Date: 4th May, 2016

To,
The Manager
Compliance Department,
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1,
G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051.

Dear Sir / Madam,

Re: **Tribhovandas Bhimji Zaveri Limited. Script Code & ID: 534369 / TBZ**
Sub: **Investors / Analysts' Presentation {Disclosure of Material Event/ Information under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}**

Further to our letter dated 28th April, 2016 on the Conference Call, and pursuant to Regulation 30(6) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a copy of the Earnings Presentation that we propose to make during the Conference Call for analyst and investors scheduled to be held on Wednesday, 4th May, 2016 at 3.30 p.m. (IST) is enclosed and the said Earnings Presentation has also been uploaded on the Company's Website at www.tbztheoriginal.com.

We request you to kindly take the same on record.

Thanking You.

Yours faithfully,
For **Tribhovandas Bhimji Zaveri Limited**

TRIBHOVANDAS BHIMJI ZAVERI LTD. MUMBAI

Niraj Oza
Head Legal & Company Secretary & Compliance Officer

Encl: as above



INVESTOR PRESENTATION

Q4 & FY16
RESULTS UPDATE

May, 2016

tbz®

The original since 1864

TRIBHOVANDAS BHIMJI ZAVERI

SHRIKANT ZAVERI GROUP

DISCLAIMER

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DISCUSSION SUMMARY

- **Q4 & FY16 Results Update**
- About Us
- Operational Summary
- Annexure

BUSINESS SCENARIO

- Key regulatory measures introduced by the Government recently –
  - Mandatory requirement for producing PAN Card details for all jewellery purchases above Rs 0.2 mn.
  - 1% Excise Duty applicable on jewellery sales.
  - Compulsory Hallmarking of gold jewellery.
- During the quarter ended March 2016 (Q4 FY16), with effect from 2nd March, 2016, the company's business was severely impacted due to closure of its stores as a result of country wide agitation by the gems & jewellery industry in protest against imposition of 1% excise duty on jewellery sales.
- The gold prices remained volatile during the year. Gold prices increased by 16% in Q4 FY16, particularly during January and February 2016, and increased by 11% in FY16.
- Gradual improvement expected in discretionary consumption sentiments. Key drivers over near-to-medium term –
  - Stable inflationary scenario (CPI is stable at 4.8%)
  - Expectation of normal monsoon during FY17 leading to improvement in rural demand

KEY RESULT TAKEAWAYS

REVENUES:

- Q4 FY16 sales declined by 34.1% YoY –
  - Nation-wide agitation by the Gems & Jewellery industry in protest against imposition of 1% excise duty led to a loss of sales during the month of March. Accordingly, the financial results of the current quarter and year ended March 2016 are strictly not comparable with corresponding previous year financials.
  - There was a marginal contribution to sales from Kalpavruksha Scheme during Q4 FY16 as compared to 13% (₹ 625 mn) during Q4 FY15.
- FY16 sales declined by 14.4% YoY –
  - Nation-wide jewellers agitation led to a loss of sales during the month of March 2016.
  - Kalpavruksha Scheme accounted for 14.8% of Total sales (₹ 2,905 mn) during FY15, whereas in FY16 it was marginal.

MARGINS:

- Q4 FY16 Gold Margins increased from 9.5% to 11.7% and diamond margins increased from 29.2% to 34.7%.
- Q4 FY16 Blended Gross margins improved by 363 basis points to 17.4% on a y-o-y basis driven by higher share of diamond jewellery (25.1% in Q4 FY16 v/s 21.3% in Q4 FY15), lower discounting, higher gold & diamond margins.
- The company maintained strict control on its overheads (lower advertising/marketing spends and other operating overheads).
- During the quarter, the company incurred a hedging loss of ₹ 136 mn, on account of rising gold prices compounded with loss of sales during March 2016

KEY RESULT TAKEAWAYS

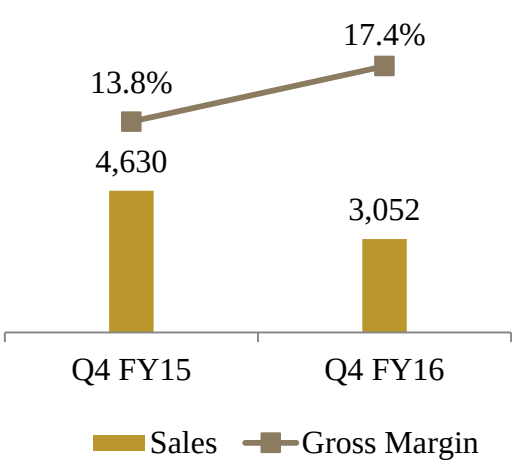
BALANCE SHEET:

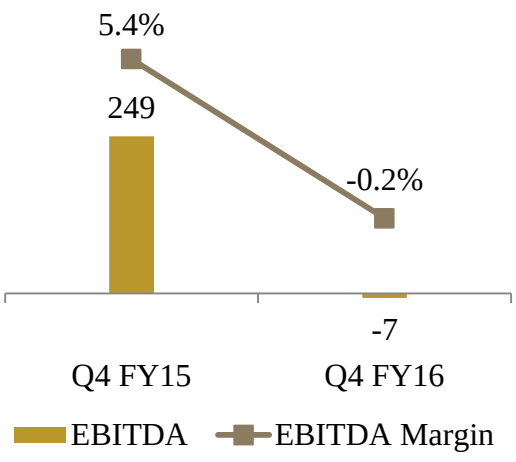
- The average share of inventory on gold on loan improved to 60% in FY16. The company's endeavour is to increase the share of gold on loan on an incremental basis.
- Inventory valuation increased primarily because increase in gold prices led to increase in the value of Gold on Loan portion as it is valued on a mark-to-market basis.
- The company has effectively rationalised its diamond inventory and galvanised advances under the Kalpavruksha scheme resulting into positive cash flows and improved liquidity.
- Finance cost reduced on a YoY basis primarily due to effective rationalization of diamond inventory and increase in advances under Kalpavruksha scheme, which led to improved liquidity resulting into lower utilization of bank limits.
- The blended cost of debt reduced to 7.8% during Q4 FY16. It is expected to further decrease as the share of inventory on gold on loan increases
- Advances on account of Kalpavruksha Scheme were ₹ 600 mn (₹ 610 as on Mar-15).

