"PNGS Reva Diamond Jewellery Limited
Q2 & H1 FY27 Earnings Conference Call"
October 30, 2026

MANAGEMENT: **MR. AMIT MODAK – WHOLE TIME DIRECTOR AND CHIEF EXECUTIVE OFFICER – PNGS REVA DIAMOND JEWELLERY LIMITED**
MR. ADITYA MODAK – NON-EXECUTIVE DIRECTOR – PNGS REVA DIAMOND JEWELLERY LIMITED

MODERATOR: **MR. SUYASH SAMANT – STELLAR INVESTOR RELATION ADVISORS**

Moderator: Ladies and gentlemen, good day and welcome to the PNGS Reva Diamond Jewellery Limited Q2 and H1 FY27 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 touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Suyash Samant from Stellar Investor Relations Advisors. Thank you, and over to you, Mr. Samant.

Suyash Samant: 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 Limited. Mr. Amit Modak, Whole-Time Director and Chief Executive Officer and Mr. Aditya Modak, Non-Executive Director, who will represent PNGS Reva Diamond Jewellery Limited on the call.

The management will be sharing the key operating and financial highlights for the quarter and half year ended 30, September 2026, followed by a question-and-answer session. Please note this call may contain some of the 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 uncertainties. The company also undertakes no obligation to update any forward-looking statement to reflect development that occur after the statement is made.

I now hand over the conference to Mr. Amit Modak. Thank you, and over to you, sir.

Amit Modak: Thank you. Welcome to all. Wish you all the happy festival, which is coming up. Already Navaratri has passed on and we all have celebrated the Navaratri. So this is our third earnings call. First earnings call was last year for the Q3 performance, then there was a call for the Q1 performance and now this is a Q2 performance of FY27 or the H1 FY27.

We are pleased to report that strong performance of Q2 and H1 '27 delivered almost 46% year-on-year revenue growth in Q2 of '27 and 76% overall in H1 '27, excluding gold sale is achieved. Our PPT and presentation is already there on the website as well as on the BSE site from where you can get updated all the figures in detail along with our commentaries.

This growth is particularly encouraging given that Q2 of FY27 had no festival days as compared to FY26, there were nine last days of the September, which were the festival days of the Navaratri. Despite this difference in the festive calendar, we continue to witness healthy consumer demand, reflecting the resilience of Reva brand and the strength of our business model and more and more shift of the customer from the plain gold jewellery to the studded Jewellery and that to the natural diamond studded gold jewellery.

Let me bring by sharing the operational highlights. During FY27, we launched three new COCO stores, one, we launched at the Amanora Mall, Pune at Hadapsar, another was launched at Nashik at College Road and one at Jaipur, which was the first outside Maharashtra for Reva. Including our first store outside Maharashtra, that is Rajasthan, Jaipur City, further strengthening our retail presence and expanding our reach into new market.

Our COCO stores are performing in line with expectations and we remain focused on the expanding of our retail footprint through quality location and delivering the superior customer experience. If we go through rapidly, there are six EBOs right now. Just half an hour before, one EBO has started working at Bavdhan.

So Wakad was the EBO, which was established prior to the IPO in last September end, then Paud Road, which was in the last week of March, then the Amanora Park, Amanora Mall that is established in the first week of July. Then Nashik was there at the end of the August. Then Jaipur, which was started outside Maharashtra, then Bavdhan, which is inaugurated today.

And in this week, we will announce one more and that precise announcement will be there on the public domain through the exchange notification. We are proud to onboard Sharvari Wagh as our brand ambassador, brand face, marking an important milestone in Reva's growth journey.

We all require some national level face and she is working with the Hindi movies, Hindi serials and she is known face for the North part of India, where we are going to launch our expansion outside Maharashtra. So Sharvari Wagh will be our brand face, which is known in the area wherever we are working.

She is being the Marathi, she is getting attached with our brand, our legacy as well as she is very well known on the Pan India basis. We also successfully launched our e-commerce platform, revadiamonds.com, strengthening our digital presence and providing customers with an additional channel to explore our natural diamond jewellery collection.

This initiative complements our retail expansion strategy and support our efforts to build a scalable retail and digital platform. Generally, in this kind of industry where pure gold, natural diamonds, certified diamond and all these things are getting traded, there is a limited scope for the online sale.

But these online platforms or e-commerce platform gives the visibility of our entire product or the catalogue to the customer through which they can understand our product range and then can come to our showroom and shop it. So even though that online sale is not going to be a sizable one, but it will be helping us to cater the customer and giving them knowledge about our brand and product range, which we are going to cater.

These operational initiatives were complemented by strong financial performance during the quarter and first half year of the year. There are two comparisons right now. It is a Q2 comparison with previous year Q2 as well as H1 comparison with previous year H1 comparison. There are two figures.

