

# JOSHI & SAHNEY

## CHARTERED ACCOUNTANTS

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### CERTIFICATE ON OBJECTS – INVENTORY REQUIREMENTS

Date: February 10, 2026

To,

**The Board of Directors,**  
**PNGS Reva Diamond Jewellery Limited**  
Abhiruchi Mall, 59/1 C, Sinhgad Road,  
Wadgaon Bk., Vadgaon Budruk,  
Pune City, Maharashtra, India, 411041

AND

**Smart Horizon Capital Advisors Private Limited**  
*(Formerly known as Shreni Capital Advisors Private Limited)*  
B/908, Western Edge II, Kanakia Space, Behind Metro Mall,  
off Western Express Highway, Magathane, Borivali East,  
Mumbai – 400066, Maharashtra, India

(Smart Horizon Capital Advisors Private Limited is appointed and referred to as the “Book Running Lead Manager” or “BRLM” in connection with the Issue)

**Re: Proposed initial public offering of equity shares of face value of ₹ 10 each (the “Equity Shares” and such Offering, the “Issue”) of PNGS Reva Diamond Jewellery Limited (the “Company”)**

This certificate is issued in accordance with the terms of our engagement letter and consent letter.

We, Joshi & Sahney, Chartered Accountants, the Peer Reviewed Independent Practicing Chartered Accountant, have been informed that the Company has filed the Draft Red Herring Prospectus with respect to the Issue (the “DRHP”) with the Securities and Exchange Board of India (“SEBI”), BSE Limited and National Stock Exchange of India Limited (collectively, the “Stock Exchanges”) in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended (“ICDR Regulations”) and proposes to file (i) Red Herring Prospectus with SEBI, the Stock Exchanges and the Registrar of Companies, Maharashtra at Pune (“Registrar of Companies” and such Red Herring Prospectus, the “RHP”); (ii) Prospectus with SEBI, the Stock Exchanges and the Registrar of Companies (the “Prospectus”); and (iii) any other documents or materials to be issued in relation to the Issue (collectively with the DRHP, RHP and Prospectus, the “Offer Documents”).

We have received a request from the Company to examine the evidence supporting the assumptions for estimated inventory levels required for the New Stores proposed to be set-up from the Net Proceeds of the Issue.

#### **Management’s Responsibility:**

The preparation of the information projections / estimates including the underlying assumptions, set out in Annexure A and B below relied on for the purpose of this certificate is primarily the responsibility of the Management of the Company. It is Management’s responsibility to ensure that the best-estimate assumptions on which the prospective financial information is based, are not unreasonable and, in the case of hypothetical assumptions, such assumptions are consistent with the purpose of the information, and to ensure that the prospective financial information is properly presented and all the material assumptions are adequately disclosed, including a clear indication as to whether they are best-estimate assumptions or hypothetical assumptions.

This responsibility also includes maintenance of all accounting and other records supporting its contents; designing, implementing & maintaining adequate internal control appropriate to the size & nature of the company's operations that were operating effectively for ensuring the accuracy, authenticity & completeness of the accounting records; making estimates that are reasonable in the circumstances and providing data for verification which is free from any kind of misstatements & errors so as to enable reliance thereon by the practitioner.

The Management is also primarily responsible for ensuring, with respect to matters disclosed in the certificate, correct identification of details / information required, true & accurate determination of facts and figures and accuracy & authenticity in the content and intent so that the certificate serves the intended purpose to the users.

The management is also responsible of compliance with the Companies Act, 2013 (the "Companies Act"); the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended from time to time (the "ICDR Regulations") and the Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by ICAI, amended from time to time (the "Guidance Note") and other relevant regulations in connection with the proposed Issue.

**Practitioners Responsibility:**

Pursuant to the requirements, it is our responsibility to perform necessary process and procedures to confirm as to whether the details, information, facts and figures relied on for the purpose of this certificate by management; are in accordance with the relevant records provided for examination.

We have examined the projected working capital requirement in accordance with Standard on Assurance Engagement 3400, "The Examination of Prospective Financial Information", issued by the Institute of Chartered Accountants of India. Our responsibility is to examine the evidence supporting the assumptions (excluding the hypothetical assumption) and other information in the prospective financial information. Our responsibility does not include verification of projections. Therefore, we do not vouch for the accuracy of the same. We have carried out our examination of the evidence supporting the estimates on a test basis. The actual results may differ from the estimates. Where the estimates are expressed as a range, there is no assurance that actual results will fall within the range.

