

Date: 7th February, 2018

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 1st February, 2018 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, 7th February, 2018 at 4.00 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

Niraj Oza

Niraj Oza
Head - Legal & Company Secretary



Encl: as above



CIN No : L27205MH2007PLC172598

Regd. Office: 241/43, Zaveri Bazar, Mumbai - 400 002. Tel.: +91.22.3956 5001, Fax : +91.22.3956 5056.
11th Floor, West Wing, Tulsiani Chambers, Free Press Journal Road, Nariman Point, Mumbai - 400 021. Tel.: 022 30735000 Fax : 022 30735088
www.tbztheoriginal.com

INVESTOR PRESENTATION
Q3 & 9M FY18 RESULTS
FEBRUARY 2018



TRIBHOVANDAS BHIMJI ZAVERI
SHRIKANT ZAVERI GROUP

DISCLAIMER

This presentation has been prepared by Tribhovandas Bhimji Zaveri Limited (“TBZ”) for informational purposes only and does not constitute or form any part of any offer, invitation or recommendation to purchase or subscribe for any securities in any jurisdiction, and no part of it shall form the basis of, or be relied upon in connection with, any contract or commitment on the part of any person to proceed with any transaction.

The information contained in this presentation has not been independently verified. No representation or warranty, express or implied, is made and no reliance should be placed on the accuracy, fairness or completeness of the information presented or contained in these materials.

Any forward-looking statements in this presentation are subject to risks and uncertainties that could cause actual results to differ materially from those that may be inferred to being expressed in, or implied by, such statements. Such forward-looking statements are not indicative or guarantees of future performance. Any forward-looking statements, projections and industry data made by third parties included in this presentation are not adopted by the Company and the Company is not responsible for such third party statements and projections.

This presentation may not be all inclusive and may not contain all of the information that you may consider material. The information presented or contained in these materials is subject to change without notice and its accuracy is not guaranteed. Neither the Company nor any of its affiliates, advisers or representatives accepts liability whatsoever for any loss howsoever arising from any information presented or contained in these materials. This presentation cannot be used, reproduced, copied, distributed, shared or disseminated in any manner. No person is authorized to give any information or to make any representation not contained in and not consistent with this presentation and, if given or made, such information or representation must not be relied upon as having been authorized by or on behalf of TBZ.

DISCUSSION SUMMARY

- Q3 & 9M FY18 Results Update
- About Us
- Operational Summary
- Business Model

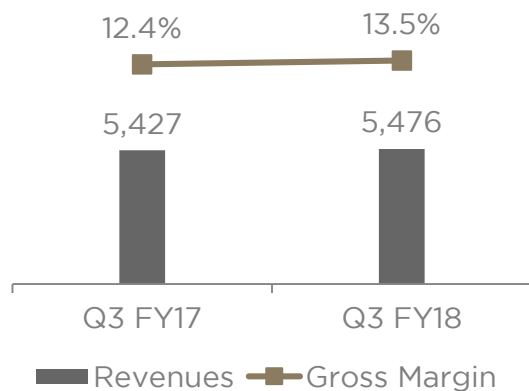
KEY HIGHLIGHTS

- Q3 FY18 PBT grew by 44% on YoY basis
- Q3 FY18 PBT margin improved to 2.1% compared to 1.5% in Q3 FY17
- Q3 FY18 EBITDA grew by 17% on YoY basis
- Q3 FY18 EBITDA margin improved to 4.1% compared to 3.6% in Q3 FY17
- The third quarter sales gathered momentum after the revocation of the PMLA Circular in first week of October. Sales during October were lower on YoY basis due to impact of PMLA and absence of sales during Navratri and Dussehra which occurred in September this year. Sales during November and December were 29% higher on YoY basis driven by the onset of wedding season.
- Q3 FY18 Revenues grew marginally by 1% on YoY basis
- Q3 FY18 Gross margin improved to 13.5% compared to 12.4% in Q3 FY17
- Q3 FY18 Finance cost decreased by 16% on YoY basis

