. Risk factor 26 shall be updated in the RHP in the following manner: ***"We must continue to expand and scale our information technology systems, and our failure to do so could adversely affect our business, financial condition, and results of operations.*** *We will need to continue to expand and scale our information technology systems and personnel to support recent and expected future growth. As such, we will continue to invest in and implement modifications and upgrades to our information technology systems and procedures, including replacing legacy systems with successor systems, making changes to legacy systems or acquiring new systems with new functionality, hiring employees with information technology expertise, and building new policies, procedures, training programs, and monitoring tools. These types of activities subject us to inherent costs and risks associated with replacing and changing these systems, including impairment of our ability to fulfill customer orders, potential disruption of our internal control structure, capital expenditures, additional administration, and operating expenses, acquisition, and retention of sufficiently skilled*

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		personnel to implement and operate the new systems, demands on management time, the introduction of errors or vulnerabilities, and other risks and costs of delays or difficulties in transitioning to or integrating new systems into our current systems. We have spent ₹ 15.58 million, ₹ 23.37 million, ₹ 21.97 million, ₹ 9.00 million and ₹ 11.08 million constituting 0.26%, 0.32%, 0.31%, 0.66% and 0.27% of our revenue from operations in Fiscal 2019, 2020, 2021 and six months ended September 30, 2020 and September 30, 2021, towards maintenance of IT of our organization such as ERP maintenance, purchase of new software and licenses. These implementations, modifications, and upgrades may not result in productivity improvements at a level that outweighs the costs of implementation, or at all. Additionally, difficulties with implementing new technology systems, delays in our timeline for planned improvements, significant system failures or our inability to successfully modify our information systems to respond to changes in our business needs may cause disruptions in our business operations and adversely affect our business, financial condition, and results of operations."
32.	**Risk Factor 27** – The details of the data forecasting tools used by the company may be disclosed.	Complied with and noted for compliance. The details of our data tools have been disclosed in "*Our Business*" section on pages 169 and 188 of the DRHP. The details of our data tools and a suitable cross-reference shall be included in risk factor 27 in the RHP in the following manner: ***"Our data centric approach to forecast demand for our products and manage our inventory may not be successful for various factors which may have an adverse effect on our business, financial condition and results of operations.*** *Our data centric approach involves the use of various data tools to capture sales information, customer behavior and other metrics from our various sales and marketing channels. These tools include systems for enterprise resource planning (ERP), distribution management system (DMS), field force management, point-of-sales (PoS), e-commerce order management (OMS) and a retailers' engagement application. For further details, see "Our Business"* on page [•]. *This data is then analyzed and used to design new products, inventory levels, manufacturing schedules, raw material purchasing and other aspects of our business cycle. Any inaccuracy or our inability to accurately collect and analyze this data may result in our forecasts and estimates as well as business plans to be inaccurate and incorrect. For example, if we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products, we may manufacture fewer quantities of products than required, which could result in the loss of business. Any error in our forecasts could result in surplus stock, which may not be sold in a timely manner or at all. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, financial condition, results of operations and cash flows."*
33.	**Risk Factor 28** – The details of locations from which the company exited in the past 'x' years may be disclosed.	Noted for compliance. Risk factor 28 shall be updated in the RHP in the following manner:

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		"We are subject to risks associated with leasing real estate for our retail stores, any termination of leases or increase in lease rentals may adversely affect our profitability. *We lease the space for all our COCOs as on September 30, 2021. We spent ₹ 25.48 million, ₹ 39.01 million, ₹ 37.26 million, ₹ 11.90 million and ₹ 21.03 million towards rent in Fiscals 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021, respectively, constituting 0.43%, 0.53%, 0.52%, 0.87% and 0.52% of our revenue from operations in the same years/periods. Successful operation of our COCOs depends, in part, on our ability to identify desirable, brand appropriate locations; the overall ability of the location to attract a consumer base sufficient to make sales volume profitable; our ability to negotiate satisfactory lease terms and employ qualified personnel; and our ability to timely construct and complete any build-out and open the location in accordance with our plans. A decline in the volume of consumer traffic at our COCOs, due to economic conditions, shifts in consumer shopping preferences or technology, a decline in the popularity of malls or lifestyle centers in general or at those in which we operate, the closing of anchor stores or other adjacent tenants or otherwise, all of which have been exacerbated by the COVID-19 pandemic, have had and could continue to have a negative impact on our sales, gross margin and results of operations. Our growth may be limited if we are unable to identify new locations with consumer traffic sufficient to support a profitable sales level or the local market reception to a new retail store opening is inconsistent with our expectations.* *Our COCOs leases generally represent long-term financial commitments, with substantial costs at lease inception for a location's design, leasehold improvements, fixtures and systems installation and recurring fixed costs. On an ongoing basis, we review the financial performance of our COCOs locations in order to determine whether continued operation is appropriate. From time to time, we seek to downsize, consolidate, reposition, or close some of our real estate locations, which may require modification of an existing lease. Even if we determine that it is desirable to exit a particular location, we may be unable to close an underperforming location due to continuous use clauses and/or because negotiating an early termination would be cost prohibitive and we may be unable to cancel these leases at our option. If an existing or new store is not profitable, and we decide to close it, we may nonetheless be committed to perform our obligations under the applicable lease including, among other things, paying the base rent for the balance of the lease term. Similarly, we may be committed to perform our obligations under the applicable leases even if current locations of our stores become unattractive as demographic patterns change. Failure to secure adequate new locations or successfully modify leases for existing locations, or failure to effectively manage the profitability of our existing fleet of retail stores, could have an adverse effect on our results of operations and financial condition. In addition, due to the fixed-cost structure associated with these operations, negative cash flows or the closure of a COCOs could result in impairment of leasehold improvements, impairment of operating lease assets and/or other long-lived assets, severance costs, lease termination costs or the loss of working capital, which could adversely impact our business and financial results. Furthermore, as each of our leases expire, we may be unable to negotiate renewals, either on commercially acceptable terms or at all, which could force us to close retail stores in desirable locations. Additionally, the economic environment may make it difficult to determine the fair market rent of real estate properties. This could impact the quality of our decisions to exercise lease options at previously negotiated rents and to renew expiring leases at negotiated rents. Any adverse effect on the quality of these decisions could impact our ability to retain real estate*

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		locations adequate to meet our targets or efficiently manage the profitability of our existing fleet of stores, which could have an adverse effect on our results of operations and financial condition. *As a result of temporary retail store closures and ongoing depressed consumer traffic due to the COVID-19 pandemic, we determined that the payment of rents that might have otherwise been due under our retail store leases was inappropriate. Accordingly, to manage our operating costs, with limited exceptions where alternative arrangements with our landlords had been finalized, we have negotiated with our landlords, including through the exercise of the force majeure event provision under our relevant lease agreements and our landlords have either discontinued rent payments or have agreed to a reduced rental amount starting in April to July 2020 and in April and May of 2021 and relocated certain of our retail stores from Delhi/NCR region to a location with higher consumer traffic. Whilst we have presently been able to negotiate equitable rental arrangements with all of the landlords for our retail locations, given the unpredictable and ongoing effects of the COVID-19 pandemic, if a resurgence of COVID-19 cases or the spread of new variants require us to close our stores or further restrict our operations, we may not be able to negotiate further equitable arrangements with our landlords in respect of such future closures or restrictions. In such case, we may have to continue to make the required rental payments under our lease agreements even if there are temporary retail store closures as a result of any COVID-19 restrictions, which could adversely affect our profitability and results of operations."*
34.	**Risk Factor 29** – A cross reference may be provided to the actual numbers disclosed in the DRHP.	Complied with and noted for compliance. The installed production capacity as on September 30, 2021 and capacity utilization for Fiscals 2019, 2020 and 2021 and six months ended September 30, 2020 and September 30, 2021 have been disclosed in "*Our Business*" section on page 172 of the DRHP. A suitable cross-reference to "*Our Business*" section shall be included in risk factor 29 in the RHP in the following manner: ***"Information relating to historical installed capacity and estimated capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates and our future production and capacity may vary.*** *Information relating to the historical installed capacity and estimated capacity utilization of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management and an independent chartered engineer, including assumptions relating to expected operations, availability of raw materials, expected unit utilization levels, downtime resulting from scheduled maintenance activities, downtime resulting from change in stock keeping units for a particular product, unscheduled breakdowns as well as expected operational efficiencies. For further details in relation to our installed production capacity as on September 30, 2021 and capacity utilization for Fiscals 2019, 2020 and 2021 and six months ended September 30, 2020 and September 30, 2021, see "Our Business – Our Business and Operations – Capacity and Capacity Utilization" on page [•]. Actual production volumes and capacity utilization rates may differ significantly from the estimated production capacities and historical capacity utilization of our manufacturing facilities. Investors should therefore not place undue*