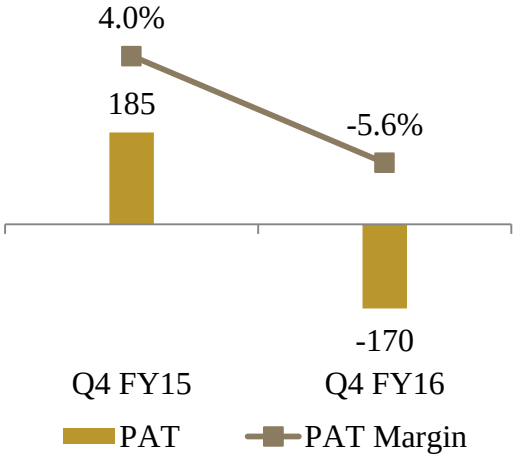
Q4 FY16 RESULTS UPDATE

In Rs Mn

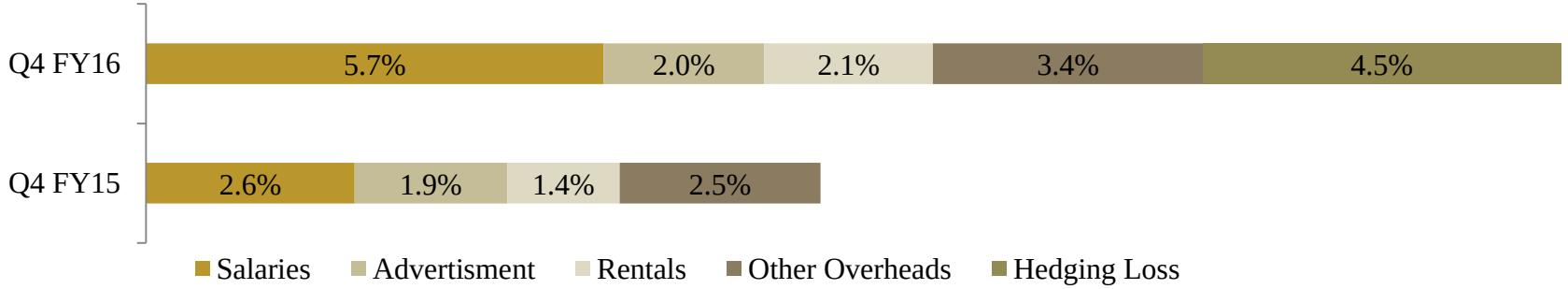
PROFIT ANALYSIS *#







OPERATING PARAMETERS (%) *#



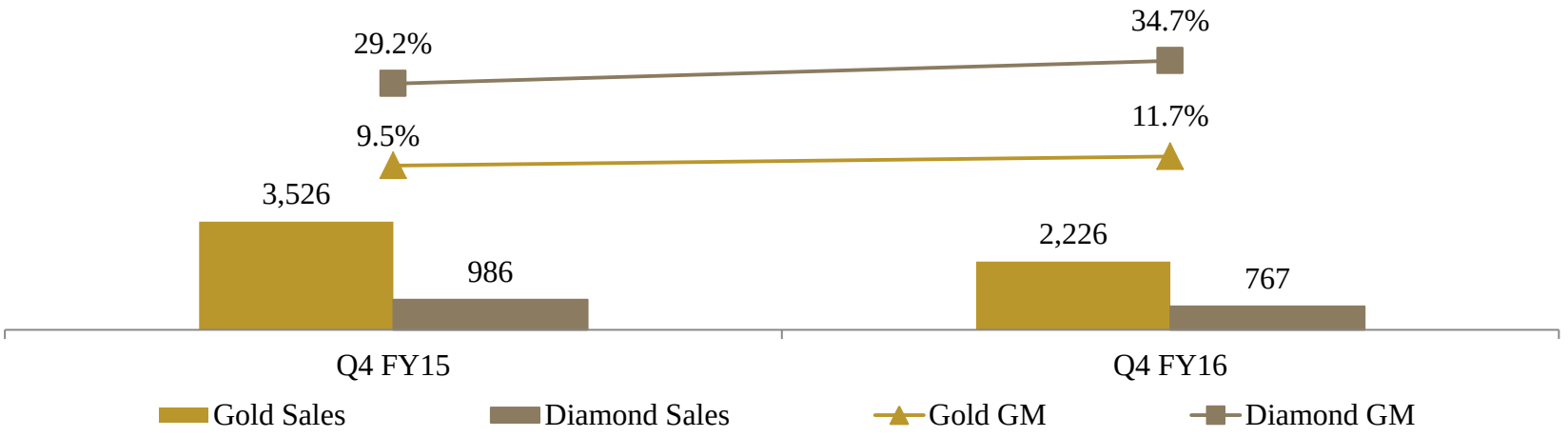
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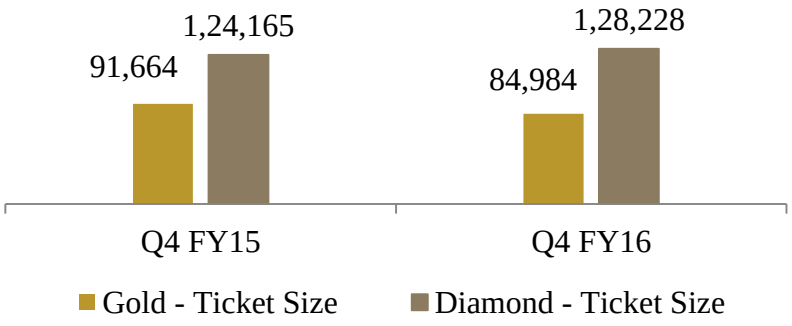
Q4 FY16 RESULTS UPDATE

In Rs Mn

SEGMENT ANALYSIS *#



AVERAGE TICKET PRICE



Q4 FY16	Gold	Diamond
% of Sales – Q4 FY16	73.0%	25.1%
% of Sales – Q4 FY15	76.2%	21.3%
Sales Growth % *#	-36.9%	-22.2%
SS Sales Growth % *#	-38.1%	-25.9%
SS Total Sales Growth % *#	-35.9%	

SS: Same store sales value growth

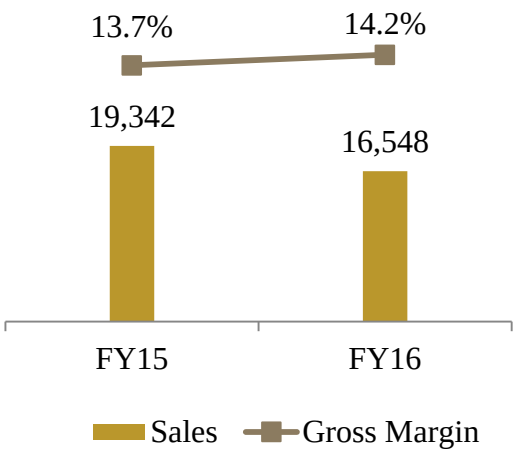
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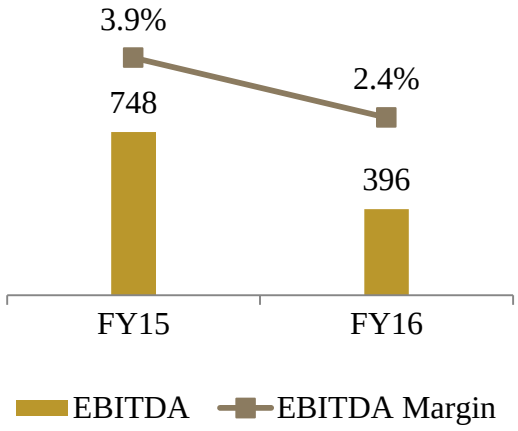
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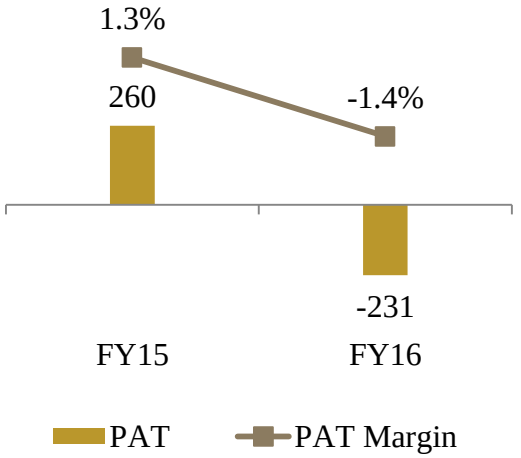
FY16 RESULTS UPDATE

