

# IN THE NATURE OF ABRIDGED PROSPECTUS-MEMORANDUM CONTAINING SALIENT FEATURES OF THE RED HERRING PROSPECTUS



[Please scan this QR Code to view the RHP]

This is an abridged prospectus containing salient features of the Red Herring Prospectus dated July 19, 2024 (the "RHP"). You are encouraged to read greater details available in the RHP (<https://espritstones.com/wp-content/uploads/2024/07/Esprit-Stones-Limited-RHP.pdf>). Unless otherwise specified all capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

THIS ABRIDGED PROSPECTUS CONSISTS OF EIGHT PAGES. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.



## ESPRIT STONES LIMITED

CIN: U74999RJ2016PLC056284; Date of Incorporation: October 19, 2016

Registered Office	Corporate Office	Contact Person	Email and Telephone	Website
SP1, Udyog Vihar, Sukher Industrial Area, Udaipur – 313 004, Rajasthan, India	Khasra No. 1106 - 1109, Revenue Village Bhilwada, Kukdeshwar Mahadev Road, Udaipur – 313 001, Rajasthan, India	Anjali Pandey, <i>Company Secretary and Compliance Officer</i>	E-mail: <a href="mailto:legal@espritstones.com">legal@espritstones.com</a> Telephone: +91 91166 52582	<a href="http://www.espritstones.com">www.espritstones.com</a>

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

DETAILS OF THE ISSUE									
TYPE	FRESH ISSUE SIZE	OFFER FOR SALE (₹ IN LAKHS)	TOTAL ISSUE SIZE	ELIGIBILITY & SHARE ALLOCATION	SHARE RESERVATION				MARKET MAKER
Fresh Issue	Up to 57,95,200* Equity Shares	Nil	Up to ₹[●] Lakhs	This issue is being made in terms of Regulation 229(2) and 253(1) of Chapter IX of the SEBI (ICDR) Regulations, 2018 as amended. For details in relation to share allocation among Qualified Institutional Bidders ("QIBs"), Non-Institutional Bidders ("NIBs") and Retail Institutional Bidders ("RIBs") and Eligible Employees, see the section titled "Issue Structure" on page 314 of the Red Herring Prospectus.	QIB Including Anchor	NIB	RIB	Employee	Upto 5.02% of the issue size
					Not more than 50% of the Net Issue being available for allocation to QIB Bidders.	Not less than 15% of the Net Issue	Not less than 35% of the Net Issue	Up to 0.58 % of the post-Issue paidup Equity Share capital of our Company	

These equity shares are proposed to be listed on EMERGE platform of National Stock Exchange of India Limited ("NSE").

\*Subject to finalization of Basis of Allotment

### DETAILS OF OFFER FOR SALE, SELLING SHAREHOLDERS AND THEIR AVERAGE COST OF ACQUISITION – NOT APPLICABLE AS THE ENTIRE ISSUE CONSTITUTES FRESH ISSUE OF EQUITY SHARES

Price Band, Minimum Bid Lot & Indicative Timelines	
Price Band	₹ 82 To ₹ 87 per Equity Share of face value of ₹10 Each <sup>(1)</sup>
Minimum Bid Lot Size	1600 equity shares
Bid/Issue Opens On <sup>(2)</sup>	Friday, July 26, 2024
Bid/Issue Closes On	Tuesday, July 30, 2024
Finalisation of Basis of Allotment	On or about Wednesday, July 31, 2024
Initiation of Refunds	On or about Thursday, August 01, 2024
Credit of Equity Shares to Demat accounts of Allottees	On or about Thursday, August 01, 2024
Commencement of trading of Equity Shares	On or about Friday, August 02, 2024

<sup>(1)</sup> A discount of ₹ 5 Per Equity Share is being offered to eligible employees bidding in the Employee Reservation Portion.

<sup>(2)</sup> Our Company, in consultation with the BRLMs, may consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall Thursday 25, 2024, 1 (one) Working Day prior to the Bid/Issue Opening Date.

For details of minimum bid lot size, Please refer to page 314 of the RHP.

