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# Rustomjee®

## KEYSTONE REALTORS LIMITED



Our Company was incorporated as "Keystone Realtors Private Limited", in Mumbai, under the provisions of Companies Act, 1956 pursuant to a certificate of incorporation dated November 6, 1995 issued by the Registrar of Companies, Maharashtra at Mumbai ("RoC"). The name of our Company was subsequently changed to "Keystone Realtors Limited", upon conversion into a public company, pursuant to a board resolution dated April 28, 2022 and a shareholders' resolution dated April 28, 2022, and a fresh certificate of change of name was issued on May 6, 2022 by the RoC. For details of change in the registered office of our Company, see "History and Certain Corporate Matters" on page 228 of the Prospectus. Registered and Corporate Office: 702, Natraj, MV Road Junction, Western Express Highway, Andheri (East), Mumbai, Maharashtra, India - 400069; Tel: +91 (22) 6676 8888; Contact Person: Bimal K Nanda, Company Secretary and Compliance Officer; Tel: +91 (22) 6676 8888; E-mail: cs@rustomjee.com; Website: www.rustomjee.com; Corporate Identity Number: U45200MH1995PLC094208.

### OUR PROMOTERS: BOMAN RUSTOM IRANI, PERCY SORABJI CHOWDHRY AND CHANDRESH DINESH MEHTA

Our Company has filed the Prospectus dated November 17, 2022 with the RoC (the "Prospectus") and the Equity Shares will be listed on the BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") and the trading will commence on November 24, 2022.

### BASIS OF ALLOTMENT

INITIAL PUBLIC OFFERING OF 11,737,521 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF OUR COMPANY FOR CASH AT A PRICE OF ₹ 541 PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ 531 PER EQUITY SHARE) ("OFFER PRICE") AGGREGATING TO ₹ 6,350.00 MILLION (THE "OFFER") COMPRISING A FRESH ISSUE OF 10,351,201 EQUITY SHARES AGGREGATING TO ₹ 5,600.00 MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF 1,386,320 EQUITY SHARES AGGREGATING TO ₹ 750.00 MILLION COMPRISING AN OFFER FOR SALE OF 693,160 EQUITY SHARES AGGREGATING TO ₹ 375.00 MILLION BY BOMAN RUSTOM IRANI, 346,580 EQUITY SHARES AGGREGATING TO ₹ 187.50 MILLION BY PERCY SORABJI CHOWDHRY, AND 346,580 EQUITY SHARES AGGREGATING TO ₹ 187.50 MILLION BY CHANDRESH DINESH MEHTA (THE "SELLING SHAREHOLDERS" AND SUCH OFFER, THE "OFFER FOR SALE"). THE OFFER WILL CONSTITUTE 10.31% OF THE POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

OFFER PRICE: ₹ 541 PER EQUITY SHARE OF FACE VALUE OF ₹ 10 EACH  
ANCHOR INVESTOR OFFER PRICE: ₹ 541 PER EQUITY SHARE  
THE OFFER PRICE IS 54.10 TIMES THE FACE VALUE OF THE EQUITY SHARES

#### RISKS TO INVESTORS

- We carry risk of high debt as our business is capital intensive and requires significant expenditure for real estate project development, which we fund through financing from banks and other financial institutions. Our Debt / Equity ratio for the Fiscal 2022 is 1.62 as against the average of the listed peer group of 0.53. Further, we had Net Cash Outflow from Operating Activities of ₹ (1,095.51) million in Fiscal 2022. Negative operating cash flows over extended periods, or significant negative cash flows in the short term, could materially impact our ability to operate our business and implement our growth plans.
- We carry geographical concentration risk. As of June 30, 2022, all our projects were located within the Mumbai Metropolitan Region ("MMR") and we generated all of our revenue from operations from the MMR. The table below provides details of our total available inventory and unsold inventory in the MMR for our Completed and Ongoing Projects as of June 30, 2022:

Category	Total Available Units for Sale	Total Units Unsold	Percentage of Total Available Units (%)
Completed Projects (A)	13,176	114	0.87%
Ongoing Projects (B)	4,627	1,748	37.78%
Total (A+B)	17,803	1,862	10.46%

- Our revenues carry risk of concentration from residential projects. We almost entirely focus on residential projects, with very limited exposure to commercial and retail projects. Revenue from residential projects contributed 92.27%, 95.98%, 94.62%, 74.58% and 94.26% of Revenue from Operations for the Fiscals 2020, 2021 and 2022 and for the three months period ended June 30, 2021 and June 30, 2022, respectively.
- We are also subject to the cost overruns including due to significant increases in prices or shortage of or delay or disruption in supply of construction materials. The construction cost (including material cost) as a percentage of Revenue from Operations was 74.37%, 72.20%, 77.89%, 77.77% and 79.26% in Fiscals 2020, 2021 and 2022 and the three months period ended June 30, 2021 and June 30, 2022, respectively.
- Weighted average cost of acquisition per Equity Share held by the Promoters or Selling Shareholders is as provided below and Offer Price at upper end of the Price Band is ₹ 541 per Equity Share.