Last year, there was some sizable sale of the gold scrap, which we received as the exchange gold as a consideration part of the consideration of the sale. But this year, even though we are receiving same quantity, but we are using it as a captive consumption because right now, since we are developing and we are getting newly fabricated jewellery.

We require that and that's why there is no sizable gold sale as a B2B sale, which was there in the last year up to Q2 as well as up to last day of the year. During Q2 of FY27, revenue from

operations stood at INR121 crores, registering 17% year-on-year growth, while revenue, excluding gold sale as I explained to you that last year, there was a larger gold sales.

That's why current year Q2 FY27 figure shows only 17% growth. But if we compare it as a jewellery-to-jewellery, then in H1, that jewellery gold sale amounts to INR239 crores and showed almost a 76% growth if we exclude the gold sale from the H1 of FY26. Gross profit Q2 FY27 stood at INR37 crores, growing 50% year-on-year.

Only for the Q2 with the gross margin of 31.1% compared to 24.2% in Q2 of FY26, again, only for the quarter comparison. Now if we compare it with the H1 of FY27 with H1 of FY26, the gross profit increased by 90% year-on-year to INR79 crores with gross margin increasing to 33.2% compared to 26.7% H1 of FY26.

Now EBITDA again quarter first then for the half year. Quarter 2 stood at INR37 crores EBITDA, growing 50% year-on-year and a gross margin of 31.1% compared to 24.2%. H1 gross profit increased 90% year-on-year to INR79 crores with gross margin of 33.2% compared to 26.7% of H1 FY26.

EBITDA Q2 FY27 stood at INR29 crores, registering 49% year-on-year growth compared to Q2 of '26, with EBITDA margin of 23.8% compared to 18.7% of the Q2 FY26. If we compare it in a percentage, it has gone up from 18.7% to 23.8%. If we compare it with the absolute rupee, then our Q2 FY27 EBITDA is higher by 49%.

For H1 FY27, EBITDA grew at 103% year-on-year to INR63 crores with EBITDA margin 26.3% compared to 19.6%. So, if we compare absolute rupee term, it is 103% growth. If we compare in a percentage term, last year, H1, we were having EBITDA margin of 19.6%. This year, it is 26.3%.

Now come to the profit after tax, again, first quarterly, then half yearly. Q2 FY27 stood at INR23 crores, registering 84% year-on-year growth compared with the last year Q2. Then PAT margin of 19.3% H1 FY27, which grew by 151% year-on-year to INR51 crores with a margin of 21.2%, means margin has gone up from 19.3% to 21.2% as against the PAT grown by 151% year-on-year to INR51 crores.Even after excluding other income, PAT continues to remain in line with the guidance provided, reflecting the strength of the company and its core operating performance. As you would have seen our business update, we have stated that Q3 FY27, it has started on a strong note. Last year, nine days were in September, only two days were in October.

This year, entire 10 days of the Navaratri plus Dussehra was in Q3 at the early period of the October '27. And we have registered growth of the 35% overall of the 10 days sales vis-a-vis Dussehra single day sales, we have got a higher growth or the higher sale of 62% if we compare with last year's Dussehra.

Looking ahead, we remain optimistic about the demand outlook with the upcoming Diwali festival and wedding season expected to provide further growth opportunities and support higher average order value. The increasing consumer preference for natural diamond jewellery, coupled with our expanding COCO model retail footprint, enhanced digital presence, which can support to our offline sales.

And focused execution position as well as capitalizing on all these opportunities. We are confident that we will show a good result as at end of the year, continuing with the H1. The H2 will be in line with the H1, and we expect the good numbers, good figures as at end of the year, that is H2 as a whole plus H1 as a whole.

With this, now I conclude my say and I make it open to the investor to ask the question. There are certain limitations that I cannot give you any precise answer or any precise quantification or the figures or the amounts or the percentage and all these things. So whatever discussion here, it will be in a relative term and more on the industry outlook as such rather than my specific companies, specific location, specific quantification, that kind of the discussion. Thank you for listening.

Moderator: Ladies and gentlemen, we will now begin with the question-and-answer session. The first question is from the line of Nishita from Sapphire Capital. Please go ahead.

Nishita: Yes, hello, am I audible?

Moderator: Yes, you are.

Amit Modak: Yes.

Nishita: Yes. So, I just wanted to understand if you could give the bifurcation between like job work and our own manufacturing, like how much of the revenue comes from job work and how much of it comes from manufacturing?

Amit Modak: First of all, we are only B2C. That last year's B2B was of the gold scrap, which we received. It was not a B2B is not our prime object to carry out the business. In case of jewellery, we are selling only on the B2C basis. Secondly, job work that is orders which we are getting from the customer as compared to the ready stock, which is available in the shop, it is hardly 30%, not more than 30% against the order. 70%-plus is there, which is from the ready goods, which are available in the showroom.

