



Retail Research	: IPO Note
Sector	: Jewellery
Price Band (INR)	: ₹367 to ₹386
Issue Type	: Bookbuilding IPO

About The Company

Ye company ek retail-focused diamond jewellery brand hai jo apne products “Reva” brand ke under sell karti hai. Iska main focus diamond studded jewellery par hai, jisme precious aur semi-precious stones ke saath gold aur platinum me studded pieces include hote hain, saath hi plain platinum jewellery jaise rings, chains aur bracelets bhi milte hain. Company ka target segment kaafi clearly defined hai wedding buyers, occasion wear customers, young professionals aur premium/aspirational buyers. Entry price ₹20,000 se start hota hai, isliye ye brand mass-affordable luxury aur premium dono segment ko cater karti hai.

Promoter background is business ka sabse strong pillar hai. Ye brand originally P. N. Gadgil & Sons ka hissa tha, jo 190+ saal purani jewellery legacy rakhta hai. January 2025 me diamond jewellery business ko slump sale ke through alag karke ek independent entity banaya gaya. Isse company ko strong brand legacy, existing infrastructure aur trust factor mila, lekin ab ye ek alag listed entity ke roop me operate karegi. Structure ko aap spin-off ya demerger type samajh sakte ho, jahan parent ki goodwill ka benefit milta hai lekin financials independent ho jate hain.

Store model asset-light strategy par based hai. March 2025 tak company ke paas 33 stores hain jo 25 cities me Maharashtra, Gujarat aur Karnataka me located hain. Inme se kaafi stores shop-in-shop model par operate karte hain jahan Reva ka dedicated counter P.N. Gadgil ke existing stores ke andar hota hai. Isse low capex, ready footfall aur established brand trust ka benefit milta hai. Company FOCO (Franchise Owned, Company Operated) aur FOFO (Franchise Owned, Franchise Operated) models use karti hai. FOCO me space franchise ka hota hai lekin inventory aur operations company manage karti hai, jabki FOFO me billing aur operations franchise handle karta hai aur inventory promoter ko transfer hoti hai, lekin product Reva brand ke naam se hi bikta hai.

Revenue profile dekhein to ye almost pure-play diamond jewellery company hai. FY23 me ₹1,988 million, FY24 me ₹1,956 million aur FY25 me ₹2,582 million revenue generate hua, jisme lagbhag 99% contribution diamond studded jewellery ka hai. FY23 se FY25 tak around 30% growth hui hai. Bills bhi 22,907 se badhkar 30,378 ho gaye, jo indicate karta hai ki footfall aur conversion ratio dono improve hue hain.

Design strategy bhi interesting hai. Company ke paas 2 in-house designers hain aur third-party manufacturers aur karigars ka network hai. March 2025 tak total 13 collections thi aur har saal naye collections launch kiye jate hain. Customization options metal choice, gemstone selection aur engraving bridal aur high-ticket customers ko attract karte hain, jahan margins generally better hote hain.

Manufacturing model me company khud raw diamonds import ya gold purchase karke manufacture nahi karti. Ye finished jewellery third-party manufacturers se directly buy karti hai. Inventory purchase cost 70–85% revenue ke aas paas hoti hai, jo indicate karta hai ki working capital requirement high hai aur margins supplier pricing aur design differentiation par depend karte hain. Matlab ye trading-heavy model hai, pure manufacturing model nahi.

Issue Details	
IPO Open Date	24-Feb-26
IPO Close Date	26-Feb-26
Price Band (Rs)	₹367 to ₹386
Lot Size	32 Shares
Issue Size (Rs Cr)	98,44,559 shares
Face Value	₹10 per share
Sales Type	Fresh Capital
Issue Type	Bookbuilding IPO
Listing At	BSE, NSE
Share Holding Pre Issue	2,18,66,400 shares
Share Holding Post Issue	3,17,10,959 shares
QIB	75.00%
Retail Share	10.00%
NII Share	15.00%
Promoter Holding Pre Issue	87.45%
Promoter Holding Post Issue	60.31%

Shareholding Pattern (%)	
P.N. Gadgil & Sons Limited	19.24
Govind Vishwanath Gadgil	31.9
Renu Govind Gadgil	31.9
Anjali Vishwanath Gadgil	2.33
Rohini Udaya Kalkundrikar	2.06
Jyoti Ravindra Paranjape	0.02

Objects of the Issue	Estimated Amount (INR Cr.)
Funding expenditure towards setting-up of 15 New Stores	286.56
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	35.4

About The Company

Marketing approach traditional aur digital dono channels ka mix hai WhatsApp marketing, Instagram, Facebook, Google Ads, OTT ads, hoardings, newspaper aur TV. FY25 me ad spend total expenses ka sirf 0.79% tha, jo kaafi conservative hai. Expansion ke baad marketing spend increase hone ki possibility hai.