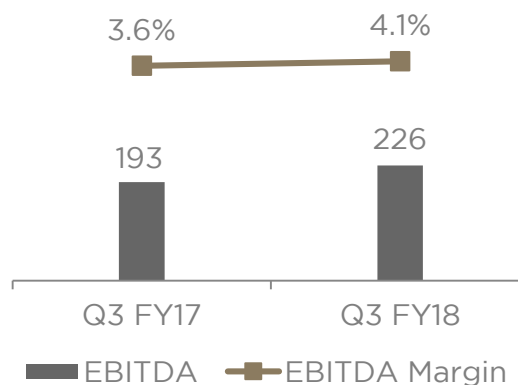
Q3 FY18 RESULTS UPDATE

In Rs Mn

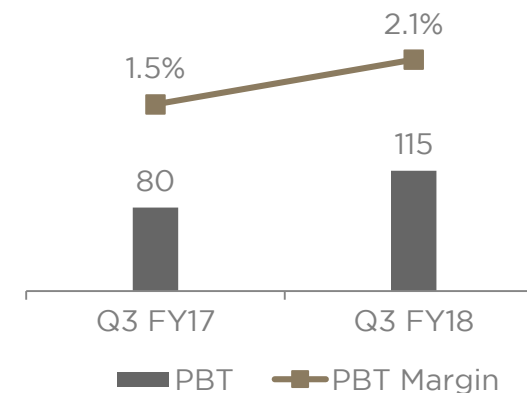
REVENUES & GROSS MARGIN



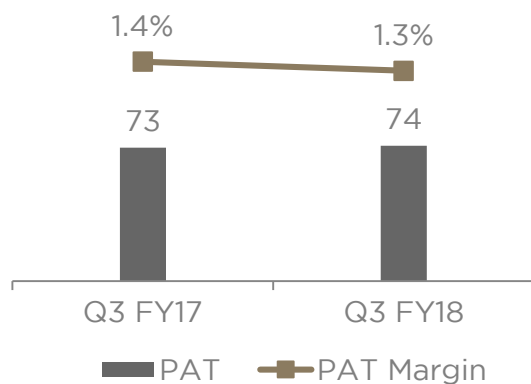
EBITDA & EBITDA MARGIN



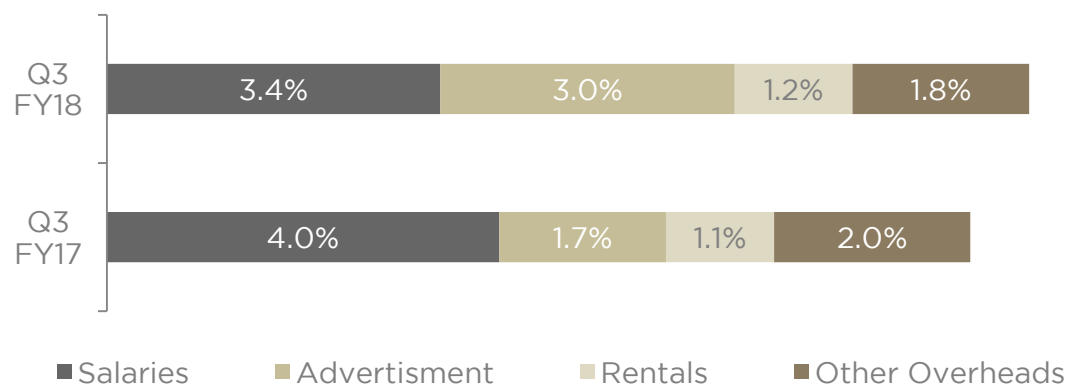
PBT & PBT MARGIN



PAT & PAT MARGIN



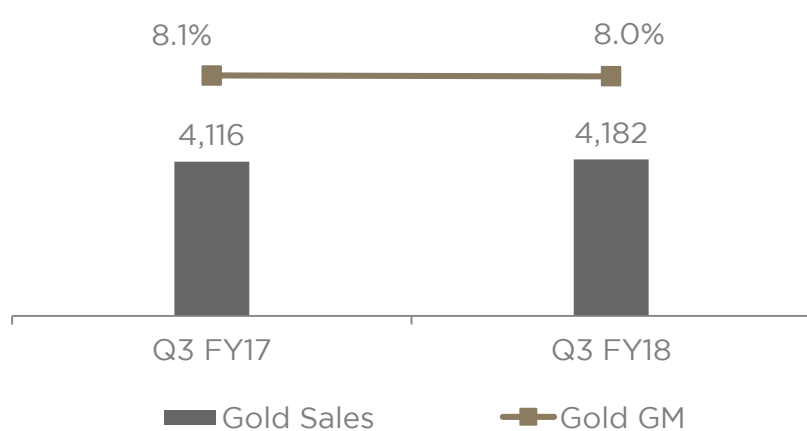
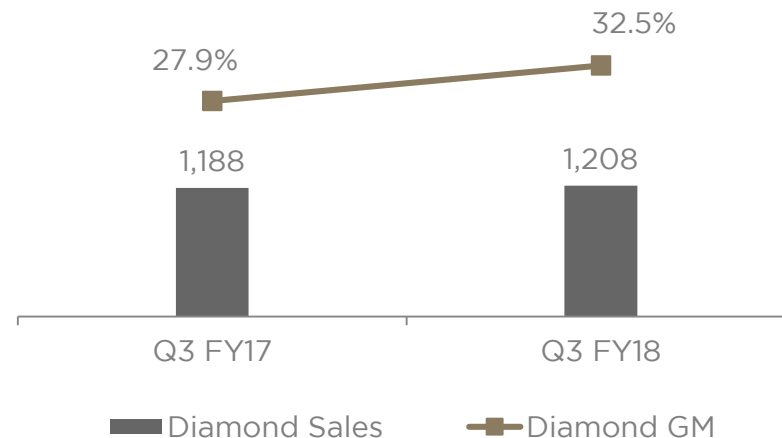
OPERATING COSTS (%)



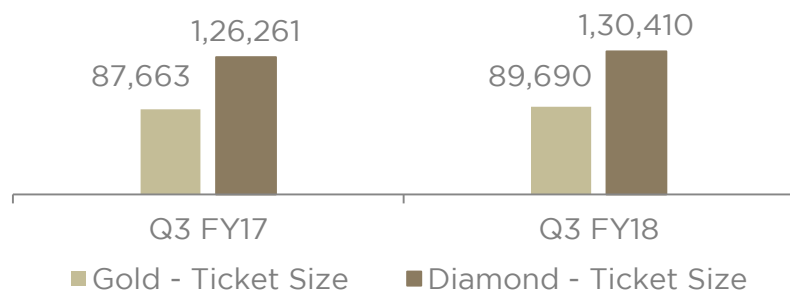
Q3 FY18 RESULTS UPDATE

In Rs Mn

REVENUE ANALYSIS



AVERAGE TICKET PRICE



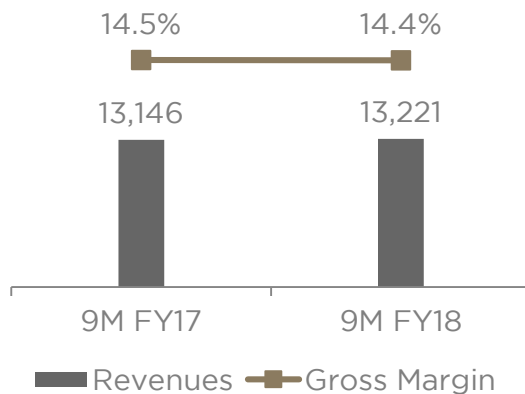
Q3 FY18	Gold	Diamond
% of Sales - Q3 FY18	76.4%	22.1%
% of Sales - Q3 FY17	75.9%	21.9%
SS Sales Growth %	Stable	

