

Rating: Subscribe for Long Term

Issue Offer

Total issue size: INR 3,800 Mn (9.84 Mn shares) - Fresh Issue of INR 3,800 Mn (9.84 Mn shares).

Issue Summary

Price Band (INR)	367-386
Face Value (INR)	10
Implied Market Cap (INR mn)	12,240.4
Market Lot	32
Issue Opens on	24 February, 2026
Issue Close on	26 February, 2026
No. of share pre-issue	2,18,66,400
No. of share post issue	3,17,10,959
Listing	NSE / BSE

Issue Break-up (%)

QIB Portion	≥ 75
NIB Portion	≤ 15
Retail Portion	≤ 10

Book Running Lead Managers

Smart Horizon Capital Advisors Pvt.Ltd

Registrar

Bigshare Services Pvt.Ltd.

Shareholding Pattern

	Pre-Issue	Post-Issue
Promoters	87.45%	60.30%
Public & Others	12.55%	39.70%

Objects of the issue

Exp. Amt (INR Mn.)

Funding expenditure towards setting-up of 15 New Stores.	2,865.6
Marketing and promotional expenses related to the launch of the 15 New Stores, aimed at enhancing local brand awareness and visibility of our flagship brand, "Reva", in their respective areas.	354
General corporate purposes.	

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Incorporated in 2004, PNGS Reva Diamond Jewellery operates in the branded diamond jewellery segment under its flagship brand "Reva," offering a wide range of products including rings, earrings, necklaces, pendants, solitaires, bangles, bracelets, mangalsutra, nose rings, and chains crafted using diamonds and precious and semi-precious stones studded in gold and platinum. As of September 30, 2025, the company had 13 distinct jewellery collections supported by an in-house design team along with curated selections from third-party manufacturers and karigars, enabling a blend of proprietary and sourced designs. It operates 34 stores across 25 cities in Maharashtra, Gujarat, and Karnataka, with an aggregate retail frontage of 647.15 running feet. The company follows a hybrid retail model comprising Franchise Owned Company Operated, Franchise Owned Franchise Operated, and Company Owned Company Operated formats, facilitating scalable expansion with operational flexibility.

Investment Rationale:

Diversified Product Portfolio Catering to Evolving Consumer Trends: Reva offers jewellery across categories and price points starting from approximately INR 20,000, catering to wedding, festive, and daily-wear segments. The company has consistently launched new collections (4 in FY25, 6 in FY24 and 3 in FY23) to align with changing design preferences. Its hybrid sourcing model combining in-house designers with third-party manufacturers and karigars ensures design innovation and flexibility. Growing demand for lightweight, daily wear and customized jewellery further strengthens its addressable market. This diversified and trend-responsive portfolio reduces concentration risk and enhances repeat purchases.

Aggressive Store Expansion to Accelerate Revenue Growth: The company plans to open 15 new brand-exclusive stores, funded through IPO proceeds, to strengthen its market position and drive incremental revenue growth. Unlike shop-in-shop formats, these stores will be fully owned and operated, enabling better control over branding, customer experience, and merchandising. Expansion into high-potential micro-markets within its existing regional stronghold allows the company to leverage brand recall while improving store economics. With an established supply chain and backend infrastructure already in place, incremental stores are expected to deliver operating leverage, supporting medium-term revenue scalability.

Premiumization Through Customized and High-Value Jewellery: The company has positioned itself not only in the accessible luxury segment but also in high-value customized jewelry, particularly bridal and occasion-based purchases. Customization options—such as metal selection, gemstone preferences, engravings, and handcrafted detailing—allow the company to command higher average order values and strengthen customer loyalty. Bridal jewelry, being a culturally significant and high-ticket segment in India, contributes meaningfully to revenue and margin expansion. This premium product mix enhances brand prestige while improving profitability per transaction.

Valuation & Outlook: PNGS Reva Diamond Jewellery is well-positioned to capitalise on rising demand for organised, design-led diamond jewellery in India. Its diversified product portfolio aligned with evolving consumer preferences, coupled with premiumization through customized and bridal offerings, supports sustained margin strength and higher average order values. The planned expansion of 15 brand-exclusive stores is expected to enhance brand visibility, improve store economics, and drive operating leverage over the medium term. With a scalable sourcing model and established backend infrastructure, the company appears structurally positioned for steady revenue growth and strengthening market presence in its core regions. **At the upper band of INR 386, the issue is valued at a P/E ratio of 20.6x, based on PAT of FY25 EPS of INR 18.8. We are recommending a "Subscribe for Long Term" rating for this issue.**

Financial Summary:

Particulars (INR Mn)	FY23	FY24	FY25	H1FY26
Revenue	1,994	1,962	2,591	1,571
<i>Growth (% YoY)</i>		-2%	32%	
EBITDA	687	561	796	308
<i>Margins</i>	34%	29%	31%	20%
PAT	518	424	595	201
<i>Margins</i>	26%	22%	23%	13%
Debt			907	1,303

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Stock Rating Scale

BUY	>20%
ACCUMULATE	12% to 20%
HOLD	5% to 12%
NEUTRAL	-5% to 5%
REDUCE	-5% to -12%
SELL	<-12%

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