In the course of issuing this certificate, we have relied upon the certificates of:

- a. Independent Architect - Archicon Design
- b. Expert Chartered Accountant - Khandelwal Jain & Associates

The financial information which has been examined and certified by the aforesaid Architect & Chartered Accountant, are furnished to us by the company and duly considered for the purpose of this certificate. The technical details and certifications relied upon have been obtained from the concerned qualified expert, whose competence and independence have been evaluated by us. This certificate is accordingly based on our direct examination and to the extent of reliance placed on the work of other auditors and experts, in accordance with Standards on Auditing, SA 600 'Using the Work of Another Auditor' and SA 620 'Using the Work of Another Auditor' issued by the Institute of Chartered Accountants of India. Our responsibility is confined to the extent of the are as examined by us directly.

We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and the Guidance Note on Reports in Company Prospectuses (Revised 2019) (the "Guidance Notes") and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India which require that we plan and perform the examination to obtain reasonable assurance about the 'Specified Reporting Criteria'. The Guidance Notes requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial information, and Other Assurance and Related Services Engagements

**We have performed the following procedures:**

1. Reviewed the restated financial statements of the Company for the six months ended September 30, 2025 and financial years ended March 31 2025, March 31, 2024, March 31, 2023 prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) restated in accordance with the requirements of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018 as amended (SEBI ICDR Regulations) ("**Restated Financial Statements**").
2. We have examined Business Transfer Agreement dated January 31, 2025, between P.N. Gadgil and Sons Limited and PNGS Reva Diamond Jewellery Limited for the purpose of determining the inventory levels for the existing stores operated by the Company based on the total length of counters and the inventory required for each such running feet along with the 42% of the total inventory required to be maintained as backend inventory for each existing store of the Company & to determine average cost of inventory per running foot for the existing inventory level at shop in shop stores.
3. We have reviewed, evaluated & relied upon the certificate by Independent Architect 'Archicon Design' for estimated running feet required for opening new stores under various formats such as Small, Medium and Large.
4. We have reviewed, evaluated and relied upon the certificate by Expert Chartered Accountant 'Khandelwal Jain & Associates' for estimated inventory required at the new stores under various formats such as Small, Medium and Large in Fiscal 2026, Fiscal 2027 & Fiscal 2028.
5. Obtained a copy of the resolution of the board of directors of the Company ("**Board of Directors**") dated June 16, 2025 approving the Net Proceeds proposed to be utilised by the Company for the setting up of the new stores, together with extracts of the minutes of the meeting of the Board of Directors held on January 27, 2026 wherein the board has taken a note of the revised schedule of implementation and deployment of the Net Proceeds, including the revised details of projected working capital requirements and year-wise utilisation of the Net Proceeds of the Issue, and approving the estimated inventory requirement of the Company as of the financial years ended March 31, 2026, March 31, 2027, and March 31, 2028.

**Conclusion:**

Based on our examination, according to the information & explanations given to us and relying on representations & explanations from the management of the Company, we hereby confirm that as on the date of this certificate, nothing has come to our attention which causes us to believe that the estimates do not provide a reasonable basis for following:

- a) The inventory estimations and assumptions are based on business transfer agreement as mentioned above for determining average cost of inventory per running foot forming the basis of estimated inventory cost for new stores, Independent Architect's certificate for estimated running feet, Independent Chartered Accountant's certificate for estimated levels of inventory, management representation for estimated number of new stores and management estimation of the future requirements for financial year ended March 31, 2026, March 31, 2027 and March 31, 2028, considering the growth in activities of the Company. Said estimates along with assumptions is attached herewith as **Annexure A**. The inventory level estimates are solely based on the assumptions and growth estimates made by the management of the Company, and we do not in any manner vouch for the accuracy of the forecast.
- b) As on Jan 31, 2025, the Company's total inventory is set forth in **Annexure B**. As per management's understanding, the Inventory levels per shop are similar as on March 31, 2025.



