

(THIS IS A PUBLIC ANNOUNCEMENT FOR INFORMATION PURPOSES ONLY AND IS NOT A PROSPECTUS ANNOUNCEMENT. THIS DOES NOT CONSTITUTE AN INVITATION OR OFFER TO ACQUIRE, PURCHASE OR SUBSCRIBE TO SECURITIES. THIS PUBLIC ANNOUNCEMENT IS NOT INTENDED FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY OUTSIDE INDIA.) INITIAL PUBLIC OFFER OF EQUITY SHARES ON THE NSE EMERGE IN COMPLIANCE WITH CHAPTER IX OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2018, AS AMENDED ("SEBI ICDR REGULATIONS").



(Please scan this QR Code to view the RHP)



ESPRIT STONES LIMITED

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'. For details of change in the name and registered office of our Company, see "History and Certain Corporate Matters" on page 174 of the Red Herring Prospectus dated July 19, 2024.

Registered Office: SP1, Udyog Vihar, Sukher Industrial Area, Udaipur - 313 004, Rajasthan, India. Corporate Office: Khasra No. 1106 - 1109, Revenue Village Bhiwada, 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; Corporate Identity Number: U74999RJ2016PLC056284

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

THE ISSUE

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 ₹[●] PER EQUITY SHARE (INCLUDING A SECURITIES PREMIUM OF ₹[●] PER EQUITY SHARE) ("ISSUE PRICE"), AGGREGATING UP TO ₹[●] LAKHS (THE "ISSUE") OF WHICH 2,91,200 EQUITY SHARES AGGREGATING TO ₹[●] LAKHS (CONSTITUTING UP TO 1.33% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER ("MARKET MAKER RESERVATION PORTION") AND UP TO 1,28,000 EQUITY SHARES AGGREGATING UP TO ₹[●] LAKHS (CONSTITUTING UP TO 0.58% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY) WILL BE RESERVED FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). OUR COMPANY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, MAY OFFER A DISCOUNT OF UP TO [●] (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 WILL CONSTITUTE 26.41% AND 24.50% RESPECTIVELY OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

*Subject to finalization of Basis of Allotment

QIB PORTION: NOT MORE THAN 50.00% OF THE NET ISSUE | NON-INSTITUTIONAL PORTION: NOT LESS THAN 15.00% OF THE NET ISSUE

RETAIL PORTION: NOT LESS THAN 35.00% OF THE NET ISSUE | MARKET MAKER PORTION: 2,91,200 EQUITY SHARES OR 5.02% OF THE ISSUE | EMPLOYEE RESERVATION PORTION: UPTO 1,28,000 EQUITY SHARES

PRICE BAND: ₹ 82 TO ₹ 87 PER EQUITY SHARE OF FACE VALUE ₹ 10/- EACH*

THE FLOOR PRICE IS 8.20 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 8.70 TIMES OF THE FACE VALUE OF THE EQUITY SHARES

BIDS CAN BE MADE FOR A MINIMUM OF 1600 EQUITY SHARES AND IN MULTIPLES OF 1600 EQUITY SHARES THEREAFTER

A DISCOUNT OF RS. 5 PER EQUITY SHARE IS BEING OFFERED TO ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION

*For further details, see section titled 'Basis for the Issue Price' on page 122

In making an investment decision, potential investors must only rely on the information included in the Red Herring Prospectus and the terms of the Issue, including the risks involved and not rely on any other external sources of information about the Issue available in any manner.

The Issue is being made in terms of Chapter IX of the SEBI (ICDR) Regulations, 2018, as amended from time to time. This Issue is being made by our company in terms of Regulation of 229 (2) of SEBI ICDR Regulations read with Rule 19(2)(b)(i) of SCRR wherein not less than 25% of the post-issue paid up equity share capital of our Company are being offered to the public for subscription (For further details please see section titled "Issue Structure" beginning on page 314 of the Red Herring Prospectus).

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 [^]
Siddhanth Lunawath	Nil	Nil

[^]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 [^]	N.A.*	N.A.*
Last eighteen (18) months preceding the date of the Red Herring Prospectus	Nil [^]	N.A.*	N.A.*
Last three (3) years preceding the date of the Red Herring Prospectus	Nil [^]	N.A.*	N.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

ISSUE PROGRAMME

ANCHOR INVESTOR BID/ISSUE PERIOD THURSDAY, JULY 25, 2024*

ISSUE OPENS ON FRIDAY, JULY 26, 2024* | ISSUE CLOSES ON TUESDAY, JULY 30, 2024***

*Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI (ICDR) Regulations. The Anchor Investor Bidding Date shall be 1 (one) Working Day prior to the Bid/Issue Opening Date. **Our Company may, in consultation with the BRLMs, consider closing the Bid/Issue Period for QIBs 1 (one) Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI (ICDR) Regulations. ***The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Issue Closing Day