In Rs Mn

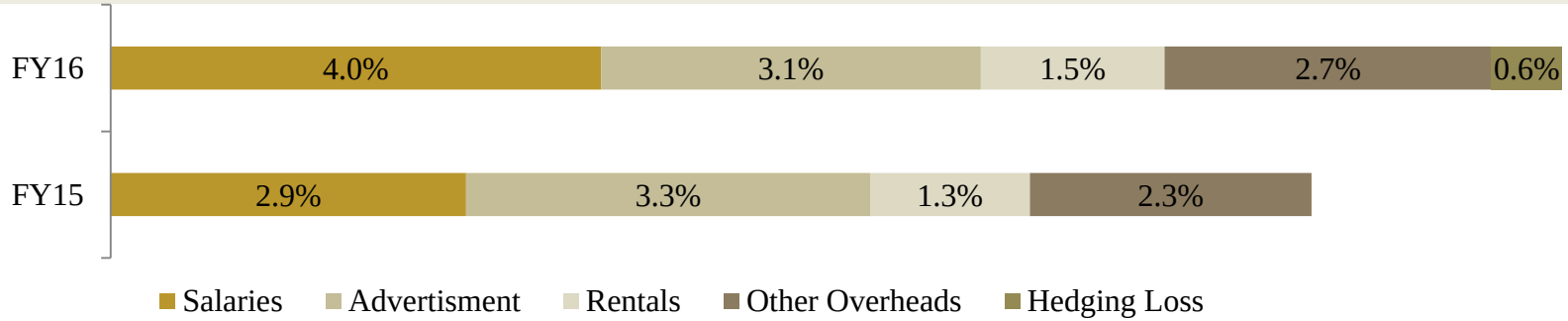
PROFIT ANALYSIS *#







OPERATING PARAMETERS (%) *#



NOTE - During FY16 there was a hedging loss of ₹ 95 mn

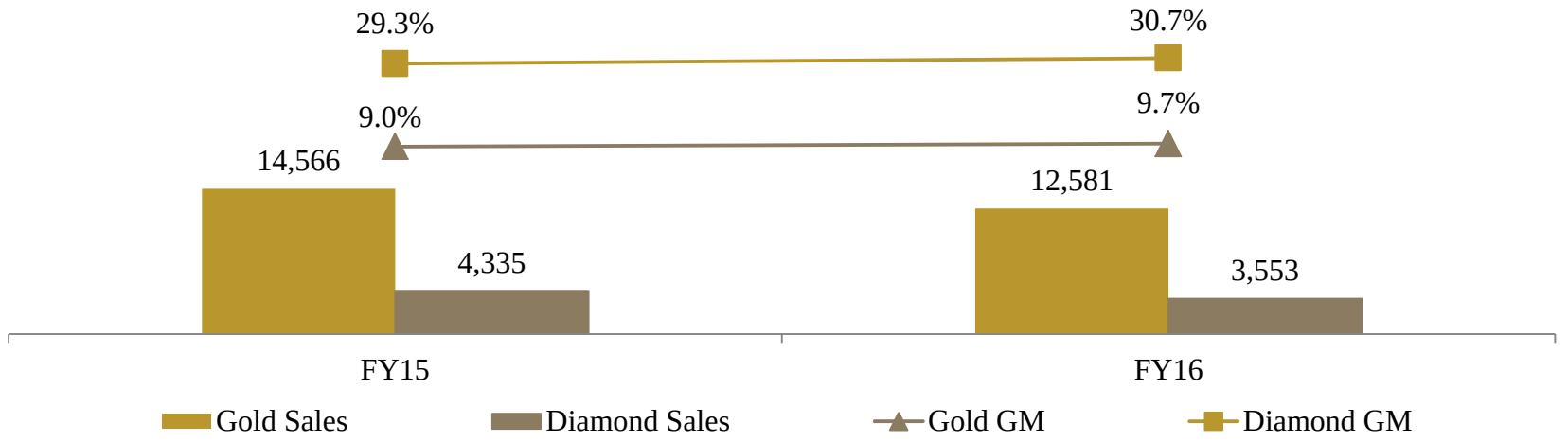
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For FY15, Kalpavruksha Scheme accounted for 14.8% of Total sales (₹ 2,905 mn), whereas in FY16 the contribution of Kalpavruksha scheme was marginal

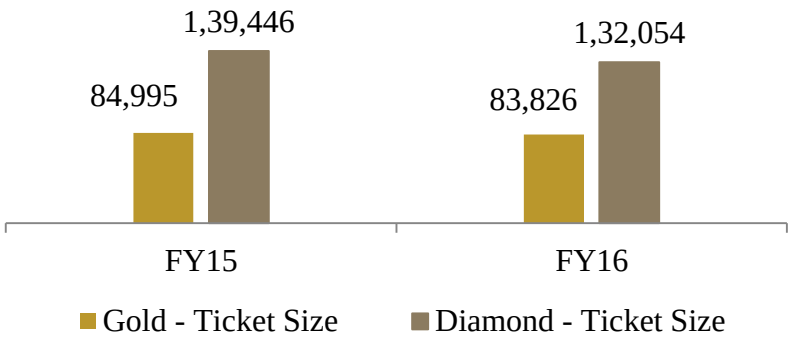
FY16 RESULTS UPDATE

In Rs Mn

SEGMENT ANALYSIS *#



AVERAGE TICKET PRICE



FY16	Gold	Diamond
% of Sales – FY16	76.0%	21.5%
% of Sales – FY15	75.3%	22.4%
Sales Growth % *#	-13.6%	-18.1%
SS Sales Growth % *#	-15.4%	-20.8%
SS Total Sales Growth % *#	-16.5%	

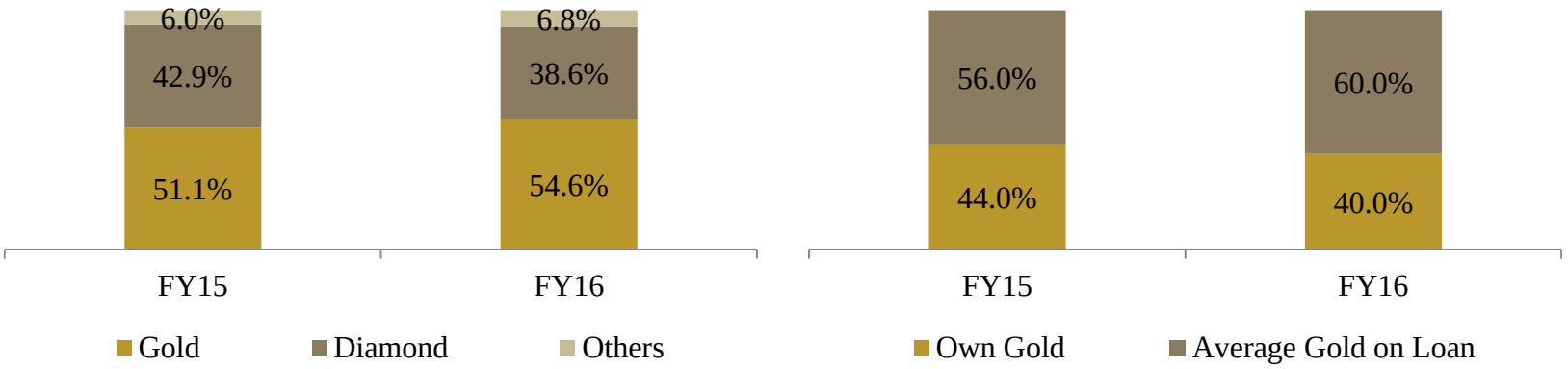
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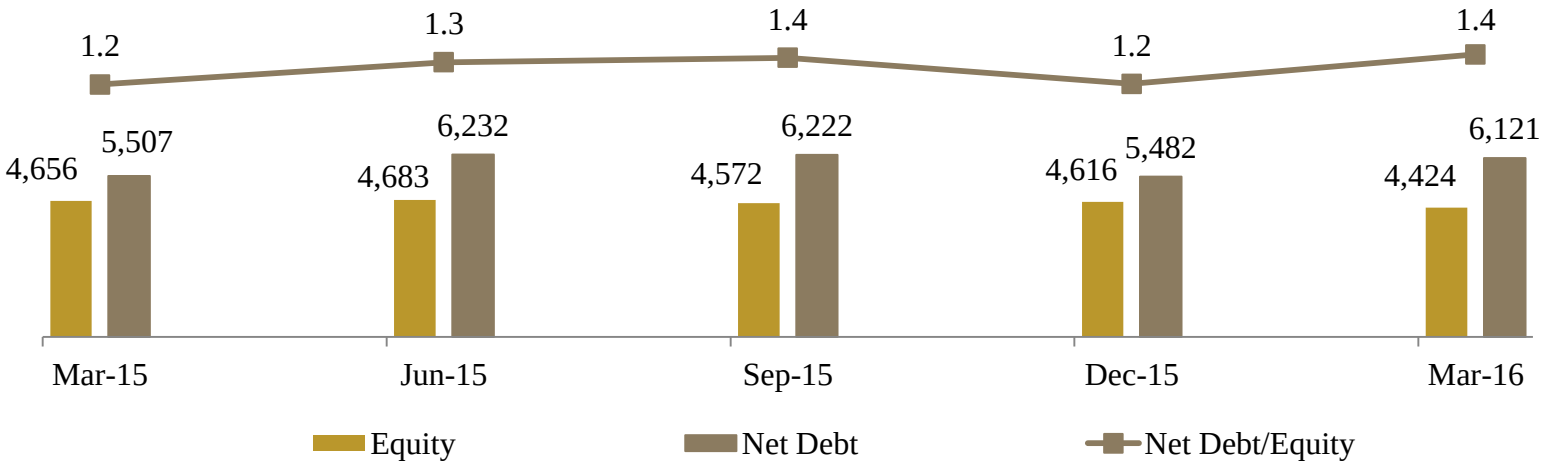
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BALANCE SHEET UPDATE

