PNGS Reva Diamond

11 May 2026

Operator: Ladies and gentlemen, good day and welcome to the PNGS Reva Diamond Jewellery Ltd. Q4 and FY26 earnings conference call. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Suyash Samant from Stellar Investor Relation Advisors. Thank you and over to you, sir.

Management: Thank you. Good afternoon everyone and thank you for joining us today. We have with us today the senior management team of PNGS Reva Diamond Jewellery Ltd. Mr. Amit Moda, Whole-time Director and Chief Executive Officer, and Mr. Aditya Moda, Non-Executive Director, who will represent PNGS Reva Diamond Jewellery Ltd. on the call. The management will be sharing the key operating and financial highlights for the quarter and full year ended March 31, 2026, followed by a question-and-answer session. Please note this call may contain some forward-looking statements which are completely based upon the company's beliefs, opinions, and expectations as of today. These statements are not a guarantee of the company's future performance and involve unforeseen risks and uncertainty. The company also undertakes no obligation to update any forward-looking statements to reflect developments that occur after a statement is made. I now hand over the conference to Mr. Amit Moda. Thank you and over to you, sir.

Management: Yes, good afternoon everyone. You must have gone through the results which are uploaded on the stock exchange website. It was our first full financial year after incorporation and FY25 restated was there. Now this FY26 is purely a complete year we were operating and a complete year without having any restated or that kind of adjustment or regrouping of these financial results. Our investor presentation has been uploaded on the company's website just now, so you can go through it after this meeting. You can refer to it on our website and stock exchange links.

PNGS Reva Diamond Jewellery Ltd. is a branded certified natural diamond jewellery built on a strong legacy of P. N. Gadgil & Sons with 190 plus years of trust, credibility, and deep industry expertise. We have a strong presence in Western India, particularly in Maharashtra, along with an expanding retail footprint across the key markets. With the current store count of 36 stores, of which two are the COCO stores and 34 are shop-in-shop (SIS). We are evolving the aspirations of modern consumers through a well-curated portfolio of natural diamond jewellery across price points. Our product basket spans from entry-level offerings of 15,000 to 35,000 aimed at customer acquisition, to everyday wear between 35,000 to 1.5 lakh which drives repeat purchases. This is complemented by our core occasion wear segment ranging from 1.5 lakh to 5 lakh and further extended to our premium and signature collections priced from 5 lakh to 25 lakh. This structured portfolio enables us to cater to diverse customers and their needs for various occasions while also creating a strong lifestyle play within a single brand, driving higher wallet share and repeat engagement.

We believe diamonds are increasingly becoming relevant across occasions, ranging from everyday wear and work wear to celebrations, weddings, and gifting. Their versatility, timeless appeal, and improving affordability are expanding usage occasions and driving higher purchase frequency. When we say that it is becoming relevant across celebrations, weddings, and gifting, we mean natural diamonds only because those can be inherited and they create value and wealth. From a customer proposition standpoint, we complement our product strength with strong customer-friendly policies. A key differentiator for us is our robust buyback and exchange policy, where we offer up to 90% of the diamond price in case of buyback and 100% of the diamond value in case of an exchange sale. For the gold which is attached to it and in which it is studded, the price is very transparent because it is in the public domain and we offer that for the exchange; whatever the selling-buying rate difference is, we charge for the buyback. This enhances customer trust, provides liquidity and flexibility, and positions diamond jewellery not only as a discretionary purchase but also as a store of value, thereby encouraging repeat purchases and long-term customer relationships.

From a distribution perspective, we operate a retail-led model supported by a disciplined and scalable expansion strategy. Our two-format approach comprising shop-in-shop with our parent company, P. N. Gadgil & Sons and their ecosystem, and exclusive brand outlets (EBOs), enables us to effectively balance capital efficiency with brand building while maintaining strong operational control. This is an asset-light, low capex vanilla model across both formats. These models support a higher return on capital employed. The model ensures capital efficiency, low execution risk, and faster scalability while also providing clear visibility on growth through the steady addition of stores. As of now, we have established a strong and focused regional presence across three states and 25 cities. These three states are Gujarat, Maharashtra, and Karnataka. One store is in Gujarat, one store in Karnataka, and the remaining are in 23 cities of Maharashtra. With a higher concentration in the western part of the country, this regional focus allows us to develop a deeper understanding of local consumer preferences, tailor our product offerings accordingly, and drive higher conversion and repeat purchases. It also enables us to optimize our supply chain, reduce logistics costs, and improve inventory turnover, thereby enhancing overall operational efficiency and profitability.