Name of the Promoter or Selling Shareholder	Weighted average cost of acquisition per Equity Share (in ₹)	Lower End of the "Price Band" with "Floor Price" (₹ 514) is 'X' times the Weighted average cost of acquisition	Upper End of the "Price Band" with "Cap Price" (₹ 541) is 'Y' times the Weighted average cost of acquisition
Boman Rustom Irani	3.36	152.98	161.01
Percy Sorabji Chowdhry	3.36	152.98	161.01
Chandresh Dinesh Mehta	3.35	153.43	161.49

As certified by MRM & Co., Chartered Accountants, pursuant to their certificate dated November 8, 2022.

- The two BRLMs associated with the Offer have handled 44 public issues in the past three years, out of which 18 issues closed below the offer price on listing date.

Name of BRLMs	Total Issues	Issues closed below IPO Price on listing date
Axis Capital Limited*	38	17
Credit Suisse Securities (India) Private Limited*	4	0
Common Issues of above BRLMs	5	1
Total	47	18

\*Issues handled where there were no common BRLMs.

#### BID/OFFER PERIOD:

OPENED ON: MONDAY, NOVEMBER 14, 2022

CLOSED ON: WEDNESDAY, NOVEMBER 16, 2022

ANCHOR INVESTOR BIDDING DATE WAS: FRIDAY, NOVEMBER 11, 2022

This is an Offer in terms of Rule 19(2)(b) of the SCRR, read with Regulation 31 of the SEBI ICDR Regulations. The Offer has been made through the Book Building Process in terms of Regulation 6 (1) of the SEBI ICDR Regulations, wherein not more than 50% of the Offer was made available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs" and such portion, the "QIB Portion"), provided that our Company and the Selling Shareholders, in consultation with the BRLMs, allocated up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion"), out of which one-third was reserved for domestic Mutual Funds only, subject to valid Bids received from domestic Mutual Funds at or above the price at which allocation is made to Anchor Investors ("Anchor Investor Allocation Price"), in accordance with the SEBI ICDR Regulations. Further, 5% of the Net QIB Portion was available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion was made available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to Bids being received from them at or above the Offer Price. Further, not less than 15% of the Offer was made available for allocation to Non-Institutional Bidders and (out of which one third was reserved for Bidders with Bids exceeding ₹ 200,000 up to ₹ 1 million and two-thirds was reserved for Bidders with Bids exceeding ₹ 1 million) and not less than 35% of the Offer was made available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received from them at or above the Offer Price. All potential Bidders (except Anchor Investors) were mandatorily required to utilize the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA accounts and UPI ID in case of UPI Bidders using the UPI Mechanism, as applicable, pursuant to which their corresponding Bid Amount 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 the respective Bid Amounts. Anchor Investors were not permitted to participate in the Offer through the ASBA Process. For further details, see "Offer Procedure" on page 511 of the Prospectus.

The bidding for Anchor Investor opened and closed on Friday, November 11, 2022. The Company received 16 applications from 14 anchor investors for 3,829,383 equity shares. The Anchor investor price was finalized at ₹ 541 per Equity Share. A total of 3,521,255 shares were allocated under the Anchor Investor Portion aggregating to ₹ 2,071,696,203.

The Offer received 56,710 applications for 21,205,989 Equity Shares (prior to technical rejections) resulting in 1.8067 times subscription. The details of the applications received in the Offer from various categories are as under: (before technical rejections):

Sr. No.	Category	No. of Applications Applied	No. of Equity Shares	Equity Shares Reserved as per Prospectus	No. of times Subscribed	Amount (₹)
A.	Retail Individual Bidders	55,426	2,283,660	4,108,133	0.5559	1,235,411,271
B.	Non-Institutional Bidders (more than ₹ 2 lakhs and upto ₹ 10 lakhs)	1,016	945,027	586,877	1.6103	511,225,128
C.	Non-Institutional Bidders (Above ₹ 10 lakhs)	232	4,118,499	1,173,752	3.5088	2,227,054,473
D.	Qualified Institutional Bidders (excluding Anchor Investors)	20	10,029,420	2,347,504	4.2724	5,425,916,220
E.	Anchor Investors	16	3,829,383	3,521,255	1.0875	2,071,696,203
	<b>Total</b>	<b>56,710</b>	<b>21,205,989</b>	<b>11,737,521</b>	<b>1.8067</b>	<b>11,471,303,295</b>