Nishita: Okay. Understood. And my next question is, so like in this quarter…

Amit Modak: Your voice is extremely low, madam.

Nishita: Yes. Am I audible now?

Amit Modak: Yes.

Nishita: Is it? Yes. So sorry for that. So, like in Q2, our Y-o-Y growth has been 46% on revenue terms. What is our growth on volume? What's the volume growth Y-o-Y?

Amit Modak: Yes. Y-o-Y volume growth is almost near to 30%. It is 28% something on the diamond stone sale basis. And on the gold value basis, it is around 57%. In that gold value, around 20% was our rate appreciation.

Nishita: Okay. Understood. So, like can we maintain this sort of volume growth for the full-year FY27?

Amit Modak: FY27, yes, as an average level, as I said, whatever we have performed in H1, our track will continue on the same line for H2 also.

Nishita: Okay. So, we can expect similar growth of around 76% in H2 also?

Amit Modak: Now in this Q3, there is a festival. So, growth will be there. Q4, depends on the inflation and the market conditions. But if everything is okay, everything is line with the normalcy, yes, I can say you can rely on the same kind of the growth in the coming H2 also.

Nishita: Okay. Understood. And my last question would be on our margins. So, we've done EBITDA margins of around 26%. Are they sustainable for the full-year FY27?

Amit Modak: Voice was not clear. Can you repeat the question?

Nishita: It's on our margins. So, our EBITDA margins, we did 26% of margins. So, are these margins sustainable? Like can we have similar margins for the full-year FY27 as well?

Amit Modak: In earlier my three calls, I have always explained that as EBOs will keep on coming up, the EBOs will contribute only after 15 or 18 months to my earnings. And at early period, it will be contributing to the cost. So that may put some pressure on the percentage basis because marketing costs will go up, which is before the EBITDA margin. So, there may be 200 basis points plus or minus. And this point, I'm repeatedly telling in my every investor call or the earnings call.

Nishita: Right. So, what is the target to -- like what's our target addition for EBO? Currently, we have six EBO stores till H1 FY27. How many EBO stores are we expecting to add in H2?

Amit Modak: We are expected to complete 15 EBOs in 24 months period. So right now, we have completed out of that 5 and one more is coming up in a week or two weeks' time. So, we are completing almost 6 out of 15. So, remaining 9 we will complete in coming 18 months to 20 months time, but yes we are there to complete it before the schedule. We will not take entire 18 months, which are remaining for establishing nine EBOs, which are pending out of the DRHP proceeds or the DRHP commitment. I hope that another at least three EBOs will get added in H2. That is the remaining period of H2.

Nishita: Okay, understood. Yeah, thank you so much for answering all the questions.

Moderator: Thank you. The next question is from the line of Lakshmeenarasimhan Sampath from Avendus Spark. Please go ahead.

L. Sampath: Sir, congrats on a great set of results.

Moderator: Sir, your audio is low. I'm sorry to interrupt you.

Amit Modak: Not audible.

Moderator: Yeah, your audio is low. Please use your handset. I would request all the participants to kindly use your handsets.

L. Sampath: One minute, I'm sorry. Better?

Moderator: Much better, sir. Please continue.

L. Sampath: Yeah. Congrats on a great set of results, sir. Sir, I just wanted to check on two things. One is what would generally be the capex per store, especially on the EBO? And with respect to the other format of stores, what is the outlook on the additions going forward for the next 12 months? Thank you.

Amit Modak: There are three type of stores we are establishing, one, around 1,000 square feet, another around 1,200 square feet, another around 1,500 square feet. So average 1,200 square feet store will be there. If you see capex is always contains almost 70% to 80% is the inventory. Hardly 20% will be the initial marketing cost as well as infrastructure.

Infrastructure includes entire furniture works as well as the name boards or the AV screens, which are displayed on the board as well as inside the showroom. Then the air conditioning system, generator set, then the computers, weighing scale, everything. And that cost around INR2 crores to INR2.5 crores each location. Around INR2 crores to INR2.5 crores each location will be the initial marketing cost. So that is the capex for every location.

If it is 1,000 square feet, then inventory required will be around INR10 crores to INR12 crores. If it is INR1,200 crores, it will be INR12 crores to INR15 crores. If it is more than INR1,200 crores, that is a 1,500 square feet kind of the thing, inventory required will be around INR15 crores to INR18 crores. So, this is the combination of the current asset as well as fixed asset.

Generally, we are taking our premises are on lease. We are not buying the premises. So, there is no cost for the investment for the buying the premises. But yes, 6 months rentals are required to be paid in advance as a deposit to the landlord. And to that extent, there is a cost per location.

And nowadays, rentals are in between INR300 to INR700 per square feet. If we take 1,200 square feet kind of the area and at average INR500 rent, that will cost around INR6 lakh a month. So, six months rental deposit will require around INR30 lakh to INR40 lakh other deposits to be kept with the landlord. So that is most probably about the capex side. What is a continuing question from your side?