The company has a plan to add 15 new stores which is very well mentioned in the DRHP, RHP, and Prospectus. Out of these, one store is already established and overall this expansion of 15 stores will take place in a 24-month period. The remaining 14 stores are planned across India with a strategic focus on tier-1 cities while selectively expanding into tier-2 and metro cities to strengthen brand presence and expand market reach. Supporting this next phase of growth, capital was raised through the IPO wherein the company raised 380 crore. Out of that, 287 crore of the proceeds are earmarked exclusively for store expansion and working capital requirements. In addition to that, 35 crore from the IPO proceeds are slated for marketing and promotional activities for these 15 new upcoming stores. This calibrated deployment of capital provides strong visibility on growth while ensuring disciplined execution and scalability of our retail network. I would like to briefly touch upon the broader industry context, referring to the CARE report published in November 2025, "The Indian Gems and Jewellery Industry." This report is included in our presentation as well. The Indian Gems and Jewellery industry is a large and growing market, currently valued at approximately 10,000 plus billion rupees and projected to grow to around 15,000 billion rupees by the current calendar year 2029. This is driven by rising income, better credit access, and changing lifestyles. This growth is underpinned by strong structural tailwinds including rising disposable income, increasing urbanization, and evolving customer preferences, particularly among the younger demographics. At the same time, we are witnessing a clear shift from unorganized to organized, branded, and certified players; from family jewelers to branded jewelers, as consumers increasingly prioritize transparency, quality assurance, and trust. Additionally, the growing acceptance of diamonds across occasions, coupled with an expanding gifting culture and higher purchase frequency, is further broadening the addressable market.

Backed by these favorable tailwinds, along with our differential business model, strong parentage, and scalable retail strategy, we believe PNGS Reva is well-positioned to capitalize on this opportunity and deliver sustainable long-term growth. With that, I would like to move to the operational highlights for the quarter and FY26. Our inventory turnover was at 1.31 times in FY26. As our store network continues to mature, we expect this metric to further improve over the longer term, driven by healthy same-store sales growth and operating leverage benefits arising out of economies of scale. Further, regarding our average order value, for FY25 it was 85,000, and for the current year ending FY26, the average bill size or average order value is 1,20,000. Year-over-year growth is 41%.

Regarding financial highlights for Q4, revenue from operations stood at 138 crore, registering a growth of 139% year-over-year. Gross profit for the quarter stood at 38 crore, reflecting a growth of 195% year-over-year, with a gross profit margin of 28%. EBITDA for the quarter stood at 31 crore, recording a growth of 278% year-over-year, while the EBITDA margin stood at 22%. Profit after tax stood at 21 crore, growing by 350% year-over-year, while the PAT margin stood at 16%.

Coming to FY26, we will be comparing this with the FY25 restated financials because we incorporated the company in FY25 during December 2024. A fractional period was there, but we have presented restated figures in the DRHP and RHP which you can refer to. So coming to FY26, comparing it to the FY25 restated financials, revenue from operations stood at 439 crore compared to 258 crore, reflecting a growth of 70%. Gross profit stood at 122 crore with a gross profit margin of 28%. EBITDA for FY26 stood at 95 crore, registering a growth of 19% year-over-year, while the EBITDA margin stood at 22%. Profit after tax for FY26 stood at 65 crore, reflecting a growth of 9% year-over-year over FY25, while the PAT margin stood at 15%. Wherever we are referring to FY25, please note those are restated figures. By leveraging our strong legacy, disciplined retail execution, and focused positioning in the premium diamond jewellery segment, we aim to further strengthen PNGS Reva as a trusted and aspirational brand within India's organized jewellery market, while consistently creating sustainable long-term value for all stakeholders. With this, we would like to move to the question-and-answer session. Everyone is most welcome to ask questions, and I am very interested in answering them. Thank you.

Operator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Harsha from Maritz Advisors. Please go ahead.

Harsha – Maritz Advisors: Yeah hi sir. Congratulations on the great set of numbers. I just wanted to ask a couple of questions. Can you give some color on your store economics, what kind of revenue per store you are expecting and what kind of footfalls you see among the 34 stores in Shop-in-Shop? Can you give a little bit of color on the store economics and I'll ask my second question after you answer the first one.

