



ESPRIT STONES LIMITED

CIN: U74999RJ2016PLC056284

Our Company was originally incorporated as 'Esprit Stones Private Limited', a private limited company under Companies Act, 2013, pursuant to a certificate of incorporation dated October 19, 2016 issued by the Central Registration Centre. Subsequently, our Company was converted into a public limited company pursuant to a resolution passed by our shareholders at an Extra-ordinary General Meeting held on January 12, 2024 and a fresh certificate of incorporation dated February 5, 2024 was issued by the Registrar of Companies, Rajasthan at Jaipur consequent upon conversion, recording the change in name of our Company from 'Esprit Stones Private Limited' to 'Esprit Stones Limited'.

Registered Office: SP1, Udyog Vihar, Sukher Industrial Area, Udaipur - 313 004, Rajasthan, India.

Corporate Office: Khasra No. 1106 - 1109, Revenue Village Bhillwada, Kukdeshwar Mahadev Road, Udaipur - 313 001, Rajasthan, India.

Contact Person: Anjali Pandey, Company Secretary and Compliance Officer; Tel: +91 91166 52582; E-mail: legal@espritstones.com; Website: www.espritstones.com



(Please scan this QR Code to view the Prospectus)

OUR PROMOTERS: SUNILKUMAR LUNAWATH, NITIN GATTANI, PRADEEPKUMAR LUNAWATH, SANGEETA GATTANI, ANUSHREE LUNAWATH AND SIDDHANTH LUNAWATH

"THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER IX OF THE SEBI ICDR REGULATIONS (IPO OF SMALL AND MEDIUM ENTERPRISES) AND THE EQUITY SHARES ARE PROPOSED TO BE LISTED ON SME PLATFORM OF NSE (NSE EMERGE)."

BASIS OF ALLOTMENT

INITIAL PUBLIC OFFER OF UP TO 57,95,200 EQUITY SHARES OF FACE VALUE ₹ 10 EACH (THE "EQUITY SHARES") OF ESPRIT STONES LIMITED ("OUR COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ 87 PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹ 77 PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING TO ₹ 5,035.42 LAKHS (THE "ISSUE") OF WHICH 2,91,200 EQUITY SHARES AGGREGATING TO ₹ 253.34 LAKHS (CONSTITUTING 1.33% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) WERE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION") AND UP TO 1,28,000 EQUITY SHARES AGGREGATING TO ₹ 104.96 LAKHS (CONSTITUTING UP TO 0.58% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) WAS RESERVED FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, OFFERED A DISCOUNT OF UP TO 5.75% (EQUIVALENT OF ₹ 5 PER EQUITY SHARE) TO THE ISSUE PRICE TO ELIGIBLE EMPLOYEES BIDDING UNDER THE EMPLOYEE RESERVATION PORTION ("EMPLOYEE DISCOUNT"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION AND EMPLOYEE RESERVATION PORTION IS HERINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE CONSTITUTED 26.41% AND 24.50% RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

ISSUE PRICE: ₹ 87.00 PER EQUITY SHARE OF FACE VALUE ₹ 10/- EACH. | ANCHOR INVESTOR ISSUE PRICE: ₹ 87.00 PER EQUITY SHARE | THE ISSUE PRICE IS 8.7 TIMES OF THE FACE VALUE

BID/ISSUE PERIOD

ANCHOR INVESTOR BIDDING DATE WAS: THURSDAY, JULY 25, 2024 | BID/ISSUE OPENED ON: FRIDAY, JULY 26, 2024 | BID/ISSUE CLOSED ON: TUESDAY, JULY 30, 2024

RISK TO INVESTORS:

- Our manufacturing activity is subject to availability of raw material and the costs of the raw materials. Any shortage in availability or fluctuations in raw material prices may have a material adverse effect on our business, financial condition, results of operations and cash flows.
- Major portion of our revenues are derived from exports to the United States of America and any adverse developments in this market or restrained economic or political relations of India with the United States of America could adversely affect our business.
- The two merchant bankers associated with the issue has handled 4 public issues in the past three years out of which none of the Issues closed below the Issue price on Listing date.
- The Average Cost of Acquisition of Equity Shares by our Promoters is as follows:

| Name of the Promoters | Number of equity shares as on the date of the Red Herring Prospectus | Average cost price per Equity Share (₹) |
|-----------------------|--|---|
| Sunilkumar Lunawath | 22,10,000 | 5.88 |
| Nitin Gattani | 45,39,000 | 5.88 |
| Pradeepkumar Lunawath | 14,00,205 | 7.28 |
| Sangeeta Gattani | 28,09,250 | 3.56 |
| Anushree Lunawath | 4,82,205 | Nil ^a |
| Siddhant Lunawath | Nil | Nil |

^a Transfer by way of gift.