L. Sampath: Sir, what -- apart from EBOs, what is your outlook on the other format of stores that you are looking? Like what would be the format of stores that you do?

Amit Modak: Right now, if you are comparing the results, those are mainly of the SIS, that is the other format that which we are running right now. And those are doing well. And why those are doing well? Because there is a great shift happening from plain gold jewellery to the stranded jewellery.

That is a gold along with the natural diamond, that combination. And we are there. And when it is in SIS, people are looking to the plain gold jewellery as well as the stranded jewellery. And if they find the price comparison and price perception comfort with the diamond jewellery, they prefer to go with the diamond jewellery.

Diamond is their aspiration for the long, long back. And now they are in position to complete it because the component of each jewellery item has got 30% to 40% of the gold plus around 30% of the diamond and remaining of the making. Earlier, just 10% to 15% was the gold and remaining was the diamond and making. So higher the component of the risk-free asset is getting involved in the diamond jewellery, they are getting shifted to the diamond jewellery very precisely.

Amit Modak: Sir, just my last question. And with respect to the outlook on the EBOs for the rest of the year, what would be the locations in which you are planning to start? And is the capex that you would be working on these EBOs, are they a lot different than it is a Tier 1 city as opposed to a Tier 2 city? Thank you.

Amit Modak: So, I said INR300 to INR700 rental. Rental is the only thing which is changing the capex, because other things are going to be same. Plywood's rate is not going to change city to city, lamination rate is not going to change city to city, air condition, generator cost is not going to change city to city. Yes, my operational cost may be different from city to city because of the availability of the staff. In Tier 1 city, it may be costlier as compared to the Tier 2, Tier 3 cities.

But generally, diamond perception and diamond preferences are there in the Tier 1 city. So, I all consider with the Tier 1 cities perception, whatever cost I'm looking for as a recurring cost or the operational cost. As far as capex is concerned, except the deposit towards the rental, I don't think that there will be much difference between the metros and Tier 1 cities because Tier 2, Tier 3, we will tap only if we are finding the potential. Otherwise, it will be more in the Tier 1 city. And when it will be outside Maharashtra, it will be more precisely in the mall rather than the high street.

Moderator: We'll take the next question from the line of Chirag from Keynote. Please go ahead.

Chirag: Hello, yes, am I audible?

Amit Modak: Yes, yes.

Moderator: Yes, you are.

Chirag: Yes. Sir, my first question is to understand what type of or the size of design team that we have with us? And on an annual basis, how many new designs generally we create?

Amit Modak: See, designs is a generic thing, first of all. You cannot say that I have got a patented design catalogue of 20 designs or 50 design, that kind of thing. Neither myself nor anyone in the industry can claim that he has got patented designs. It's a generic thing. Designs are changing. If you see one bracelet with six flower, next year, it will be with five flower, next to next year, it may be with three flower with two leaves.

So those kinds of the changes are happening. But liking is always kept in mind that which kind of the designs are more preferred in the market because our marketing team as well as sales team is taking the care of all these things that which is the liking. Secondly, all these suppliers or the

contract manufacturers, they are providing huge input, which are the liking Pan India because they are moving Pan India.

They are moving with a number of other players also in the industry. So, they are knowing better that what is going to happen in the industry rather than any individual is knowing entire country or entire Pan India, they are knowing Pan India. We have got our in-house design team, but there is a limitation, and it is with everyone.

Everyone is depending to the extent of 60% on the design teams of the vendors or the contract manufacturers and 40% on the in-house. Whatever collections we are launching, exclusive collection we are launching, the one that is our collection, that is only one piece is getting crafted for a month, and it is getting sold in that month.

And no more pieces are going to be crafted. So, it will have exclusivity. That kind of collections we are launching. This year, we are launching only premium collection in that category. Next year onwards, we will be launching smaller collection also exclusively for that month and limited number of pieces.

Right now, the one is the only one piece which we are crafting and selling. So that kind of things are happening in this industry. So, one cannot say that I have got the latest design and only have got only traditional design. They don't understand anything about the design and I only understand about the design. Temple Jewellery, I can give an example. Everyone talk about the Temple Jewellery. It is a generic thing. It is not something exclusive.

Only during that period, if that entity is marketing Temple Jewellery as its the product, then they will repeatedly say Temple Jewellery from out of here and there. But that doesn't mean that they only have got Temple Jewellery. Temple Jewellery is available with everyone. Same way in the diamond also, all designs generally are available with everyone. Smaller design, that is a tiny design or the carrying design. Those may be different from vendor to vendor and showroom to showroom.

Chirag: Got it. Fair enough. A better understanding on the same thing, sir. Sir, secondly, I wanted to understand how the market is evolving. Are people shifting from a smaller carat diamond jewellery to a larger carat diamond jewellery? Such kind of trends are we able to see?