Management: Regarding store economics for SIS, all infrastructure is provided by P. N. Gadgil who have those FOCO kind of franchises where the franchise handles the operational part while the company manages the inventory and employees. We do not know their exact operational cost per store, but we are paying them a commission on the sales happening in their locations. Those commissions are different: for diamonds, there is a certain percentage; for making charges, there is another percentage; and on gold, there is no commission. On a vanilla basis, we are paying them 4% of the sales occurring there. If we refer to same-store sales growth (SSG), in the last year we have seen SSG of around 40% in these existing SIS units. Looking at the SIS count, in FY25 there were 30 SIS, and in FY26 there are 34 SIS. So four SIS stores were added, of which one was added in the last month of the year. For that single SIS added at the end of the year, there was not much sales, but for those 30 SIS that were there at the start of the year, the top line was around 313 crore in FY26.

For the EBOs, the store economics involve costs like roughly 6 lakh rent, 3.5 lakh employee costs, 1 lakh hospitality costs, and 1 lakh infrastructure running costs. We expect around a 9 crore top line per store, which is 75 lakh per month or 3 lakh per day. With our average bill size of 1,20,000, that is about 2.5 to 3 customers per day, which is reasonable for a 0.75 stock turn because around 12 to 15 crore of inventory will be in each EBO. At 0.75, the top line will be around 9 crore and it will increase through SSG over a period, which generally escalates to 1.25 in three to four years' time. On 9 crore revenue, with the gross profit margins we are making right now around 30%, we can take it as 2.7 crore operational profit. From that, if we calculate all these different costs I mentioned, it amounts to around 1.5 crore a year, giving an EBITDA level of around 1.5 crore per year at an initial stage. When we reach a 1.25 or 1.5 stock turn in three to four years, that EBITDA level of 1.5 crore will reach between 3.5 to 4 crore. That is for the EBOs. When EBOs are within Maharashtra, we are expecting to achieve that 0.75 stock turn in 9 to 12 months. When it is outside Maharashtra, we expect that within the first 18 to 24 months.

Harsha - Maritz Advisors: Okay, that was very helpful. Can you give some color on how the EBOs or the company-owned company-operated stores will be structured? Whether you will buy the property or take it on lease?

Management: No, those will be asset-light. We will never buy the property. It will be on a rented lease basis.

Harsha - Maritz Advisors: Okay, so the lease liability will always be reflected in the finance cost, right?

Management: Yes, and the restated balance sheet shows the future liability by capitalizing it. So that lease liability is there, which represents the future rent payable for the period of that agreement.

Harsha - Maritz Advisors: Okay sir. Thank you. That was helpful. I'll join back the queue.

Operator: Thank you. Next question is from the line of Priyanshu Maheshwari from Holani Ventures Capital Fund. Please go ahead.

Priyanshu Maheshwari – Holani Ventures Capital Fund: Hello sir. First of all, congratulations for your excellent numbers. Sir, could you share your expectations regarding the customer acquisition cost over the upcoming quarters, and what are your revenue expectations and overall break-even timelines for new stores?

Management: We are not calculating the customer acquisition cost as such because it is very difficult in our kind of business. We are not running any schemes or multi-level marketing where we can calculate that cost. Customer acquisition is driven by our goodwill, mouth-to-mouth publicity, BTL activities, and ATL activities. While we can acquire customers through schemes, we are reluctant to run the kind of schemes that involve cross-marketing because ours is a luxury industry dealing with discretionary purchases.

Regarding your second question on revenue expectations and break-even timelines, as I said earlier, if it is in Maharashtra and we want to achieve a 0.75 stock turn, it will take around 8 to 12 months, and that gives me a 1.5 crore EBITDA level margin per store. If it is outside Maharashtra, it will take 18 to 24 months. To reach a 1.25 to 1.5 stock turn with an EBITDA level of 3 to 3.5 crore per store, it takes around three to four years.

Priyanshu Maheshwari – Holani Ventures Capital Fund: Okay sir. In a recent interview with NDTV, you emphasized focusing on natural diamonds and concerns about resale value. With the rapid growth of lab-grown diamonds, do you see them as a long-term competitive threat? And how are you adapting to Gen Z and millennial customers who have lower purchasing power and view diamonds more as a lifestyle?

