

STARTUP SAID TO BE SEEKING a valuation of ₹12,000-15,000 crore for the IPO

Ratan Tata-backed BlueStone Jewellery to Raise over ₹1,500 cr via a Public Issue

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Mumbai: Ratan Tata-backed BlueStone Jewellery is planning to raise over ₹1,500 crore through an initial public offering (IPO) and has appointed ICICI Securities, IIFL Securities, Jefferies and JM Financial as investment bankers for it, according to three market sources.

The company is likely to dilute 10-12% stake through the proposed IPO, which will consist of a fresh issue of shares and an offer for sale (OFS), the people cited earlier, said.

The proposed share sale is likely to be launched in the second quarter of the new financial year, they said.

"The company is seeking a valuation level that is not yet fixed and corroborated. It will likely file the DRHP (red herring prospectus) in a few months," one of the persons cited above told ET.

BlueStone's existing private equity investors, led by Kalaari Capital, are expected to sell their holdings entirely or partly through the OFS.

Money Moves

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Email queries sent to BlueStone and posted on Kalaari Capital's website did not elicit any response till press time. The investment banks could not be contacted immediately.

The company, billed as a startup, is said to be seeking a valuation in the range of ₹12,000-15,000 crore, according to banking sources.

BlueStone is known for its purity of valuable jewellery. A few weeks

ago, BlueStone.com, its omnichannel fine jewellery platform, had announced the launch of its jewellery manufacturing unit in Jaipur.

BlueStone's two existing manufacturing units are located in Mumbai, with a total work area of 12,000 sq ft, the company said in the statement.

The company reportedly opened its first store in Pacific Mall in Delhi in 2018, followed by five more

across Mumbai, Hyderabad and Chandigarh. Sales boomed, so the startup aggressively started opening 1,000-1,500-sq-ft stores on high streets and 600-800-sq-ft stores in malls, all franchisee-owned and company-operated stores with no capex.

BlueStone is India's leading destination for high-quality fine jewellery with exquisite designs. It houses more than 8,000 unique designs for customers. It also offers a 30-day money-back guarantee, certified jewellery, and lifetime exchange.

The pandemic and compulsory hallmarking are likely to accelerate the underlying industry shift towards organised players, according to a report by Technopak.

The report said the Indian organised retail jewellery business market share will rise to 37% in 2025 from 33% in 2020. The Indian jewellery retail sector's size in FY20 stood at \$64 billion, as per Technopak. Currently, organised players or local jewellers control nearly 68% market share in the business.