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The Weighted average cost of acquisition of all Equity Shares transacted<sup>^</sup> in the last one year, last eighteen months and three years from the date of RHP is as given below:

Period	Weighted Average Cost of Acquisition (in ₹) <sup>#</sup>	Upper end of the Price Band (₹) is "X" times the weighted Average cost of Acquisition*	Range of acquisition price: Lowest Price – Highest Price (in ₹)
Last 1 year	Nil <sup>^</sup>	N.A.*	N.A.*
Last 18 months	Nil <sup>^</sup>	N.A.*	N.A.*
Last 3 years	Nil <sup>^</sup>	N.A.*	N.A.*

<sup>#</sup>As certified by A P Sanzgiri & Co., Chartered Accountants pursuant to their certificate dated July 18, 2024.

<sup>\*</sup>Represents cost of Bonus Shares and cost of transfer by way of gift which were transacted at nil consideration

<sup>\*</sup>N.A. since weighted average cost of acquisition is nil.

For further details, please see "**Capital Structure**" beginning on page 93 of the RHP.

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

### RISKS IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹10 each. The Floor Price, Cap Price and Issue Price determined and justified by our Company in consultation with the Book Running Lead Managers, in accordance with the SEBI ICDR Regulations and on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated in "**Basis for Issue Price**" on 122 should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

### GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to the section titled "**Risk Factors**" on page 39 of the RHP and on page 9 of this Abridged Prospectus.

### PROCEDURE

You may obtain a physical copy of the Bid-cum-Application Form and the RHP from the stock exchange, syndicate members, registrar to the issue, share transfer agents, depository participants, stock brokers, underwriters, bankers to the issue, investors' associations or Self Certified Syndicate Banks. If you wish to know about processes and procedures applicable to this issue, you may request for a copy of the RHP and/or the General Information Document (GID) from the BRLMs or download it from the website of the Stock Exchange i.e. [www.nseindia.com](http://www.nseindia.com) and the BRLMs at [www.choiceindia.com/merchant-investment-banking](http://www.choiceindia.com/merchant-investment-banking) and [www.srujanalpha.com](http://www.srujanalpha.com)

### PRICE INFORMATION OF BRLMs

#### 1. Price information of past issues handled by Choice Capital Advisors Private Limited

Sr. No.	Issue name	Issue size (₹ in Cr.)	Listing date	Issue Price (₹)	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]		
						30 <sup>th</sup> calendar days from listing	90 <sup>th</sup> calendar days from listing	180 <sup>th</sup> calendar days from listing
1.	Vishnu Prakash R Punglia Limited	308.88	September 5, 2023	99.00	165.00	66% (-0.71%)	106.87% (3.54%)	79.29% (14.32%)
2.	Ramdevbaba Solvent Limited	50.27	April 23, 2024	85.00	112.00	14.53% (1.03%)	NA	NA

#### 2. Price information of past issues handled by Srujan Alpha Capital Advisors LLP

Sr. No.	Issue name	Issue size (₹ in Cr.)	Listing date	Issue Price (₹)	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]		
						30 <sup>th</sup> calendar days from listing	90 <sup>th</sup> calendar days from listing	180 <sup>th</sup> calendar days from listing
1.	Dharni Capital Services Limited	10.74	January 31, 2023	20.00	21.00	+1.50% [-0.23%]	+3.00% [+3.03%]	+20.05% [+11.72%]
2.	Kontor Space Limited	15.62	October 10, 2023	93.00	122.00	-10.43% [-1.25%]	-16.77% [+9.26%]	-14.73% [15.12%]

For further details, please refer to price information of past issues handled by BRLM starting on page 301 of the RHP.

