

Date: 21st May, 2018

To,
The Manager
Compliance Department
BSE Limited
Corporate Service Department
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001.

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: **Transcript of Conference Call with the Investors/ Analyst**

The Company had organized a conference call with the Investors/ Analysts on Friday, 4th May, 2018 at 4.00 p.m. (IST). A copy of Transcript of conference call held with the Investors/ Analysts is enclosed herewith and the same has also been put up 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
Head - Legal & Company Secretary



Encl: as above

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TRIBHOVANDAS BHIMJI ZAVERI LTD.

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

Tribhovandas Bhimji Zaveri Ltd.
Earnings Conference Call
May 4, 2018

Moderator: Good Evening, Ladies and Gentlemen. I am Raymond, moderator for this conference. Welcome to the Q4 FY '18 Earnings Conference Call of Tribhovandas Bhimji Zaveri Ltd. organized by Dickenson Seagull IR. At this moment, all participants are in the listen-only mode. Later, we will conduct a question and answer session. At that time, if you have a question, please press '*' and '1' on your telephone keypad. Please note this conference is recorded. I would now like to hand over the floor to Mr. Nilesh Dalvi. Thank you and over to you, Sir.

Nilesh Dalvi: Thank you, Raymond. On behalf of Dickenson Seagull IR, let me Welcome you all to the Earnings Call of Tribhovandas Bhimji Zaveri Ltd. for the fourth quarter and full year of 2017-18. Today, we have with us management led Mr. Shrikant Zaveri, Chairman and Managing Director; Ms. Binaisha Zaveri, Whole-Time Director; and Mr. Saurav Banerjee, Chief Financial Officer. Before we get started, I would like to remind you that our remarks today might include forward-looking statements and actual results may differ materially from those contemplated by these forward-looking statements. Any forward-looking statements that we make on this call today are based on our assumptions as of date and we undertake no obligation to update these statements as a result of new information or future events. I would now invite Ms. Binaisha to make her opening remarks. Thank you.

Binaisha Zaveri: Good Evening everyone. I would like to Welcome all of you to discuss the earnings of Tribhovandas Bhimji Zaveri Ltd. for the fourth quarter and full year '17-18. The Financial Year '17-18 ended on an encouraging note as we delivered healthy revenue growth of 13.1% in the fourth quarter along with improved profitability. We recorded same store sales growth of 9.6% in the fourth quarter on the back of the ongoing wedding season. The new range of Gold and Diamond jewellery design launched during the wedding season received a good response from the consumer. Since we kept our operating expenses and finance cost under strict control, revenue growth resulted in positive operating leverage leading to increase in EBITD A margin and net profit margin. We opened our 37th store in Phoenix Market City Mall, Pune, in March 2018. This is our fourth mall store opened in FY '17-18. Opening stores in select malls is a conscious and strategic decision to reach out to a target audience who is different from our co-audience. With an improving macroeconomic scenario and encouraging customer demand trends, we are aiming for an aggressive growth in the coming financial year.

We are continuously working on our retail sales strategy to attract higher store footfalls, increase the share of Diamond jewellery, and focus on same-store sales growth. Additionally,

we also plan to aggressively open new stores through a mix of our own and franchisee stores. Own stores will be a mix of large formats and mall stores in metros and Tier-1 cities while franchisee stores will be opened in Tier-2 and Tier-3 cities. This will help us expand our pan-India presence and achieve a profitable growth over the coming years. I would now like to hand over the call to our CFO, Mr. Saurav Banerjee, for a quick overview on the financial performance during the quarter and the year. Thank you.

Saurav Banerjee: Good Evening everybody. I will begin with the key highlights of Q4 and the full year of '17-18. First, I will read out the Q4 number vis-à-vis Q4 of FY '17. Total income from operations of 433.59 crores for Q4 FY '18 vis-à-vis 383.41 crores for Q4 FY '17, YOY growth of 13.1%, gross profit 56.19 crores vis-a-vis 46.12 crores, YOY growth of 21.84%, gross margin blended 12.96% for Q4 FY '18 vis-a-vis 12.03%, EBITDA 18.96 crores versus 7.95 crores, EBITDA margin 4.37% vis-a-vis 2.07% for previous Q4, PBT 10.13 crores vis-a-vis a negative of 3.18 for the previous Q4, PBT margin 2.34% for current Q4, PAT 7.04 vis-a-vis a negative of 0.05, and PAT margin 1.62% for the current Q4. The full-year numbers; 1755.69 crores for FY '18 vis-a-vis 1697.96 for the previous financial year, YOY growth of 3.4%, gross profit 246.10 crores versus 236.78 crores YOY growth of 3.94%, gross margins blended 14.02% versus 13.94%, EBITDA 73.10 crores versus 70.53 growth of 3.64%, EBITDA margin 4.16% versus 4.15%, PBT 31.90 versus 15.67, PBT margin 1.82% versus 0.92%, PAT 21.05 crores versus 16.74 crores, and PAT margin 1.20% versus 0.99%. We can begin the Q&A session now.