Management: Lab-grown diamonds have been in the market for at least 6 to 7 years. In that time, people have seen the change in price. Everyone knows whether it is positive or negative. For natural diamonds, we see 3% to 5% appreciation year-over-year. Recently, a very good national level brand introduced lab-grown diamond outlets where they explain to customers that there is no resale value to lab-grown diamonds, only to the gold content. It is very clear in the market that there is no resale or buyback value for lab-grown diamonds. Because our buyback policy relies on the rarity and increasing value of natural diamonds over time, I do not see it as a threat.

Even though there are millennials, we have a population of over 150 crore, including a higher middle class and white-collared millennial class who will prefer natural diamonds because of the resale value. They can exchange them in the future because they have repeat visits and a reasonable discretionary surplus they use repeatedly. They will prefer items with resale value. In our society, when we give ornaments for weddings or anniversaries, those ornaments carry wealth, not just the look or lifestyle. For instance, if a father is giving a necklace to his daughter in marriage, he cannot give a lab-grown diamond necklace. When she carries that necklace, it should have inheritance value. She should eventually transfer that wealth to her daughter or daughter-in-law. Generally, we inherit wealth. Natural diamonds are classified as wealth; lab-grown diamonds are not.

Priyanshu Maheshwari – Holani Ventures Capital Fund: Okay sir. Thank you very much for your answer.

Operator: Thank you. The next question is from the line of Rishabh Doshi from Nirmitti Investment Advisors LLP. Please go ahead.

Rishabh Doshi – Nirmitti Investment Advisors LLP: Hi. Congratulations on a great set of numbers. I had three questions. First, is there an accounting difference between the gross margins or EBITDA margins between the current financial numbers and the restated ones? The EBITDA margins have come down from around 30-32% to 22% this year.

Management: Up until last year, it was not a separate entity. Certain fixed costs were not there, such as renting premises for separate seating, the creation of an inventory and logistics department, and having a CEO, CFO, and compliance department. All these costs have gone up because of the separation. Earlier, it was part of the main entity and those costs were not borne by this division. Now because those separate costs have been loaded, the EBITDA margin has reduced.

Rishabh Doshi – Nirmitti Investment Advisors LLP: Okay. So in the long run, this 28% gross margin and 22% EBITDA margin would be sustainable?

Management: Yes. Gross margins may improve in the future because right now we are not charging for brand value in diamond pricing. It is priced like a family jeweler would, with 30-35% gross margin loading. Over time, we will start loading brand value once our brand settles in the market, as this industry has gross margins between 30% to 35% or even as high as 40-42%. Right now, these margins do not include brand value loading on the diamonds.

Rishabh Doshi – Nirmitti Investment Advisors LLP: Could you give the breakup of raw materials between gold, diamond, and others like platinum?

Management: Platinum is a small content in the total sales. For a 1 lakh piece of jewelry, the contents are around 50-55% gold, 30-35% diamond, and 15% to 20% making charges. That is the composition currently because gold prices have gone up. Earlier, gold content was 15% to 20% and diamonds were around 60-65%.

Rishabh Doshi – Nirmitti Investment Advisors LLP: So if gold prices go up by say 30% in one quarter, on a total basis, would you expect gross margins to contract?

Management: On a percentage basis it may contract, but in absolute value, it will be maintained. I believe more in absolute value than in percentage points.

Rishabh Doshi – Nirmitti Investment Advisors LLP: Okay. We are not comparing ourselves with plain gold jewelry companies. Since we have excess gold, mostly through buybacks or exchanges, where do we sell this and why don't we keep it on our balance sheet? Also, do we have inventory gains in gold?

Management: We never calculate inventory gains as such because we value our inventory at average purchase price, not FIFO or LIFO. The concept of inventory gain or loss is not there. Our inventory is valued at the average purchase price which is far less than current market prices and is competitive because of that average.

People often use gold as consideration. If someone buys a 3 lakh necklace, they may come with a 20 gram gold coin valued at around 2,80,000 and pay the remaining 20,000 by credit card. That 20 gram of gold comes into my kitty as part of the consideration. I need to encash that because my working capital would get stuck otherwise; that gold is not my intended purchase but was received as consideration. Instead of a bank receipt, I receive a commodity. That is sold directly in the open market and those sales are mentioned as a note in the accounts regularly.