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<b>Name of BRLM and contact details (telephone and email id) of each BRLM</b>	<b>Choice Capital Advisors Private Limited</b> Sunil Pataodia Tower, Plot No.156-158, J.B. Nagar, Andheri (East), Mumbai - 400 099, Maharashtra, India <b>Telephone:</b> +91 22 6707 9999 / 7919; <b>E-mail:</b> esl.ipo@choiceindia.com <b>Website:</b> www.choiceindia.com/merchant-investment-banking <b>Investor Grievance E-mail:</b> regulator_advisors@choiceindia.com <b>Contact Person:</b> Nimisha Joshi / Anuj Killa <b>SEBI Registration No.:</b> INM000011872	<b>Srujan Alpha Capital Advisors LLP</b> 824 & 825, Corporate Avenue, Sonawala Rd, opposite Atlanta Centre, Sonawala Industry Estate, Goregaon, Mumbai-400063 <b>Telephone:</b> +91 022- 4603 0709; <b>E-mail:</b> jinesh@srujanalpha.com <b>Website:</b> www.srujanalpha.com <b>Investor Grievance E-mail:</b> partners@srujanalpha.com / jinesh@srujanalpha.com <b>Contact Person:</b> Jinesh Doshi <b>SEBI Registration No.:</b> INM000012829
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<b>Name of Market Maker</b>	Choice Equity Broking Private Limited
<b>Name of Syndicate Member</b>	Choice Equity Broking Private Limited
<b>Name of Registrar to the Issue and contact details (telephone and email id)</b>	<b>LINK INTIME INDIA PRIVATE LIMITED</b> C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai 400 083 Maharashtra, India <b>Telephone:</b> +91 8108114949; <b>E-mail:</b> <a href="mailto:espritstones.ipo@linkintime.co.in">espritstones.ipo@linkintime.co.in</a> <b>Contact Person:</b> Shanti Gopalkrishnan
<b>Name of Statutory Auditor</b>	M/s A Bafna & Co., Chartered Accountants.
<b>Name of Credit Rating Agency and the rating or grading obtained, if any</b>	NA
<b>Name of Debenture trustee, if any.</b>	Not Applicable
<b>Self-Certified Syndicate Banks</b>	The list of banks is available on: <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
<b>Non-Syndicate Registered Brokers</b>	You can submit Bid cum Application Forms in the Issue to Non Syndicate Registered Brokers at the Non- Syndicate Broker Centres. For further details, see section titled <b>"Issue Procedure"</b> beginning at page 318 of the RHP
<b>Details regarding website address(es)/link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable)</b>	The details of the Designated Registrar and Share Transfer Agents Locations and Designated Collecting Depository Participant Locations, along with their names and contact details are available on the website of the Stock Exchange <a href="http://www.nseindia.com">www.nseindia.com</a> and updated from time to time

**PROMOTER OF THE ISSUER COMPANY**

<b>Sr. No.</b>	<b>Name</b>	<b>Individual/ Corporate</b>	<b>Experience &amp; Educational Qualification</b>
1	Sunilkumar Lunawath	Individual	Sunilkumar Lunawath is the Managing Director and also one of the Promoters of our Company. He has been associated with our Company since October 19, 2016, as a Director and Promoter of our Company. He possesses over 25 years of experience in the fields of natural stones, mining, minerals, engineered stones and commercial leasing industries. He has been associated with Rajasthan Packaging Co Private Limited since 1997 as a director. His other ventures include Aravali Minerals and Chemical Industries Private Limited, Rose Marbles Private Limited, Aravali Quartz, Fab Stone and Esprit Ventures Private Limited.
2	Nitin Gattani	Individual	Nitin Gattani is the Joint-Managing Director and also one of the Promoters of our Company. He has been associated with our Company since October 19, 2016, as a Director and Promoter of our Company. He possesses over 25 years of experience in the fields of trading and distribution of industrial products, natural stones, engineering stones, contract mining, commercial leasing and hospitality industries. He has been associated with Shreya Petrochem Private Limited as a director since 1998. His other ventures include KK Enterprises, Fab Stone, Esprit Ventures Private Limited and AGG Hospitality LLP.
3	Pradeepkumar Lunawath	Individual	Pradeepkumar Lunawath is the Executive Director and also one of the Promoters of our Company. He has been associated with our Company since October 19, 2016, as a Director and Promoter of our Company. He possesses over 21 years of experience in the fields of mining, minerals, natural stones, engineered stones, commercial leasing and hospitality industries. He has been associated with Rose Marbles Private Limited as a director since 2003. His other ventures include Aravali Minerals and Chemical Industries Private Limited, Rajasthan Packing Co. Private Limited and Mahaveer Trading Company.
4	Sangeeta Gattani	Individual	She completed the degree of Bachelor of Commerce from H. L. Commerce College, Ahmedabad. She possesses over 6 years of experience in the fields of finance and accountancy. She is a director of Shreya Petrochem Private Limited since December 14, 2017. She is also serving as a director on the boards of Dent C Future Private Limited since April 28, 2022, Vinayak Buildome Private Limited since August 1, 2022, Shree Logistics Private Limited since March 27, 2023 and Shaman Wellness Resorts Private Limited since October 30, 2023. Her other ventures include, AGG Hospitality LLP, Orbit Overseas, Lakecity Mines and Minerals, KK Enterprises, Saurate.
5	Anushree Lunawath	Individual	She completed the degree of Bachelor of Arts from Mohanlal Sukhadia University, Udaipur. She also holds a Diploma in fashion designing from the Academy of Creative & Technical Studies, Udaipur. She possesses over 15 years of experience in the fields of accounting and finance. She is also a director of Rajasthan Packing Co. Private Limited having held the position since October 12, 2009. Her other ventures include, Aravali International and Lakecity Mines and Minerals.
6	Siddhanth Lunawath	Individual	He is the Chief Marketing Officer in our Company. He has been working with our Company since June 1, 2019. He completed the degree of Bachelor of Science in Public Affairs from O'Neil School of Public and Environmental Affairs, Indiana University in the year 2019. He has over 4 years of experience in the fields of engineered stones and marketing.