INVENTORY BREAKUP (%)



LEVERAGE (RS MN)



RESULTS UPDATE – MARCH 2016

PARTICULARS (IN MN) (QUARTERLY UNAUDITED)	Q4 FY16 * (₹)	Q4 FY15 (₹)	YoY %	FY16 * (₹)	FY15 (₹)	YoY %
Revenues	**3,052**	**4,630**	**-34.1%**	**16,548**	**19,342**	**-14.4%**
COGS	2,521	3,993	-36.9%	14,195	16,701	-15.0%
Gross Profit	**531.0**	**637.3**	**-16.7%**	**2,353**	**2,641**	**-10.9%**
Gross Margin (%)	***17.4%***	***13.8%***	***363 bps***	***14.2%***	***13.7%***	***56 bps***
Personnel Expenses	173	120	43.7%	660	567	16.3%
Other Expenses	365	268	36.5%	1,298	1,325	-2.1%
EBITDA	**-7.2**	**249.4**	**-102.9%**	**396**	**748**	-47.1%
EBITDA Margin (%)	***-0.2%***	***5.4%***	***-562 bps***	***2.4%***	***3.9%***	***-148 bps***
Depreciation	39	-19	-	101	84	20.4%
Other Income	12	62	-79.9%	46	145	-68.1%
Interest Expenses	128	137	-6.5%	557	502	10.9%
Exceptional Items		-87	-		-87	-
Profit Before Tax	**-162**	**281**	**-157.6%**	**-216**	**395**	**-154.7%**
Tax	8	96	-91.6%	15	134	-88.6%
PAT	**-170**	**185**	**-191.9%**	**-231**	**260**	**-188.8%**
Profit Margin (%)	***-5.6%***	***4.0%***	***-956 bps***	***-1.4%***	***1.3%***	***-274 bps***

NOTE: * Nation-wide agitation by the Gems & Jewellery industry in protest against imposition of 1% excise duty led to a loss of sales during the month of March. Accordingly, the financial results of the current quarter and year ended March 2016 are strictly not comparable with corresponding previous year financials

RESULTS UPDATE – MARCH 2016

PARTICULARS (IN MN) (QUARTERLY UNAUDITED)	MAR-16 * (₹)	DEC-15 (₹)	SEP-15 (₹)	JUN-15 (₹)	MAR-15 (₹)
Shareholders Funds	4,424	4,617	4,572	4,683	4,656
Loan Funds	6,505	5,882	6,525	6,545	5,832
Other Long Term Liabilities	90	30	28	56	26
Sources of Funds	**11,019**	**10,529**	**11,125**	**11,284**	**10,514**
Gross Block	1,439	1,428	1,385	1,382	1,382
Less: Acc. Depreciation	386	347	328	310	289
Net Block	1,053	1,082	1,064	1,073	1,093
Other Long Term Assets	167	167	232	202	159
Inventory	11,256	10,431	11,246	11,630	11,137
Debtors	7	12	4	69	8
Cash and Bank Balance	383	400	303	313	325
Other Current Assets	130	144	155	85	134
Current Liabilities	1,978	1,708	1,880	2,088	2,342
Net Current Assets	9,799	9,280	9,829	10,009	9,262
Application of Funds	**11,019**	**10,529**	**11,125**	**11,284**	**10,514**

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ESTIMATED IMPACT OF LOSS OF REVENUES DURING Q4 FY16

In Rs Mn

REPORTED Q4 FY16 RESULTS		LOSS OF SALES IN MARCH 2016		ADJUSTED Q4 FY16 RESULTS	
REVENUES	3,052	SALES LOSS - AT AVERAGE MARCH PRICES	1,218	REVENUES	4,270
GM %	17.4%	GM %	17.9%	GM %	17.4%
PBT	**-162**	**PBT**	**+ 218**	**PBT**	**+ 56**

DISCLAIMER - The above scenario is based on our internal estimates and on a conservative basis of evaluation considering a normal business environment



DISCUSSION SUMMARY

- Q4 & FY16 Results Update
- **About Us**
- Operational Summary
- Annexure

ABOUT US: WHY IS TBZ DIFFERENT ?

Pedigree

- 150 years in jewellery business
- First jeweller to offer buyback guarantee in 1938
- Professional organisation spearheaded by 5th generation of the family

Strong Brand Value

- High sales productivity - ₹ 213 k per sq ft per annum (at mature stores)
- High footfalls conversion - 78%
- High ticket size - Gold - ₹ 84 k, Diamond - ₹ 132 k

Scalability & Reach

- 30 stores (~98,200 sq. ft.)
- Presence - 23 cities, 10 states

Expansion Plan -

- ~150,000 sq. ft. (75% of expansion (~33,000 sq. ft.) through franchisee route)