Rishabh Doshi – Nirmitti Investment Advisors LLP: Correct. My last question is about our sister company Gargi. They are also into diamond jewelry, but the difference is they sell with 14k gold. Does this lead to a conflict of interest since both sell diamond jewelry, though it is 18k or 22k for Reva and 14k for Gargi? The average ticket size seems to be in a similar range. Why do we have such a structure?

Management: It is like different biscuits in the market from the same manufacturer. One manufacturer sells a premium pack, a second-level gold premium, and an ordinary version. At Gargi, we sell 14-karat gold with lower quality diamonds—meaning diamonds that differ in color, not that they are fake. Reva sells E and F color diamonds, which is next to the highest D color, with high-quality 4Cs. At Gargi, we sell HI color with good 4Cs. The valuation and prices are different. Reva is a premium brand; Gargi is daily wear and pocket-friendly. Gargi has a range from 10,000-15,000 to 2.25 lakh. Reva sells from 15,000 to 25 lakh, from nose pins to bridal jewelry. Those heavy bridal necklaces and sets are not available at Gargi. It is mainly fast-moving fashion jewelry along with diamond jewelry with resale value.

Rishabh Doshi – Nirmitti Investment Advisors LLP: Okay. Thanks. That's all from my side.

Operator: Thank you. Next question is from the line of Shubhano Bengal from Priyat Capital. Please go ahead.

Shubhano Bengal – Priyat Capital: Sir, can you tell me what the buyer growth was in FY26? For example, if there were 100 customers in FY25, how many bought from us in FY26?

Management: That statistic is not readily available with me. You can send a separate email to the compliance or CS ID and I will forward it to you.

Shubhano Bengal – Priyat Capital: Understood. Regarding SSG, you said FY26 SSG was 40%. Do you expect this to be maintained?

Management: I hope so.

Shubhano Bengal – Priyat Capital: Out of the 15 stores, one has already opened. How many stores will be opened in FY27?

Management: We have two EBOs currently, one of which was established post-IPO. We are planning 15 EBOs through the IPO proceeds. One is completed. Of the remaining 14, 6 to 7 will be opened in the current financial year and the rest will follow in the next financial year. This is a project planned for a 24-month period.

Shubhano Bengal – Priyat Capital: If 6 to 7 stores open in FY27, will our inventory turnover automatically be reduced since new stores start with low turnover?

Management: Inventory turnover is currently driven mainly by the SIS segment, which accounts for almost 350 crore in top-line revenue. These new EBOs will have lower inventory content compared to the 330 crore of inventory already in the system. Their top line will have around a 0.75 stock turn. The existing 1.31 stock turn will be improved by SSG, which will compensate for the initially lower stock turn of upcoming EBOs. As I said in my opening comments, it is a vanilla model where profitable SIS units have higher stock turns and new EBOs start lower but are averaged out. I do not expect a significant fall for the overall organization. It should be maintained between 1.25 and 1.35.

Shubhano Bengal – Priyat Capital: Understood. Regarding margins, can gross margins increase from here in FY27?

Management: I do not depend strictly on percentage points; I look at absolute value. If gold prices go up and the gold content in total sales increases, the margin percentage may be lower because gold has lower margins. However, the absolute value of the margin in rupees will be maintained or increased. There will be a net increase in earnings in value terms.

Shubhano Bengal – Priyat Capital: Okay, understood. Thank you sir. Best of luck.

Operator: Thank you. Next question is from the line of Harsh Shah from Marrowis Advisors. Please go ahead.

Harsh Shah – Marrowis Advisors: Sir, I wanted to ask what your expectations are for revenue and SSG for FY27 and FY28?

Management: I am expecting SSG of around 25-30%; it should not be less than that. We achieved 40% last year because of a sudden spike in gold prices. In value terms, it was high, but if gold prices remain stable, I expect 25-30%. If prices shoot up like last year, it could match previous growth levels. If SSG remains at that level and most of the turnover for the next 2 years comes from SIS, I expect top-line growth to also be maintained around 25-30%.

Harsh Shah – Marrowis Advisors: Do you expect any pressure on the top line because of pressures on gold going forward?