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		reliance on our historical installed capacity information for our existing manufacturing facilities included in this Draft Red Herring Prospectus."
35.	**Risk Factor 31-** The terms, conditions and the tenure of lease for the manufacturing facilities may be disclosed.	Complied with and noted for compliance. The terms, conditions and the tenure of the lease for the manufacturing facilities has been disclosed in "*Our Business*" section on page 190 of the DRHP. A suitable cross-reference to "*Our Business*" section shall be included in risk factor 31 in the RHP in the following manner: ***"We do not own premises for our Registered and Corporate Office. Further, we operate our manufacturing facilities on parcels of land that are held by us on a leasehold basis as well as a freehold basis.*** *We do not own premises for our Registered and Corporate Office. Further, we operate our manufacturing facilities on parcels of land that are held by us on a leasehold as well as freehold basis. See "Our Business – Properties" on page [•] for further details in relation to the terms, conditions and tenure of the lease for our manufacturing facilities and Registered and Corporate Office. We cannot assure you that we will be able to renew our leases on commercially acceptable terms, or at all.* *Certain of our lease agreements for our manufacturing facilities contain restrictive covenants, including but not limited to, requirements that we obtain consent from the lessor, which is typically the industrial development authority, prior to undertaking certain matters including amendments to our memorandum and articles of association, change in our capital structure or change in our name. While we believe that we have taken adequate steps to seek their consent, we cannot assure that such authorities will not take any adverse action against us under the terms of their respective lease agreements.* *In the event that we are required to vacate our current premises, we would be required to make alternative arrangements and we cannot assure that the new arrangements will be on commercially acceptable terms. If we are required to relocate our business operations or shut down our manufacturing facilities, we may suffer a disruption in our operations or have to pay increased charges, which could have an adverse effect on our business, prospects, results of operations, cash flows and financial condition."*
36.	**Risk Factor 32** – Exact nature of risk may be disclosed.	Complied with. The exact nature of the risk, i.e. the Company may have achieved more favorable terms if the transactions had not been entered into with related parties, has been disclosed in risk factor 32 on page 44 of the DRHP. Accordingly, we respectfully submit that no amendments to risk factor 32 is required.
37.	**Risk Factor 33** - The details of borrowings and lease liabilities	Noted for compliance, to the extent applicable. The details of repayment of borrowings and principal payment of lease liabilities and interest paid on lease liabilities have been included in "*Management's Discussion and Analysis of Financial Position and Results of Operations – Cash flows and cash and*

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cash equivalents" on page 334 of the DRHP. A suitable cross-reference to the "*Management's Discussion and Analysis of Financial Position and Results of Operations*" section shall be included in risk factor 33 in the RHP in the following manner:

"We have incurred losses and negative cash flows from investing and financing activities and cash and cash equivalents and we may continue to experience losses and negative cash flows in the future as we anticipate increased expenses in the future.

We incurred total comprehensive income (loss) for the six months ended September 30, 2020 of ₹ (212.51) million. We have also incurred negative cash flows from investing and financing activities in some of the years/periods during past fiscals and the six months ended September 30, 2020 and 2021, as well as negative cash flows from operating activities for the six months ended September 30, 2020 and 2021. The following table sets forth our net cash (used in)/generated from operating activities, net cash (used in)/generated from investing and financing activities and net increase / (decrease) in cash and cash equivalents for Fiscals 2019, 2020 and 2021 and the six months ended September 30, 2020 and 2021:

(₹ in million)

<table>
<tr><th></th><th>*As at September 30,*</th><th></th><th>*Fiscals*</th><th></th><th></th></tr>
<tr><th></th><th>***2021***</th><th>*2020*</th><th>*2021*</th><th>***2020***</th><th>***2019***</th></tr>
<tr><td>*Net cash (used in)/generated from Operating Activities*</td><td>*(319.60)*</td><td>*(135.22)*</td><td>*1,243.06*</td><td>*994.81*</td><td>*544.13*</td></tr>
<tr><td>*Net cash (used in)/generated from Investing Activities*</td><td>*(122.89)*</td><td>*75.08*</td><td>*(89.91)*</td><td>*(1,545.23)*</td><td>*(287.51)*</td></tr>
<tr><td>*Net cash /generated from / (used in) Financing Activities*</td><td>*438.61*</td><td>*(45.61)*</td><td>*(1,293.98)*</td><td>*685.71*</td><td>*(255.14)*</td></tr>
<tr><td>***Net (decrease) / increase in cash and cash equivalents***</td><td>***(3.88)***</td><td>***(105.75)***</td><td>***(140.83)***</td><td>***135.29***</td><td>***1.48***</td></tr>
</table>

Such negative cash flows from investing activities for Fiscals 2019, 2020 and 2021 were mainly attributable to the purchase of property, plant and equipment including capital work in progress. Our negative cash flows from financing activities for Fiscal 2021 was mainly attributable to the repayment of borrowings and payments of principal and interest on our lease liabilities. For further details in relation to repayment of borrowings and payments of principal and interest on our lease liabilities, see "Management's

</td></tr>
</table>

Campus Activewear Limited New Delhi

S. No.	Observation	Response
		Discussion and Analysis of Financial Position and Results of Operations – Cash flows and cash and cash equivalents" on page [•]. Our negative cash flows from operating activities for the six months ended September 30, 2020 and 2021 was mainly attributable to changes in our inventories, trade receivables and other current assets. For details in relation to changes in our inventories, trade receivables and other current assets, see "Management's Discussion and Analysis of Financial Condition and Results of Operations - Cash flows and cash and cash equivalents". Although we seek to manage our working capital, we cannot assure you that we will be able to match the timing and amounts of our cash inflows with the timing and amounts of our payment obligations and other cash outflows. As a result, there could be a period during which we experience net cash outflow. Negative operating cash flow requires our Group to obtain sufficient external financing to meet out financing needs and obligations. If we are unable to do so, we will be in default of our payment obligations and may not be able to expand our business. Thus, our business, financial position and results of operations may be materially adversely affected. *We also expect our costs to increase over time and our losses and negative cash flows may continue given the investments expected to be made to grow our business and manufacturing capacity, enhance our supply chain capabilities and trade distribution network, develop and launch new product offerings, expand our customer base in existing markets and penetrate new markets. We have expended and expect to continue expending substantial financial and other resources on technological investments, infrastructure and our team, among other initiatives. In addition, when we become a listed company, we will incur significant additional legal, accounting and other expenses. These efforts may be more costly than we expect and may not result in increased revenue or growth in our business. Any failure to increase our revenue sufficiently to keep pace with our investments and other expenses could prevent us from achieving profitability or positive cash flow on a consistent basis. Further, under Ind AS, any grant of ESOPs under ESOP Schemes results in a charge to our profit and loss statement based on the fair value of the ESOPs at the date when the grant is made and such expenses reduce our profitability to that extent for the relevant fiscal. For details of our outstanding ESOPs, see "Capital Structure - ESOP Schemes" on page 88. If we are unable to successfully address these risks and challenges or if we are unable to generate adequate revenue growth and manage our expenses and cash flows, we may continue to incur significant losses in the future, which could adversely affect our ability to, among others, fund our operations, pay debts in a timely manner or finance proposed business expansions or investments. Any of the foregoing could adversely affect our business, cash flows, financial condition and results of operations. Moreover, failure to achieve or sustain profitability on a consistent basis could cause the value of our Equity Shares to decline."*
38.	**Risk Factor 35:** LM and Issuer Company are advised to clarify and disclose the impact of restrictive covenants on the Public Shareholders/Minority Shareholders post listing.	Not applicable. Risk factor 35 is in relation to the restrictive conditions imposed on the Company under its financing arrangements. Accordingly, there is no impact of such covenants on the public shareholders or minority shareholders post listing. Accordingly, we respectfully submit that no amendments to risk factor 35 in this regard is required.

Campus Activewear Limited New Delhi

S. No.	Observation	Response
39.	**Risk Factor 35 -** Full details of the covenant that was breached by the company on debt service coverage ratio and the lender details may be disclosed.	Complied with and noted for compliance. The details of the breach of covenant on debt service coverage ratio in Fiscal 2021 has been disclosed in risk factor 35 on page 46 of the DRHP. Risk factor 35 shall be updated in the RHP in the following manner: ***"We have incurred significant indebtedness and our lenders have imposed certain restrictive conditions on us under our financing arrangements. This may limit our ability to pursue our business and limit our flexibility in planning for, or reacting to, changes in our business or industry.*** *As of September 30, 2021, we had total borrowings of ₹ 1,915.69 million. Many of our financing agreements include conditions and restrictive covenants, including the requirement that we obtain consent from or intimate our respective lenders prior to carrying out certain activities and entering into certain transactions including, among others, effecting any change in our Company's capital structure, carrying out or entering into any amalgamation, consolidation, demerger, merger, restructuring, reorganization, corporate reconstruction by our Company, amending our Company's memorandum of association or articles of association and undertaking any further capital expenditure except those being funded by our Company's own resources. These restrictions may limit our flexibility in responding to business opportunities, competitive developments and adverse economic or industry conditions.* *Further, a breach of any of the covenants, or a failure to pay interest or indebtedness when due, under this or any of our other financing arrangements, could result in a variety of adverse consequences, including the termination of one or more of our credit facilities, levy of penal interest, the enforcement of any security provided, acceleration of all amounts due under such facilities, right to appoint nominee on our Board and cross-defaults under certain of our other financing agreements, any of which may adversely affect our business, results of operations and financial condition.* *Our financing agreements also generally contain certain financial covenants including the requirement to maintain, among others, specified debt-to-equity ratios. These covenants vary depending on the requirements of the financial institution extending the loan and the conditions negotiated under each financing document. Such covenants may restrict or delay certain actions or initiatives that we may propose to take from time to time. We have breached our covenant on the debt service coverage ratio in Fiscal 2021 under one of our financing arrangements and we have obtained a waiver from the lender, HDFC Bank Limited, for such breach. We cannot assure you that we will comply with the covenants with respect to our financing arrangements in the future or that we will be able to secure waivers for any such non-compliance in a timely manner or at all. If the obligations under any of our financing agreements are accelerated, we may have to dedicate a substantial portion of our cash flow from operations to make payments under such financing documents, thereby reducing the availability of cash for our working capital requirements and other general corporate purposes."*