TBZ

SUSTAINABLE COMPETITVE ADVANTAGE

Specialty Wedding Jeweller

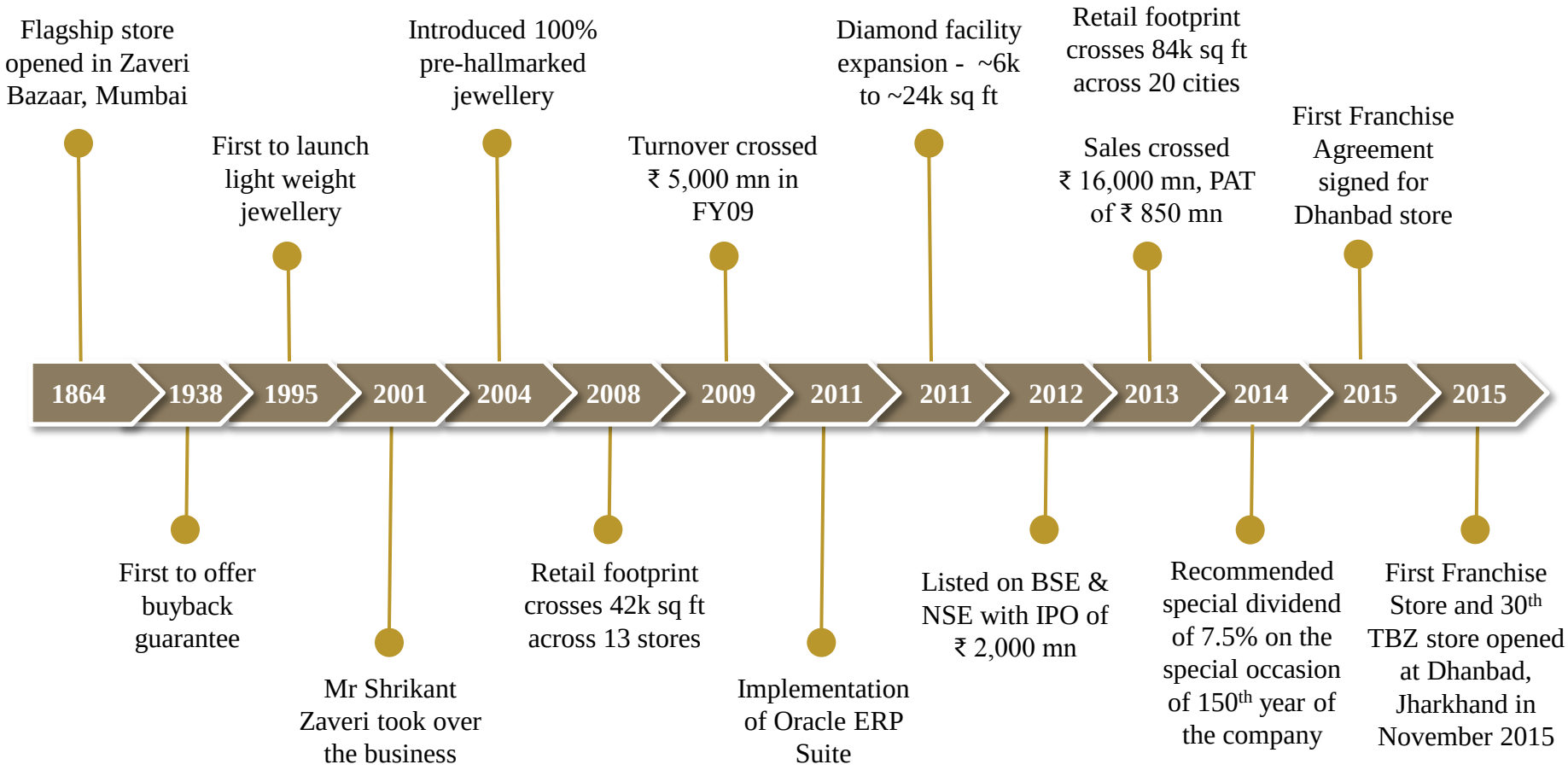
- ~ 65% of sales are wedding & wedding related purchases
- Compulsion buying
- Stable fixed budget purchases by customers

Design Exclusivity

- 42 designers (incl. 11 CAD)
- 8 - 10 new jewellery lines/year
- In-house diamond jewellery production
- Customer loyalty
- Premium pricing