- The weighted average cost of acquisition of all shares transacted in (i) last one (1) year; (ii) last eighteen (18) months and (iii) last three (3) years preceding the date of the Red Herring Prospectus is as follows:

| Period | Weighted average cost of acquisition (in ₹) | Cap Price is 'X' times the Weighted Average Cost of Acquisition | Range of acquisition price: lowest price - highest price (in ₹) |
|--|---|---|---|
| Last one (1) year preceding the date of the Red Herring Prospectus | Nil ^a | N.A.* | N.A.* |
| Last eighteen (18) months preceding the date of the Red Herring Prospectus | Nil ^a | N.A.* | N.A.* |
| Last three (3) years preceding the date of the Red Herring Prospectus | Nil ^a | N.A.* | N.A.* |

^a Represents cost of bonus shares and cost of transfer by way of gift which were transacted at nil consideration. *N.A. since weighted average cost of acquisition is nil

PROPOSED LISTING: FRIDAY, AUGUST 02, 2024*

The Issue was being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 253 of the SEBI ICDR Regulations, as amended, wherein not more than 50% of the Net Issue were allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs", the "QIB Portion"), provided that our Company, in consultation with the Book Running Lead Managers, allocated 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third was reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. Further, 5% of the Net QIB Portion was made available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion was made available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds was less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion was made available to be added to the remaining Net QIB Portion for proportionate allocation to QIBs, (the "Net QIB Portion"). Further, not less than 15% of the Net Issue were made available for allocation on a proportionate basis to Non-Institutional Bidders ("Non-Institutional Portion") and not less than 35% of the Net Issue were made available for allocation to Retail Individual Bidders ("Retail Portion") in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders (except Anchor Investors) were required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process providing details of their respective ASBA accounts, and UPI ID in case of RIBs using the UPI Mechanism, if applicable, in which the corresponding Bid Amounts were blocked by the Self Certified Syndicate Banks ("SCSBs") or by the Sponsor Bank under the UPI Mechanism, as the case may be, to the extent of respective Bid Amounts. Anchor Investors were not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 317 of the Prospectus.

The Investors are advised to refer to the Prospectus for the full text of the Disclaimer clause pertaining to NSE. For the purposes of the Issue, the Designated Stock Exchange shall be National Stock Exchange of India Limited. The trading is proposed to be commenced on or before Friday August 02, 2024.*

* Subject to the receipt of listing and trading approval from the NSE (NSE Emerge).

SUBSCRIPTION DETAILS

The Company received 5 Anchor Investor Application Forms from Anchor Investors for 16,12,800 Equity Shares. Out of that 5 Anchor Investors were allocated 16,12,800 Equity Shares at a price of ₹ 87/- per Equity Share under the Anchor Investor Portion, aggregating to ₹ 14,03,13,600.

The Issue (excluding Anchor Investor Portion) received applications for 72,58,46,400 Equity Shares (before rejections and after invalid bids Multiple/Duplicate) resulting in 173.55 times subscription (including reserved portion of market maker). The Details of the Applications received from various categories (before rejection) are as under:

Detail of the Applications Received:

| CATEGORY | NUMBER OF APPLICATIONS | NO OF SHARES | NO OF SHARES RESERVED | NO OF TIMES SUBSCRIPTIONS | AMOUNT |
|---|------------------------|---------------------|-----------------------|---------------------------|---------------------------|
| Retail Individual Investors | 1,72,504 | 27,60,06,400 | 18,81,600 | 146.69 | 24,01,17,61,600.00 |
| Non-Institutional Investors | 15,784 | 32,29,55,200 | 8,06,400 | 400.49 | 28,09,67,45,600.00 |
| Qualified Institutional Buyers (excluding Anchor Investors) | 57 | 12,64,56,000 | 10,75,200 | 117.61 | 11,00,16,72,000.00 |
| Employees Reservation Portion | 50 | 1,37,600 | 1,28,000 | 1.08 | 1,12,83,200.00 |
| Market Makers | 1 | 2,91,200 | 2,91,200 | 1 | 2,53,34,400.00 |
| TOTAL | 1,88,396 | 72,58,46,400 | 41,82,400 | 173.55 | 63,14,67,96,800.00 |