SS: Same store sales value growth

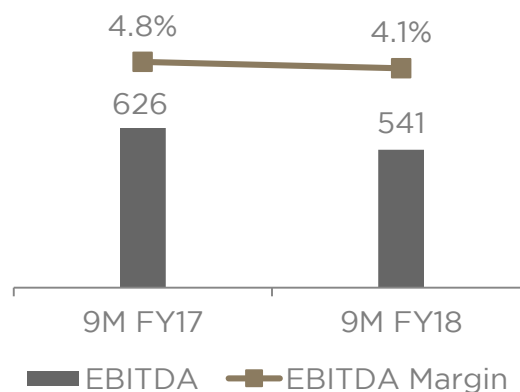
9M FY18 RESULTS UPDATE

In Rs Mn

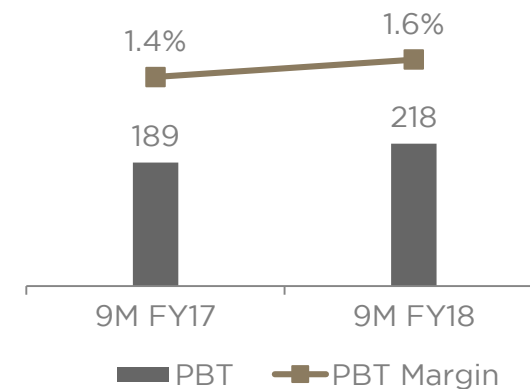
REVENUES & GROSS MARGIN



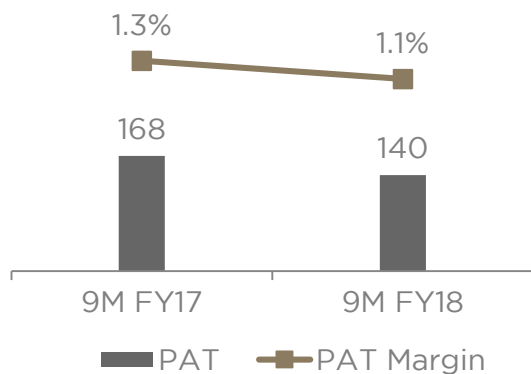
EBITDA & EBITDA MARGIN



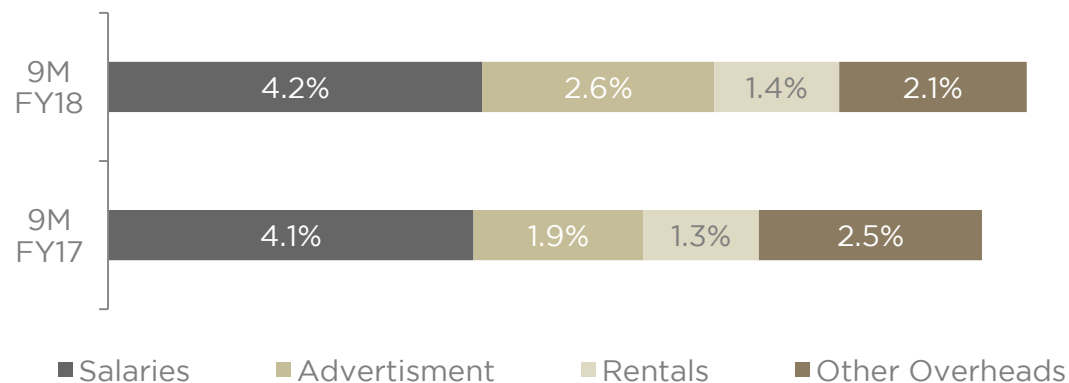
PBT & PBT MARGIN



PAT & PAT MARGIN



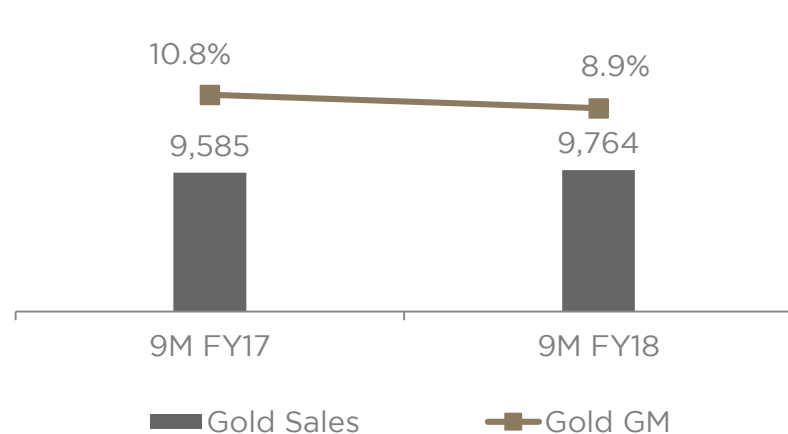
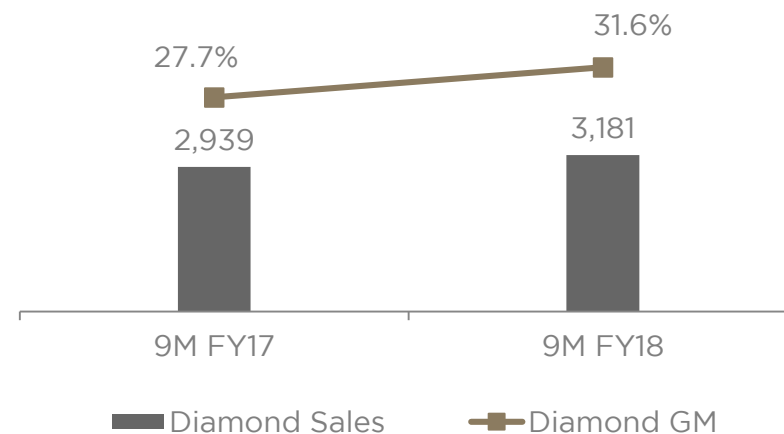
OPERATING COSTS (%)



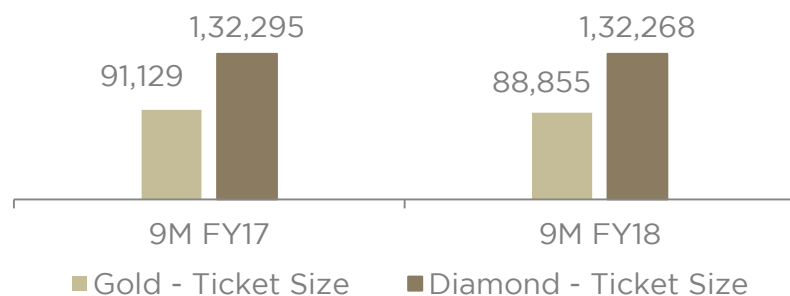
9M FY18 RESULTS UPDATE

In Rs Mn

REVENUE ANALYSIS



AVERAGE TICKET PRICE

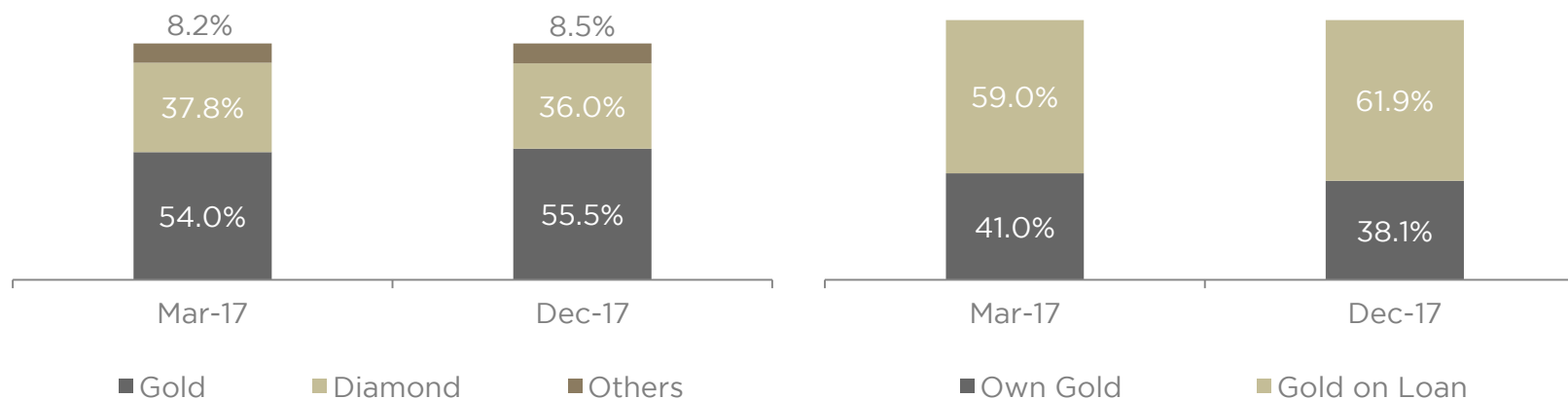


9M FY18	Gold	Diamond
% of Sales - 9M FY18	73.8%	24.1%
% of Sales - 9M FY17	73.1%	22.4%
SS Sales Growth %	Stable	