Amit Modak: See, even if I am getting 1 carat diamond in a lab-grown because you must be targeting your question towards lab-grown because shifting to larger size of diamond is not easy unless you are going for the lab-grown because single piece of larger size of diamond is very costly. And designs are generally made from the smaller diamonds only, not a bigger diamond.

So, even if the 1 carat diamond comes for INR50,000 or INR80,000 in lab-grown, I cannot use to create a design, 50 or 100, 1 carat diamond and create a necklace, nice-looking necklace with figures and flower, leaves or any figure, which can fabricate in the design of the multiple stone fabricated in that shape and all these things.

For shaping and designing, smaller stones are required, which are called generally as a star-melee from half cent to 2-3 cent kind of the thing. Bigger diamonds can be only used in the

studs, that is a fingering or the ear stud or your ear pendant single stud, but those cannot create design and those cannot be created for developing the jewellery, which is a designed jewellery.

Chirag: So, if my understanding is correct, generally, for larger jewellery that we are creating, smaller diamonds are required for which natural diamonds are much preferred over lab-grown diamonds. And maybe for a single big carat diamond, there is some sort of competition where we can see from a lab-grown diamonds. Is that fair to assume?

Amit Modak: Yes.

Chirag: Got it.

Amit Modak: But I want to explain here one thing that the larger diamond that is a solitaire kind of the thing. Our book for that solitaire kind of the thing is hardly 4% to 5%. 95%-plus is our design book, which is created out of the smaller diamond. So, we don't have a direct threat of that lab-grown diamond for our business, except that 4%, 5%. But whoever coming to us for that 4%, 5% book, those are having specific preference of the natural diamond.

They are not ready to go to the lab-grown diamond, and that's why they are coming to us and asking for the natural diamond only. They were comparing whether it is a cheap or the costly because they want a rare thing and natural thing only, which have got resale value because the natural diamond only has got resale value.

Chirag: Got it. And generally, what is the resale value for the natural diamond? If I can get this clarity.

Amit Modak: If it is bought from my store, I buy back at 90%.

Chirag: 90%. Got it. Sir, just out of the box, for clarity per se, any thoughts are we trying to get into LGD or we are going to remain a natural diamond completely?

Amit Modak: See, in this world, nothing is permanent.

Chirag: Got it.

Amit Modak: But right now, I'm not thinking of the lab-grown diamond. And as and when we will think or we will have that kind of thought even in our mind, we'll definitely communicate it to all the investors.

Chirag: Fair enough. Sir, just certain accounting questions, if I can. Just one thing, for example, were there any inventory gains in this particular quarter or the margin…

Moderator: I'm sorry to interrupt you. Mr. Chirag, I would request you to kindly rejoin the queue for follow-ups, please.

Chirag: Sure.

Moderator: There are others who are waiting. Thank you. The next question is from the line of Vishal Gutka from ASK Investments. Please go ahead.

Vishal Gutka: Yes. Fair. Thanks. Congrats on a good set of numbers. Sorry, I joined a bit late. Just wanted to get a sense from you, now the gold price inflation more or less is done now. From fourth quarter onwards, the inflation will be in the negative zone. I understand our studded jeweller, but gold price definitely help in what we call helping aiding the SSG growth. So, what kind of SSG growth you are looking for FY28 now, sir, given that gold price inflation is more or less done now. So, what kind of number we should see at least on SSG front?

Amit Modak: H2?

Vishal Gutka: H2 or maybe FY28 only, sir.

Amit Modak: No. You are expecting H2's estimation or FY28 estimation?

Vishal Gutka: Both sir, H2 '27 and FY28 because gold price inflation was more less into...

Amit Modak: FY28 is far away. Right now, gold prices have corrected by 25%.

Vishal Gutka: Okay. Then, H2…

Amit Modak: It will further correct. It is very difficult to say. We can look for the H2 as such.

Vishal Gutka: Okay.

Amit Modak: So, in H2, there will be no support from the appreciation, almost everybody's books, not only for me, everybody's books average purchase cost right now has come to the almost the level of the market price, which is running in the market.

Vishal Gutka: Right.

Amit Modak: So, in H2, there are very remote chances that there will be any inventory gain or such. So, in H2, there will be no any additional sale just because of the higher gold prices.

Vishal Gutka: Got it. Sir, SSG growth, sir, what could be possible SSG growth for second half? What are you targeting?

Amit Modak: See, SSG growth, if you want to look right now, I'm operating SIS plus the EBOs. And my oldest EBO is a 12 months old. And I say that 15 to 18 months, it takes to create a contribution to the main company's profitability and all these things. So, all these EBOs will start contributing in either Q4 of FY28, meaningful contribution, I'm talking. There will be sale. I'm not saying that there will be no sale, but meaningful contribution always comes from the profitable sale, means which can create a profit also simultaneously.