#### Final Demand

A summary of the final demand as per BSE and NSE as on the Bid/Offer Closing Date at different Bid prices is as under:

Bid price	No. of Equity Shares	% to Total	Cumulative Total	Cumulative % of Total
514	96,498	0.47	96,498	0.47
515	7,695	0.04	104,193	0.51
516	891	0.00	105,084	0.52
517	324	0.00	105,408	0.52
518	621	0.00	106,029	0.52
519	486	0.00	106,515	0.52
520	6,264	0.03	112,779	0.55
521	1,269	0.01	114,048	0.56
522	648	0.00	114,696	0.56
523	216	0.00	114,912	0.56
524	189	0.00	115,101	0.56
525	5,805	0.03	120,906	0.59
526	162	0.00	121,068	0.59
527	918	0.00	121,986	0.60
528	1,134	0.01	123,120	0.60
529	1,269	0.01	124,389	0.61
530	7,101	0.03	131,490	0.65
531	1,566	0.01	133,056	0.65
532	324	0.00	133,380	0.65
533	351	0.00	133,731	0.66
534	54	0.00	133,785	0.66
535	3,078	0.02	136,863	0.67
536	243	0.00	137,106	0.67
537	189	0.00	137,295	0.67
538	567	0.00	137,862	0.68
539	2,349	0.01	140,211	0.69
540	9,909	0.05	150,120	0.74
541	15,962,913	78.31	16,113,033	79.04
CUT-OFF	4,272,264	20.96	20,385,297	100.00
<b>TOTAL</b>	<b>20,385,297</b>	<b>100.00</b>		

The Basis of Allotment was finalized in consultation with the Designated Stock Exchange, being BSE, on November 21, 2022.

**A. Allotment to Retail Individual Bidders (after technical rejections and considering spillover of RII portion) (including ASBA Applications)**  
The Basis of Allotment to the Retail Individual Bidders, who have bid at the Cut-Off Price or at the Offer Price of ₹ 541 per Equity Share, was finalized in consultation with BSE. This category has been subscribed to the extent of 0.5271 times. The total number of Equity Shares Allotted in Retail Portion is 2,165,535 Equity Shares to 52,458 successful Retail Individual Bidders. The category-wise details of the Basis of Allotment are as under:

Category	No. of Applications Received	% of Total	Total No. of Equity Shares Applied	% to Total	No. of Equity Shares Allotted per Bidder	Ratio	Total No. of Equity Shares Allotted
27	45,621	86.97	1,231,767	56.88	27	1:1	1,231,767
54	3,138	5.98	169,452	7.82	54	1:1	169,452
81	884	1.69	71,604	3.31	81	1:1	71,604
108	600	1.14	64,800	2.99	108	1:1	64,800
135	288	0.55	38,880	1.80	135	1:1	38,880
162	131	0.25	21,222	0.98	162	1:1	21,222
189	196	0.37	37,044	1.71	189	1:1	37,044
216	80	0.15	17,280	0.80	216	1:1	17,280
243	34	0.06	8,262	0.38	243	1:1	8,262
270	154	0.29	41,580	1.92	270	1:1	41,580
297	51	0.10	15,147	0.70	297	1:1	15,147
324	42	0.08	13,608	0.63	324	1:1	13,608
351	1,239	2.36	434,889	20.08	351	1:1	434,889
<b>TOTAL</b>	<b>52,458</b>	<b>100.00</b>	<b>2,165,535</b>	<b>100.00</b>			<b>2,165,535</b>

The under-subscribed portion of 1,942,598 Equity Shares from the Retail Individual Bidders has been spilled over to Qualified Institutional Buyers and Non-Institutional Investors in the ratio of 50:15 i.e. 1,494,306 Equity Shares for Qualified Institutional Buyers and 448,292 Equity Shares for Non-Institutional Investors, respectively.