Strengths me sabse bada advantage 190+ saal ki promoter legacy aur trust factor hai. Asset-light model ke wajah se capex kam aur potential ROCE high ho sakta hai. Western India me strong regional presence hai aur diversified price range brand ko wider audience tak le jati hai. Quality standards bhi strong hain IGI certified diamonds, GIA certified solitaires aur BIS hallmarked gold. ERP system, barcode tracking aur jeweller’s block insurance jaise systems inventory control aur risk management ko support karte hain.

Growth strategy me company ab shift kar rahi hai. Plan hai 15 Brand Exclusive Stores (company-owned stores) open karne ka. IPO funds ka major hissa – around ₹2,865 million stores ke liye aur ₹354 million marketing ke liye – allocate kiya gaya hai. Iska matlab company asset-light se gradually asset-heavy expansion model ki taraf move kar rahi hai, jisse brand control aur margins improve ho sakte hain lekin capex aur execution risk bhi badhega.

Digital expansion bhi roadmap ka important part hai. Company promoter ki website par sales karegi aur apni e-commerce website bhi launch karegi. Online sales se customer data milega, demand mapping better hogi aur future store expansion planning zyada scientific tareeke se ho payegi.

Overall, ye ek legacy-backed, asset-light diamond jewellery brand hai jo ab aggressive expansion phase me enter kar rahi hai, jahan growth potential high hai lekin execution aur working capital management key monitoring points rahenge.

RISK

- 1

Company ka pura business “Reva” brand ki reputation par dependent hai, aur agar brand image ko koi nuksaan hota hai to customer trust, footfall aur sales directly impact ho sakte hain.
- 2

Company ki brand positioning promoter legacy P. N. Gadgil & Sons par dependent hai, isliye promoter brand par koi legal ya reputation issue aane par Reva par indirect negative impact ho sakta hai.
- 3

Agar company effective marketing aur brand recall create karne me fail hoti hai to store footfall aur expansion ka return on investment kam ho sakta hai.
- 4

Lab-grown diamonds ki increasing acceptance natural diamond jewellery ki demand ko impact kar sakti hai aur isse pricing pressure aur margin compression ka risk hai.
- 5

Company ka revenue repeat customers aur new customer acquisition par dependent hai, aur agar retention weak raha to profitability unstable ho sakti hai.
- 6

Jewellery ek fashion-driven industry hai, isliye naye trends miss karne par inventory slow-moving ho sakti hai aur sales impact ho sakti hai.
- 7

Inventory management me galti hone par working capital block ho sakta hai ya stock-out situation aa sakti hai, jo dono hi cases me profitability ko affect karega.
- 8

Jewellery demand festive aur wedding season par heavily dependent hoti hai, aur agar peak season weak raha to pure saal ki profitability impact ho sakti hai.
- 9

Company ka revenue geographically concentrated hai, aur kisi specific region me slowdown ya regulatory change business ko significantly affect kar sakta hai.
- 10

Jewellery business high working capital intensive hai, aur agar funding support kam hua ya loan mehenga hua to operations aur expansion delay ho sakta hai.
- 11

Company ka 100% revenue physical stores se aata hai, isliye mall traffic kam hone ya pandemic jaisi situation me revenue directly hit ho sakta hai.
- 12

Jewellery market me strong competition hai jisme CaratLane, BlueStone, Senco Gold & Diamonds, Titan Company, Kalyan Jewellers aur Malabar Gold & Diamonds jaise players shamil hain, aur aggressive pricing ya better design se market share loss ka risk hai.
- 13

Company ERP system par dependent hai, aur system failure ya cyber attack billing aur inventory management ko disrupt kar sakta hai.
- 14

Gold aur diamond supply me disruption hone par product availability aur pricing impact ho sakti hai.
- 15

Gold aur diamond prices volatile hote hain, jisse inventory valuation aur demand dono fluctuate ho sakte hain.
- 16

Precious gemstones ki pricing standardized nahi hoti, jisse procurement cost aur margins unpredictable ho sakte hain.

