



bluepebble

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BLUE PEBBLE LIMITED

Our Company was originally incorporated as “Blue Pebble Private Limited” a private limited company under the Companies Act, 2013 at Mumbai, pursuant to a certificate of incorporation dated September 08, 2017 issued by the Registrar of Companies, Central Registration Centre. Subsequently, pursuant to Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting, held on September 27, 2023, our Company was converted into a Public Limited Company and consequently the name of our Company was changed from “Blue Pebble Private Limited” to “Blue Pebble Limited” vide a fresh certificate of incorporation consequent upon conversion from private company to public company dated October 25, 2023, issued by the Registrar of Companies, Maharashtra, Mumbai. Our Company’s corporate identity number is U74999MH2017PLC299497. For further details of Incorporation, change of name and registered office of our Company, please refer to chapter titled **“History and Corporate Structure”**beginning on page 119 of this Red Herring Prospectus.

Registered Office: B-1201, Titanium Towers, Opp Star Bazar, Nr D N Nagar Metro Station, Andheri West, Mumbai, Maharashtra, India, 400053

Corporate Office: 112, Nirman Industrial Estate, Malad Link Road, Malad (West) Mumbai, Maharashtra, India, 400064

Tel No: +91- 9820132955; E-mail: info@bluepebble.in; Website: www.bluepebble.in; Contact Person: Rupal Samdani, Company Secretary & Compliance Officer CIN: U74999MH2017PLC299497

OUR PROMOTERS: NALIN GAGRANI, MANOJ BHUSHAN TIWARI AND KARUNA NALIN GAGRANI

“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).”

We provide a comprehensive range of services encompassing conceptualization, design, printing, furnishing, and installation of Vinyl graphics, signage, and different furnishing products, including but not limited to 3D walls, frost/clear glass films, artefacts, wall panels, wall murals, sculptures for corporate interiors and exterior workplace environments. Our solutions are customtailored to meet the unique requirements of each client. Our clientele spans across diverse industry sectors, including banks, multinational corporations (MNCs), IT etc. Over the years, our company has successfully executed design, printing, furnishing, installation, and related projects at various locations throughout India, serving notable clients such as Infosys Limited, HDFC Bank Limited, American Express, Bank of America, Nestle, British Petroleum, Moody’s etc. We prioritize building long-term client relationships by delivering quality products and services.

THE ISSUE

INITIAL PUBLIC OFFER OF UPTO 10,80,000 EQUITY SHARES OF FACE VALUE OF ₹ 10/- EACH (THE “EQUITY SHARES”) OF BLUE PEBBLE LIMITED (“OUR COMPANY” OR “THE ISSUER”) AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING SHARE PREMIUM OF [●] PER EQUITY SHARE) FOR CASH, AGGREGATING UP TO ₹ [●] LAKHS (“PUBLIC ISSUE”) OUT OF WHICH 56,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING ₹ [●] LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE “MARKET MAKER RESERVATION PORTION”). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 10,24,000 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH, AT AN ISSUE PRICE OF ₹ [●] PER EQUITY SHARE FOR CASH, AGGREGATING UPTO ₹ [●] LAKHS IS HEREIN AFTER REFERRED TO AS THE “NET ISSUE”. THE PUBLIC ISSUE AND NET ISSUE WILL CONSTITUTE 26.47% AND 25.10% RESPECTIVELY OF THE POST- ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY.

• QIB PORTION: NOT MORE THAN 50.00% OF THE NET ISSUE

• RETAIL PORTION: NOT LESS THAN 35.00% OF THE NET ISSUE

• NON-INSTITUTIONAL PORTION: NOT LESS THAN 15.00% OF THE NET ISSUE

• MARKET MAKER PORTION: UPTO 56,000 EQUITY SHARES OR 5.19% OF THE ISSUE

PRICE BAND: RS. 159 TO RS. 168 PER EQUITY SHARE OF FACE VALUE RS. 10/- EACH

THE FLOOR PRICE IS 15.9 TIMES OF THE FACE VALUE AND THE CAP PRICE IS 16.8 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

BIDS CAN BE MADE FOR A MINIMUM OF 800 EQUITY SHARES AND IN MULTIPLES OF 800 EQUITY SHARES THEREAFTER.

RISKS TO INVESTORS:

- Our projects are exposed to various implementation and other risks and uncertainties such as time and cost overrun, which may adversely affect our business, financial condition, results of operations, and prospects.
- Our product is subject to frequently changing designs, patterns, customer requirements and tastes, our inability to meet such needs or preferences may affect our business..
- The Merchant Banker associated with the Issue has handled 42 public issues in the past three years out of which 2 Issue closed below the Issue Price on listing date.
- Average cost of acquisition of Equity Shares held by the Individual Promoters is

Sr. No.	Name of the Promoters	Average cost of Acquisition (in ₹)
1.	Nalin Gagrani	0.03
2.	Manoj Bhushan Tiwari	0.03
3.	Karuna Nalin Gagrani	10.00

and the Issue Price at the upper end of the Price Band is Rs. 168 per Equity Share.