Vishal Gutka: Got it.

Amit Modak: So, it will be from the Q4 of FY28 and onwards, there will be constructive contribution coming from the EBOs which we are establishing right now.

Vishal Gutka: Perfect. Got it. And for the SIS stores?

Amit Modak: As per the growth we are looking, it is from the existing SIS mainly and a very small contribution to the sale is from the EBOs.

Vishal Gutka: Okay. Got it, sir. But just from SIS also, if you can just provide some light for the SIS stores, what kind of SSG growth we can see? I understand EBO will take time. But for SIS stores, what kind of numbers we are targeting on SSG side?

Amit Modak: We expect at least 35% to 40% SSG growth.

Vishal Gutka: Okay. That's wonderful.

Amit Modak: This year, if we are looking 74% growth, deduct from that almost 20% as what you people are saying that inventory gain from the gold.

Vishal Gutka: Right.

Amit Modak: Still 55% growth, whatever has come, it is from the SIS mainly.

Vishal Gutka: Got it. Sir, just last question. Dussehra, I think you have given the press release, Dussehra numbers at around 35% growth kind of for the company. So, Diwali, initial..

Amit Modak: Navaratri was 35%, Dussehra was 60%.

Vishal Gutka: Got it. So, first 30 days because almost the month is coming to an end. So, any clarity that you can provide for the month of October, how numbers have behaved?

Amit Modak: Last year, month of October was having entire Diwali also.

Vishal Gutka: Okay. Got it. May be I can't speak any further. Got it.

Amit Modak: That's why an entire Diwali was over in the month of October. This year, Diwali is starting on 5th of November and ending on 14th of November. So, that is not coming in month of October. So, we cannot compare it October-to-October of the last year to current year.

Vishal Gutka: Got it. Great. Wishing you all the best for the future purpose. Thank you.

Amit Modak: Thank you.

Moderator: Thank you. The next question is from the line of Sidhant Lodaya from Sanshi Fund. Please go ahead.

Sidhant Lodaya: Hello?

Moderator: Yes, sir.

Sidhant Lodaya: Hi, sir. Congratulations on the great set of numbers. Just a quick question on the ASP. If you can just share the trend over the last year or last 2 quarters, how the ASP has changed, that would be helpful?

Amit Modak: Now in this year, in Q1 also in that call, we have explained that we have increased the inventory of the fast-moving kind of the pricing items. And that is helping us that sales growth is coming from that segment mainly. So ASP, that is the average sale price per invoice, we can say, or the per customer, it is somewhere around INR1,05,000 to INR1,07,000.

Sidhant Lodaya: And how has it grown over last year?

Amit Modak: Last year, it was INR92,000.

Sidhant Lodaya: All right, sir. Thank you.

Moderator: Thank you. The next question is from the line of Hardik Agrawal from Param Capital. Please go ahead.

Hardik Agrawal: Hi, sir. Congratulations on a great set of numbers.

Amit Modak: Thank you.

Hardik Agrawal: My question is just two-fold. One, let's say, 5 to 7 years from now, how many EBO stores do you think we could have in how many states? Can you have like more than 60, 70 stores in across 5 plus states?

Amit Modak: How many in outside state or within state, it is very difficult to explain, because state-to-state sales are getting impacted. If states with rest is there, good atmosphere is there, sales are good. State with unrest, the sales are not good.

But yes, if you are saying some 7, 8 years down the line, I can say down the line, I expect at least 50 EBOs should be there, along with SIS as it is, they are there. I'm not including SIS in that EBOs.

Hardik Agrawal: Terrific, sir. Terrific. Basically, you mean to say that like, again, we are long-term investors, sir. So I just wanted to understand from a 7, 8 years perspective.

Amit Modak: Even though if we are a long-term investor, 7, 8 year perception for the standard engineering industry is also very difficult to predict. This is a fast-moving consumer industry. Here, prediction for 5, 7 years, it's too difficult, which perfume will last for next 8 years, that is a difficult question to answer.

Same thing is there for the entire industry, consumer industry, because preferences are changing. Right now, my average ticket size is coming to INR1,05,000 because that level customers are there. A few years after the line, there may be a higher number of sales, higher number of rupee sales, but my average ticket size may have come down to INR50,000 or may have gone up to INR1,50,000, because preferences are changing, tests are changing, and this is a consumer industry. So to that extent, 7, 8 years down the line estimation, it is too difficult for estimate.

Hardik Agrawal: Yes. Sounds good, sir. So my second question was around our ASP. As a follow-on to the previous question, so right now, almost all our sales come from the SIS model where we have the P.N. Gadgil & Sons customers going for the Reva brand. When it comes to the EBO, that's

the PNGS Reva stand-alone brand, I was just eager to understand how are we positioning it? Are we positioning it pretty much for the same kind of ASP? Are we targeting the same customer? If you could just shed some light on what you expect ASP to be for the EBO versus SIS?