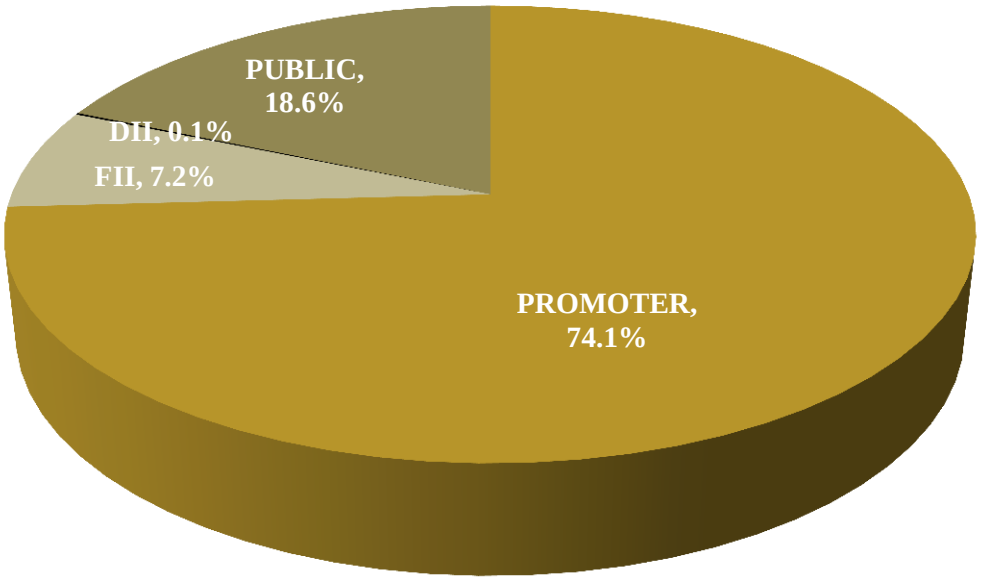
ABOUT US: KEY MILESTONES

STRONG LEGACY OF AROUND 150 YEARS BUILT ON TRUST



ABOUT US: SHAREHOLDING STRUCTURE

SHAREHOLDING PATTERN – MARCH 2016

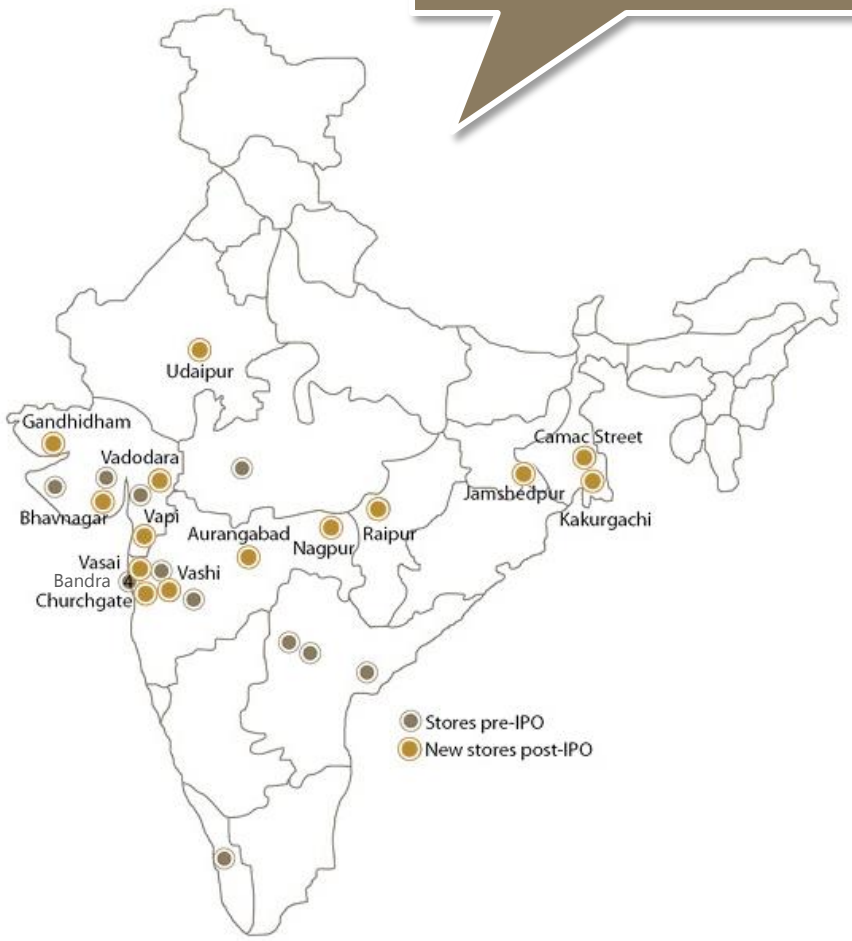




KEY INSTITUIONAL INVESTORS	% HOLDING
HSBC Global Investments	3.31%

ABOUT US: RETAIL PRESENCE

Present across 23 cities in 10 states



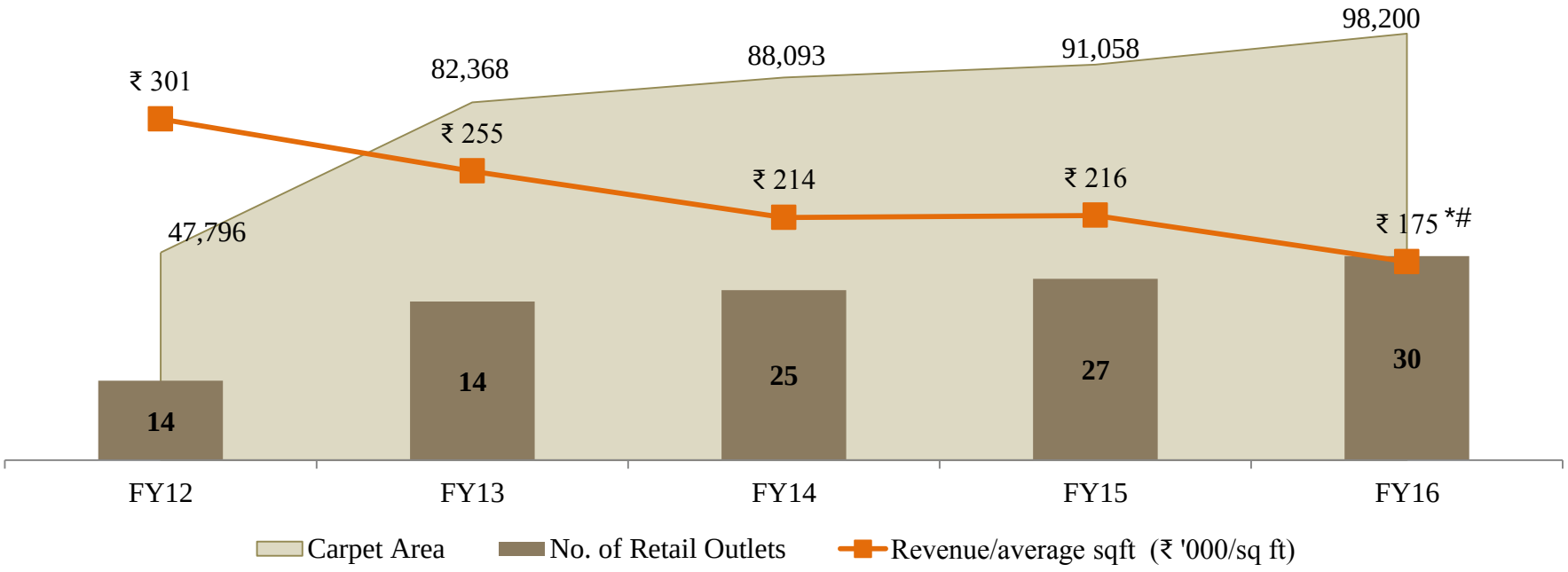
PAN-INDIA PRESENCE WITH 30 STORES WITH A RETAIL SPACE OF ~98,200 SQ. FT. SPREAD ACROSS 23 CITIES IN 10 STATES.

NUMBER OF STORES	TILL DATE
Large Format	24
Small Format	6
Tier I	17
Tier II	5
Metros	8
Total Stores	30
Total Area	**~98,200**



ABOUT US: RETAIL FOOTPRINT EXPANSION

HIGH SALES PRODUCTIVITY (REVENUE / YEAR / SQ FT)



- *Average of retail area at the beginning and at the end of the financial year*
- *Sales productivity over last 12 months.* ***Productivity at mature stores – ₹ 213 k per sq ft *#***

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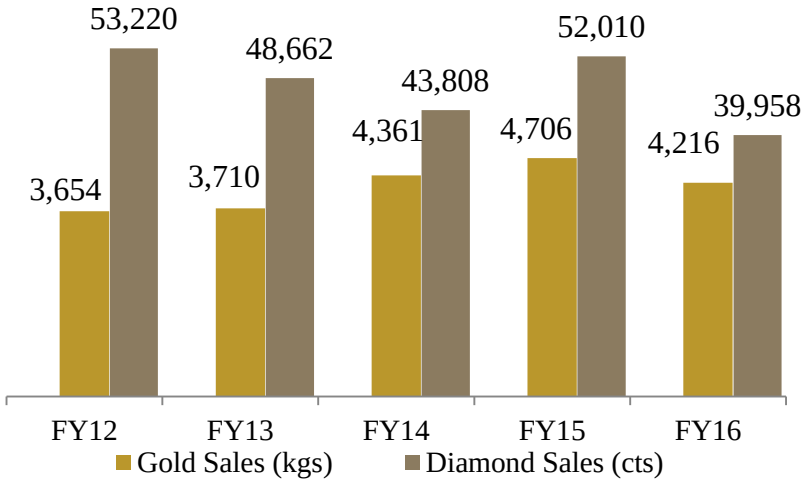


DISCUSSION SUMMARY

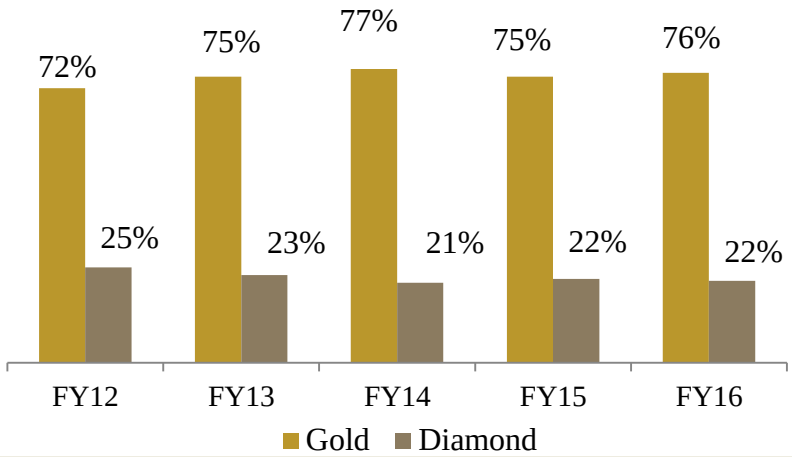
- Q4 & FY16 Results Update
- About Us
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- Annexure

OPERATIONAL SUMMARY

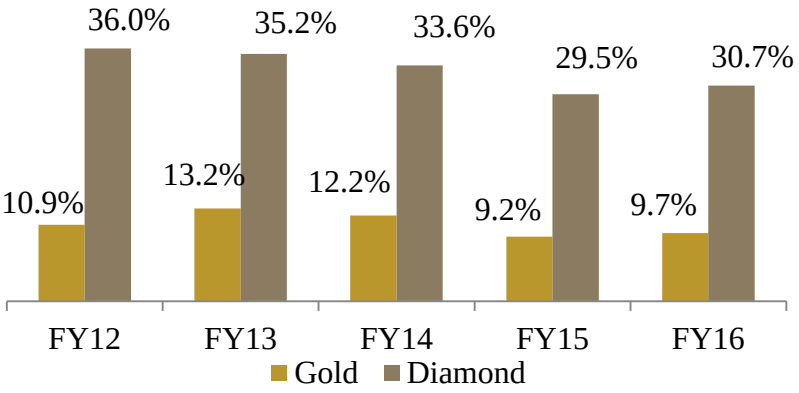
GOLD & DIAMOND VOLUMES *#



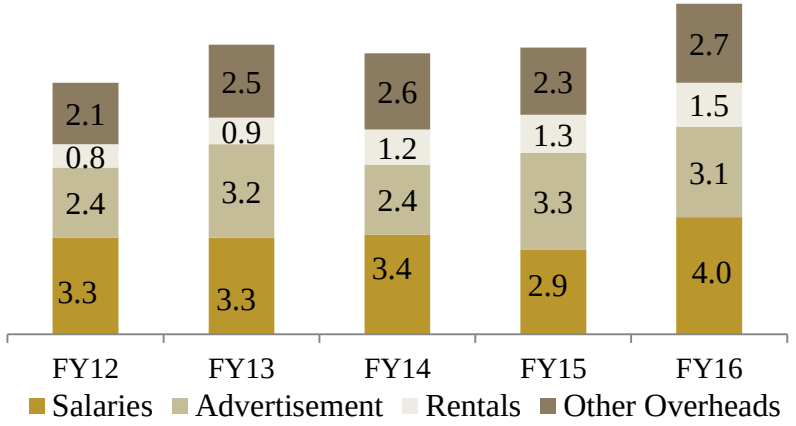
GOLD & DIAMOND SALES MIX (%)