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S. No.	Observation	Response
40.	**Risk Factor 36 -** LM is advised to elaborate and explain the term 'omnichannel presence' distribution strategy.	The 'omnichannel presence' has been disclosed in multiple places in "*Our Business*" section, including on pages 158 and 164 of the DRHP. Details of the omnichannel presences and a suitable cross-reference to "*Our Business*" section shall be included in risk factor 36 in the RHP in the following manner: ***"We may require additional capital to fund the expansion and development of our business and we may not be able to obtain sufficient financing on acceptable terms.*** *We require a substantial amount of capital for maintenance, such as for the replacement or repair of machineries and equipment, as well as for our non-maintenance and/or expansion plans, including our 'omnichannel presence' distribution strategy. Our omnichannel experience involves a confluence of multiple retail channels covering physical locations and online channels to provide consumers a seamless experience. For further details in relation to 'omnichannel presence', see "Our Business" on page [•]. For Fiscals 2019, 2020 and 2021 and six months ended September 30, 2020 and 2021, our capital expenditure amounted to ₹ 345.91 million, ₹ 856.24 million, ₹ 708.43 million, ₹295.01 million and ₹ 135.78 million respectively, which accounted for 5.81%, 11.70%, 9.96%, 21.66% and 3.33% of revenue from operations for the respective years/period. We expect to incur higher capital expenditures for our business operations and expansion plans in the future. We would incur such expenses and make such investments in advance of expected sales, and such expected sales may not occur. As a result, our business, financial condition and results of operations could be materially and adversely affected.* *We have relied on a mixture of equity capital and debt financing to fund our business operations and expansion and development activities in the past. There can be no assurance that we will be able to obtain sufficient funding or obtain funding at all when it is required or that such additional funding will be available on commercially acceptable terms, particularly in light of current global financial conditions. Continued disruptions in the global capital and credit markets as a result of uncertainty, changing or increased regulation of financial institutions, reduced alternatives or the failure of any significant financial institution could adversely affect our access to liquidity. The terms of any additional debt we may incur in the future could restrict our ability to effectively conduct our operations. If we raise capital through additional equity funding, it may be on terms that are highly dilutive or otherwise adverse to our existing shareholders and it may subject us to restrictive covenants. In addition, if we raise additional funding through the issuance of new shares or other equity or equity linked securities other than on a pro-rata basis to existing shareholders, the percentage ownership of such shareholders may be diluted. Moreover, the newly issued shares or equity securities may have rights, preferences or privileges superior to those of the shares of the existing shareholders. Further, although we may be able fund the expansion and development of our business with our retained earnings, it may impact our ability to pay dividends to our shareholders. Because our decision to raise additional capital will depend on numerous considerations, including factors beyond our control, we cannot predict or estimate the amount, timing, or nature of any future debt or equity financings, or terms on which any such financings may be completed. Our failure to obtain additional funding or to obtain additional funding on commercially*

Campus Activewear Limited New Delhi

S. No.	Observation	Response
		acceptable terms when needed could have a material and adverse effect on our business, financial condition and results of operations."
41.	**Risk Factor 38** – LM is advised to explicitly state the conditions subject to which the refund of GST is processed by the concerned authorities.	Noted for compliance. Risk factor 38 shall be updated in the RHP in the following manner: ***"The Indian footwear sector is subjected to an inverted duty structure under the Goods and Services Tax Act. As on March 31, 2021 and September 30, 2021 we had an amount of ₹ 456.11 million and ₹ 681.01 million as Balance with Government Authorities and ₹ 332.01 million and ₹ 89.86 million as GST refund due to us in the respective periods. We can only utilize the amounts held as Balance with Government Authorities if the inverted duty structure is reversed, which may not happen in a timely manner or at all. The receipt of the GST refunds may also be subject to conditions and delays.*** *The Indian footwear sector has been subjected to the problem of inverted duty structure under the Goods and Services Tax (GST) Act wherein the amount of GST paid by us on the raw materials and labor (input GST credit) is higher that the GST we recover from the sale of our products (output GST liability). A part of such unutilized input GST credit to the extent it is related to raw material can be claimed as GST Refund. The balance which essentially relates to input GST credit on labor and/or input GST credit on capital goods to the extent not capitalized, is carried forward in the Balance Sheet as balance with Government Authorities. As on March 31, 2019, 2020 and 2021 and September 30, 2020 and 2021, we have in our Other Current Asset an amount of ₹ 92.31 million, ₹ 389.64 million, ₹ 456.11 million, ₹ 396.93 million and ₹ 681.01 million outstanding, which accounted for 2.95%, 9.03%, 11.90%, 9.97% and 13.27% of our total Current Assets, as Balance with Government Authorities, and ₹ 176.57 million, ₹ 137.66 million, ₹ 332.01 million, ₹ 197.51 million and ₹ 89.86 million, which accounted for 5.65%, 3.19%, 8.67%, 4.96% and 1.75% of our total Current Assets, respectively as GST Refund. As on date, there is no limit on the number of years for which such asset can be carried forward. However, our ability to effectively utilize such amount is possible only when the inverted duty structure is corrected. Further, the refund of GST amounts due to us is subject to conditions such as time frame within which the GST refund claim can be filed, items on which refund can be availed. Further, refund can only be availed when credit accumulated on account of rate of tax on inputs is higher than rate on tax on output supplies. The refund of GST amounts ~~and~~ may be subject to delays. An inability to recover these refunds may impact our profitability."*
42.	**Risk Factor 39** – IPR infringements in the past, if any, may be disclosed. Further, a cross reference may be provided to the details of registered trademarks disclosed in the DRHP.	Complied with and noted for compliance. The intellectual property infringements and the trademarks that are subject to opposition / rectification proceedings have been disclosed in risk factors 39 and 40 on pages 47 and 48 of the DRHP. Further, the details of the registered trademarks have been disclosed in "*Our Business*" section on page 186 of the DRHP. A suitable cross-reference will be included in risk factor 39 in the RHP in the following manner:

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S. No.	Observation	Response
		"Our inability to protect our intellectual property rights may prevent us from successfully marketing our products and we may infringe the intellectual property rights of others which could result in litigation. *We currently hold over 66 registered trademarks. For further details in relation to our intellectual property, see "Our Business – Our Business and Operations – Intellectual Property" on page [•]. Failure to protect our intellectual property could harm our brand and our reputation, and adversely affect our ability to compete effectively. Further, enforcing or defending our intellectual property rights, including our trademarks, copyrights and trade secrets, could result in the expenditure of significant financial and managerial resources. For further details in relation to certain of our trademarks subject to opposition and rectification proceedings, see "Whilst we have registered trademarks and other intellectual property rights, certain of our trademarks that we have applied for, and those that have been registered in our name are currently subject to opposition / rectification proceedings before the Indian Trade Marks Registry, by parties including our competitors" on page [•]. We produce, market and sell our products under registered trademarks. We regard our intellectual property, particularly our trademarks and trade secrets to be of considerable value and importance to our business and our success. We rely on a combination of trademark and trade secrecy laws, and contractual provisions to protect our intellectual property rights. There can be no assurance that the steps taken by us to protect these proprietary rights will be adequate or that third parties will not infringe or misappropriate our trademarks, trade secrets or similar proprietary rights and we may have to pursue litigation against such third parties to assert our rights.* *In addition, we cannot be certain that our activities will not infringe the intellectual property rights of others and there can be no assurance that other parties will not assert infringement claims against us, which could be costly and we may lack the resources required to defend such claims. For instance, in January 2020, the Delhi High Court ordered us to cease the sales of our "Discovery" footwear line, after certain copyright infringement claims were made by an international competitor, concerning the soles of our "Discovery" footwear. We reached a settlement with the complainant and discontinued that particular design of shoes. Any infringement or alleged infringement of the intellectual property rights of others may result in negative publicity and we may be compelled to discontinue the sale of offending goods and the use of offending trademarks, and pay damages or fines, which could have a material adverse effect on our business, financial condition and results of operations. Any event that would jeopardize our proprietary rights or any claims of infringement by third parties could also have a material adverse effect on our ability to market or sell our styles, and profitably exploit our products."*
43.	**Risk Factor 41** – This RF may be accommodated in top 5 RFs. Further, the heading of the RF may explicitly mention the details of regulatory/statutory authorities who monitors the	Noted for compliance. Risk factor 41 shall be rearranged in the top 5 risk factors and the main heading shall be updated in the RHP in the following manner: ***"Environmental regulations monitored by various governmental authorities such as the relevant state pollution control boards and state level environmental impact assessment authorities impose costs and limitations on our operations."***