- c) Based on internal estimates and projections set out at **Annexure A**, the Company would require total Net Proceeds to the extent of Rs. 224.63 million, Rs.1497.53 million, and Rs. 898.52 million for the Fiscals March 31, 2026, March 31, 2027, and March 31, 2028, respectively.

In respect of the inventory level requirements detailed hereinabove, the assumption underlying the justification for periods of holding levels are set forth in **Annexure A**.

As informed by the management, the Company proposes Rs.224.63 million, Rs.1497.53 million, and Rs.898.52 million for the Fiscals March 31, 2026, March 31, 2027, and March 31, 2028, respectively, towards the inventory requirements for the New Stores it intends to set up for meeting their future business requirements.

We have examined the evidence supporting the assumptions (excluding the hypothetical assumption) and other information in the prospective financial information. We have not verified the projections. Therefore, we do not vouch for the accuracy of the same. The actual results may differ from the estimates.

We undertake to immediately communicate, in writing, any changes to the above information/confirmations, as and when: (i) made available to us; or (ii) we become aware of any such changes, to the Book Running Lead Managers and the Company until the Equity Shares allotted/transferred in the Issue commence trading on the Stock Exchanges. In the absence of any such communication from us, the Company, the Book Running Lead Managers and the legal advisors appointed with respect to Issue can assume that there is no change to the information/confirmations forming part of this certificate and accordingly, such information should be considered to be true and correct.

All capitalized terms not defined herein bear the meaning ascribed to them in the Offer Documents.

The Company was a partnership firm in the financial years ended March 31, 2023, March 31, 2024, and for the period from April 1, 2024, up to December 19, 2024 (the "**Erstwhile Partnership Firm**"). It was converted to a public limited company w.e.f. December 20, 2024, vide CIN No. U32111PN2024PLC236494. All references made to the Company for the period when it was the erstwhile partnership firm are solely for the purpose of the Issue and reference in the Offer Documents.

#### **Restriction on Use:**

This certificate is for information and for inclusion in part or full, as far as partial inclusion of the information does not in any manner mislead or misrepresent the facts and circumstances which are intended in the full certificate in the RHP and the Prospectus which the Company intends to file with the RoC and thereafter file with the SEBI and the Stock Exchanges and in any other document in relation to the Issue (collectively, the "**Offer Documents**") or any other Issue related material, and may be relied upon by the Company, the BRLM and the Legal Counsel to the Issue. We hereby consent to the submission of this certificate as may be necessary to the SEBI, the RoC, the Stock Exchanges and any other regulatory authority and/or for the records to be maintained by the BRLM and in accordance with applicable law.

We confirm that the particulars contained in this certificate are true and correct and do not contain any material misstatement or omission that would render them misleading or inadequate for the purpose of making an informed investment decision by investor.

This certificate may be relied upon by the Company, the BRLM, and the Legal Counsel to the Issue appointed by the Company to assist the BRLM in conducting and documenting their investigation of the affairs of the Company in connection with the Issue. We hereby consent to extracts of, or reference to, this certificate being used in the Offer Documents or any other documents in connection with the Issue. We also consent to the submission of this certificate as may be necessary to any regulatory authority and/or for the records to be maintained by the BRLM in connection with the Issue and in accordance with applicable law.

Further, we consent to this certificate being uploaded, as may be necessary, as part of the back-up documents to be retained in relation to the Issue on the online document repository platform established by each of the Stock



Exchanges, in accordance with SEBI Circular No. SEBI/HO/CFD/CFD-TPD-1/P/CIR/2024/170 dated December 5, 2024, as amended.

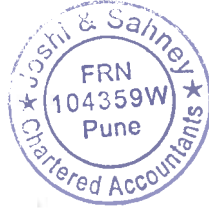
This certificate has been prepared at the request of the company solely for the purpose of the Issue and addressed to intended & identified users. This certificate is not intended for general circulation or publication. This certificate should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.