THE EQUITY SHARES OF OUR COMPANY WILL GET LISTED ON SME PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE")

In case of any revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional working days after such revision of the Price Band, subject to the total Bid/Issue Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Company, for reasons to be recorded in writing extend the Bid/Issue Period for a minimum of three Working Days, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges by issuing a press release and also by indicating the change on the website of the BRLMs and at the terminals of the Members of the Syndicate and by intimation to Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Issue is being made through the Book Building Process, in terms of Rule 19(2)(b)(i) 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 shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs"), the "QIB Portion", provided that our Company may, in consultation with the Book Running Lead Managers, allocate up to 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 shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be 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 is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will 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 shall be available for allocation on a proportionate basis to Non-Institutional Bidders ("Non-Institutional Portion") and not less than 35% of the Net Issue shall be 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) are required to mandatorily utilize 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 will be 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 are not permitted to participate in the Issue through the ASBA process. For details, see "Issue Procedure" on page 318 of the Red Herring Prospectus. A copy of the Prospectus will be filed with the Registrar of Companies as required under Section 26 of the Companies Act, 2013.

Bidders/Applicants should note that on the basis of PAN, DP ID and Client ID as provided in the Bid cum Application Form, the Bidders/Applicants may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidders/Applicants as available on the records of the depositories. These Demographic Details may be used, among other things, for or unblocking of ASBA Account or for other correspondence(s) related to an issue. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk. Bidders/Applicants should ensure that PAN, DP ID and Client ID are correctly filled in the Bid cum Application Form. The PAN, DP ID and Client ID provided in the Bid cum Application Form should match with the PAN, DP ID and Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Investors must ensure that their PAN is linked with AADHAR and are in compliance with CBDT Notification dated February 13, 2020 and press release dated June 25, 2021 read with press release dated September 17, 2021 and CBDT circular no. 7 of 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

CONTENTS OF THE MEMORANDUM OF ASSOCIATION OF THE COMPANY AS REGARDS ITS OBJECTS: For information on the main objects and other objects of our Company, see section titled "History and Certain Corporate Matters" on page 174 of the Red Herring Prospectus and Clause III of the Memorandum of Association of our Company. The Memorandum of Association of our Company is a material document for inspection in relation to the Issue. For further details, see the section titled "Material Contracts and Documents for Inspection" on page 418 of the Red Herring Prospectus.

CORRIGENDUM

Potential Bidders may note the following as a corrigendum ("Corrigendum") to the draft red herring prospectus dated February 15, 2024 and the red herring prospectus dated July 19, 2024, filed by our Company with the NSE ("RHP").

In the chapter titled "Issue Structure", on page 314 of the RHP, the notes under the table detailing the Issue Structure shall stand modified as below:

The first line to the second note, "However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 5.00 lakhs" shall stand replaced with and read as "However, a Bid by an Eligible Employee in the Employee Reservation Portion will be considered for allocation, in the first instance, for a Bid Amount of up to ₹ 2.00 lakhs". Further, the seventh line to the second note, "However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee has made an application of more than ₹ 5.00 lakhs (net of Employee Discount) in the Employee Reservation Portion" shall stand replaced with and read as "However, Bids by Eligible Employees in the Employee Reservation Portion and in the Non-Institutional Portion shall be treated as multiple Bids, only if Eligible Employee has made an application of more than ₹ 2.00 lakhs (net of Employee Discount) in the Employee Reservation Portion".

ASBA*

Simple, Safe, Smart way of Application-Make use of it!!!

*Application Supported by Blocked Amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account. For further details check section on ASBA.

Mandatory in Public Issues. No cheque will be accepted.



UNIFIED PAYMENTS INTERFACE

UPI-Now available in ASBA for all individual investors applying in public issues where the application amount is up to ₹ 500,000, applying through Registered Brokers, Syndicate, CDPs & RTAs. UPI Bidders also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020 and the subsequent press releases, including press release dated June 25, 2021 read with press release dated September 17, 2021, CBDT Circular No. 7 of 2022 dated March 30, 2022 read with the press release dated March 28, 2023 and any subsequent press releases in this regard.

ASBA may be availed by all the investors except Anchor Investors. UPI may be availed by (i) Retail Individual Bidders in the Retail Portion; and (ii) Non-Institutional Bidders with an application size of up to ₹ 5,00,000 in the Non-Institutional Portion. For details on the ASBA and UPI process, please refer to the details given in the Bid Cum Application Form and the Abridged Prospectus and also please refer to the section "Issue Procedure" on page 318 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. The Bid Cum Application Form and the Abridged Prospectus can be downloaded from the website National Stock Exchange of India Limited ("NSE" and "Stock Exchange") and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFPI=yes&intmid=35 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFPI=yes&intmid=43, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: www.sebi.gov.in. UPI Bidders Bidding using the UPI Mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. Kotak Mahindra Bank Limited has been appointed as the Sponsor Bank for the Issue, in accordance with the requirements of SEBI circular dated November 1, 2018 as amended. For UPI related queries, investors can contact NPCI at the toll-free number-18001201740 and Mail ID- ipo.upi@npci.org.in. For Issue related grievance investors may contact: Choice Capital Advisors Private Limited - Ms. Nimisha Joshi / Mr. Anuj Killa (+91 22 6707 9999 / 7919) (Email ID: esi.ipa@choicaindia.com); Srujan Alpha Capital Advisors LLP- Mr. Jinesh Doshi (+91 022- 46030709) (Email ID: jinesh@srjanalpha.com).