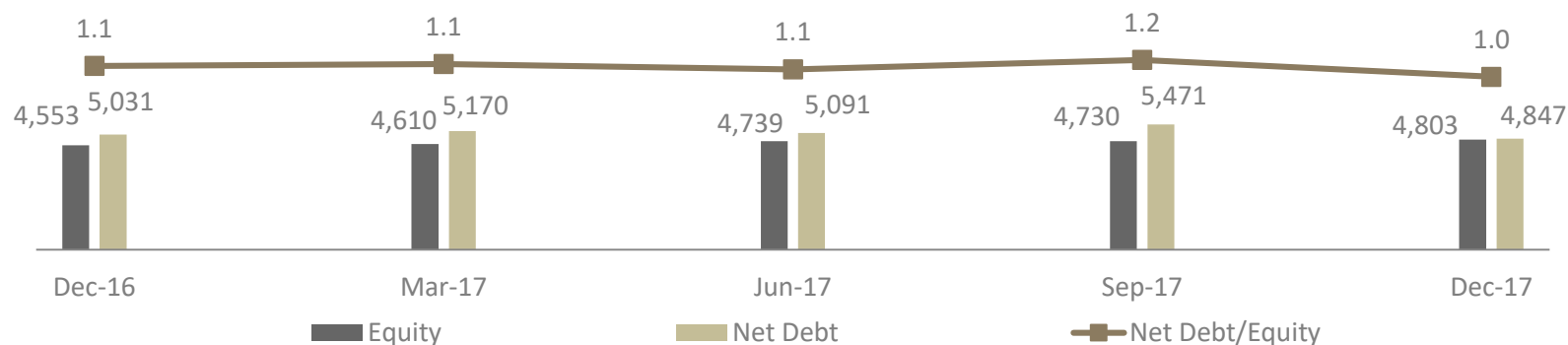
SS: Same store sales value growth

Q3 & 9M FY18 RESULTS UPDATE

INVENTORY BREAKUP (%)



LEVERAGE (RS MN) *



Note: * Figures for March 2017 and prior periods are based on I-GAAP

KEY RESULT TAKEAWAYS

REVENUES:

- Q3 FY18 revenues marginally increased by 1% YoY –
 - Sales during October were lower on YoY basis due to impact of PMLA in the first week and absence of sales during Navratri and Dussehra which occurred in September this year.
 - Sales during November and December were 29% higher on YoY basis driven by the onset of wedding season.
 - Share of diamond jewellery improved to 22.1% compared to 21.9% in Q3 FY17.
- 9M FY18 revenues have remained stable on YoY basis

MARGINS:

- Q3 FY18 gross margin increased to 13.5% compared to 12.4% in Q3 FY17. This was due to higher diamond gross margin and higher share of diamond jewellery sales.
- There was an increase in the investment in marketing and brand building activities in Q3 FY18 and the benefits of this will accrue in near term.
- Other operating expenses were largely stable on YoY basis.
- Q3 FY18 EBITDA increased by 17% and EBITDA margin increased to 4.1% compared to 3.6% in Q3 FY17.



KEY RESULT TAKEAWAYS

BALANCE SHEET:

- Inventory returned to its normal level of Rs 10,377 mn as on Dec-17, compared to Rs 11,145 mn as on Sep-17 (ahead of the festive and wedding season).
- Total Debt decreased to Rs 5,283 mn as on Dec-17 compared to Rs 6,041 mn as on Sep-17, in line with lower inventory.
- Net Debt / Equity improved to 1.0x as on Dec-17 compared to 1.2x as on Sep-17.
- Finance Cost declined by 16% YoY to Rs 97 mn in Q3 FY18. The average cost of debt was 6.9% in Q3 FY18 compared to 7.8% in Q3 FY17.
- Advances under Kalpavruksha Scheme were Rs 610 mn as on Dec-17 (Rs 526 mn as on Mar-17).

RETAIL SPACE ADDITION:

- We re-launched our Churchgate store at Marine Drive, Mumbai on 5th October 2017 to a bigger and grander store with area of 2,350 sq. ft. compared to earlier store with area of 1,230 sq. ft., in the same vicinity.
- We opened our 5th franchise store in Bhopal, Madhya Pradesh on 13th October 2017 with area of 1,850 sq. ft.
- We opened our 3rd mall store at High Street Phoenix Mall, Lower Parel, Mumbai on 29th November 2017 with area of 1,000 sq. ft.



PROFIT & LOSS STATEMENT

Particulars (In Rs Mn)	Q3 FY18	Q3 FY17	YoY %	9M FY18	9M FY17	YoY %
Net Revenues	5,476	5,427	0.9%	13,221	13,146	0.6%
COGS	4,735	4,753	-0.4%	11,322	11,239	0.7%
Gross Profit	741	674	10.0%	1,899	1,907	-0.4%
Gross Margin (%)	13.5%	12.4%	112 bps	14.4%	14.5%	-14 bps
Personnel Expenses	188	218	-13.6%	553	537	2.9%
Other Expenses	327	263	24.3%	805	743	8.3%
EBITDA	226	193	17.1%	541	626	-13.5%
EBITDA Margin (%)	4.1%	3.6%	57 bps	4.1%	4.8%	-67 bps
Depreciation	22	22	2.2%	64	67	-5.3%
Other Income	8	24	-68.2%	39	30	30.7%
Interest Expenses	97	116	-16.4%	299	400	-25.3%
Profit Before Tax	115	80	44.0%	218	189	15.5%
Profit Margin (%)	2.1%	1.5%	63 bps	1.6%	1.4%	21 bps
Tax	41	6	-	78	21	-
PAT	74	73	0.5%	140	168	-16.5%
Profit Margin (%)	1.3%	1.4%	0 bps	1.1%	1.3%	-22 bps

BALANCE SHEET

Particulars (In Rs Mn)	December-17	September-17	June-17
Shareholders Funds	4,803	4,730	4,739
Loan Funds	5,283	6,041	5,511
Other Long Term Liabilities	73	71	57
Sources of Funds	10,159	10,842	10,307
Net Block	1,022	1,033	1,021
Other Long Term Assets	251	257	233
Inventory	10,377	11,145	10,293
Debtors	209	70	84
Cash and Bank Balance	436	570	420
Other Current Assets	125	176	107
Current Liabilities	2,261	2,410	1,851
Net Current Assets	8,886	9,552	9,053
Application of Funds	10,159	10,842	10,307

DISCUSSION SUMMARY

- Q3 & 9M FY18 Results Update
- About Us
- Operational Summary
- Business Model

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

- Healthy sales productivity
- High footfalls conversion - 80%
- High ticket size - Gold - Rs 89 k, Diamond - Rs 132 k