Amit Modak: No, these EBOs are also doing on the same line. Whatever we have got right now figures of the sale of these EBOs, which are coming, those we are expecting that those will achieved the target of 0.75% kind of the stock turn within 15 to 18 months that our first EBO of Wakad in one year, that is September-to-September. It has completed almost INR6.5 crores sale, and we are expecting INR9 crores sale to achieve in 12 months period after 15 to 18 months initial period.

So with all these figures and whatever performance of Amanora Mall is showing or our Paud Road shop is showing or the Nashik new restarted EBO is showing, that is in line with our expectation that is 0.75% stock turn within a period of 15 to 18 months period and subsequently growing it and going up it up to 1.25% kind of the stock turn in 3 to 4 years' time from initial 15, 18 months.

Hardik Agrawal: Great, wonderful. Thank you, sir.

Moderator: Thank you. The next question is from the line of Mukesh Panjwani from WC Securities. Please go ahead.

Mukesh Panjwani: Hello, sir. Good evening and congratulations for great set of numbers, sir. PNGS is doing great. Sir, I want to confirm one thing, like, I believe about 35% revenues come from H1 and 65% comes from H2. Is my understanding correct?

Amit Modak: Yes, yes, generally.

Mukesh Panjwani: Okay. So this year also, we can expect the same ratio?

Amit Modak: If I say yes, then you will say that same 74% kind of the Y-o-Y growth should be there in the H2 also. Am I right?

Mukesh Panjwani: I don't know that. But if it is same, then we can grow like 100% Y-on-Y if we see the entire year.

Amit Modak: No, I'm confident that I will not show INR800 crores kind of the top line at the end of the year.

Mukesh Panjwani: No, but INR700 crores is possible, because we have done around INR200-something crores. So accordingly, it would be INR700 crores if we are doing INR35, 65. That is the point.

Amit Modak: As I said, it generally happened 35, 65. This year, there is no Gudi Padwa in Q2 -- no, H2. Gudi Padwa has got a really great sale in Maharashtra at least, which is almost 10% of the total sale of the year. That kind of higher sale is there. As same is for the South India, Akshaya Tritiya happen, same way in Gudi Padwa, it happens in Maharashtra. This year, there is no Gudi Padwa. Last year, we have Gudi Padwa.

Mukesh Panjwani: Yes, yes. But we have this Dashera, Diwali and Navaratri, Navaratri and Dashera, we can say.

Amit Modak: Whatever advantages are there, we are expecting to encash it, and we are in track. But there are certain limitations also. Drought condition was not there every year. This year, there is 85%-plus Maharashtra is under drought condition, and we are mainly operating in Maharashtra. So after festival, whether that mood will continue or not, it is not certain.

Mukesh Panjwani: Got it.

Amit Modak: So, I'm taking it a little bit precautionary statement. I'm not denying it that it will not happen. But I don't want to say something. Even though I'm knowing that drought conditions are there and there is likely to be higher inflation is there due to the West Asian crisis and problem. So all these factors, we need to factor in our estimation.

So I expect that around 40%, 45% kind of the growth I'm expecting. But again, as I said, severity should not increase, which is there at present. It should not go beyond which it is at present.

Mukesh Panjwani: Got it. Thank you, sir. Thank you and all the best.

Amit Modak: Thank you.

Moderator: Thank you. The next question is from the line of Pawan from Viansh Ventures. Please go ahead.

Pawan: Hello?

Amit Modak: Hello.

Pawan: Yes. Sir, I just wanted to know out of the 15 stores that are opened, how much would be in small, mid- and large-scale stores?

Amit Modak: 15 stores are not open.

Pawan: No, no, the ones which are planned for the next 24 months.

Amit Modak: So out of 15, 5 will be small, 5 will be medium and 5 will be large size. Small is around 1,000 square feet and medium will be around 1,200 square feet and large will be around 1,500 square feet.

Pawan: Understood. And sir, for your these COCO stores, the marketing spend is assumed at INR2 crores. By when does the store like reach a maturity where the marketing spend actually reduces and we get a 30% EBITDA margin or 20% EBITDA margin?

Amit Modak: Marketing spend will come to the corporate level from the shop level. This INR2 crores is exclusively targeted for that store, that specific store to create footfall for that specific store. So subsequently, it will participate in overall corporate marketing, it will not have exclusive marketing for that store. So returning back to 30% kind of EBITDA, right now also, it is, I think 28% EBITDA is there, no?

Pawan: 28%, correct.

Amit Modak: So going to 30%, right now, that 2% effect is not yet there. That will start -- will keep on coming in because that spend will not be at one go at the opening itself. It will be over a period of 12 to 18 months after the opening. It will not at one go. That on one day, I have given a full pager to all the dailies and advertise on the all TV channel and spend INR2 crores on the opening ceremony day. That kind of spend is not expected there. It is for creating footfall for that location.