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S. No.	Observation	Response
	compliance of environmental regulations by the company.	
44.	**Risk Factor 43** – The heading of the RF shall explicitly state the names of statutory/regulatory authorities from whom permits/approvals are sought by the company.	Noted for compliance. The main heading of risk factor 43 shall be updated in the RHP in the following manner: ***"We are required to obtain, renew or maintain certain statutory and regulatory permits and approvals issued by various governmental authorities such as the relevant state pollution control boards, fire departments, and labor and employment departments, required to operate our business~~, and if~~. If we fail to obtain, renewal or maintain such permits and approvals ~~do so~~ in a timely manner or at all, or these requirements are made more stringent, we may be unable to fully or partially operate our business and our results of operations may be adversely affected."***
45.	**Risk Factor 47** – Any such instances in the past may be disclosed.	Not applicable. The Company has not incurred any losses due to fraud, employee negligence or theft in the past. Accordingly, we respectfully submit that no update to risk factor 47 is required.
46.	**Risk Factor 45:** LM is advised to clarify the statement "not to place undue reliance on such information". In such case, LM may please clarify the data/information on which the investors can rely to take an informed decision w.r.t participation in IPOs.	Noted for compliance. Risk factor 45 shall be updated in the RHP in the following manner: ***"We have commissioned and paid for an industry report which is exclusively prepared for the purposes of the Offer and issued by Technopak which has been used for industry related data in this Draft Red Herring Prospectus . Accordingly, prospective investors are advised not to base their investment decision solely~~place undue reliance~~ on such information.*** We have commissioned and paid for a report titled "Report on Footwear Retail in India" dated December 18, 2021 which is exclusively prepared for the purposes of the Offer and issued by Technopak, which has been used for industry related data that has been disclosed in this Draft Red Herring Prospectus. Our Company, our Promoters, and our Directors are not related to Technopak. The Technopak Report uses certain methodologies for market sizing and forecasting. Investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not ~~place undue reliance on, or~~ base their investment decision solely on the information in the Technopak Report."
E. General Information		

<table>
<tr><th>S. No</th><th>Observation</th><th>Response</th></tr>
<tr><td>47.</td><td>Page 75 – Unblocking of application monies can be included in the Post Issue activities.</td><td>Noted for compliance. We undertake to update row 13 of the table under "Inter-se allocation of responsibilities of the Book Running Lead Managers" in the section "General Information", on page 74 of the DRHP, in the following manner in the RHP:
<table>
<tr><th>S. No.</th><th>Activity</th><th>Responsibility</th><th>Co-ordinator</th></tr>
<tr><td>13</td><td>Post bidding activities including management of escrow accounts, coordinate non-institutional allocation, coordination with Registrar, SCSBs and Banks, intimation of allocation and dispatch of refund to Bidders, etc.

Post-Offer activities, which shall involve essential follow-up steps including allocation to Anchor Investors, follow-up with Bankers to the Offer and SCSBs to get quick estimates of collection and advising the Issuer about the closure of the Offer, based on correct figures, finalisation of the basis of allotment or weeding out of multiple applications, unblocking of application monies, listing of instruments, dispatch of certificates or demat credit and refunds of application monies and coordination with various agencies connected with the post-Offer activity such as Registrar to the Offer, Bankers to the Offer, SCSBs including responsibility for underwriting arrangements, as applicable.

Payment of the applicable securities transactions tax on sale of unlisted equity shares by the Selling Shareholders under the Offer for Sale to the Government and filing of the securities transactions tax return by the</td><td>BRLMs</td><td>Kotak</td></tr>
</table></td></tr>
</table>

Campus Activewear Limited New Delhi

S. No.	Observation	Response
		prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004. *Co-ordination with SEBI and Stock Exchanges for refund of 1% security deposit and submission of all post Offer reports including the initial and final post Offer report to SEBI.*
F. Basis for Offer Price		
48.	Page 102 – LM is advised to justify the disclosure pertaining to point 1 under qualitative factors with facts/data.	Complied with and noted for compliance. The facts and data with respect to disclosure pertaining to point 1 under qualitative factors has been disclosed in *"Our Business – Our Strengths – India's largest sports and athleisure footwear brand and fastest growing scaled sports and athleisure footwear brand with a robust product portfolio across the demand spectrum"* on page 161 of the DRHP. A cross-reference to the section *"Our Business – Our Strengths"* has been provided in the disclosure pertaining to the qualitative factors on the basis of which the offer price has been computed, on page 102 of the DRHP. Accordingly, we respectfully submit that an update to point 1 is not required.
G. Industry Overview		
49.	LM is advised to disclose if 'Technopak' which had prepared the industry reports is in any way related to the issuer company/directors/promoters. Further LM is advised to ensure that reports by Technopak relied upon while making disclosures in the draft offer document is included among the material contracts and documents for inspection. Furthermore, wherever (each instance) data from various	Complied with and noted for compliance. Technopak is not related to the Company, its Directors or Promoters in any way. As disclosed in *'Material Contracts and Documents for Inspection'* section on page 483 of the DRHP, the Technopak Report has been included as a material document for inspection. The source of disclosures have been included in the DRHP and shall be included in the RHP.

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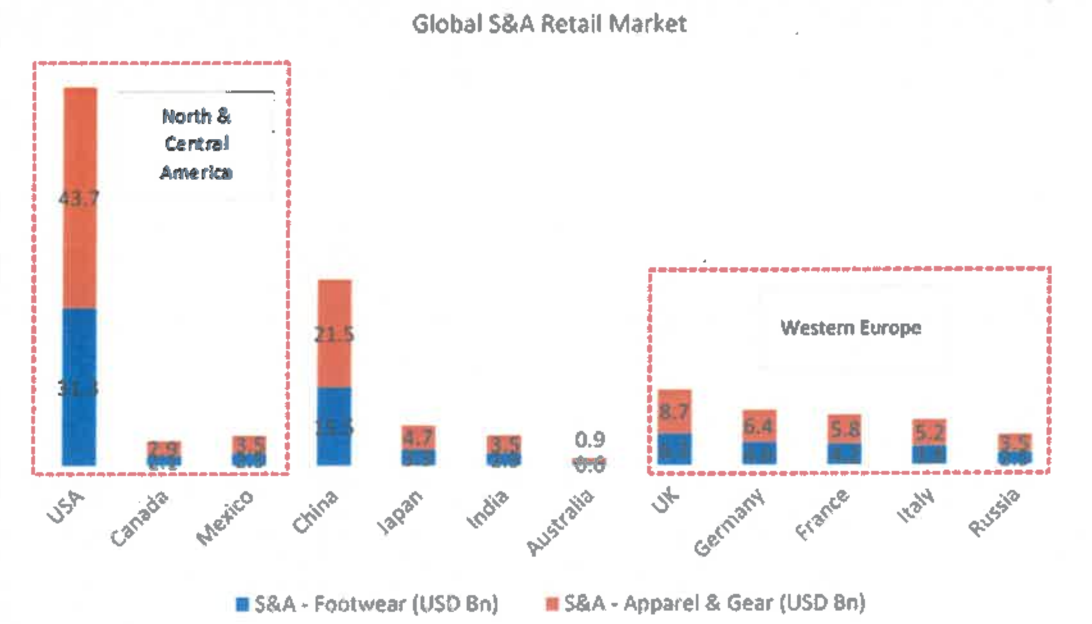
S. No.	Observation	Response
	reports have been used in support of disclosures made in the offer document, LM is advised to clearly qualify the source of such disclosures.	
50.	All the main and sub-headings may be highlighted and underlined to improve the readability.	Noted for compliance.
51.	A side by side comparison of Indian market with global footwear and athleisure markets across western EU, North & Central America, South Asia along with China may be disclosed. An illustrative comparison must be visually appealing and easily readable.	Noted for compliance, to the extent applicable. Technopak has tracked data of major countries, namely India, U.S., Canada, Mexico, China, Japan, Australia, UK, Germany, France, Italy and Russia. Accordingly, the following side by side comparison of Indian market with global footwear and athleisure markets across the above-mentioned countries shall be disclosed in "Industry Overview" section in the RHP: ***Exhibit [•]: Global Footwear VS Sports & Athleisure (S&A) Market Comparison***

Campus Activewear Limited New Delhi

S. No.	Observation	Response
		 *Source: Technopak Analysis* *Source: Technopak Analysis*

Campus Activewear Limited New Delhi

S. No.	Observation	Response
		 *Source: Technopak Analysis* *Source: Technopak Analysis*
52.	In India, the disclosures should also reflect the market demand across tier-3 and tier-4 geographical segments among rural areas. LM is advised to ensure that such disclosures are made in the DRHP.	Complied with and noted for compliance.

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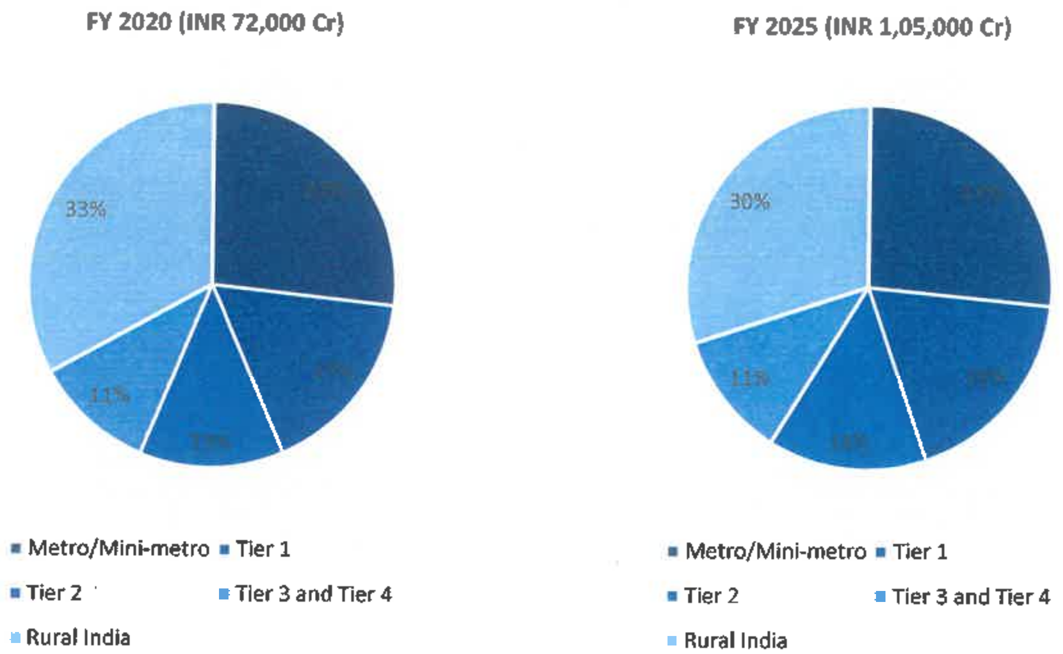
S. No.	Observation	Response
		The region wise distribution of footwear retail in urban India has been disclosed as Exhibit 46 in "Industry Overview" section on page 135 of the DRHP. Exhibit 46 shall be updated in the RHP in the following manner:



