Date: 22nd January, 2014

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: **Intimation of the Reaffirmation about the Long Term Rating on Rated amount enhanced to the bank facilities of the Company received from CRISIL**

This is to inform you that CRISIL has provided the Reaffirmation about the Long Term Rating on Rated amount enhanced to the bank facilities of the Company. The rating rationale is enclosed herewith.

Total Bank Loan Facilities Rated	**Rs. 7,350 Million (Enhanced from Rs. 4,620 Million)**
Long Term Rating	**CRISIL A-/ Stable (Reaffirmed)**

Kindly treat this as intimation under the applicable Clauses of the Listing Agreement.
Please take the above on record and acknowledge the receipt of the same.

Thanking You.

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

TRIBHOVANDAS BHIMJI ZAVERI LTD. MUMBAI

Niraj Oza
Company Secretary & Compliance Officer

Encl: CRISIL Rating Rationale

tbz® The original since 1864
TRIBHOVANDAS BHIMJI ZAVERI LTD.

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www.tbztheoriginal.com

Rating Rationale

CRISIL RATINGS

January 22, 2014
Mumbai

Tribhovandas Bhimji Zaveri Limited

Rated amount enhanced

Total Bank Loan Facilities Rated	**Rs.7350 Million (Enhanced from Rs.4620 Million)**
Long Term Rating	**CRISIL A-/Stable (Reaffirmed)**

(Refer to Annexure 1 for Facility-wise details)

CRISIL ratings on Tribhovandas Bhimji Zaveri Ltd's (TBZ's) bank facilities continue to reflect TBZ's established market position with a strong brand, and its healthy financial risk profile, marked by a healthy net worth, low gearing, and robust debt protection metrics. These rating strengths are partially offset by TBZ's exposure to intense competition in the jewellery industry, and its large working capital requirements to fund its inventory.

Outlook: Stable

CRISIL believes that TBZ will maintain its established market position over the medium term, supported by its promoters' extensive industry experience and its strong brand equity. The outlook may be revised to 'Positive' if the company registers substantial and sustained improvement in its revenues, while it maintains its profitability margins. Conversely, the outlook may be revised to 'Negative' if TBZ registers a steep decline in its profitability margins, or records lower-than-expected offtake from its proposed showrooms, thereby adversely affecting its capital structure and liquidity.

About the Company

TBZ, promoted by Mr. Shrikant Zaveri, was set up in 1864; it is one of India's oldest jewellery houses. It was reconstituted as a public limited company from a private limited company on December 3, 2010. TBZ has expanded its operations, and now has a pan-India presence through its network of 27 retail showrooms in 18 cities across 8 states, from a single showroom at Zaveri Bazaar in Mumbai. TBZ plans to open another 30 new showrooms, and post the expansion, it would have 57 showrooms in 43 cities across 14 states. While the company is going ahead with its expansion plan, it has decided to change the timeline for the same in view of the uncertainty in the macroeconomic and regulatory environment.

For 2012-13 (refers to financial year, April 1 to March 31), TBZ reported a profit after tax (PAT) of Rs.686 million* on net sales of Rs.16.49 billion, against a PAT of Rs.572 million on net sales of Rs.13.8 billion for 2011-12. For the six months ended September 30, 2013, TBZ reported a PAT of Rs.243 million on net sales of Rs.8.6 billion.

* after adjusting for Rs 163.6 million of expenses incurred for raising funds through IPO.

Annexure 1 - Details of various bank facilities

Current facilities			Previous facilities		
Facility	**Amount (Rs.Million)**	**Rating**	**Facility**	**Amount (Rs.Million)**	**Rating**
Cash Credit*	**1950**	**CRISIL A-/Stable**	**Cash Credit^**	**1400**	**CRISIL A-/Stable**
Cash Credit$	**835**	**CRISIL A-/Stable**	**Cash Credit**	**415**	**CRISIL A-/Stable**
Cash Credit@	**1000**	**CRISIL A-/Stable**	**Cash Credit****	**450**	**CRISIL A-/Stable**
Cash Credit	**930**	**CRISIL A-/Stable**	**Proposed Long Term Bank Loan Facility**	**7.5**	**CRISIL A-/Stable**
Cash Credit#	**1900**	**CRISIL A-/Stable**	**Term Loan**	**297.5**	**CRISIL A-/Stable**
Proposed Long Term Bank Loan Facility	**113.3**	**CRISIL A-/Stable**	**Working Capital Demand Loan**	**350**	**CRISIL A-/Stable**
Term Loan	**191.7**	**CRISIL A-/Stable**	**Bank Guarantee**	**1700**	**CRISIL A2+**
Working Capital Demand Loan~	**430**	**CRISIL A-/Stable**			
Total	**7350**	**--**	**Total**	**4620**	**--**

** Includes sublimit of metal gold loan of Rs.1400.0 Million, bank guarantee of Rs.1400.0 Million.*
$Fully inter-changeable with working capital demand loan and includes sublimit of bank guarantee of Rs.100 Million.
@Includes sublimit of gold loan of Rs.1000.0 Million, working capital demand loan of Rs.300.0 Million, letter of credit of Rs.60.0 Million, and financial guarantee of Rs.150.0 Million.

#Includes sublimit of bank guarantee of Rs.1400 Million.
~Includes sublimit of cash credit of Rs.330.0 Million, bank guarantee of Rs.330.0 Million and stand by letter of credit of Rs.330.0 Million.
^Includes sublimit of metal gold loan of Rs.300.0 million and bank guarantee of Rs.1000.0 million
***Includes sublimit of gold loan of Rs.450.0 million, working capital demand loan of Rs.360.0 million, letter of credit of Rs.60.0 million, and financial guarantee of Rs.150.0 million*

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About CRISIL LIMITED
CRISIL is a global analytical company providing ratings, research, and risk and policy advisory services. We are India's leading ratings agency. We are also the foremost provider of high-end research to the world's largest banks and leading corporations.

About CRISIL Ratings
CRISIL Ratings is India's leading rating agency. We pioneered the concept of credit rating in India in 1987. With a tradition of independence, analytical rigour and innovation, we have a leadership position. We have rated over 60,000 entities, by far the largest number in India. We are a full-service rating agency. We rate the entire range of debt instruments: bank loans, certificates of deposit, commercial paper, non-convertible debentures, bank hybrid capital instruments, asset-backed securities, mortgage-backed securities, perpetual bonds, and partial guarantees. CRISIL sets the standards in every aspect of the credit rating business. We have instituted several innovations in India including rating municipal bonds, partially guaranteed instruments and microfinance institutions. We pioneered a globally unique and affordable rating service for Small and Medium Enterprises (SMEs).This has significantly expanded the market for ratings and is improving SMEs' access to affordable finance. We have an active outreach programme with issuers, investors and regulators to maintain a high level of transparency regarding our rating criteria and to disseminate our analytical insights and knowledge.

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Last updated: May, 2013

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CRISIL has revised its rating symbols and definitions with effect from July 11, 2011, to comply with the SEBI circular, 'Standardisation of Rating Symbols and Definitions'. The revised rating symbols carry the prefix, 'CRISIL'. The rating symbols for short-term instruments have been revised to 'CRISIL A1', 'CRISIL A2', 'CRISIL A3', 'CRISIL A4', and 'CRISIL D' from the earlier 'P1', 'P2', 'P3', 'P4', and 'P5', respectively. The revision in the rating symbols and definitions is not to be construed as a change in the ratings. For details on revised rating symbols and definitions, please refer to the document, 'Revision of Rating Symbols and Definitions', at the link, **http://www.crisil.com/ratings/credit-rating-scale.html**