Yours faithfully,

For Joshi & Sahney  
Chartered Accountants  
ICAI Firm Registration Number: 104359W



Akshay U. Chavan  
Partner  
Membership No. 168194  
Place: Pune  
Date:, February 10, 2026  
UDIN: 26168194FMTFLS6431



Encl: As above

CC:

Legal Counsel to the Issue

M/s. Crawford Bayley & Co.  
State Bank Buildings  
N.G. N. Vaidya Marg  
Fort, Mumbai 400 023  
Maharashtra, India

**Annexure A****Projected inventory requirements for Fiscals 2026, 2027 and 2028**

On the basis of existing inventory levels of the Company on a standalone basis, and key assumptions for such inventory levels, which are mentioned below, the Board of the Directors of the Company pursuant to its resolution dated June 16, 2025, together with extracts of the minutes of the meeting of the Board of Directors held on January 27, 2026 wherein the board has taken a note of the revised details of year wise utilization of net proceeds of Issue, and has approved the projected inventory level requirements for Fiscals 2026, 2027 and 2028, as set forth in the table below:

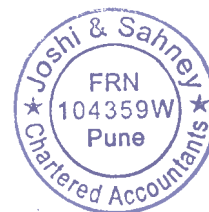
**Small format stores**

Under the small format stores of 1000 square feet, the length of the counter is estimated to be 48 feet. Based on the length of these counters, the Net Proceeds proposed to be utilised for the inventory required for a New Store under the small format store, is as provided in the table below:

Particulars	Fiscal 2026	Fiscal 2027	Fiscal 2028
Estimated Average inventory cost per running foot (in ₹ million)	2.23	2.23	2.23
Number of New Stores proposed to be opened	0	3	1
Running length of proposed counters at New Stores to be opened (in feet)	48	48	48
Estimated Total inventory cost for proposed New Store having counters of 48 running feet each (in ₹ million)	0	320.90	106.97
40% of total inventory required for backend to be deployed each Fiscal (in ₹ million)	0	128.36	42.79
Estimated Total inventory cost for proposed New Store having counters of 48 running feet each including backend inventory (in ₹ million)			599.02

**Medium format stores**

Under the Medium format stores of 1200 square feet, the length of the counter is estimated to be 48 feet. Based on the length of these counters, the Net Proceeds proposed to be utilised for the inventory required for a New Store under the medium format store, is as provided in the table below:



Particulars	Fiscal 2026	Fiscal 2027	Fiscal 2028
Estimated Average inventory cost per running foot (in ₹ million)	2.23	2.23	2.23
Number of New Stores proposed to be opened	0	4	2
Running length of proposed counters at New Stores to be opened (in feet)	48	48	48
Estimated Total inventory cost for proposed New Store having counters of 48 running feet each (in ₹ million)	0	427.86	213.93
40% of total inventory required for backend to be deployed each Fiscal (in ₹ million)	0	171.15	85.57
<b>Estimated Total inventory cost for proposed New Store having counters of 48 running feet each including backend inventory (in ₹ million)</b>			<b>898.51</b>

Large format stores

Under the Large format stores of 1500 square feet, the length of the counter is estimated to be 72 feet. Based on the length of these counters, the Net Proceeds proposed to be utilised for a New Store under the large format store, is as provided in the table below:

Particulars	Fiscal 2026	Fiscal 2027	Fiscal 2028
Estimated Average inventory cost per running foot (in ₹ million)	2.23	2.23	2.23
Number of New Stores proposed to be opened	1	2	2
Running length of proposed counters at New Stores to be opened (in feet)	72	72	72
Estimated Total inventory cost for proposed New Store having counters of 72 running feet each (in ₹ million)	160.45	320.90	320.90
40% of total inventory required for backend to be deployed each Fiscal (in ₹ million)	64.18	128.36	128.36
<b>Estimated Total inventory cost for proposed New Store having counters of 72 running feet each including backend inventory (in ₹ million)</b>			<b>1,123.15</b>

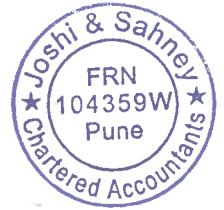
The total inventory cost for the New Stores is **Rs.2,620.68 million** ( i.e.599.02 + 898.51 + 1123.15) which is calculated based on the average inventory cost per running feet of counters at these New Stores and the backend inventory required for each New Store (which is calculated as an average of 40% of the inventory of each New Store), based on historical data from existing operational Stores.