Source: Technopak Analysis

H. Our Business		
53.	LM is advised to disclose the following details in both absolute and percentage terms in the DRHP.	Complied with and noted for compliance, to the extent applicable. Please note that in the DRHP the Company classifies: - 'online marketplace/e-commerce sites' as 'direct-to-consumer (online)'; - brick & mortar shops/stores as 'trade distribution channel'; and

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<table>
<tr><th>S. No.</th><th>Observation</th><th>Response</th></tr>
<tr><td></td>
<td>

- Sales and revenue accrued from the online market place/e-commerce sites.
- Sales and revenue accrued from brick & mortar shops/stores.
- Sales and revenue accrued from single brand retail shops/stores.
- Sales and revenue accrued from multi brand retail shops/stores.
- Sales and revenue accrued from metropolitan/urban/semi-urban/semi-rural/rural geographies.
- Sales and revenue accrued from tier-3 and tier-4 towns from rural geographies.
- A comparison of revenue accrued through sales volumes among different segments of population viz. lower middle/middle/upper-middle/economically rich etc. categories.
- A comparison of revenue accrued through sales volumes among different genders and different age groups etc.

</td>
<td>

- single brand retail shops/stores and multi brand retail shops/stores as 'direct-to-consumer (offline)'.

Accordingly, the DRHP contains the following details:

- The revenue contribution of trade distribution channel and direct-to-consumer (online) and direct-to-consumer (offline) to revenue from operations and volume sold in percentage terms has been disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" section on page 309 of the DRHP. The following table shall be included in the RHP:

<table>
<tr><th>Channel</th><th colspan="2">Fiscal 2019</th><th colspan="2">Fiscal 2020</th><th colspan="2">Fiscal 2021</th><th colspan="2">Six months ended September 30, 2020</th><th colspan="2">Six months ended September 30, 2021</th></tr>
<tr><th></th><th>Revenue (in ₹ million)</th><th>Volume sold (Millions)</th><th>Revenue (in ₹ million)</th><th>Volume sold (Millions)</th><th>Revenue (in ₹ million)</th><th>Volume sold (Millions)</th><th>Revenue (in ₹ million)</th><th>Volume sold (Millions)</th><th>Revenue (in ₹ million)</th><th>Volume sold (Millions)</th></tr>
<tr><td>Trade Distribution</td><td>5548.17</td><td>11.84</td><td>6412.04</td><td>13.16</td><td>5352.55</td><td>10.58</td><td>949.24</td><td>2.07</td><td>2491.64</td><td>4.64</td></tr>
<tr><td>Direct-to-consumer (online)</td><td>169.15</td><td>0.19</td><td>572.32</td><td>0.78</td><td>1501.60</td><td>2.10</td><td>361.10</td><td>0.55</td><td>1430.98</td><td>2.20</td></tr>
<tr><td>Direct-to-consumer (offline)</td><td>181.72</td><td>0.23</td><td>326.22</td><td>0.42</td><td>246.67</td><td>0.32</td><td>48.24</td><td>0.06</td><td>147.20</td><td>0.21</td></tr>
<tr><td>Total*</td><td>5899.04</td><td>12.26</td><td>7310.58</td><td>14.36</td><td>7100.82</td><td>13.00</td><td>1358.58</td><td>2.68</td><td>4069.82</td><td>7.05</td></tr>
</table>

- The revenue contribution from single brand retail stores, i.e. EBOs in absolute and percentage terms has been disclosed in "*Our Business*" section on page 183 of the DRHP.
- The revenue contribution from multi-brand retail stores, i.e. active counters situated in LFS in percentage terms has been disclosed in "*Our Business*" section on page 184 of the DRHP. The following table shall be in the RHP:

</td></tr>
</table>

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New Delhi

<table>
<tr><th>S. No.</th><th>Observation</th><th>Response</th></tr>
<tr><td></td><td></td><td>

(in ₹ million)

Particulars	Fiscal 2019	Fiscal 2020	Fiscal 2021	Six months ended September 30, 2020	Six months ended September 30, 2021
Revenue from active Counters	65.64	145.14	89.66	13.91	68.86

- The revenue contribution by trade distribution and direct-to-consumer channels from different cities in India, including Metro and Tier I cities, and Tier II and Tier III cities have been disclosed in absolute and percentage terms in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" section on page 311 of the DRHP.
- The Company collectively tracks Tier II and Tier III towns. It does not track the sale and revenue accrued from tier 4 towns from rural geographies separately.

The revenue contribution of different demographics to the revenue from operations in absolute and percentage terms has been disclosed in "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" section on pages 307 and 308 of the DRHP. The Company does not track the sales and revenue contributed by the economic category of its customers, different age groups or gender.

</td></tr>
<tr><td>54.</td><td>The refund/return/exchange policy of the company shall be disclosed.</td><td>

Noted for compliance.

The return policy has been disclosed in risk factor 13 on page 33 of the DRHP. The following disclosure shall be included in "*Our Business*" section in the RHP:

"Refund and exchange policy

Trade distribution

We have a return product policy for all our trade distribution customers. Our trade distribution customers can only return products in case there are any manufacturing defects. In such instance, the distributor will collect all defective products within a period of six to eight months from the date of purchase of goods and inform our sales representative. The distributor will thereafter cut / destroy all defective pairs in front of our sales representative to prevent any misuse. We will thereafter issue a credit note in the name of the distributor.

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</table>

Campus Activewear Limited New Delhi

S. No.	Observation	Response
		Direct-to-consumer (online) *Our customers may either cancel in transit shipments or return unused merchandise within a period of 14-30 days, as applicable, on account of free exchange or return policy of the relevant online marketplace.* *For further details in relation to the risks related to merchandise returns, see "Risk Factors – Merchandise returns could harm our business" on page [•]."*
I. History and Certain Corporate Matters		
55.	Page 201 – The page no in the cross reference provided for scheme of arrangement may be corrected.	Noted for compliance.
56.	The date of filing of the scheme with NCLT, New Delhi may be disclosed. Further, the current status of its processing may also be disclosed.	Noted for compliance. We undertake to update the disclosure in the section *"History and Certain Corporate Matters – Mergers or amalgamations"* on page 202 of the DRHP in the following manner: *"Our Company has filed a scheme of arrangement (**"Scheme"**) under sections 230 and 232, read with section 66 and other applicable provisions, of the Companies Act, 2013, before the NCLT, New Delhi, on March 25, 2021. Pursuant to the Scheme, Campus AI Private Limited (**"CAIPL"**), our wholly-owned Subsidiary, is proposed to be amalgamated with our Company. The Scheme was approved by our Board on November 11, 2020. The rationale for the proposed Scheme is to realise the benefits of greater business synergies and reduced administrative and other costs, since CAIPL and our Company are engaged in similar business services. The appointed date for the Scheme is April 1, 2020, or such other date as may be approved by the NCLT, New Delhi. The appointed date is the date with effect from which the Scheme shall be deemed to have become operative and the entire business and undertaking of CAIPL, together with its assets, rights, benefits, interests, licenses, contracts, investments, intellectual property, liabilities, transferred employees, funds and obligations, is proposed to stand transferred to and vested in our Company. Since CAIPL is a wholly-owned subsidiary of our Company, no new shares will be issued pursuant to the Scheme. The Scheme is pending approval by the NCLT, New Delhi, and is subject to the receipt of requisite approvals."* Pursuant to the latest order issued by the NCLT, New Delhi, all meetings of the shareholders and creditors in relation to on January 18, 2022, NCLT has directed the Company to issue the necessary notices in this regard to the relevant statutory authorities and to publish the required newspaper advertisement, and fixed the final date of hearing in connection with the Scheme were dispensed with on April 12, 2022. The approval of the Scheme by the NCLT continues to remain pending. The updated status of the Scheme shall be disclosed, as appropriate, in the RHP.
57.	LM is advised to disclose the special rights, if any, available	Complied with.