Scalability & Reach

- 36 stores (~1,09,670 sq. ft.)
- Presence - 26 cities, 11 states

Expansion Plan -

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

TBZ

SUSTAINABLE COMPETITIVE ADVANTAGES

Specialty Wedding Jeweller

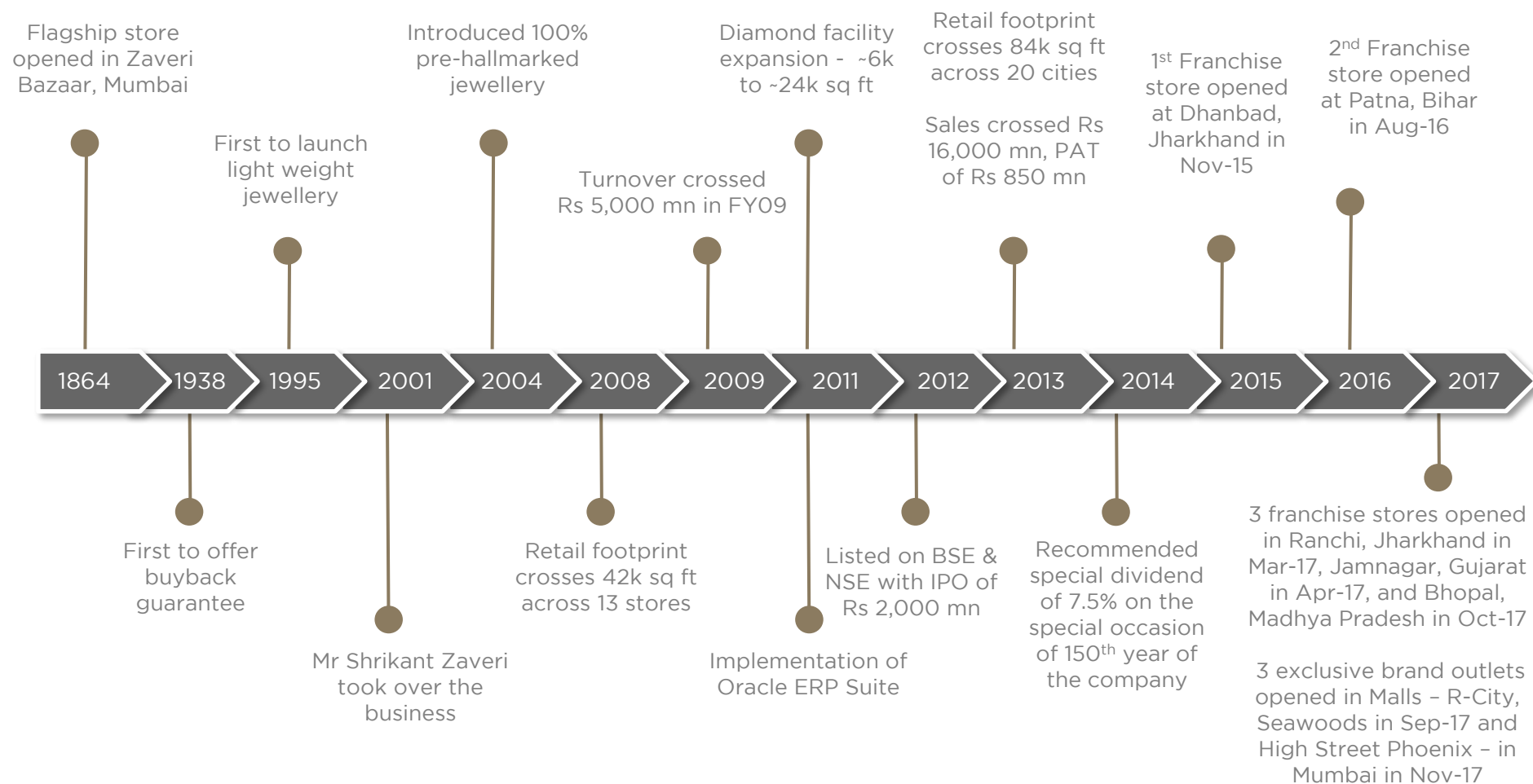
- ~ 65% of sales are wedding & wedding related purchases
- Compulsion buying
- Stable fixed budget purchases by customers

Design Exclusivity

- 33 designers (incl. 12 CAD)
- 8 - 10 new jewellery lines/year
- In-house diamond jewellery production
- Customer loyalty
- Premium pricing

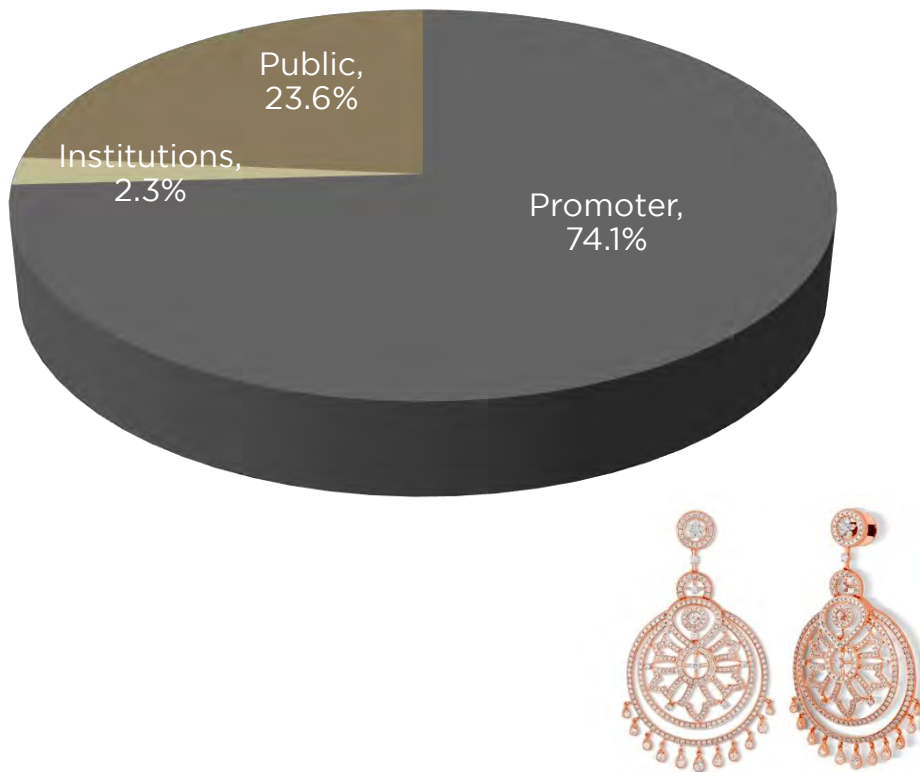
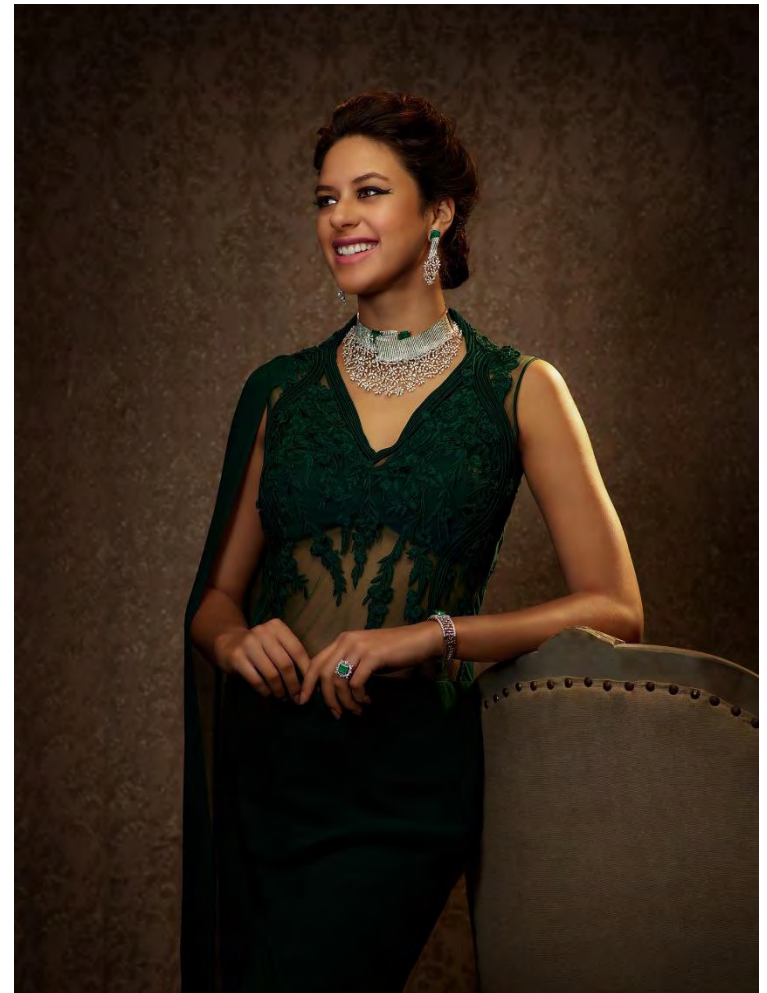
KEY MILESTONES