For further details, please refer to page 192 of the RHP.

**BUSINESS OVERVIEW AND STRATEGY**

**Company Overview:** We are primarily engaged in the manufacturing of Engineered Stones such as: (i) engineered quartz surfaces; and (ii) engineered marble surfaces. Our Company majorly manufactures engineered quartz surfaces and through our Subsidiary, HSPL, we manufacture engineered marble surfaces. We are one of the key Engineered Stones players in India. (Source: CARE Report). Engineered Stones are composite material formed out of crushed stone that is held together by an adhesive. Engineered Stone's non-porous characteristics, offer superior scratch, stain and heat resistance, making them extremely durable and therefore get an edge over competing products such as natural stones, laminate and other manufactured solid surfaces. The strength, consistency, durability and appearance of our Engineered Stones, as well as their low maintenance makes it ideal for its application for vanities & bathroom surfaces, kitchen countertops, floors and wall cladding furniture, and other interior surfaces that are used in a variety of residential and non-residential applications. Through our innovative design and manufacturing processes, we are able to offer our product in wide variety of colours, styles, designs and textures.

**Product/Services offerings:** We are primarily engaged in the manufacturing of Engineered Stone such as Engineered quartz surfaces and Engineered marble surfaces. Our Company majorly manufactures engineered quartz surfaces and through its Subsidiary, HSPL, we manufacture engineered marble surfaces. Additionally, through our Subsidiary, Addwaya Chemicals, we are also engaged in the manufacturing of unsaturated polyester resin which is one of the key raw materials in manufacturing of Engineered Stones.

**Geographies Served:**

Our Geography wise sale of products for Financial Year 2024, Financial Year 2023 and Financial Year 2022 is detailed as below:

(₹ in lakhs, unless stated otherwise)

Particulars	FY 2024	% of total sales	FY 2023	% of total sales	FY 2022	% of total sales
Export Sales	16,170.74	59.87%	12,379.32	72.75%	17,817.82	96.29%
Export sales to the USA	15,270.54	56.54%	12,071.51	70.94%	17,214.09	93.03%
Export sales to other countries (Majorly Canada, Egypt, Bulgaria and UAE)	900.20	3.33%	307.81	1.81%	603.73	3.26%
Domestic Sales	10,839.16	40.13%	4,636.37	27.25%	686.79	3.71%
Andra Pradesh	17.17	0.06%	35.95	0.21%	-	0.00%
Chhattisgarh	21.09	0.08%	-	-	-	-
Dadra & Nagar Haveli	37.46	0.14%	21.55	0.13%	-	0.00%
Delhi	214.44	0.79%	44.42	0.26%	-	0.00%
Goa	101.40	0.38%	0.00	0.00%	-	0.00%
Gujarat	627.68	2.32%	253.81	1.49%	12.15	0.07%
Haryana	255.79	0.95%	306.45	1.80%	14.66	0.08%
Jammu and Kashmir	38.53	0.14%	-	0.00%	-	0.00%
Jharkhand	9.91	0.04%	-	0.00%	-	0.00%
Karnataka	282.16	1.04%	273.15	1.61%	70.84	0.38%
Kerala	104.70	0.39%	-	0.00%	-	0.00%
Madhya Pradesh	988.96	3.66%	152.08	0.89%	5.34	0.03%
Maharashtra	1,407.53	5.21%	610.75	3.59%	248.25	1.34%
Meghalaya	43.58	0.16%	35.18	0.21%	-	0.00%
Odisha	79.64	0.29%	43.46	0.26%	-	0.00%
Punjab	788.47	2.92%	228.34	1.34%	22.41	0.12%
Rajasthan	5,158.64	19.10%	2,208.65	12.98%	65.52	0.35%
Tamil Nadu	351.20	1.30%	78.61	0.46%	-	0.00%
Telangana	69.09	0.26%	93.77	0.55%	66.09	0.36%
Uttar Pradesh	97.48	0.36%	163.52	0.96%	115.47	0.62%
West Bengal	144.24	0.53%	86.68	0.51%	66.06	0.36%
<b>Total sale of products</b>	<b>27,009.90</b>	<b>100.00%</b>	<b>17,015.69</b>	<b>100.00%</b>	<b>18,504.61</b>	<b>100.00%</b>