GOLD & DIAMOND MARGINS (%)



OPERATIONAL EFFICIENCY (%) *#

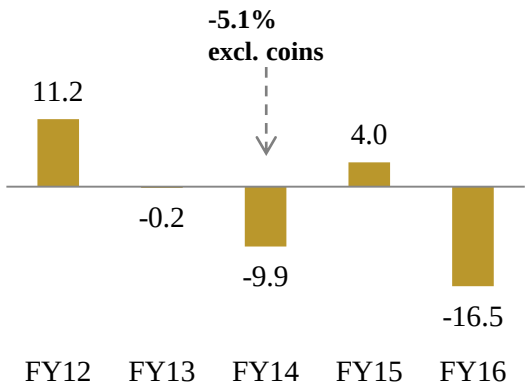


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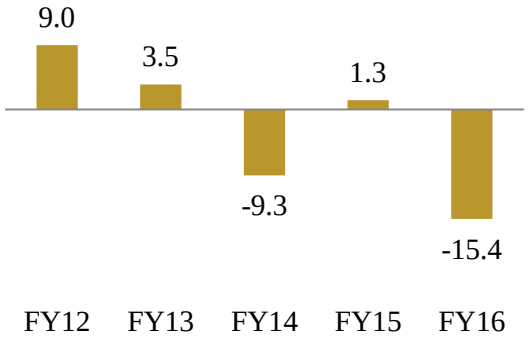
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OPERATIONAL SUMMARY

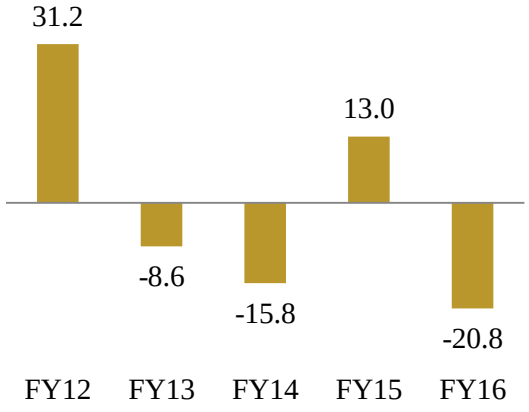
SSSG - TOTAL (%) *#



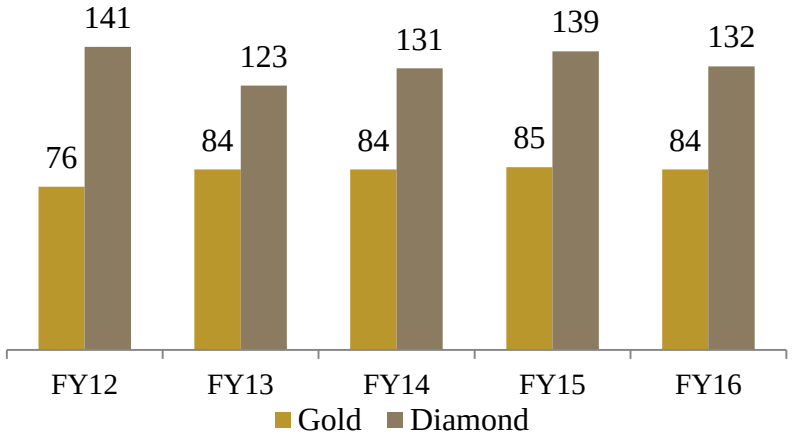
SSSG - GOLD (%) *#



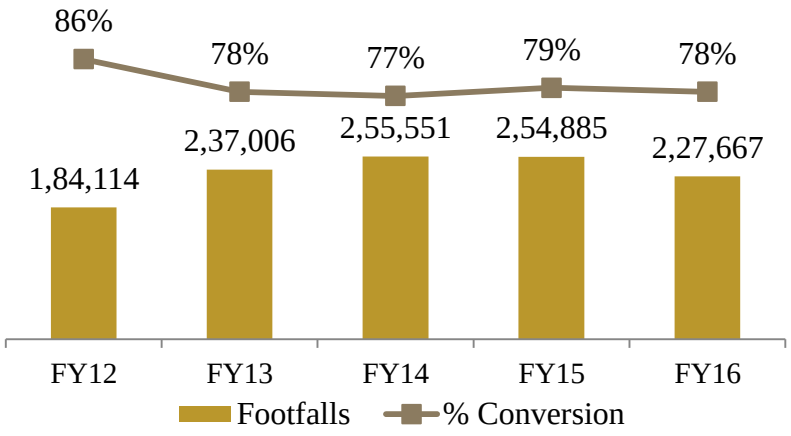
SSSG - DIAMOND (%) *#



AVERAGE TICKET SIZE (RS '000)



FOOTFALLS & CONVERSION



SSSG: Same store sales value growth

NOTE: * Nation-wide agitation by the Gems & Jewellery industry in protest against imposition of 1% excise duty led to a loss of sales during the month of March. Accordingly, the financial results of the current quarter and year ended March 2016 are strictly not comparable with corresponding previous year financials

For FY15, Kalpavruksha Scheme accounted for 14.8% of Total sales (₹ 2,905 mn), whereas in FY16 the contiburion of Kalpavruksha scheme was marginal

THANKYOU

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ANNEXURE

AWARDS & RECOGNITION

- **"BEST NECKLACE DESIGN AWARD– 2016 "**
  JJS-IJ Jewellers' Choice Design Award - 2016
- **"ASIA'S MOST POPULAR BRANDS – 2014 "**
  World Consulting & Research Corporation (WCRC) - 2014
- **"BEST JEWELLERY COMPANY AWARD"**
  Gems & Jewellery Trade Council of India Excellence Awards - 2014
- **"BEST DIAMOND JEWELLERY & BRACELET DESIGN"**
  Indian Jeweller Jeweller's Choice Design Award - 2014
- **"COLOURED GEMSTONE JEWELLERY OF THE YEAR"**
  Annual Gemfields & Nazraana Retail Jeweller India Awards - 2014
- **"360 DEGREE MARKETING CAMPAIGN OF THE YEAR"**
  Annual Gemfields & Nazraana Retail Jeweller India Awards - 2014
- **"BEST RETAIL MARKETING CAMPAIGN – NEW AGE BRIDE"**
  Asia Retail Congress - 2014









BUSINESS MODEL: PRODUCT

tbz®
The original since 1864
TRIBHOVANDAS BHIMJI ZAVERI
SHRIKANT ZAVERI GROUP

- **GOLD (75%)** — Gross Margins – 11%; Stock Turns – 2.5x - 3x
  - WEDDING (65%)
  - FASHION (35%)
- **DIAMONDS (25%)** — Gross Margins – 35%; Stock Turns – 1x
  - WEDDING (40%)
  - FASHION (60%)

WEDDING SALES TO DRIVE STRONG VOLUMES
WEDDING & FASHION SALES TO DRIVE FUTURE GROWTH





BUSINESS MODEL: MANUFACTURING

PROCUREMENT

Gold

- Raw Material - Bullion

Sources:

- Exchange & purchase of old jewellery
- Bullion dealers
- Banks - imported gold
- Banks - domestic gold (gold deposits) on loan

MANUFACTURING

- Gold jewellery manufacturing is outsourced.
- Vast nation-wide network of 150 vendors
- Each vendor has an annual gold processing capacity of more than 100 kg.
- These vendors are associated with TBZ since generations and are experts in handmade regional jewellery designs.