RISK

- 1

7

Company third-party manufacturers par dependent hai, aur unki taraf se quality issue ya delay hone par brand reputation aur supply chain impact ho sakti hai.
- 1

8

Jewellery high-value product hai, isliye theft, fraud ya negligence se direct financial loss ka risk rehta hai.
- 1

9

Company ka infrastructure aur kuch operational aspects corporate promoter par dependent hain, aur relationship issue growth ko disrupt kar sakta hai.
- 2

0

Related party transactions ka high exposure conflict of interest create kar sakta hai jo minority shareholders ke liye risk ho sakta hai.
- 2

1

IPO ke baad bhi promoters majority control rakhenge, jisse important decisions par minority shareholders ka influence limited rahega.
- 2

2

Promoters aur directors ke khilaaf chal rahe legal cases adverse outcome ki situation me reputation aur financial stability ko impact kar sakte hain.
- 2

3

Board ke kuch directors ka listed company governance ka limited experience compliance challenges create kar sakta hai.
- 2

4

Trademark approval pending hone ki wajah se brand protection risk me ho sakta hai.
- 2

5

Company future me dividend degi ya nahi iska koi assurance nahi hai.
- 2

6

Non-GAAP financial metrics ka use investor comparison ko complex bana sakta hai.
- 2

7

Paid industry report data me favorable bias hone ki possibility ko ignore nahi kiya ja sakta.
- 2

8

Company par existing debt ka pressure hai, aur repayment failure financial stress create kar sakta hai.
- 2

9

Poor credit rating future borrowing cost ko badha sakti hai aur expansion ko slow kar sakti hai.
- 3

0

IPO funds ka inefficient utilization store expansion ke expected returns ko reduce kar sakta hai.
- 3

1

New store location selection galat hone par high fixed cost aur low profitability ka risk hai.
- 3

2

Future me additional share issue hone par existing shareholders ka ownership dilute ho sakta hai.
- 3

3

Future capital raise me shareholders ko pre-emptive rights milna guaranteed nahi hai.
- 3

4

Jewellery discretionary spending category me aata hai, aur economic slowdown me demand sharply gir sakti hai.
- 3

5

Inflation badhne par input cost increase hogi aur agar price pass-through na hua to margins compress ho sakte hain.
- 3

6

Indian economy me slowdown consumer sentiment ko impact karke jewellery demand reduce kar sakta hai.
- 3

7

Global recession ya geopolitical tension gold prices aur consumer confidence ko impact kar sakti hai.
- 3

8

Regulatory changes compliance cost badha sakte hain aur business model adjustments ki zarurat pad sakti hai.
- 3

9

Pandemic, flood ya natural disaster store operations aur supply chain ko disrupt kar sakte hain.
- 4

0

War ya civil unrest consumer spending ko negatively impact kar sakta hai.
- 4

1

Sovereign credit rating downgrade borrowing cost aur market sentiment ko negatively affect kar sakta hai.
- 4

2

Infrastructure weaknesses jaise logistics ya power issues operational cost aur delays badha sakte hain.
- 4

3

Different accounting standards foreign investors ke liye financial comparison difficult bana sakte hain.
- 4

4

Competition law ke under investigation penalty ya operational restriction ka risk create kar sakti hai.
- 4

5

Foreign court judgment ko India me enforce karna challenging ho sakta hai.
- 4

6

IPO close hone ke baad investors apni bid withdraw nahi kar sakte, chahe market condition change ho jaye.
- 4

7

Stock exchanges stock ko ASM/GSM surveillance me daal sakte hain jisse liquidity aur trading flexibility kam ho sakti hai.
- 4

8

IPO ke baad share price volatile ho sakta hai aur issue price se neeche trade kar sakta hai.
- 4

9

Capital gains tax investor ke net return ko reduce karta hai.

The following table sets forth certain of our operational parameters in the relevant periods:

(in ₹ million, unless otherwise indicated)

Particulars ⁽¹⁾	Fiscal 2025	Fiscal 2024	Fiscal 2023
Revenue from operations	2,581.83	1,956.34	1,988.48
Shop Sales Area (in running feet)	599.15	528.15	480.32
Revenue from operations per running feet	4.31	3.70	4.14
Adjusted EBITDA ⁽²⁾	796.11	561.39	687.31
Adjusted EBITDA Margin (in %)	30.83	28.70	34.56
PAT (Profit After Tax)	594.74	424.14	517.47
PAT Margin (in %)	23.04	21.68	26.02
Advertising and Sales Promotion Expenses	14.21	14.32	14.69
Advertising and Sales Promotion Expense as a percentage of revenue from operations (in %)	0.55	0.73	0.74

Notes:

- ⁽¹⁾ As certified by Joshi & Sahney, Chartered Accountants, pursuant to their certificate dated June 16, 2025.
- ⁽²⁾ Adjusted EBITDA is calculated as earnings before, finance costs, tax, depreciation & amortization expenses for the year/period, and less other income.Net Fixed Assets is calculated as aggregate of Property, plant and equipment , Investment Property, Right-of-use assets & other intangible assets.

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