**Key Performance Indicators:**

Our key financial performance indicator for the Financial Year 2024, Financial Year 2023 and Financial Year 2022 is detailed as below:

(₹ in lakhs, unless stated otherwise)

Particulars	Financial Year ended March 31, 2024	Financial Year ended March 31, 2023	Financial Year ended March 31, 2022
<b>Financial</b>			
Revenue from Operations	27,289.02	17,441.09	18,645.65
EBITDA	3,320.08	1,898.59	3,317.86
EBITDA Margin (in %)	12.17%	10.89%	17.79%
Net Profit after tax	1,031.73	355.72	1,850.53
Net Profit Margin (in %)	3.78%	2.04%	9.92%
Return on Net Worth (in %)	15.09%	5.66%	37.25%
Return on Capital Employed (in %)	12.39%	7.60%	25.05%
Debt-Equity Ratio	1.72	1.90	0.98
Days Working Capital	97	91	42

As certified by A P Sanzgiri & Co., Chartered Accountants pursuant to their certificate dated July 18, 2024.


For further details, see "Management Discussion and Analysis of Financial Condition Results of Operations" and "Basis for Issue Price" on page 251 and 122 respectively.

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**Industries Served:** Engineered Stone Industry.

**Intellectual Property, if any:**

As on the date of the Red Herring Prospectus, our Company has registered the following trademarks with the Registrar of Trademarks under the Trademarks Act, 1999:

Date of Issue	Particulars of the Mark	Trade Mark No.	Class of Registration
May 26, 2017	“ESPRIT STONES”	3413834	19
November 2, 2023	“ELEVATED LIVING”	4340757	19
February 26, 2021	“HAIQUE” 	4615422	19
December 24, 2018	“PREMIUM QUARTZ”	3813886	19
August 20, 2020	“HAIQU”	4340758	19

## Pending Intellectual property related approvals Application

Date of Application	Particulars of the Mark	Application Number	Class of Registration	Status
February 2, 2024		6284779	19	Objected
February 2, 2024	“Addwaya Chemicals”	6293028	1	Accepted and Advertised
February 2, 2024		6284780	1	Accepted and Advertised

For risk associated with our intellectual property please see, “*Risk Factors*” on page 39 of the RHP.

**Market Share:** Not ascertainable

**Manufacturing plant, if any:**

Our Manufacturing Facilities which comprises of our Manufacturing Facility I, Manufacturing Facility II, Manufacturing Facility III and Manufacturing Facility IV are located within the periphery of Udaipur, Rajasthan, India. The details of our Manufacturing Facilities along with their installed production capacity are detailed below:

No.	Manufacturing Facility	Location	Area covered by the facility*	Product Manufactures	Installed Production Capacity*	Capacity Utilised of total installed capacity (%) for period ended March 31, 2024*	Capacity Utilised of total installed capacity (%) for period ended FY 2023*	Capacity Utilised of total installed capacity (%) for period ended FY 2022*
1.	Manufacturing Facility I	Our factory premises situated at Khasra no. 1106-1109, Revenue village Bhilwara, Kukdeswar Mahadev Road, Udaipur – 313 011, Rajasthan	1,50,000 Sq. ft	Engineered quartz surfaces	72,57,600 Sq. ft.	56.99	44.96	80.80
2.	Manufacturing Facility II	Our factory premises situated at 1096, Near Gssadkaliya, Behind Pawan Nursery, Kapurawato Ka Bada, Adkaliya, Salumber, Udaipur – 313 027, Rajasthan	16,000 Sq. ft	Quartz grit	12,000 MT Per Annum	44.67	54.69	68.67
3.	Manufacturing Facility III	The factory premises of Addwaya Chemicals situated at 1953/11, 2080/10, 2082/11, Village Rathujana, Negdiya, Rajsamand – 313 202, Rajasthan, India	55,000 Sq. ft.	Unsaturated polyester resins	17628 MT Per Annum	61.55	33.21 <sup>#</sup>	NA
4.	Manufacturing Facility IV	The factory premises of HSPL situated at Arajai No. 2085 Village- Rathujana Nagadiya ahead of Negadia Toll Plaza, Negadiya, Delwara, Rajsamand, – 313 202, Rajasthan, India	1,35,000 Sq. ft.	Engineered marble surfaces	74,25,000 Sq.ft. Per Annum	11.78	5.66 <sup>##</sup>	NA

\*As certified by Chartered Engineer Certificate dated June 26, 2024

<sup>#</sup>Commercial production started in June 2022

<sup>##</sup> Commercial production started in September 2022



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**Employee Strength:** As of May 31, 2024, we had an employee base of 292 employees. The following table sets forth a breakdown of our employees by function:

Function/Department	No. of Employees
Directors, KMP and SMP	7
Production & Maintenance support	147
R&D Laboratory	6
Sales & Marketing	44
Dispatch	16
Purchases and Stores	15
Human resource and administration	32
Accounts, Legal and others	25
<b>Total</b>	<b>292</b>

BOARD OF DIRECTORS				
Sr. No.	Name	Designation	Experience & Educational Qualification	Other Directorships
1	Sunilkumar Lunawath	Managing Director	<b>Experience:</b> 25 years of experience in the fields of natural stones, mining, minerals, engineered stones and commercial leasing industries.	<i>Indian Companies</i> <ul style="list-style-type: none"> <li>Aravalli BIZ Ventures Private Limited;</li> <li>Aglow Chemicals Private Limited;</li> <li>Haique Stones Private Limited;</li> <li>Esprit Ventures Private Limited;</li> <li>Rajasthan Packing Co Private Limited;</li> <li>Rose Marbles Private Limited;</li> <li>Aravali Minerals and Chemical Industries Private Limited;</li> <li>SNB Future Drive Private Limited.</li> </ul> <i>Foreign Companies</i> <ul style="list-style-type: none"> <li>Haique Stones Inc.</li> </ul>
2	Nitin Gattani	Joint-Managing Director	<b>Experience:</b> 25 years of experience in the fields of trading and distribution of industrial products, natural stones, engineering stones, contract mining, commercial leasing and hospitality industries.	<i>Indian Companies</i> <ul style="list-style-type: none"> <li>Lakecity Enterprises Private Limited</li> <li>Shreya Petrochem Private Limited</li> <li>Shree Logistics Private Limited</li> <li>Vinayak Buildhome Private Limited</li> <li>Esprit Ventures Private Limited</li> <li>Haique Stones Private Limited</li> </ul> <i>Foreign Companies</i> <ul style="list-style-type: none"> <li>Haique Stones Inc.</li> </ul>
3	Pradeepkumar Lunawath	Executive Director	<b>Experience:</b> 21 years of experience in the fields of mining, minerals, natural stones, engineered stones, commercial leasing and hospitality industries.	<i>Indian Companies</i> <ul style="list-style-type: none"> <li>Rose Marbles Private Limited</li> <li>Aravali Minerals and Chemical Industries Private Limited</li> <li>Aravalli BIZ Ventures Private Limited</li> <li>Addwaya Chemicals Private Limited</li> </ul> <i>Foreign Companies</i> <ul style="list-style-type: none"> <li>Nil</li> </ul>
4	Sunil Gattani	Non-Executive Director	<b>Qualification:</b> Bachelor of Engineering (Textiles) from RTE Society's Rural Engineering College, Karnataka <b>Experience:</b> 22 years of experience in the fields of mining, natural stones, engineered stones and chemical industries.	<i>Indian Companies</i> <ul style="list-style-type: none"> <li>Shree Logistics Private Limited</li> <li>Malwa Petro Products Private Limited</li> </ul> <i>Foreign Companies</i> <ul style="list-style-type: none"> <li>Nil</li> </ul>
5	Neelam Tater	Independent Director	<b>Qualification:</b> Bachelors of Commerce from Mohanlal Sukhadia University, Udaipur. <b>Experience:</b> 6 years of experience in the field of accountancy and finance.	<i>Indian Companies</i> <ul style="list-style-type: none"> <li>Manba Finance Limited;</li> <li>Gaze Fashiontrade Limited;</li> <li>Pacific Industries Limited;</li> <li>Star Housing Finance Limited.</li> </ul> <i>Foreign Companies</i> <ul style="list-style-type: none"> <li>Nil</li> </ul>
6	Narendra Sharma	Independent Director	<b>Qualification:</b> Bachelors of Commerce from Ajmer University, Rajasthan <b>Experience :</b> 30 years of experience in natural stones and engineering tools industry	<i>Indian Companies</i> <ul style="list-style-type: none"> <li>Kimberley Engineers Private Limited</li> </ul> <i>Foreign Companies</i> <ul style="list-style-type: none"> <li>Nil</li> </ul>