- The Price/ Earnings ratio based on Diluted EPS for Fiscal 2023 for the company at the upper end of the Price Band is 25.15.
- Weighted Average Return on Net worth for Fiscals 2021, 2022, 2023 is 47.38%.
- The Weighted average cost of acquisition of all Equity Shares transacted in the last one year, 18 months and three years from the date of RHP is as given below:

Period	Weighted Average Cost of Acquisition (in Rs.)	Upper end of the Price Band (Rs. 168) is ‘X’ times the weighted Average cost of Acquisition	Range of acquisition price: Lowest Price – Highest Price (in Rs.)
Last 1 year	0.00	NIL	0-10
Last 18 months/ Last 3 years	0.00	NIL	0-10

- The Weighted average cost of acquisition compared to floor price and cap price

Types of transactions	Weighted average cost of acquisition (₹ per Equity Shares)	Floor price* (i.e. ₹159)	Cap price* (i.e. ₹ 168)
WACA of primary Issuance (exceeding 5% of the pre Issue Capital)	NA^	NA^	NA^
WACA for secondary sale / acquisition (exceeding 5% of the pre Issue Capital)	NA^^	NA^^	NA^^
Weighted average cost of acquisition of past primary issuances/ secondary transactions as per paragraph 8(c) above	NIL	[•]	[•]

Note:
^There were no primary/ new issue of shares (equity/ convertible securities) as mentioned in paragraph 8(a) above, in last 18 months from the date of the Red Herring Prospectus.
^^There were no secondary transactions as mentioned in paragraph 8(b) above, in last 18 months from the date of the Red Herring Prospectus.

BASIS FOR ISSUE PRICE

Price Band/ Issue Price shall be determined by our Company in consultation with the Book Running Lead Manager on the basis of the assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the qualitative and quantitative factors as described in this section. The face value of the Equity Shares is ₹ 10/- each and the Issue Price is 15.9 times of the face value at the lower end of the Price Band and 16.8 times of the face value at the upper end of the Price Band.

QUALITATIVE FACTORS
We believe the following business strengths allow us to successfully compete in the industry:
a. Established relationship with our customers;
b. Qualified and experienced management team;
c. Established relationship with material suppliers;
d. Designing and execution capability across various geographies.

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to sections titled **“Our Business”**beginning on page 93 of the Red Herring Prospectus.

QUANTITATIVE FACTORS
The information presented below relating to our Company is based on the Restated Financial Statements. For details, please refer section titled **“Financial Information of the Company”** on page 140 of the Red Herring Prospectus.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

1. Basic & Diluted Earnings Per Shares (EPS) (Face Value of Rs. 10 each):

As per the Restated Financial Statement: -

Sr. No	F.Y./Period	Basic & Diluted (₹)	Weights
1.	Financial Year ending March 31, 2023	6.68	3
2.	Financial Year ending March 31, 2022	1.27	2
3.	Financial Year ending March 31, 2021	0.67	1
	Weighted Average	3.875	6
	For the Period Ended September 30, 2023	9.73	

Notes:
i. The figures disclosed above are based on the Restated Financial Statements of the Company.
ii. The face value of each Equity Share is Rs. 10.00.
iii. Earnings per Share has been calculated in accordance with **Accounting Standard 20 – “Earnings per Share”** issued by the Institute of Chartered Accountants of India.
iv. The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Note 2.
v. Basic Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of equity shares outstanding during the year/ period
vi. Diluted Earnings per Share = Net Profit/(Loss) after tax, as restated attributable to equity shareholders / Weighted average number of diluted potential equity shares outstanding during the year/ period.

2. Price Earning (P/E) Ratio in relation to the Price Band of ₹ 159 to ₹ 168 per Equity Share of Face Value of ₹ 10/- each fully paid up

Particulars	(P/E) Ratio at the Floor Price	(P/E) Ratio at the Cap Price
P/E ratio based on the Basic & Diluted EPS, as restated for the period ending March 31, 2023	23.80	25.15
P/E ratio based on the Weighted Average EPS, as restated.	41.03	43.35
Industry P/E Ratio*	(P/E) Ratio	
Industry Average	-	

* There are no listed companies in India that are engaged in the business line similar to that of our company, thus it is not possible to provide an industry comparison in relation to our company.
Note:
i) The P/E ratio has been computed by dividing Issue Price with EPS.

3. Return on Net worth (RoNW)*

Sr. No	Period	RONW (%)	Weights
1	Period ending March 31, 2023	63.72%	3
2	Period ending March 31, 2022	33.36%	2
3	Period ending March 31, 2021	26.40%	1
	Weighted Average	47.38%	6
	Period ending September 30, 2023	48.14%	

Note:
i. The figures disclosed above are based on the Restated Financial Statements of the Company.
ii. The RoNW has been computed by dividing restated net profit after tax (excluding exceptional items) with restated Net worth as at the end of the year/period
iii. Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/Total of weights.

4. Net Asset Value (NAV) per Equity Share:

Sr. No.	NAV per Equity Share	(Amount in ₹)*
1.	As at March 31, 2021	2.53
2.	As at March 31, 2022	3.80
3.	As at March 31, 2023	10.48
4.	As at September 30, 2023	20.21
5.	NAV per Equity Share after the Issue	
	a) at Floor Price	159.00
	b) at Cap Price	168.00
6.	Issue Price	[•]

*The above NAV has been calculated based on weighted number of shares outstanding at the end of the respective year.