STRONG LEGACY OF MORE THAN 150 YEARS BUILT ON TRUST



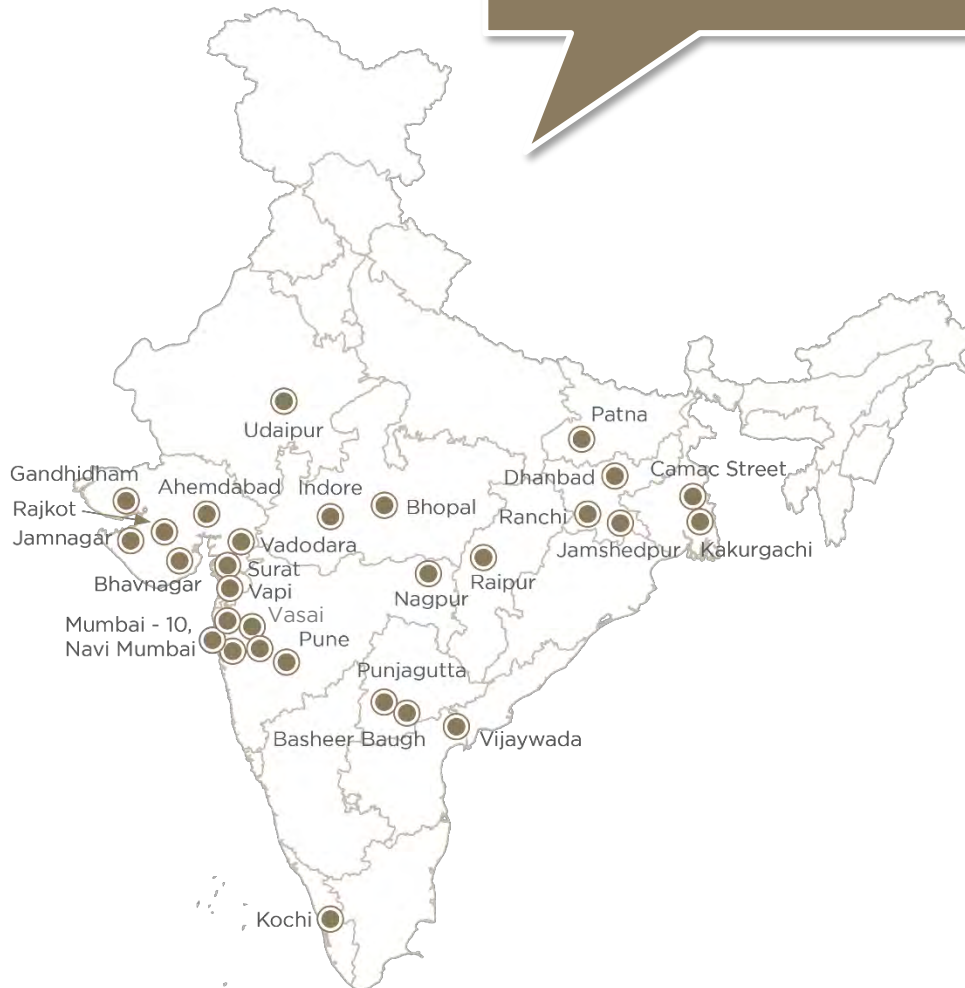
KEY MILESTONES

SHAREHOLDING PATTERN - DECEMBER 2017



RETAIL PRESENCE

Present across 26 cities
in 11 states

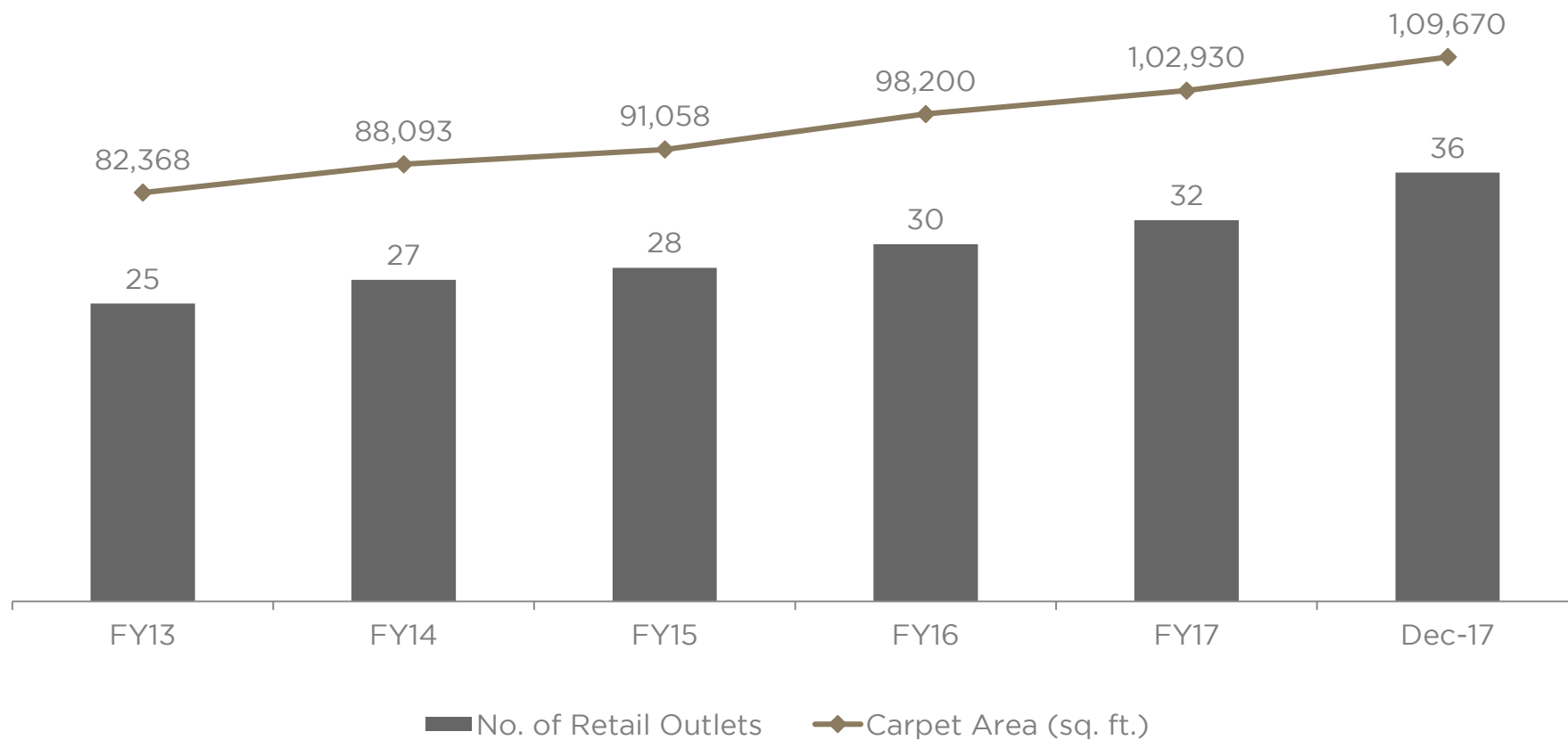


PAN-INDIA PRESENCE WITH 36 STORES
WITH A RETAIL SPACE OF ~1,09,670
SQ. FT. SPREAD ACROSS
26 CITIES IN 11 STATES

NUMBER OF STORES	TILL DATE
Large Format (> 2,000 sq. ft.)	28
Small Format (<= 2,000 sq. ft.)	8
Total Stores	36
Total Area	~1,09,670



RETAIL FOOTPRINT EXPANSION

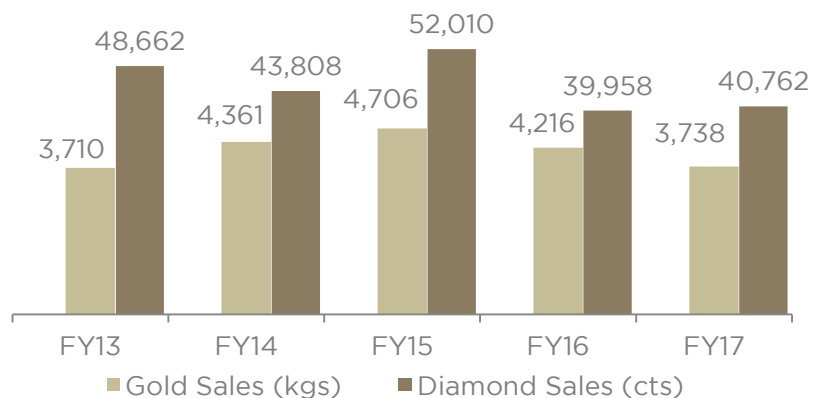


DISCUSSION SUMMARY

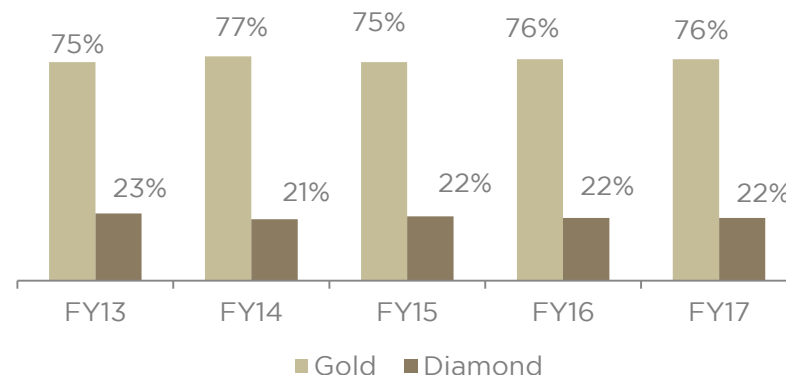
- Q3 & 9M FY18 Results Update
- About Us
- Operational Summary
- Business Model

OPERATIONAL SUMMARY

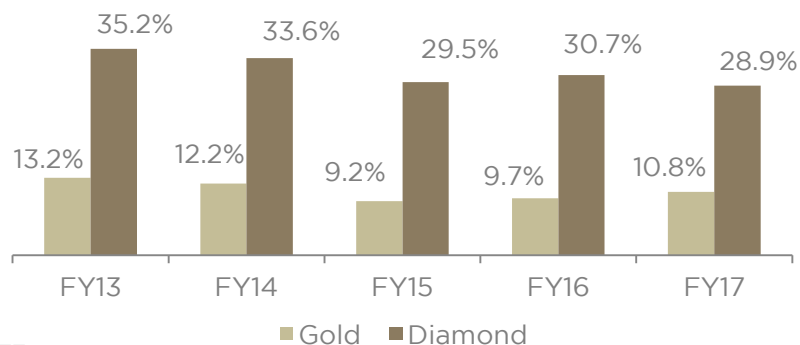