For further details in relation to our Board of Directors, see **"Our Management"** beginning on page 179 of the RHP.

**OBJECTS OF THE OFFER**

The Issue comprises of fresh Issue of up to 57,95,200 Equity Shares of our Company at an Issue Price of ₹ [●]/- per Equity Share, aggregating up to ₹ [●] lakhs by our Company. The proceeds from the Issue after deducting Issue related expenses are estimated to be ₹ [●] lakhs (the “Net proceeds”).

**Proposed schedule of Implementation and Utilisation of Net Proceeds**

₹ in Lakhs

Sr. No.	Particulars	Amount to be funded from Net Proceeds	Amount to be deployed from the net proceeds in Fiscal 2025
1.	Funding Working Capital Requirements of our Company	1,400.00	1,400.00
2.	Investment in our Subsidiary, HSPL, for repayment and / or prepayment in part or full of its outstanding borrowings	1,950.00	1,950.00
3.	Investment in our Subsidiary, HSPL, for funding its Working Capital Requirements	650.00	650.00
4.	General Corporate Purposes*	[●]	[●]
	<b>Total Net Proceeds</b>	<b>[●]</b>	<b>[●]</b>

\*To be finalised upon determination of the Issue Price and updated in the Prospectus prior to filing with the RoC. The amount utilised for general corporate purposes shall not exceed 25% of the Gross Proceeds from the Issue. Please refer “Objects of the Issue” beginning on page 107.

**Details of Means of Finance:** The fund requirements for all objects are proposed to be entirely out of the Net Proceeds and our internal accruals.

**Details and reasons for non -deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issues / rights issue, if any, of the Company in the preceding 10 years:** Not Applicable

**Name of monitoring agency, if any:** As per Regulation 262(1) of the SEBI (ICDR) Regulations, 2018 as amended, the requirement of Monitoring Agency is not mandatory if the Issue size is below ₹10,000.00 Lakhs. Since the size of the Issue does not exceed one hundred crore rupees, we are not required to appoint monitoring agency.

**Terms of Issuance of Convertible Security, if any -** Not Applicable

**Shareholding Pattern:**

The table below presents the shareholding pattern of our Company as on the date of the RHP.

Sr. No.	Particulars	Pre-Issue number of shares	% Holding of Pre issue
1.	Promoters and Promoter Group	1,61,50,000	100.00%
2.	Public	-	-
	<b>Total</b>	<b>1,61,50,000</b>	<b>100.00%</b>

Shareholding Pattern: For more details, please refer to “Capital Structure” on page no 93 of the RHP.