**Key Justifications**

1. The estimated inventory levels are calculated by considering Rs. 2.23 million per running foot at each existing shop plus 40% additional inventory considered as backend inventory at the Registered and Corporate Office.
2. The estimated running feet per New Store, as certified by 'Archicon Design', an Independent Architect as below:

Stores Format	Small	Medium	Large
Estimated Square feet for Shop	1000	1200	1500
Shop Count	4	6	5
Running Feet counter	48	48	72

3. The nominal differences arising out of rounding off of amounts in millions are ignored.





**Annexure B****Existing inventory level of the Company determined by the management as on January 31, 2025**

Existing inventory level of the Company determined by the management as on January 31, 2025 for the purpose of estimating projected inventory level for new stores is set out in Annexure B.1 wherein detailed counter wise running feet as certified by Independent Architect against total inventory cost for each existing shop-in shop store is mentioned.

The stores operated by the company are in the shop-in-shop format and operate as a dedicated counter within the retail premises of the P.N. Gadgil & Sons Limited ("Stores"). The aggregate running length of the counters at these Stores is 528.15 running feet as certified by the Archion Design, Independent Architect.

Basis the running length of counters at existing Stores, the inventory required for each running foot of counter is Rs.2.16 million (excluding taxes). The Company also maintains an addition 42% of the inventory for each existing Store. However, for new stores to be opened at 15 new locations under aforementioned various formats, the management has estimated that inventory required at backend is 40% of total estimated inventory required at new stores since the running feet required for new stores is more than the area required for shop-in-shop store.

The aggregate amount of inventory maintained at these Stores (basis the total running length of counters as well as an additional 42% of backend inventory which is maintained at the Registered and Corporate Office) as on January 31, 2025 amounts to Rs.1627.67 million.

Basis the aforementioned calculations, the inventory required for each foot of running length of counters is estimated to be Rs.2.23 million (including taxes at 3%).

**Annexure - B.1**

Sr. no.	Branch Name	Cost of inventory as on January 31, 2025 (in INR)	Area (in running feet)
1	Amravati	2,10,40,436	7.00
2	Aundh	7,86,29,678	34.68
3	Badlapur	2,22,66,684	6.00
4	Beed	2,19,16,090	8.00
5	Bhosari	3,23,11,842	13.00
6	Chinchwad	8,70,74,263	49.43
7	Dharashiv	1,58,88,148	14.00
8	Dhule	2,45,46,047	11.00
9	Dombivli	2,23,47,859	7.83
10	Gulbarga	3,02,99,911	18.00
11	Jalgaon	3,57,15,113	30.75
12	Kothrud	6,90,49,315	26.08
13	Mumbai	5,19,24,061	23.00
14	Nandurbar	2,09,13,646	7.67
15	Narayangaon	1,77,06,929	7.50
16	Nashik	6,49,93,847	33.00
17	Nashik Road	4,65,76,436	28.08

# JOSHI & SAHNEY

CHARTERED ACCOUNTANTS

CONTINUATION SHEET

18	Pandharpur	1,30,12,716	4.00
19	Parbhani	1,73,75,015	8.00
20	Phaltan	1,37,72,504	6.00
21	Sangamner	1,62,64,170	13.00
22	Satara	2,57,64,717	14.00
23	Satara Road	10,30,70,979	25.00
24	Shirdi	1,13,03,486	6.00
25	Shirur	1,31,93,219	4.00
26	Sinhagad Road	8,51,44,655	14.67
27	Solapur	7,17,16,052	28.63
28	Vadodara	2,20,26,861	24.00
29	Viman Nagar	6,49,41,046	47.83
30	Wardha	2,18,95,904	8.00
<b>Total Inventory at stores</b>		<b>1,14,26,81,629</b>	<b>528.15</b>
Add: Inventory at Head office (Around 42% of Total Inventory at stores)		48,49,92,735	
<b>Total Inventory</b>		<b>1,62,76,74,364</b>	

	Particulars	Figures
A	Total cost of inventory at stores (in INR)	1,14,26,81,628
B	Total area (in running feet)	528.15
C	Cost per running foot at stores (A÷B) (in INR)	21,63,555
D	Cost per running foot at stores Incl.taxes @ 3% (C x 1.03) (in INR)	22,28,462