GOLD & DIAMOND VOLUMES *



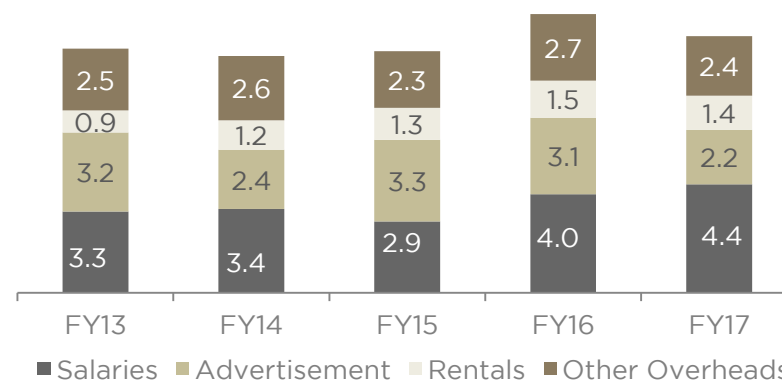
GOLD & DIAMOND SALES MIX (%)



GOLD & DIAMOND MARGINS (%)



OPERATIONAL EFFICIENCY (%)



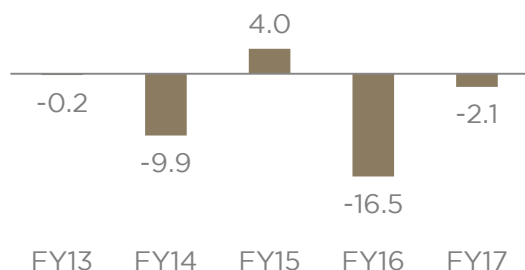
NOTE:

* During the month of March and April 2016, the company's business was impacted due to continuing country wide agitations by the Gems & Jewellery Industry in protest against imposition of 1% excise duty. The business operations took some time to stabilize, however this impacted the overall revenues and profits for the company during FY16 & FY17.

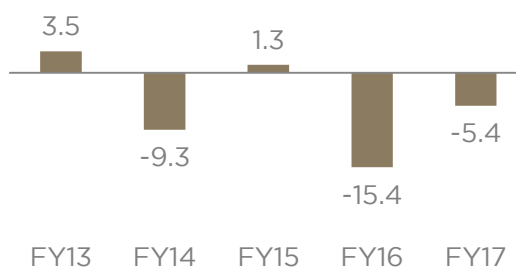
Further, the withdrawal of high denomination banking notes impacted the jewellery sales in November 2016, though the situation gradually improved over Q4 FY17.