Choice

The Joy of Earning

Choice Capital Advisors Private Limited
Sunil Pataodia Tower, Plot No.156-158, J.B. Nagar, Andheri (East),
Mumbai - 400 009, Maharashtra, India
Telephone: +91 22 6707 9999 / 7919; E-mail: esi.ipa@choicaindia.com
Website: www.choicaindia.com/merchant-investment-banking
Investor Grievance E-mail: regulator_advisors@choicaindia.com
Contact Person: Nimisha Joshi / Anuj Killa; SEBI Registration No.: INM000011872



Srujan Alpha Capital Advisors LLP
824 & 825, Corporate Avenue, Sonawala Rd, opposite Atlanta Centre,
Sonawala Industry Estate, Goregaon, Mumbai - 400 064
Telephone: +91 022- 4603 0709; E-mail: jinesh@srjanalpha.com
Website: www.srujanalpha.com
Investor Grievance E-mail: partners@srjanalpha.com / jinesh@srjanalpha.com
Contact Person: Jinesh Doshi; SEBI Registration No.: INM000012829

REGISTRAR TO THE ISSUE

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.ipa@linkintime.co.in
Investor grievance email: espritstones.ipa@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Shanti Gopalkrishnan; SEBI Registration No: INR000004058

COMPANY SECRETARY AND COMPLIANCE OFFICER

Anjali Pandey
ESPRIT STONES LIMITED
Address: SP1, Udyog Vihar, Sukher Industrial Area, Udaipur, Rajasthan - 313 004, India
Telephone: +91 91166 52582
E-mail id: legal@espritstones.com; Website: www.espritstones.com
Investors can contact the Company Secretary and Compliance Officer, the Book Running Lead Managers or the Registrar to the Issue in case of any pre-issue or post-issue related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc.

AVAILABILITY OF RED HERRING PROSPECTUS: Investors should note that Investment in Equity Shares involves a degree of risk and are advised to refer to the Red Herring Prospectus and the Risk Factors contained therein before applying in the Issue. Full copy of the Red Herring Prospectus is available on the website of the company at www.espritstones.com, the website of the BRLMs to the Issue at www.choicaindia.com/merchant-investment-banking and www.srujanalpha.com and the website of NSE Emerge at https://www.nseindia.com/companies-listing/corporate-filings-offer-documents#smc_offer respectively.

AVAILABILITY OF BID-CUM-APPLICATION FORMS: Bid-Cum-Application forms can be obtained from the Registered Office of the Company: ESPRIT STONES LIMITED, Tel: +91 91166 52582, Registered office of the BRLMs: Choice Capital Advisors Private Limited, Telephone: +91 22 6707 9999 / 7919 and Srujan Alpha Capital Advisors LLP, Telephone: +91 022- 4603 0709 and at the selected locations of the Self-Certified Syndicate Banks; Registered Brokers; Designated RTA Locations and Designated CDPs participating in the Issue. Bid-cum-application Forms will also be available on the websites of NSE Emerge and the designated branches of SCSBs, the list of which is available at websites of the stock exchanges and SEBI.

Disclaimer: ESPRIT STONES LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its Equity Shares the Red Herring Prospectus dated July 19, 2024 has been filed with the Registrar of Companies, Rajasthan at Jaipur and thereafter with SEBI and the Stock Exchanges. The RHP is available on the website of NSE Emerge at https://www.nseindia.com/companies-listing/corporate-filings-offer-documents#smc_offer and is available on the websites of the BRLMs at www.choicaindia.com/merchant-investment-banking and www.srujanalpha.com. Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to the same, please refer to the Red Herring Prospectus including the section titled "Risk Factors" beginning on page 39 of the Red Herring Prospectus.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the "Securities Act") or any state securities laws in the United States, and unless so registered, and may not be issued or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in accordance with any applicable U.S. State Securities laws. The Equity Shares are being issued and sold outside the United States in "offshore transactions" in reliance on Regulation "S" under the Securities Act and the applicable laws of each jurisdiction where such issues and sales are made. There will be no public offering in the United States.

On behalf of Board of Directors

ESPRIT STONES LIMITED

Sd/-

Sunilkumar Lunawath
Managing Director

Place : Udaipur, Rajasthan

Date : July 20, 2024