Notes:
1. The figures disclosed above are based on the Restated Financial Statements of the Company.
2. NAV per share=Restated Net worth at the end of the year/period divided by weighted average number of equity shares outstanding at the end of the year/period
3. Net worth is computed as the sum of the aggregate of paid-up equity share capital, all reserves created out of the profits, securities premium account received in respect of equity shares and debit or credit balance of profit and loss account.
4. Issue Price per Equity Share will be determined by our Company in consultation with the Book Running Lead Manager.
5. Comparison of Accounting Ratios with Industry Peers:
There are no listed companies in India that are engaged in the business line similar to that of our company, thus it is not possible to provide an industry comparison in relation to our company.
6. Key Performance Indicators:
The KPIs disclosed below have been used historically by our Company to understand and analyze the business performance, which in result, help us in analyzing the growth of our company.
The KPIs disclosed below have been approved by a resolution of our Audit Committee dated November 22, 2023 and the members of the Audit Committee have verified the details of all KPIs pertaining to our Company. Further, the members of the Audit Committee have confirmed that there are no KPIs pertaining to our Company that have been disclosed to any investors at any point of time during the three years’ period prior to the date of filing of this Red Herring Prospectus. Further, the KPIs herein have been certified by M/s L K Ajmera & Associates, Chartered Accountants, by their certificate dated November 22, 2023. The KPIs of our Company have been disclosed in the sections titled **“Our Business”** and **“Management’s Discussion and Analysis of Financial Condition and Results of Operations – Key Performance Indicators”** on pages 93 and 168, respectively. We have described and defined the KPIs as applicable in **“Definitions and Abbreviations”** on page 1 of this Red Herring Prospectus.
Our Company confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Company), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the Objects of the Issue, whichever is later or for such other duration as may be required under the SEBI ICDR Regulations. Further, the ongoing KPIs will continue to be certified by a member of an expert body as required under the SEBI ICDR Regulations.

Key Performance Indicators of our Company

(₹ In Lakhs except percentages and ratios)

Key Financial Performance	As at the Year/Period ended			
	September 30, 2023*	FY 2022-23	FY 2021-22	FY 2020-21
Revenue from operations ⁽¹⁾	1318.08	1592.49	547.85	421.04
EBITDA ⁽²⁾	390.59	278.79	54.94	33.54
EBITDA Margin ⁽³⁾	29.63%	17.51%	10.03%	7.97%
PAT ⁽⁴⁾	291.78	200.33	38.05	20.06
PAT Margin ⁽⁵⁾	22.14%	12.58%	6.95%	4.77%
RoE (%) ⁽⁶⁾	63.39%	93.51%	40.04%	30.41%
RoCE (%) ⁽⁷⁾	64.12%	79.83%	33.78%	23.67%

Notes:
⁽¹⁾ Revenue from operation means revenue from sales, service and other operating revenues
⁽²⁾ EBITDA is calculated as Profit before tax + Depreciation + Interest Expenses - Other Income
⁽³⁾ ‘EBITDA Margin’ is calculated as EBITDA divided by Revenue from Operations
⁽⁴⁾ PAT is calculated as Profit before tax – Tax Expenses
⁽⁵⁾ ‘PAT Margin’ is calculated as PAT for the period/year divided by revenue from operations.
⁽⁶⁾ Return on Equity is ratio of Profit after Tax and Average Shareholder Equity
⁽⁷⁾ Return on Capital Employed is calculated as EBIT divided by capital employed, which is defined as shareholders’ equity plus total borrowings (current & non-current).

Explanation for KPI metrics:

KPI	Explanations
Revenue from Operations	Revenue from Operations is used by our management to track the revenue profile of the business and in turn helps to assess the overall financial performance of our Company and volume of our business
EBITDA	EBITDA provides information regarding the operational efficiency of the business
EBITDA Margin (%)	EBITDA Margin (%) is an indicator of the operational profitability and financial performance of our business
PAT	Profit after tax provides information regarding the overall profitability of the business.
PAT Margin (%)	PAT Margin (%) is an indicator of the overall profitability and financial performance of our business.
RoE (%)	RoE provides how efficiently our Company generates profits from shareholders’ funds.
RoCE (%)	RoCE provides how efficiently our Company generates earnings from the capital employed in the business.

7. Set forth below are the details of comparison of key performance of indicators with our listed industry peer:

There are no listed companies in India that engage in a business similar to that of our Company. Accordingly, it is not possible to provide a comparison of key performance indicators of industry with our Company.

8. Weighted average cost of acquisition:

a) The price per share of our Company based on the primary/ new issue of shares (equity/ convertible securities)

There has been no issuance of Equity Shares other than Equity Shares issued pursuant to a bonus issue on September 15, 2023, during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Company (calculated based on the pre-issue capital before such transaction(s) and excluding employee stock options granted but not vested), in a single transaction or multiple transactions combined together over a span of 30 days.

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