Final Demand

A summary of the final demand as per NSE as on the Bid/Issue Closing Date at different Bid Prices is as under:

| SRNO | PRICE | NO OF EQUITY SHARES | % OF TOTAL | CUMULATIVE SHARE | PERCENTAGE |
|------|--------------|---------------------|---------------|------------------|------------|
| 1 | 82 | 3,55,200 | 0.04 | 3,55,200 | 0.04 |
| 2 | 83 | 57,600 | 0.01 | 4,12,800 | 0.05 |
| 3 | 84 | 38,400 | 0.00 | 4,51,200 | 0.06 |
| 4 | 85 | 2,49,600 | 0.03 | 7,00,800 | 0.09 |
| 5 | 86 | 1,79,200 | 0.02 | 8,80,000 | 0.11 |
| 6 | 87 | 62,77,40,800 | 78.27 | 62,86,20,800 | 78.38 |
| 7 | 9999 | 17,34,38,400 | 21.62 | 80,20,59,200 | 100.00 |
| | TOTAL | 80,20,59,200 | 100.00 | | |

The Basis of Allotment was finalized in consultation with the Designated Stock Exchange - NSE on July 31, 2024.

- Allocation to Retail Individual Investors (After Rejections):** The Basis of Allotment to the Retail Individual Investors, who have bid at cut-off Price or at or above the Issue Price of ₹ 87.00 per equity shares, was finalized in consultation with NSE. The category was subscribed by 144.59 times i.e., for 27,20,64,000 Equity Shares. Total number of shares allotted in this category is 18,81,600 Equity Shares to 1176 successful applicants. The category wise details of the Basis of Allotment are as under:

| No. of Shares Applied for (Category wise) | No. of Applications received | % to total | Total No. of Equity Shares applied in this Category | % of total | No. of Equity Shares allocated/ allotted per Applicant | Ratio | Total Number of shares allotted |
|---|------------------------------|---------------|---|---------------|--|--------------|---------------------------------|
| 1600 | 170040 | 100.00 | 272064000 | 100.00 | 1600 | 2:289 | 1881600 |
| Total | 170040 | 100.00 | 272064000 | 100.00 | 1600 | 2:289 | 1881600 |

- Allocation to Non-Institutional Investors (After Rejections):** The Basis of Allotment to Other than Retail Individual Investors, who have bid at Issue Price of ₹ 87.00 per equity shares or above, was finalized in consultation with NSE. The category was subscribed by 399.42 times i.e., for 32,20,89,600 shares the total number of shares allotted in this category is 8,06,400 Equity Shares to 468 successful applicants. The category wise details of the Basis of Allotment are as under:

| Sr. No. | No. of Shares Applied for (Category wise) | No. of Applications received | % to total | Total No. of Equity Shares applied in this Category | % of total | No. of Equity Shares allocated/ allotted per Applicant | Ratio of Allottees to Applicants | Total Number of shares allotted |
|---------|---|------------------------------|------------|--|------------|--|----------------------------------|---------------------------------|
| 1. | 3200 | 6824 | 43.58 | 21836800 | 6.78 | 1600 | 34:6824 | 54400 |
| 2. | 4800 | 1383 | 8.83 | 6638400 | 2.06 | 1600 | 10:1383 | 16000 |
| 3. | 6400 | 903 | 5.77 | 5779200 | 1.79 | 1600 | 9:903 | 14400 |
| 4. | 8000 | 787 | 5.03 | 6296000 | 1.95 | 1600 | 10:787 | 16000 |
| 5. | 9600 | 530 | 3.38 | 5088000 | 1.58 | 1600 | 8:530 | 12800 |
| 6. | 11200 | 940 | 6.00 | 10528000 | 3.27 | 1600 | 16:940 | 25600 |
| 7. | 12800 | 1174 | 7.50 | 15027200 | 4.67 | 1600 | 24:1174 | 38400 |
| 8. | 14400 | 306 | 1.95 | 4406400 | 1.37 | 1600 | 7:306 | 11200 |
| 9. | 16000 | 534 | 3.41 | 8544000 | 2.65 | 1600 | 13:534 | 20800 |
| 10. | 17600 | 187 | 1.19 | 3291200 | 1.02 | 1600 | 5:187 | 8000 |
| 11. | 19200 | 133 | 0.85 | 2553600 | 0.79 | 1600 | 4:133 | 6400 |
| 12. | 20800 | 90 | 0.57 | 1872000 | 0.58 | 1600 | 3:90 | 4800 |
| 13. | 22400 | 103 | 0.66 | 2307200 | 0.72 | 1600 | 4:103 | 6400 |
| 14. | 24000 | 190 | 1.21 | 4560000 | 1.42 | 1600 | 7:190 | 11200 |
| 15. | 25600 | 111 | 0.71 | 2841600 | 0.88 | 1600 | 4:111 | 6400 |
| 283 | 1603200 | 1 | 0.01 | 1603200 | 0.50 | 4800 | 1:1 | 4800 |
| 284 | 1616000 | 1 | 0.01 | 1616000 | 0.50 | 4800 | 1:1 | 4800 |
| 285 | 1723200 | 1 | 0.01 | 1723200 | 0.54 | 4800 | 1:1 | 4800 |
| 286 | 2097600 | 1 | 0.01 | 2097600 | 0.65 | 4800 | 1:1 | 4800 |
| 287 | 2240000 | 1 | 0.01 | 2240000 | 0.70 | 6400 | 1:1 | 6400 |
| 288 | 2481600 | 1 | 0.01 | 2481600 | 0.77 | 6400 | 1:1 | 6400 |
| 289 | 2521600 | 1 | 0.01 | 2521600 | 0.78 | 6400 | 1:1 | 6400 |
| 290 | 2688000 | 3 | 0.02 | 8064000 | 2.50 | 6400 | 1:1 | 19200 |
| | 2688000 | | | 1600 additional share is allocated for Serial no 290 in the ratio of 1:3 | | 1600 | 1:3 | 1600 |