Management: If import duty is increased, it will increase gold prices in the Indian context. It will not defer the decisions of buyers. If I want to buy a gold chain or a diamond-studded piece, I will buy it. The price may change if the government changes structural duties like import duty or GST. I do not think the government will ban gold imports or do any rationing as we are in a free economy. Since it is a discretionary purchase, people in the luxury, higher middle, and rich classes will not mind paying slightly more due to a change in import duty, because that is a statutory requirement across all brands.

Harsh Shah – Marrowis Advisors: Okay, that was very precise. Thank you so much.

Operator: Thank you. Next question is from the line of Divya Daga from Voltac Green Structures Private Limited. Please go ahead.

Divya Daga – Voltac Green Structures Private Limited: Hello sir. As the majority of our revenue comes from 34 SIS stores, I want to know how the parent company is planning to expand those stores further.

Management: Their expansion is funded by internal accruals and accumulated profits; they are not borrowing additionally. Their growth will be 3 to 4 stores every 2 years. It will be passive expansion for us because we have started the EBO model. We moved to EBOs specifically to avoid being limited by their passive expansion, as they require 90 to 120 crore to set up one store, which is very high capex. When we set up an EBO, it requires around 20 to 25 crore per store. That expansion delivers better numbers at lower capex.

Divya Daga – Voltac Green Structures Private Limited: Okay, thank you so much sir.

Operator: Thank you. The next question is from the line of Lokesh, an individual investor. Please go ahead.

Lokesh – Individual Investor: In the next 24 to 30 months we will have close to 50 stores. What is the revenue potential for those 50 stores in FY28 or FY29?

Management: I have given a matrix for per-store revenue. You can multiply that because I cannot spell out precise future revenue projections. I mentioned 30% SSG is likely from the 34 existing stores, with a base of 350 plus crore current revenue. You can escalate those figures. For the 15 new stores over the next 2 years—7 to 8 in the first year and the rest in the second—expect a 9 to 12 crore top line for each. There are certain limitations to giving you precise forward-looking statements in rupee terms.

Operator: Thank you. Next question is from the line of Rahul Kumar Paliwal from Shripal Family Office. Please go ahead.

Rahul Kumar Paliwal – Shripal Family Office: What actually drove the growth this year compared to last year, jumping from 258 crore to 440 crore?

Management: Focused concentration on a specific business line makes a big difference. We demonstrated this with our other listed company, Gargi Fashion Jewellery, which grew from 15-20 crore to 140 crore after being separated as its own brand. Separating this business and creating a brand is part of the same vision to concentrate on the product line, variety, and finishing. This focused target-setting has materialized into these numbers. Out of 439 crore, around 55 crore represents surplus gold we received; the remaining 390 crore is purely B2C jewelry.

Rahul Kumar Paliwal – Shripal Family Office: Regarding executive leadership, both Reva and Gargi are now listed. What is the management's thought process for streamlining leadership, like full-time CEOs and corporate actions, as you grow over the next 3 to 5 years?

Management: For Reva, we have a CEO, CFO, and CS in place, as well as a whole-time director. Gargi does not have a CEO yet, but they are working on it. I do not think there is any shortcoming in top-level management for Reva. Regarding compliance, even though Gargi is an SME, we comply with mainboard standards, including quarterly filings and corporate governance. We complete our AGMs before July 31 and declare results in early May for the fiscal year. There will be no problem with compliance now or in the future.

Rahul Kumar Paliwal – Shripal Family Office: Since you have taken growth capex from the market, I assume you don't need funds for 2 years. What will be your mode of getting growth capex after that? Further dilution or internal accruals?

Management: This year we are adding almost 64 crore from earnings. We are retaining those internal accruals rather than distributing them. In the next 2 years, I expect similar numbers to be added to accruals. We have 190 crore in loans in place, plus 50 crore in sanctions from ICICI Bank and 40 crore from SVC Bank. Total sanctions are around 280 crore, of which I am only using 130 to 150 crore. We have roughly 150 to 200 crore in unused sanction limits. I can get even higher limits in the future because my financials and ratios like debt-to-equity will be very strong. I do not primarily expect any dilution of equity; after we are settled by 2030, we will expand out of borrowings.

Operator: Thank you. Next question is from the line of Shubhanu Bengal from Threehat Capital. Please go ahead.

Shubhanu Bengal – Threehat Capital: As you mentioned 6 to 7 stores will open in FY27, how many will be outside Maharashtra?