**B. Allotment to Non-Institutional Bidders (more than ₹ 2 lakhs and upto ₹ 10 lakhs) (after technical rejections and considering the spillover of RII portion) (including ASBA Applications)**

The Basis of Allotment to the Non-Institutional Bidders (more than ₹ 2 lakhs and upto ₹ 10 lakhs), who have bid at the Offer Price of ₹ 541 per Equity Share, was finalized in consultation with BSE. This category has been subscribed to the extent of 1.2398 times. The total number of Equity Shares Allotted in this category is 736,308 Equity Shares to 965 successful Non-Institutional Bidders (more than ₹ 2 lakhs and upto ₹ 10 lakhs). The category-wise details of the Basis of Allotment are as under: (Sample)

Category	No. of Applications Received	% of Total	Total No. of Equity Shares Applied	% to Total	No. of Equity Shares Allotted per Bidder	Ratio	Total No. of Equity Shares Allotted
378	475	49.22	179,550	19.67	378	1:1	179,550
405	31	3.21	12,555	1.38	396	1:1	12,276
432	3	0.31	1,296	0.14	414	1:1	1,242
459	10	1.04	4,590	0.50	433	1:1	4,330
486	7	0.73	3,402	0.37	451	1:1	3,157
513	2	0.21	1,026	0.11	470	1:1	940
540	9	0.93	4,860	0.53	488	1:1	4,392
567	6	0.62	3,402	0.37	506	1:1	3,036
594	2	0.21	1,188	0.13	525	1:1	1,050
675	5	0.52	3,375	0.37	579	1:1	2,895
891	2	0.21	1,782	0.20	726	1:1	1,452
1,296	2	0.21	2,592	0.28	1,001	1:1	2,002
1,350	1	0.10	1,350	0.15	1,037	1:1	1,037
1,431	1	0.10	1,431	0.16	1,092	1:1	1,092
1,485	1	0.10	1,485	0.16	1,128	1:1	1,128
1,566	2	0.21	3,132	0.34	1,184	1:1	2,368
1,701	1	0.10	1,701	0.19	1,275	1:1	1,275
1,728	1	0.10	1,728	0.19	1,293	1:1	1,293
1,782	3	0.31	5,346	0.59	1,330	1:1	3,990
1,809	3	0.31	5,427	0.59	1,348	1:1	4,044
1,836	335	34.72	615,060	67.38	1,366	1:1	457,610
1 ADDITIONAL SHARE FOR CATEGORY 1,836					1	138:335	138

This category includes under-subscribed portion of 149,431 Equity Shares spilled over from Retail Individual Bidders.

**C. Allotment to Non-Institutional Bidders (above ₹ 10 lakhs) (after technical rejections and considering the spillover of RII portion) (including ASBA Applications)**

The Basis of Allotment to the Non-Institutional Bidders (above ₹ 10 lakhs), who have bid at the Offer Price of ₹ 541 per Equity Share, was finalized in consultation with BSE. This category has been subscribed to the extent of 2.7571 times. The total number of Equity Shares Allotted in Non-Institutional Bidders (above ₹ 10 lakhs) is 1,472,613 Equity Shares to 221 successful applicants. The category-wise details of the Basis of Allotment are as under: (Sample)

Category	No. of Applications Received	% of Total	Total No. of Equity Shares Applied	% to Total	No. of Equity Shares Allotted per Bidder	Ratio	Total No. of Equity Shares Allotted
1,863	141	63.80	262,683	6.47	896	1:1	126,336
1 ADDITIONAL SHARE FOR CATEGORY 1,863					1	100:141	100
1,890	5	2.26	9,450	0.23	906	1:1	4,530
1,917	1	0.45	1,917	0.05	916	1:1	916
1,971	1	0.45	1,971	0.05	934	1:1	934
2,025	1	0.45	2,025	0.05	953	1:1	953
2,295	1	0.45	2,295	0.06	1,048	1:1	1,048
2,403	2	0.90	4,806	0.12	1,086	1:1	2,172
2,700	7	3.17	18,900	0.47	1,189	1:1	8,323
8,100	1	0.45	8,100	0.20	3,075	1:1	3,075
92,232	1	0.45	92,232	2.27	32,464	1:1	32,464
92,340	1	0.45	92,340	2.27	32,501	1:1	32,501
92,421	7	3.17	646,947	15.93	32,530	1:1	227,710
1,00,008	2	0.90	200,016	4.93	35,180	1:1	70,360
1,38,618	1	0.45	138,618	3.41	48,667	1:1	48,667
1,66,347	1	0.45	166,347	4.10	58,353	1:1	58,353
1,84,842	5	2.26	924,210	22.76	64,813	1:1	324,065
1,84,869	1	0.45	184,869	4.55	64,823	1:1	64,823
3,69,684	2	0.90	739,368	18.21	129,381	1:1	258,762

This category includes under-subscribed portion of 298,861 Equity Shares spilled over from Retail Individual Bidders.

**D. Allotment to QIBs**