- Allocation to Employees (After Rejections):** The Basis of Allotment to Employees who have bid at ₹ 87.00 per equity shares or cut off (A discount of 5 Per Equity Share is being offered to eligible employees bidding in the Employee Reservation Portion) was finalized in consultation with NSE. The category was subscribed by 1.03 times i.e. for 131200 shares the total number of shares allotted in this category is 128000 Equity Shares to 48 successful applicants. The category wise details of the Basis of Allotment are as under:

a) Details of Allocation to Employees up to ₹ 200000

| No. of Shares Applied for (Category wise) | No. of Applications received | % to total | Total No. of Equity Shares applied in this Category | % of total | No. of Equity Shares allocated/ allotted per Applicant | Ratio | Total Number of shares allotted |
|---|------------------------------|------------|---|------------|--|-------|---------------------------------|
| 1600 | 20 | 41.67 | 32000 | 41.67 | 1600 | 1:1 | 32000 |
| 3200 | 22 | 45.83 | 35200 | 45.83 | 1600 | 1:1 | 35200 |
| 4800 | 6 | 12.50 | 9600 | 12.50 | 1600 | 1:1 | 9600 |

b) Details of Allocation to Employees between ₹ 200000 to ₹ 500000

| No. of Shares Applied for (Category wise) | No. of Applications received | % to total | Total No. of Equity Shares applied in this Category | % of total | No. of Equity Shares allocated/ allotted per Applicant | Ratio | Total Number of shares allotted |
|---|------------------------------|------------|--|------------|--|-------|---------------------------------|
| 3200 | 22 | 78.57 | 35200 | 64.71 | 1600 | 21:22 | 33600 |
| 4800 | 6 | 21.43 | 19200 | 35.29 | 1600 | 1:1 | 9600 |
| 4800 | | | 1600 additional share is allocated for Serial no 2 in the ratio of 5:6 | | 1600 | 5:6 | 8000 |

- Allocation to QIBs excluding Anchor Investors (After Rejections):** The Basis of Allotment to QIBs who have bid at Issue Price of ₹ 87.00 per equity shares or above was finalized in consultation with NSE. The category was subscribed by 117.61 times i.e. for 12,64,56,000 shares the total number of shares allotted in this category is 10,75,200 Equity Shares to 56 successful applicants. The category wise details of the Basis of Allotment are as under:

| Category | FIS/BANKS | MF'S | IC'S | NBFC'S | AIF | FPC | VC'S | TOTAL |
|----------|-----------|------|-------|--------|--------|--------|-------|---------|
| QIBs | 128000 | - | 19200 | 344000 | 216000 | 355200 | 12800 | 1075200 |