Campus Activewear Limited New Delhi

S. No.	Observation	Response
	to certain shareholders would continue to exercise, pursuant to listing of shares on exchange.	Following the listing of the Equity Shares on the Stock Exchanges pursuant to the completion of the Offer, there shall be no special rights available to any of the Shareholders. In this regard, we have included the following disclosure on page 204 of the DRHP, under the section *"History and Certain Corporate Matters – Shareholders' agreements – Shareholders' agreement dated August 30, 2017, executed between TPG Growth III SF Pte. Ltd. (the "TPG Investor"), QRG Enterprises Limited (the "QRG Investor", and together with the TPG Investor, the "Investors"), Rajiv Goel, Rajesh Kumar Gupta (together with Rajiv Goel, the "Additional Investors"), our Company and our Promoters (all collectively, the "Parties"), as amended by the amendment agreement dated December 10, 2021, entered into amongst the Parties (the "Amendment Agreement") and the deed of adherence dated November 18, 2021, entered into between the Parties, Salisbury Investments Private Limited, Chaitanya Vaidya and Kumud Vaidya (the "New Shareholders", and such deed of adherence, the "Deed of Adherence")"*: *"Accordingly, following the listing of the Equity Shares on the Stock Exchanges pursuant to the completion of the Offer, there shall be no special rights available to any of the Shareholders."*
58.	LM is advised to categorically disclose in the DRHP under section "History and Certain Corporate Matters" of the offer document that none of the special rights available to the Promoters / Shareholders (except for nominee/nomination rights and information rights) would survive post listing of the Equity Shares of the Company and same shall cease to exist or shall expire / waived off immediately before or on the date shares are allotted to public shareholders in IPO, without requiring any further action.	Complied with. In this regard, we have included the following disclosure on page 204 of the DRHP, under the section *"History and Certain Corporate Matters – Shareholders' agreements – Shareholders' agreement dated August 30, 2017, executed between TPG Growth III SF Pte. Ltd. (the "TPG Investor"), QRG Enterprises Limited (the "QRG Investor", and together with the TPG Investor, the "Investors"), Rajiv Goel, Rajesh Kumar Gupta (together with Rajiv Goel, the "Additional Investors"), our Company and our Promoters (all collectively, the "Parties"), as amended by the amendment agreement dated December 10, 2021, entered into amongst the Parties (the "Amendment Agreement") and the deed of adherence dated November 18, 2021, entered into between the Parties, Salisbury Investments Private Limited, Chaitanya Vaidya and Kumud Vaidya (the "New Shareholders", and such deed of adherence, the "Deed of Adherence")"*: *"Accordingly, following the listing of the Equity Shares on the Stock Exchanges pursuant to the completion of the Offer, there shall be no special rights available to any of the Shareholders."*
59.	LM is advised to make disclosures if special rights for nominee/nomination rights and	There are no such special rights that are available to certain Promoters/Shareholders that would continue post listing of the Equity Shares.

Campus Activewear Limited New Delhi

S. No.	Observation	Response
	information rights are available to certain Promoters / Shareholders that would continue post listing and if yes, then details of the same may be clearly disclosed under section "History and Certain Corporate Matters".	
60.	Further, LM shall specifically disclose that special rights, post listing shall be subject to approval of the Shareholders by way of a special resolution, in the first general meeting of the Company held post listing of the Equity Shares.	
61.	LM is advised to ensure that special rights which will continue post listing are not prejudicial or adverse to the interest of the minority / public shareholders.	
62.	LM is advised that inter-se agreements/ arrangements between the shareholders are disclosed under section "History and Certain Corporate Matters".	Complied with and noted for compliance.
63.	LM is advised that a categorical statement from the Issuer Company/ Promoters / Shareholders, may be provided that there are no other inter-se agreements/ arrangements and	Noted for compliance. We undertake that in the section "*History and Certain Corporate Matters*" on page 197 of the DRHP, the following additional confirmation as set out below shall be included in the RHP: "*We confirm that except as disclosed in this Red Herring Prospectus, there are no other inter-se agreements or arrangements entered into by and among Shareholders, or material deeds of assignment, acquisition agreements, shareholders' agreements, or agreements*

Campus Activewear Limited New Delhi

S. No.	Observation	Response
	clauses / covenants which are material and which needs to be disclosed and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders. Also that there are no other agreements, deed of assignments, acquisition agreements, SHA, inter-se agreements, agreements of like nature other than disclosed in the DRHP.	*of like nature, or agreements comprising material clauses/covenants that are required to be disclosed in this Red Herring Prospectus or containing clauses/covenants that are adverse/prejudicial to the interest of minority/public shareholders.*"
64.	Further, the LMs shall also confirm to SEBI that they have gone through the inter-se agreements/ arrangements, if any, as disclosed in the DRHP and they also do not see any clauses / covenants which are material and need to be disclosed, which have not been disclosed and that there are no other clauses / covenants which are adverse / pre-judicial to the interest of the minority / public shareholders.	We confirm that we have reviewed all inter-se agreements or arrangements disclosed in the DRHP, and there are no clauses/covenants that are material and require disclosure, except as disclosed in the DRHP. Further, there are no clauses/covenants in such agreements or arrangements that are adverse/prejudicial to the interest of minority/public Shareholders.
J. Financial Information		
65.	LM is advised to disclose the following in the Management Discussion and Analysis Section: Total Liabilities in the past three financial years.	Noted for compliance, to the extent applicable. The following disclosure shall be updated and included in the RHP in the "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" section:

Campus Activewear Limited New Delhi

S. No.	Observation	Response
	Default of loans, if any, in the past may be disclosed at all the relevant places in the offer document.	*"Our total liabilities decreased to ₹ 3,717.57 million as of March 31, 2021 from ₹ 4,343.59 million as of March 31, 2020, primarily as a result of reduction in current borrowings. This was partially offset by an increase in trade payables due to an increase in revenue from operations.* *Our total liabilities increased to ₹ 4,343.59 million as of March 31, 2020 from ₹ 3,064.09 million as of March 31, 2019, primarily as a result of increase in current and non-current borrowings due to term loans availed for the Ganuar Facility and an increase in trade payables due to an increase in revenue from operations."* Other than breach of covenant of debt service coverage ratio in Fiscal 2021 as disclosed in risk factor 35 on page 46 of the DRHP, there has not been any default of loans by the Company in the past.
66.	Related Party Transactions (RPT): LM to ensure that all RPTs are done at arm's length price. LM is advised to ensure that RPT should be in compliance with the Companies Act, 2013, SEBI (LODR) Regulations, relevant Accounting Standards and other statuary compliances. LM is advised to quantify the related party transactions, in brief, that the company has entered into in tabular form. LM is advised that Related party transactions as percentage of Revenue may be disclosed in the offer document.	We confirm that all related party transactions have been conducted at arm's length price, and in compliance with the Companies Act, 2013, SEBI Listing Regulations, relevant Accounting Standards and other statutory compliances. Further, a summary of the related party transactions that the Company has entered into, including the quantification of the related party transactions, has been included in the section "*Summary of the Offer Document – Summary of related party transactions*" on page 24 of the DRHP. We undertake to modify the aforementioned summary, to include details of the related party transactions as a percentage of revenue, in the manner set out in **Schedule I.**
67.	FINANCIAL INDEBTEDNESS: LM is advised to provide cross referencing to the Risk factors with respect to the indebtedness as a part of disclosure.	Complied with. The section "*Financial Indebtedness*" contains a cross-reference to the relevant risk factor, on page 341 of the DRHP.

Campus Activewear Limited New Delhi

S. No.	Observation	Response
K. Legal and Other Information		
68.	LM shall update the details of status of litigation with the latest/updated position of litigations against promoter/promoter group entities/company and the companies promoted by the issuer.	Noted for compliance, to the extent applicable. We confirm that, in accordance with the SEBI ICDR Regulations, details of: (i) all outstanding criminal litigation involving the Company, its subsidiaries, its Directors and its Promoters; (ii) all outstanding actions by regulatory authorities and statutory authorities involving the Company, its subsidiaries, its Directors and its Promoters; (iii) disciplinary action including penalty imposed by SEBI or stock exchanges against the Promoters in the last five financial years including outstanding action; (iv) claims related to direct and indirect taxes involving the Company, its subsidiaries, its Directors and its Promoters (in a consolidated manner, giving the number of cases and total amount); and (v) other pending litigation involving the Company, its subsidiaries, its Directors and its Promoters, as per the materiality policy adopted by the board of directors of the Company on December 21, 2021, have been disclosed in the section "*Outstanding Litigation and Other Material Developments*" beginning on page 342 of the DRHP. We undertake to update the RHP with any further developments in such matters and include further matters that may have been initiated since the date of filing of the DRHP, if any. Further, in terms of the SEBI ICDR Regulations, there is no requirement for the Company to disclose details of any litigation involving members of the Promoter Group or companies promoted by the Company. Accordingly, no disclosures for litigation involving members of the Promoter Group or companies promoted by the Company are sought to be made.
69.	LM is advised to confirm that the existing litigations are not so major that the issuer's survival is dependent on the outcome of the pending litigation.	We confirm that the existing litigations involving the Company are not so major that the Company's survival is dependent on the outcome of the pending litigation.
70.	LM is advised to ensure the disclosures of all actions taken by statutory and regulatory authorities.	Complied with. We confirm that details of all pending actions by regulatory authorities and statutory authorities involving the Company, its subsidiaries, its Directors and its Promoters, have been disclosed in the section "*Outstanding Litigation and Other Material Developments*" beginning on page 342 of the DRHP. We undertake to update the RHP with any further developments in such matters and include further matters that may have been initiated since the date of filing of the DRHP, if any.
71.	LM is advised to disclose brief details of all matters above materiality threshold.	Complied with. We confirm that details of all pending material litigations have been disclosed in the section "*Outstanding Litigation and Other Material Developments*" beginning on page 342 of the DRHP. We undertake to update the RHP with any further developments in such matters and include further matters that may have been initiated since the date of filing of the DRHP, if any.
L. Material Documents and Contracts for Inspection		
72.	Page 482 – LM is advised to include the initial clarification letter along with the final	Noted for compliance.