Pawan: And will the spend be expensed? Or will you be capitalizing it into new store expenses, the INR2 crores spend?

Amit Modak: No, no, I am not getting.

Pawan: It will go in the balance sheet or we will be spending it as a marketing expense in P&L?

Amit Modak: As per IndAS, we cannot capitalize anything. Earlier period, there was a deferment of the expenses. Now with IndAS, it is not allowed. It will get debited directly to P&L.

Pawan: Understood. Thank you.

Amit Modak: Thank you.

Moderator: Thank you. The next question is from the line of Aashish Chansikar from Wealthyvia Ventures. Please go ahead.

Amit Modak: I would like to remind that hardly five to seven minutes are left in the meeting.

Moderator: Sure, sir. Please limit your questions to two, sir. Please proceed, Chansikar, sir.

Aashish Chansikar: Am I audible?

Amit Modak: Yes.

Aashish Chansikar: Yes. Congratulations on good set of numbers, sir. So my question is, can you give a revenue split for SIS stores and EBO stores, if possible, in percentage terms?

Amit Modak: See, EBOs are recently started. At full level, that is after 15 to 18 months at 0.75% kind of the stock turn at full-year, it should perform INR9 crores to INR10 crores a year. Right now, four stores are there, which are less than one or two months old. Only that Wakad store is a one year old and Paud Road store is a four month old. So there is a very small contribution from the EBOs. Right now, whatever you are looking, it is a 95-plus percent is from the SIS.

Aashish Chansikar: Got it, sir. My second question is, are you seeing any pricing pressure or substitution effect from lab-grown diamonds in your entry-level jewellery as such?

Amit Modak: No. If a person is interested in re-sale value, he will definitely go for the natural diamond because both are the different markets altogether. If you are comparing 1 gram gold jewellery with the plain gold 22-carat jewellery, then it has got no meaning. It is the same thing. The class of customers are totally different.

Aashish Chansikar: Okay, sir, got it, got it. Okay. That's it from me.

Moderator: Thank you. The next question is from the line of -- sir, sorry, you said something.

Amit Modak: I think it will be our last question.

Moderator: Okay. Ladies and gentlemen, this will be the last question for today from the line of Rahul Kumar Paliwal from Shefa Family Office. Please go ahead.

Rahul Kumar Paliwal: Thanks for the opportunity and congratulations team for the flawless execution. And given the time limit, sir, a very brief question. In general, sir, with your own experience last five years running the business or so, by how much percent H2 outruns H1 top line? And considering this H2 is festive loaded, safe to assume two-third of the sales might come from H2. And in that context, probably we are crossing the rating upgrade from the CareEdge as well, right? That's fair to assume?

Amit Modak: Yes. CareEdge has indirectly improved the rating from Stable to Positive, and they will have one step ahead in next time. And as you said, two-third, one-third kind of the thing is a rough estimation. But as explained that drought condition in Maharashtra, high inflation due to West Asian countries struggle and fight, there is some pressure on the sales.

So this year, it may be having 45-55 kind of the thing or the 50-50 kind of the thing. But yes H2 is always good for the jewellery and consumer industry. So we are expecting. But as I said, that these factors also need to be taken into consideration. And that's why I am a little bit cautious. Otherwise, I am not denying that it should not happen, but I am cautious with these two factors.

Rahul Kumar Paliwal: Got it. And sir, my other question is with the IPO cash in hand, have you changed your number of EBOs planned considering five, six EBOs are opened and you have the experience of cost structure and inventory management with the cash and a bit of debt mix, are you going beyond 15 stores with the current structure? Or you will stick to 15 still?

Amit Modak: We will complete first 15 stores. Whatever surplus will remain there, we will definitely use it for establishing another few stores. We will not use it for the GCP or anything. That remaining I have transferred to the outstanding loans and all these things. It is allowed as per, but I will try to deploy it or create a higher number of stores if surplus remains there. And for that purpose, I will definitely come to the all shareholders for getting their approval in the EOGM or through the special resolution in AGM.

Rahul Kumar Paliwal: Got it. Thanks for the answers.

Moderator: Thank you. Ladies and gentlemen, we will take that as the last question for today. I now hand the conference over to Mr. Amit Modak for closing comments. Over to you, sir.

Amit Modak: Thank you for listening, and I am extremely sorry that due to the time limitation, a few people have left and they could not ask the question. I request them to send their question on our Investor Relations e-mail ID or the CS e-mail ID, and I will definitely revert the question to them. And

thank you, everyone, for joining. I wish all the best for the festival and happy Diwali and happy festival days coming in. Thank you.

Moderator: Thank you, sir. Thank you, members of the management. On behalf of PNGS Rewa Diamond Jewellery Limited, that concludes this conference. We thank you for joining us and you may now disconnect your lines. Thank you.