OPERATIONAL SUMMARY

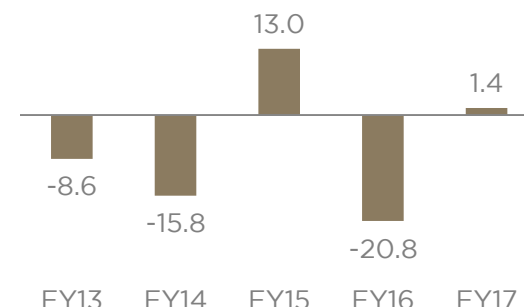
SSSG - TOTAL (%) *



SSSG - GOLD (%) *

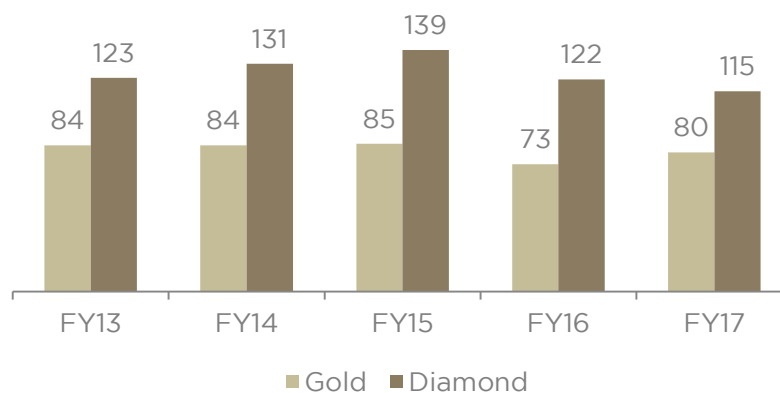


SSSG - DIAMOND (%) *



SSSG: Same store sales value growth

AVERAGE TICKET SIZE (RS '000)



NOTE:

* During the month of March and April 2016, the company's business was impacted due to continuing country wide agitations by the Gems & Jewellery Industry in protest against imposition of 1% excise duty. The business operations took some time to stabilize, however this impacted the overall revenues and profits for the company during FY16 & FY17.

Further, the withdrawal of high denomination banking notes impacted the jewellery sales in November 2016, though the situation gradually improved over Q4 FY17. 22

DISCUSSION SUMMARY

- Q3 & 9M FY18 Results Update
- About Us
- Operational Summary
- Business Model

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

Diamond

- Raw Material - Cut & polished diamonds

Sources:

- DTC site holders

MANUFACTURING

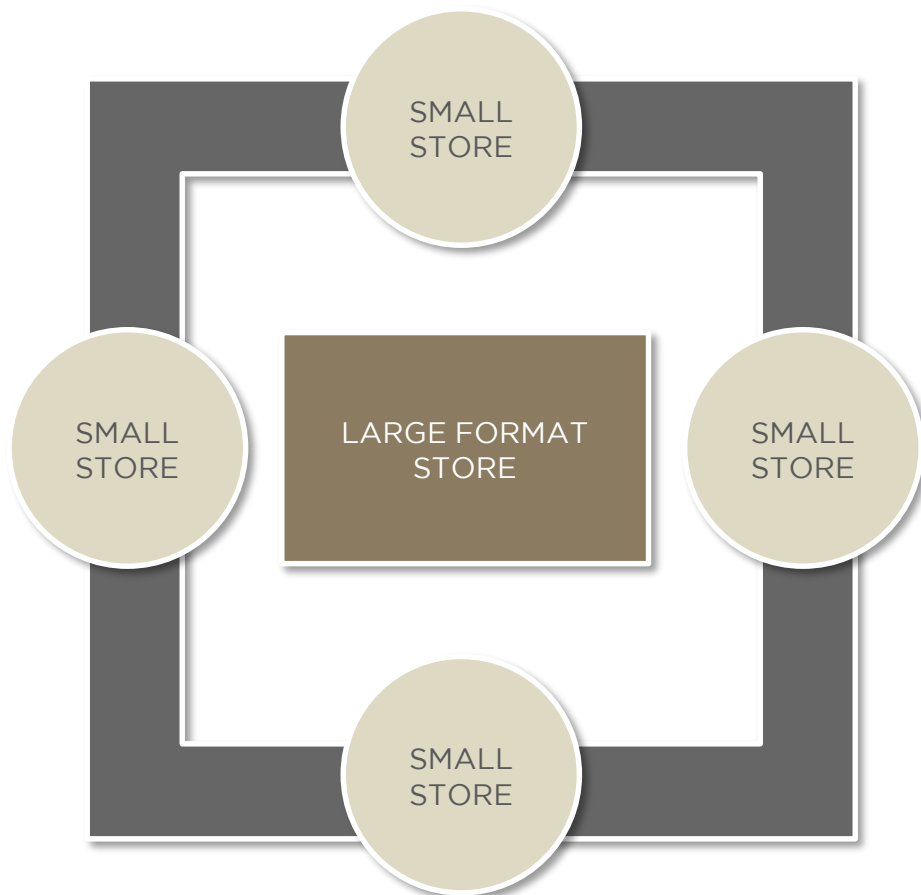
- In-house diamond jewellery manufacturing leading to exclusive designs, lower costs, and higher margins
- Manufacturing facility at Kandivali, Mumbai spread over ~24,000 sq ft with capacity of ~200,000 cts (on dual shift basis).
- The facility also has capacity for 4,000 kg of gold refining and 4,500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



BUSINESS MODEL: RETAIL

EFFICIENT INVENTORY MANAGEMENT

HUB & SPOKE MODEL - ROI OPTIMISATION



SMALL STORES

- $\leq 2,000$ sq ft
- Across the city
- Smaller range
- Lower price points (up to Rs 500k)

LARGE STORES

- $> 2,000$ sq ft
- Standalone high street - heart of city
- Wider range
- Higher price points (up to Rs 2,000k)

BUSINESS MODEL: SCALABILITY

- TBZ has an expansion plan to increase its retail space from ~1,09,670 sq. ft. at present to around 1,50,000 sq. ft. over near term.
- 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	36	
Retail Sq ft	~48,000	~1,09,670	~1,50,000
Number of Cities	10	26	



GOLD METAL LOAN: EFFICIENT 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% 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:** Since gold is taken on lease, there is no gain if gold prices increase or loss if gold prices decrease.

GOLD METAL LOAN LIMITATIONS

- **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.

AWARDS & RECOGNITION

- “INDIA’S MOST PREFERRED JEWELLERY BRAND”
UBM India - 2017
- “BEST RING DESIGN OVER Rs. 2,50,000”
JJS-IJ Jewellers Choice Design Awards - 2016
- “TV CAMPAIGN OF THE YEAR”
12th Gemfields Retail Jeweller India Awards - 2016
- “DIAMOND JEWELLERY OF THE YEAR”
12th Gemfields Retail Jeweller India Awards - 2016
- “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





Saurav Banerjee
Chief Financial Officer
Tribhovandas Bhimji Zaveri Limited
+91 022 30735000
saurav.banerjee@tbzoriginal.com



Nilesh Dalvi
IR Consultant
Dickenson Seagull IR
+91 9819289131
nilesh.dalvi@dickensonir.com