Campus Activewear Limited New Delhi

S. No.	Observation	Response
	observation letter issued by SEBI in material documents for inspection.	
M. Miscellaneous		
73.	LM is advised to ensure that the following paragraph (including content of similar nature) from any/all section(s) of DRHP is removed. *"None among our company, the selling shareholders or any member of the Syndicate shall be liable for any failure in (i) uploading the bids due to faults in any software/hardware system or otherwise; or (ii) the blocking of Bid Amount in the ASBA Account on receipt of instructions from the Sponsor Bank on account of any errors, omissions or non-compliance by various parties involved in, or any other fault, malfunctioning or breakdown in, or otherwise, in the UPI Mechanism"*	Noted for compliance.
74.	LM is advised to include a reference to the circulars CFD/DIL2/CIR/P/2018/22 dated Feb 15, 2018 and CFD/DIL2/CIR/P/2021/2480/1/M dated March 16, 2021 at all applicable sections in DRHP.	Complied with.

Campus Activewear Limited New Delhi

S. No.	Observation	Response
75.	LM is advised to examine the applicability of SEBI (Framework for Rejection of Draft Offer Documents) Order, 2012, to the DRHP of Issuer Company and confirm whether the said general order is applicable to the instant public issue/DRHP. LM is further advised to provide a para-wise reply on the applicability of aforesaid order.	We have set forth a para-wise confirmation with respect to the non-applicability of each criteria specified under the SEBI (Framework for Rejection of Draft Offer Documents) Order, 2012 dated October 9, 2012 to the DRHP and/or the proposed Offer, as **Schedule II.**
76.	LM is advised to examine the applicability of SEBI (Issuing Observations on Draft Offer Documents Pending Regulatory Actions) Order, 2020, dated Feb 05, 2020, to the DRHP of Issuer Company and confirm whether the said general order is applicable to the instant public issue/DRHP. LM is further advised to provide a para-wise reply on the applicability of aforesaid order.	We have set forth a para-wise confirmation with respect to the non-applicability of each criteria specified under the Securities and Exchange Board of India (Issuing Observations on Draft Offer Documents Pending Regulatory Actions) Order, 2020 dated February 5, 2020 to the DRHP and/or the proposed Offer, as **Schedule III.**
77.	LM is advised to submit whether there has been any instance of issuance of equity shares in the past by the issuer Company, the Group Companies or entities forming part of the Promoter Group to	Based on the confirmations and documents received from the Company, Group Companies and entities forming part of the Promoter Group, we confirm that there has been no instance of issuance of equity shares in the past by the Company, the Group Companies or entities forming part of the Promoter Group to more than 49 investors in violation of: • Section 67(3) of Companies Act, 1956; or • relevant section(s) of Companies Act, 2013, including Section 42 and the rules notified thereunder; or the SEBI Regulations; or the SEBI (Disclosure and Investor Protection) Guidelines, 2000, as applicable.

Campus Activewear Limited New Delhi

S. No.	Observation	Response
	more than 49 investors in violation of: • Section 67(3) of Companies Act, 1956; or • relevant section(s) of Companies Act, 2013, including Section 42 and the rules notified thereunder; or the SEBI Regulations; or the SEBI (Disclosure and Investor Protection) Guidelines, 2000, as applicable.	
78.	Any risk on pricing of the issue / basis of issue price, track record of BRLMs, average cost of acquisition of shares by selling shareholders etc. which is proposed to be included in the issue advertisement may be submitted.	Noted for compliance.
79.	LM is advised to ensure following disclosures in the Issue advertisement for announcement of Price Band and all further advertisements as a box item below the price band: "Risks to Investors: i.a) The [to be disclosed] Merchant Bankers associated with the issue have handled [to be	Noted for compliance.

Campus Activewear Limited New Delhi

S. No.	Observation	Response
	disclosed] public issues in the past three years out of which [to be disclosed] issues closed below the issue price on listing date." i.b) Any adverse data/ noting in the basis for issue price should be disclosed. For example: • "The Price/Earnings ratio based on diluted EPS for [latest full financial year] for the issuer at the upper end of the Price band is as high as [to be disclosed] as compared to the average industry peer group PE ratio of [to be disclosed]." • "Average cost of acquisition of equity shares for the selling shareholders in IPO is [to be disclosed] and offer price at upper end of the price band is [to be disclosed]." • "Weighted Average Return on Net Worth for [last three full financial years] is [to be disclosed] %." The data on above disclosures shall be updated and disclosed	

Campus Activewear Limited New Delhi

S. No.	Observation	Response
	prominently (in the same font size as the price band) in advertisements of Price Band and all further advertisements, website of the company and the stock exchange. Further, any adverse ratio / data in basis for issue price should also be disclosed. LM shall submit the draft advertisement for announcement of Price Band with SEBI before its publication in the newspapers for our comments.	

Campus Activewear Limited
New Delhi

SCHEDULE I

Summary of related party transactions

A summary of the related party transactions entered into by our Company and our subsidiaries in Fiscals 2019, 2020 and 2021 and the six months ended September 30, 2020 and September 30, 2021 as per Ind AS 24 - Related Party Disclosures, from our Restated Consolidated Financial Information, is detailed below:

(₹ in million)

Particulars	Fiscal						Six months ended			
	2019	% of revenue from operations	2020	% of revenue from operations	2021	% of revenue from operations	September 30, 2020	% of revenue from operations	September 30, 2021	% of revenue from operations
Hari Krishan Agarwal										
Remuneration paid to KMP	49.50	0.83	53.50	0.73	48.50	0.68	24.25	1.78	24.25	0.59
Purchase of property, plant and equipment	-	0.00	117.97	1.61	-	0.00	-	0.00	-	0.00
Repayment of loans and advances given	49.96	0.84	-	0.00	-	0.00	-	0.00	-	0.00
Nikhil Aggarwal										
Remuneration paid to KMP	11.39	0.19	13.92	0.19	13.92	0.20	6.96	0.51	6.96	0.17
Vinod Aggarwal										
Remuneration paid to KMP	-	0.00	7.00	0.10	12.00	0.17	6.00	0.44	6.05	0.15
Prerna Aggarwal										
Remuneration paid to relatives of KMP	-	0.00	1.40	0.02	2.40	0.03	1.20	0.09	1.35	0.03
Action Shoes Private Limited										
Repayment of loans and advances given	47.00	0.79	-	0.00	-	0.00	-	0.00	-	0.00
Havells India Limited										
Purchase of property, plant and equipment	-	0.00	3.52	0.05	-	0.00	-	0.00	-	0.00
Nikhil Udyog										
Settlement of capital advance (purchase of property, plant and equipment)	46.10	0.77	-	0.00	-	0.00	-	0.00	-	0.00
Kabeer Textiles Private Limited										
Security deposit paid	-	0.00	-	0.00	-	0.00	-	0.00	0.60	0.01
Rent paid	-	0.00	-	0.00	-	0.00	-	0.00	0.06	0.00

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Related party balances as at the period/ year end:

(₹ in million)

Particulars	Fiscal						Six months ended			
	2019	% of revenue from operations	2020	% of revenue from operations	2021	% of revenue from operations	September 30, 2020	% of revenue from operations	September 30, 2021	% of revenue from operations
Other current financial liabilities										
Hari Krishan Agarwal	1.65	0.03	8.00	0.11	7.99	0.11	4.91	0.36	5.18	0.13
Nikhil Aggarwal	0.68	0.01	2.10	0.03	2.04	0.03	1.32	0.10	1.38	0.03
Vinod Aggarwal	-	0.00	0.69	0.01	0.66	0.01	0.66	0.05	0.69	0.02
Prerna Aggarwal	-	0.00	0.17	0.00	0.15	0.00	0.15	0.01	0.08	0.00
Other current financial assets				0.00		0.00		0.00		0.00
Kabeer Textiles Private Limited	-	0.00	-	0.00	-	0.00	-	0.00	0.60	0.01

Transactions within the group (transactions eliminated in Restated Consolidated Financial Information):

(₹ in million)

Particulars	Fiscal						Six months ended			
	2019	% of revenue from operations	2020	% of revenue from operations	2021	% of revenue from operations	September 30, 2020	% of revenue from operations	September 30, 2021	% of revenue from operations
Ankit International										
Sale of Goods	576.91	9.70	730.56	9.98	-	0.00	-	0.00	-	0.00
Sale of property, plant and equipment	3.67	0.06	0.07	0.00	-	0.00	-	0.00	-	0.00
Purchases	81.14	1.36	573.85	7.84	-	0.00	-	0.00	-	0.00
Goods in Transits	0.02	0.00	-	0.00	-	0.00	-	0.00	-	0.00
Re-imbursement of expenses incurred on behalf of other party	84.12	1.41	112.49	1.54	-	0.00	-	0.00	-	0.00
Withdrawal of share in partnership firm	-	0.00	965.96	13.20	-	0.00	-	0.00	-	0.00