**Number/amount of equity shares proposed to be sold by selling shareholders, if any.** – Not Applicable.

**RESTATED CONSOLIDATED FINANCIALS STATEMENT**

(Amt. in ₹ in Lakhs)

PARTICULARS	As at the Year ended		
	31/03/2024	31/03/2023	31/03/2022
Revenue from Operations	27,289.02	17,441.09	18,645.65
Profit Before Taxation	1,409.68	531.24	2,367.34
Net Profit After Tax	1,031.73	355.72	1,850.53
Share Capital	1,615.00	950.00	950.00
Reserves and Surplus	5,623.80	5,277.81	4,943.32
Net worth	7,238.80	6,227.81	5,893.32
Basic earnings per shares (₹)	6.29	2.13	11.46
Diluted earnings per share (₹)	6.29	2.13	11.46
Return on net worth (%)	15.09%	5.66%	37.25%
Net Assets Value (NAV) per Share	44.82	38.56	36.49

**INTERNAL RISK FACTORS**

The below mentioned risks are top 10 risk factors as per the RHP

- Our Manufacturing Facilities are concentrated in the Udaipur, Rajasthan. Any disruption, breakdown or shutdown of our Manufacturing Facilities may have a material adverse effect on our business, financial condition, results of operations and cash flow.
- We do not own some of the business premises where our Registered office, branch office, storage facilities are located.

## IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE PROSPECTUS

3. 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.
4. A significant majority of our revenues from operations are derived from a limited number of customers.
5. We require certain approvals and licenses in the ordinary course of business and are required to comply with certain rules and regulations to operate our business, any failure to obtain, retain and renew such approvals and licences or comply with such rules and regulations may adversely affect our operations.
6. 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.
7. Our business is capital intensive. We require substantial financing for our business operations. Our indebtedness and the conditions and restrictions imposed on by our financing arrangements could adversely affect our ability to conduct our business.
8. Our ability to access capital at attractive costs depends on our credit ratings. Non-availability of credit ratings or a poor rating may restrict our access to capital and thereby adversely affect our business and results of operations.
9. We have availed unsecured loans which are repayable on demand. Any demand for repayment of such unsecured loans, may adversely affect our cash flows.
10. Our lenders have charge over our movable and immovable properties in respect of finance availed by us.

For further details on 'Risk Factors' please refer page no. 39 of the RHP.

### SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

- A. A summary of outstanding litigation proceedings involving our Company, Promoters, Directors and Subsidiary to the extent applicable, as on the date of the Red Herring Prospectus is provided below:

Name of Entity	Criminal Proceedings	Tax Proceedings	Statutory or Regulatory Proceedings	Disciplinary actions by the SEBI or Stock Exchanges against our Promoters	Material Civil Litigation	Other litigation	Aggregate amount involved (₹ in Lakhs)
<b>Company</b>							
By Company	1	-	-	-	-	-	34.51
Against Company	-	10	-	-	-	-	393.52
<b>Directors</b>							
By Director	-		-	-	-	-	-
Against Director	-	1	1*	-	-	-	0.10 *
<b>Promoters</b>							
By Promoter	-		-	-	-	-	-
Against Promoter	-	11	-	-	-	-	2.60
<b>Subsidiaries</b>							
By Subsidiaries	-		-	-	-	-	-
Against Subsidiaries	-	3	-	-	-	-	0.04

\*Amount not ascertainable. For further details, see "Outstanding Litigation and Material Developments" on page 272 of the RHP.

- B. Brief details of top 5 material outstanding litigations against the Company and amount involved: Nil
- C. Regulatory Action, if any - disciplinary action taken by SEBI or stock exchanges against the Promoters in last 5 financial years including outstanding action, if any: Nil
- D. Brief details of outstanding criminal proceedings against Promoter –

Sr. No.	Particulars	Litigation filed by	Current status	Amount involved
1.	Nil	Nil	Nil	Nil

### ANY OTHER IMPORTANT INFORMATION AS PER BRLMs / ISSUER COMPANY - NIL

### DECLARATION BY THE COMPANY

We, hereby certify and declare that all relevant provisions of the Companies Act, 2013 and the rules, regulations and guidelines issued by the Government of India or the rules, or the regulations or guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992 as the case may be, have been complied with and no statement made in the Red Herring Prospectus is contrary to the provisions of the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, and the Securities and Exchange Board of India Act, 1992, each as amended or the rules, regulations or guidelines issued thereunder, as the case may be. I further certify that all the disclosures and statements made in the Red Herring Prospectus are true and correct.