Management: Two stores will be out of state and five will be in Maharashtra. We are maintaining a ratio of 60% in Maharashtra and 40% outside Maharashtra for these 15 stores, preferably in north India in tier-one city malls.

Shubhanu Bengal – Threehat Capital: Outside Maharashtra takes 18 to 24 months to break even. What inventory are you keeping at the store level?

Management: In Maharashtra, break-even takes 8 to 12 months. Store level inventory depends on size: small (1,000-1,200 sq. ft.) requires 9 to 10 crore; medium (1,500 sq. ft.) requires 12 to 15 crore; and large requires 18 to 20 crore.

Shubhanu Bengal – Threehat Capital: And first-year inventory turn is around 0.75?

Management: I expect a 0.75 turn in Maharashtra in the first year, but that is at the end of the year. In the initial months, it may be 0.25 to 0.5. It will be incremental.

Operator: Thank you. Next question is from the line of Priyansh Miri. Please go ahead.

Priyansh Miri: What is the trend for working capital before the 2030 timeline? Will it remain steady or reduce?

Management: As the number of stores increases, the backend inventory requirement percentage decreases. If I currently maintain 15% to 20% backend inventory, that may go down to 12% to 15% as I grow, leading to relatively lower working capital requirements.

Priyansh Miri: Regarding expansion outside Maharashtra, what is the planned budget for marketing expenses?

Management: We plan to spend around 2 crore for every EBO, whether in or out of Maharashtra, spent over 12 to 18 months. It will not be a bulk spend but targeted region-wise. We will be spending around 3% to 4% of the top line each year on branding.

Priyansh Miri: So long-term margins will be maintained between 19% and 23%?

Management: Yes, though as I said, the absolute values will grow. If gold content increases, the percentage may decrease, but profit in rupee terms will increase.

Priyansh Miri: Do you hedge your inventory?

Management: I acquired gold through a slum sale where it was part of diamond jewelry. Hedging through banks was not possible, and while MCX is an option, liquidity is low and costs are high. We have 190 years of experience. The best mechanism is natural hedging: covering a sale by buying the same amount on the same day at the same price. We also have surplus gold from considerations—like the 20 gram coins I mentioned earlier—which we encash to free up working capital. Buying fresh gold from a bank is rare, but I have limits from Federal Bank, HDFC Bank, and ICICI Bank for gold metal loans (GML) if needed.

Priyansh Miri: Will diamond jewellery as a percentage of revenue increase in the next few years?

Management: We do exclusively diamond jewellery only; we do not mix it with plain gold. Platinum is a minor part. Rings are our highest sold product at 28%, followed by studded mangalsutras and pendants at 25% to 27%. Earrings are 15% to 17%, necklaces are 10%, and bangles/bracelets are 5% to 6%.

Priyansh Miri: Is our focus more on the lighter part of the jewellery segment for the new generation?

Management: All branded jewelers sell mainly in the range of 70,000 to 1,50,000. Heavy jewelry is only 10% to 15% of the total top line. Lightweight is a concept in pure gold, not diamond jewelry. Trendy designs that cost 1 lakh to 1.5 lakh are popular. Higher price items are about 10% to 12% of sales, medium items are 20% to 25%, and lower ticket size items are 60% to 70%.

Operator: Thank you. Next question is from the line of Harsh Shah from Marrow Financial Advisors. Please go ahead.

Harsh Shah - Marrow Financial Advisors: Can you give the SIS run rate going forward for the 34 units we have?

Management: SIS units are of different sizes. If a parent showroom is 6,000 square feet, I might have 800 square feet. If another is 2,000 square feet, I might have 200 square feet. Every SIS has a different top line. Across 34 SIS units, the average is 10 crore per unit, but some stores do between 20 to 40 crore per year.

Operator: Thank you. That was the last question for today. I now hand the conference back to Mr. Amit Modak for closing comments. Over to you, sir.

Management: Yes, thank you very much to all who have joined and participated. I hope we have answered reasonably according to expectations. Thank you for joining us today; we expect your continued support. We remain available for any follow-up questions directly or through Stellar IR Advisors. Thank you.

Operator: Thank you very much, members of the management. On behalf of PNGS Reva Diamond Jewellery Ltd., that concludes this conference. Thank you for joining us today and you may now disconnect your lines. Thank you.