Campus Activewear Limited New Delhi

Particulars	Fiscal						Six months ended			
	2019	% of revenue from operations	2020	% of revenue from operations	2021	% of revenue from operations	September 30, 2020	% of revenue from operations	September 30, 2021	% of revenue from operations
Guarantees given	480.87	8.08	-	0.00	-	0.00	-	0.00	-	0.00
Campus AI Private Limited										
Sale of Goods	-	0.00	94.19	1.29	841.75	11.83	250.12	18.36	675.90	16.55
Sale of property, plant and equipment	-	0.00	-	0.00	1.57	0.02	0.07	0.01	0.07	0.00
Purchases	-	0.00	300.04	4.10	2,409.47	33.87	520.21	38.19	1,774.30	43.46
Purchase of property, plant and equipment	-	0.00	-	0.00	1.20	0.02	0.13	0.01	0.24	0.01
Re-imbursement of expenses incurred on behalf of other party	-	0.00	50.22	0.69	87.61	1.23	20.88	1.53	-	0.00
Guarantees given	-	0.00	185.31	2.53	43.45	0.61	63.69	4.68	-	0.00
M G Udyog Private Limited										
Sale of Goods	-	0.00	0.02	0.00	-	0.00	-	0.00	-	0.00
Sale of property, plant and equipment	3.99	0.07	-	0.00	-	0.00	-	0.00	-	0.00
Goods in Transits	0.11	0.00	-	0.00	-	0.00	-	0.00	-	0.00
Job work	140.43	2.36	162.90	2.23	121.01	1.70	45.03	3.31	60.66	1.49

Campus Activewear Limited
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Amounts due (to)/ from related parties (transactions eliminated in Restated Consolidated Financial Information):

(₹ in million)

Particulars	Fiscal						Six months ended			
	2019	% of revenue from operations	2020	% of revenue from operations	2021	% of revenue from operations	September 30, 2020	% of revenue from operations	September 30, 2021	% of revenue from operations
Trade receivables										
Campus AI Private Limited	-	0.00	204.91	2.80	-	0.00	287.10	21.08	-	0.00
Other current assets										
M G Udyog Private Limited	14.68	0.25	27.68	0.38	15.72	0.22	23.63	1.74	24.68	0.60
Trade payables										
Campus AI Private Limited	-	0.00	-	0.00	165.75	2.33	-	0.00	712.59	17.45
Other current liabilities										
Ankit International	288.42	4.85	-	0.00	-	0.00	-	0.00	-	0.00

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SCHEDULE II

Para wise compliance with the Securities and Exchange Board of India (Framework for Rejection of Draft Offer Documents) Order, 2012

S. No.	Rejection Criteria	Response
1.1	Where Capital Structure involves any of the following	
(i)	Existence of circular transactions for building up the capital / net worth of the issuer.	Not applicable
(ii)	Ultimate promoters are unidentifiable.	Not applicable
(iii)	Promoters' contribution not complying with SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 in letter or in spirit.	Not applicable
1.2	Where Object of the Issue	
(i)	Is vague for which a major portion of the issue proceeds are proposed to be utilized.	Not applicable
(ii)	Is repayment of loan or inter corporate deposit or any other borrowing of similar nature, and the issuer is not in a position to disclose the ultimate purpose for which the loan was taken or demonstrate utilization of the same for the disclosed purpose.	
(iii)	Is such where the major portion of the issue proceeds is proposed to be utilized for the purpose which does not create any tangible asset for the issuer, such as, expenses towards brand building, advertisement, payment to consultants, etc., and there is not enough justification for creation of such assets in terms of past performance, experience and concrete business plan of the issuer.	
(iv)	Is to set up a plant and the issuer has not received crucial clearances / licenses / permissions / approvals from the required competent authority which is necessary for commencement of the activity and because of such non-receipt of clearances / licenses / permissions / approvals, the issue proceeds might not be utilized towards the stated objects of the issue.	
(v)	Is such where the time gap between raising the funds and proposed utilization of the same is unreasonably long.	
	Where business model of an issuer is	

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S. No.	Rejection Criteria	Response
1.3	Exaggerated, complex or misleading and the investors may not be able to assess the risks associated with such business models.	Not applicable
1.4	Where scrutiny of Financial Statements shows	
(i)	Sudden spurt in the business just before filing the draft offer document and reply to clarifications sought is not satisfactory. This will include spurt in line items such as Income, Debtors/Creditors, intangible assets, etc.	Not applicable
(ii)	Qualified audit reports or the reports where auditors have raised doubts / concerns over the accounting policies. This would also be applicable for the subsidiaries, joint ventures and associate companies of the issuer which significantly contributes to the business of the issuer. This would also be applicable for the entities where the issue proceeds are proposed to be utilized.	Not applicable
(iii)	Change in accounting policy with a view to show enhanced prospects for the issuer in contradiction with accounting norms.	Not applicable
(iv)	Majority of the business is with related parties or where circular transactions with connected / group entities exist with a view to show enhanced prospects of the issuer.	Not applicable
1.5	Where there exists litigation including regulatory action	
(i)	Which is so major that the issuer's survival is dependent on the outcome of the pending litigation.	Not applicable
(ii)	Which is wilfully concealed or covered.	Not applicable
1.6	Other General Criteria	
(i)	Failure to provide complete documentation in terms of requirements of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.	Not applicable
(ii)	Non-furnishing of information or delay in furnishing of information or furnishing of incorrect / vague / misleading / incomplete / false / non satisfactory information to the Board.	Not applicable
(iii)	Failure to resolve conflict of interest, whether direct or indirect, between the issuer and Merchant Banker appointed by the issuer to undertake the book building process. Quantification of conflict of interest may not always be possible but it would largely depend upon	Not applicable

Campus Activewear Limited New Delhi

S. No.	Rejection Criteria	Response
	the Board's assessment on whether such conflict of interest may affect the judgment and ability of the Merchant Banker in conducting due diligence activity of issuer.	

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SCHEDULE III

Para wise compliance of the Securities and Exchange Board of India (Issuing Observations on Draft Offer Documents Pending Regulatory Actions) Order, 2020

S. No.	Rejection Criteria	Response
A.	Treatment where there is a probable cause for investigation or enquiry or when an investigation or enquiry is in progress against the entities	
1.	Where there is a probable cause for investigation, examination or enquiry against the entities, the observations on the draft offer document filed by the issuer with the Board shall be kept in abeyance for a period of thirty days after such probable cause arises or the date of filing of the draft offer document with the Board, whichever is later	Not applicable
2.	Where the Board is unable to conclude such investigation, examination or enquiry against the entities due to the reasons beyond its control or due to the conduct of the parties other than the entities, the observations on the draft offer document shall be kept in abeyance for a further period of thirty days.	Not applicable
3.	Where the Board is unable to conclude such investigation, examination or enquiry against the entities due to the conduct of the entities, the observations on the draft offer document shall be kept in abeyance till the time such investigation, examination or enquiry is concluded.	Not applicable
B.	Treatment where show cause notice has been issued.	
1.	Where a show cause notice has been issued to the entities in an adjudication proceeding, the Board may process the draft offer document and issue observations and advice the entities to make necessary disclosures and statements in respect of such proceedings and the possible adverse impact of an order on the entities, in the offer document.	Not applicable
2.	Where a show cause notice has been issued in respect of proceedings under sub-section (4) of section 11 or section 11B(1), the Board shall keep in abeyance the issuance of observations for a period of ninety days from the date of filing of the draft offer document with the Board.	Not applicable
3.	Where the Board is unable to conclude the proceedings as referred to sub-clause (2) due to the reasons beyond its control or due to the conduct of the parties other than the entities, the observations on the draft offer document shall be kept in abeyance for a further period of forty five days.	Not applicable

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S. No.	Rejection Criteria	Response
4.	Where the Board is unable to conclude the proceedings as referred to sub-clause (2) due to the conduct of the entities, the observations on the draft offer document shall be kept in abeyance till the time such proceedings are concluded	Not applicable
5.	Where no order is passed within the time period specified in clause (3), the Board may process the draft offer document and issue observations and advise the entities to make necessary disclosures and statements in respect of such proceedings and the possible adverse impact of an order on the entities, in the offer document	Not applicable
C.	Treatment where recovery proceedings have been initiated or an order for disgorgement or monetary penalty has not been complied with or in case of non-compliance with any direction issued by the Board.	
1.	Where the Board has initiated proceedings for recovery against the entities or when an order for disgorgement or monetary penalty passed against the entities is not complied with or in case of non-compliance with any direction issued by the Board, the observations on the draft offer document filed by the issuer with the Board shall be kept in abeyance till such proceedings are concluded or until the directions are complied with	Not applicable
D.	Reconsideration of proceedings pursuant to remand by the Securities Appellate Tribunal or court.	
1.	Where proceedings has been remanded by the Securities Appellate Tribunal or a court, the same shall in effect be treated as proceedings covered under this Order, and the Board may take appropriate action in respect of the draft offer document under the provisions of this general order, subject to any order passed by the Securities Appellate Tribunal or a court, as the case may be, while remanding the matter.	Not applicable
E.	Issuance of observations when the issuer is restrained by a court from making a public issue or filing of offer document	
1.	Where the issuer has been restrained by a court or tribunal from making an issue of securities or from issuing offer document to the public, the Board may examine the offer document and issue its observations thereof with a qualification that said observations are issued in accordance with the regulatory powers conferred on the Board and that the public issue or issuance of the offer document to the public by the issuer shall be subject to the orders of such court or tribunal or authority.	Not applicable
F.	Issuance of observations do not indicate exoneration	
1.	Issuance of observations on draft offer document when an investigation or enquiry is pending or when any regulatory action is pending, does not indicate that the party	Not applicable

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S. No.	Rejection Criteria	Response
	has been exonerated in such proceedings or that action may not ultimately result from such proceedings	
G.	Removal of difficulties	
1.	In order to remove any difficulties, in deserving cases, the Competent Authority may grant exemption from strict enforcement of any provision of the extant General Order	Not applicable

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