BUSINESS MODEL: MANUFACTURING

PROCUREMENT

MANUFACTURING

DIAMOND

- Raw Material - Cut & polished diamonds (VVS grade)

Sources:

- DTC site holders
- Other vendors

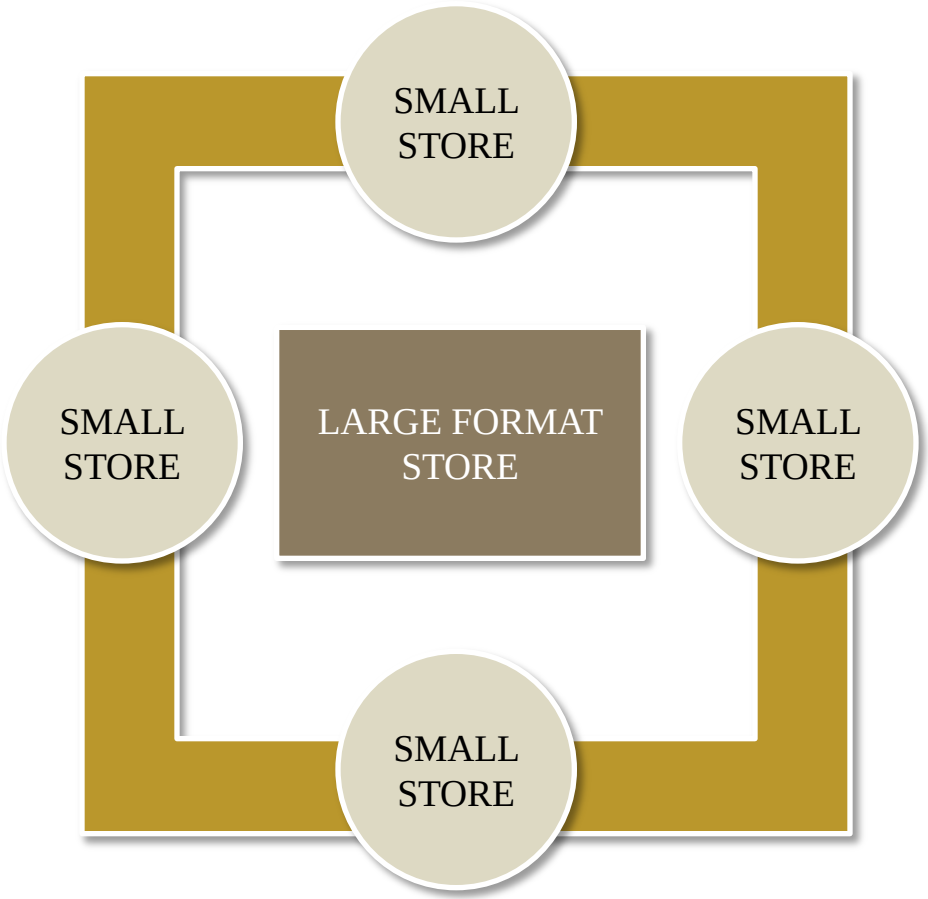
- In-house diamond jewellery manufacturing leading to exclusive designs, lower costs, and higher margins
- Manufacturing facility at Kandivali, Mumbai spread over ~24,000 sq ft with capacity of ~200,000 cts (on dual shift basis).
- The facility also has capacity for 4,000 kg of gold refining and 4,500 kg of gold jewellery components manufacturing.



BUSINESS MODEL: RETAIL

EFFICIENT INVENTORY MANAGEMENT

HUB & SPOKE MODEL - ROI OPTIMISATION



SMALL STORES

- 1,000 - 1,500 sq ft
- Across the city
- Smaller range
- Lower price points (up to ₹ 500k)
- Inventory - ₹ 93 mn Gold : Diamond - 70 : 30

LARGE STORES

- 3,000 sq ft & above
- Standalone high street - heart of city
- Wider range
- Higher price points (up to ₹ 2,000k)
- Inventory - ₹ 280 mn Gold : Diamond - 70 : 30

BUSINESS MODEL: ECONOMICS

PARTICULARS	LARGE FORMAT	SMALL FORMAT
Size sq ft	Above 3,000	1,000 – 1,500
Average Sales per sq ft in Year 1 (₹)	250,000	250,000
Gold : Diamond	75:25	75:25
Gross Margin - Gold : Diamond	11% : 35%	11% : 35%
Blended Gross Margins	17.2%	17.2%
Store Costs:		
Advertising	2.5%	2.5%
Salary	1.1%	1.1%
Rentals	1.0%	1.0%
Other Overheads	1.5%	1.5%
Store Operating Margins	11.1%	11.1%
Store Capex (mn)	₹ 18	₹ 7.5
Store Working Capital (mn)	₹ 280	₹ 93
ROCE	**28%**	
Store Cash BEP (in months)	**8-10 months**	



BUSINESS MODEL: SCALABILITY

- TBZ has an expansion plan to increase its retail space from ~98,200 sq. ft. at present to around 150,000 sq. ft. by FY18.
- TBZ plans to carry out 75% of the expansion through the franchisee route and balance 25% through the addition of its own stores.
- All the prospective expansion locations have already been identified backed by 2 years of extensive market research.

	FY12	Till Date	target
Number of Stores	14	30	57
Retail Sq ft	~48,000	~98,200	~150,000
Number of Cities	10	23	43






GOLD METAL LOAN: EFFICENT SOURCING CHANNEL

GOLD METAL LOAN ORIGINATION

- TBZ takes 10 kg gold from a bank on lease on day 0.
- The contract for gold lease is 180 days.
- TBZ provides a bank guarantee worth 110% of gold leased.
- Total Financing cost (interest on gold lease plus bank guarantee commission) to TBZ is ~3.5-4.5% p.a.

GOLD METAL LOAN REPAYMENT

- TBZ repays the gold daily based on actual sales of gold jewellery.
- The bank converts 1 kg of gold on lease as a sale to TBZ at a reference rate set by them as on day 1.
- TBZ books a purchase of 1 kg of gold.
- The balance 9 kg worth of gold continues to remain on lease.
- TBZ again replenishes the inventory by taking 1 kg of gold on lease from bank on day1.
- Since TBZ's gold jewellery inventory turns 2-3 times, it repays the gold lease before 180 days.

GOLD METAL LOAN ADVANTAGES

- **Interest Cost Savings:** Borrowing cost on gold lease is significantly lower compared to working capital borrowing cost.
- **No Commodity Risk: S**ince gold is taken on lease, there is no gain if gold prices increase or loss if gold prices decrease.

GOLD METAL LOAN REPAYMENT

- **Sharp increase in gold prices:** Gold lease is marked to market on a daily basis. So any increase in gold price will cause TBZ to top up its bank guarantee.
- **Bank Guarantee limitations:** Bank guarantee issued by the bank to TBZ is based on the drawing power enjoyed by TBZ.
- **Contract Period:** If TBZ is unable to sell the gold on lease within 180 days, then they will have to convert the balance unutilized gold to purchase.