- Allocation to Anchor Investors (After Rejections & Withdrawal):** The Company in consultation with the BRLM has allotted 1612800 Equity Shares to 5 Anchor Investors at Anchor Investor Issue Price of ₹ 87.00 per equity shares in accordance with the SEBI ICDR Regulations. The category wise details of the Basis of Allotment are as under:

| CATEGORY | FIS/BANKS | MF'S | IC'S | NBFC'S | AIF | FPC | OTHERS | TOTAL |
|----------|-----------|------|------|--------|--------|--------|--------|---------|
| ANCHOR | - | - | - | 230400 | 806400 | 576000 | - | 1612800 |

- Allocation to Market Maker (After Rejections):** The Basis of Allotment to Market Maker who have bid at Issue Price of ₹ 87.00 per equity shares or above was finalized in consultation with NSE. The category was subscribed by 1.00 times i.e. for 2,91,200 shares the total number of shares allotted in this category is 2,91,200 Equity Shares. The category wise details of the Basis of Allotment are as under:

| No. of Shares Applied for (Category wise) | No. of Applications received | % to total | Total No. of Equity Shares applied in this Category | % of total | No. of Equity Shares allocated/ allotted per Applicant | Ratio | Total Number of shares allotted |
|---|------------------------------|------------|---|------------|--|-------|---------------------------------|
| 291200 | 1 | 100 | 291200 | 100 | 291200 | 1:1 | 291200 |
| Total | 1 | 100 | 291200 | 100 | 291200 | | 291200 |

The Board of Directors of the Company at its meeting held on July 31, 2024 has approved the Basis of Allocation of Equity Shares as approved by the Designated Stock Exchange viz. NSE and has authorized the corporate action for Issue of the Equity Shares to various successful applicants. The CAN-cum-allotment advices and/or notices will forward to the email id's and address of the Applicants as registered with the depositories / as filled in the application form on or before August 01, 2024. Further the instructions to Self Certified Syndicate Banks for unblocking the amount will process on or prior to August 01, 2024. In case the same is not received within ten days investors may contact at the address given below. The Equity Shares allocated to successful applicants are being credited to their beneficiary accounts subject to validation of the account details with the depositories concerned. The Company is taking steps to get the Equity Shares admitted for trading on the NSE Emerge within Three working days from the date of the closure of the Issue.

Note: All capitalized terms used and not defined herein shall have the respective meanings assigned to them in the Prospectus dated July 31, 2024 ("Prospectus") filed with Registrar of Companies Jaipur.

INVESTORS, PLEASE NOTE

The details of the allotment made would also be hosted on the website of the Registrar to the Issue Link Intime India Private Limited at www.linkintime.co.in. All future correspondence in this regard may kindly be addressed to the Registrar to the Issue quoting full name of the First/ Sole applicants serial number of the Bid cum Application Form number of shares applied for and Bank Branch where the application had been lodged and payment details at the address of the Registrar given below:

LINK Intime Link Intime India Private Limited
C-101 1st Floor 247 Park, L.B.S. Marg Vikhroli (West), Mumbai 400 083 Maharashtra India. Telephone: +91 8108114949; E-mail: espritstones.ipo@linkintime.co.in
Investor grievance email: espritstones.ipo@linkintime.co.in; Website: www.linkintime.co.in; Contact Person: Shanli Gopalkrishnan; SEBI Registration No: INR000004058

For Esprit Stones Limited
Sd/-
Sunilkumar Lunawath
Designation: Managing Director
DIN: 01105117

Date : August 01, 2024

Place : Udaipur

THE LEVEL OF SUBSCRIPTION SHOULD NOT BE TAKEN TO BE INDICATIVE OF EITHER THE MARKET PRICE OF THE EQUITY SHARES ON LISTING OR THE BUSINESS PROSPECTS OF ESPRIT STONES LIMITED.

ESPRIT STONES Limited is proposing subject to market conditions public issue of its equity shares and has filed the Prospectus with the Registrar of Companies Jaipur. The Prospectus is available on the website of SEBI at www.sebi.gov.in in the website of the Book Running Lead Managers at www.choiceindia.com and www.srujanalpa.com website of the NSE at www.nseindia.com and website of Issuer Company at www.espritstones.com Investors should note that investment in Equity Shares involves a high degree of risk. For details investors shall refer to and rely on the Prospectus including the section titled "Risk Factors" beginning on page 39 of the Prospectus which has been filed with ROC. The Equity Shares have not been and will not be registered under the US Securities Act (the "Securities Act") or any state securities law in United States and may not be issued or sold within the United States or to or for the account or benefit of "U.S. persons" (as defined in the Regulation S under the Securities Act) except pursuant to an exemption from or in a transaction not subject to the registration requirements of the Securities Act of 1933.