Moderator: Thank you very much. Ladies and Gentlemen, we will now begin the question and answer session. We have the first question from the line of Sushiana who is an Individual Investor. Please go ahead.

Sushiana: Sir, my question was related to how many new stores are we aiming to open in FY '19 and FY '20?

Saurav Banerjee: In the current financial year which is '18-19, we are aiming to open about 15 new stores, 10 of them will be own stores including mall stores and five of them will be franchise stores. Similar number of stores are targeted to be opened in the next financial year.

Sushiana: Secondly, can you please tell me the contribution of franchisees to the top line this year?

Saurav Banerjee: For the full year, the franchisee sales is approximately about 125 crores, we have five franchisees and they have contributed 125 crores to the top line.

Sushiana: The last question, will there be any new debt required for the new stores addition or it will be from internal?

Saurav Banerjee: Mostly, our endeavour is to carve out the new stores from the existing inventory. In terms of capital, we have the necessary limits in place from our consortium of banks so that should suffice for opening of the new stores that we are planning.

Moderator: Thank you. The next question is from the line of Akash Singh from Alpha. Please go ahead.

Akash Singh: Sir, my question is regarding what is the difference between own store and franchise store model in terms of operating margins and inventory turn?

Saurav Banerjee: The biggest difference between own store and franchise stores is that franchisee stores what TBZ is an asset-light model, so entire investment in inventory and 50% investment in CAPEX is done by the franchisee, so that is the biggest difference. In terms of margin, it is a margin sharing model, so we share the margins with the franchisee about 50-50, 55-45 depending on the negotiations as the market in which the franchise is opening a store and also depending on the product mix.

Akash Singh: What is the difference between in terms of inventory turn like in our own store what is the inventory turn and in franchisee stores what is the inventory turns?

Saurav Banerjee: The inventory turn is virtually the same in both the classes of stores whether it is our own store or franchisee store, it is the same.

Akash Singh: What is the contribution of the franchisee towards the operating margin improvement of the overall company?

Saurav Banerjee: Franchisee as I explained just now it is on a margin sharing basis, the gross margins are shared with the franchisee but since the investment from TBZ is very negligible that is why the return on investment will be better and also the economies of scale will apply to TBZ and the EBITDA margins will improve resulting in improved profitability.

Moderator: Thank you. The next question is from the line of Gaurav Jogani from ICICI Securities. Please go ahead.

Gaurav Jogani: Sir, I wanted to know earlier I think we had a strategy of opening 75% stores on franchisee and the remaining would be own stores, but now out of the 15 stores as you mentioned the 10 would be on own stores and five would be franchisees, so why a change in strategy now?

Saurav Banerjee: Actually, there is no change in the strategy, a store opening primarily depends on the location, so you know it depends on the city where we would like to open a store, the region where we would like to open a store, so for example, if we were to open a store where we are currently not present and if it is a Metro city like Delhi or Bangalore or some of the bigger cities then it is preferred that the company opens its own stores which is like the hub and spoke model that we apply, so the hub has to be the own store because that will be a major store in that

particular region and it will act as a feeder or a support for the spoke stores which are the franchisee stores, so the strategy is the same but one has to do some sort of a course correction depending on where we are opening a store. For example, if we were to open a store in a Tier-2 city then in all probability 99.9% the store will be likely to be a franchisee store, so it is just depending on where we are opening store at what point of time. Over a period of time, we are committed to open franchise stores, as I said it is an asset-light model for us, but we are also going to open own stores in cities where we think that it is better to have a TBZ store rather than a franchisee store.

Gaurav Jogani: Sir, would that mean additional burden on our working capital or may be any sort of stress on our funding requirement because now the stores will be opened by us now?

Saurav Banerjee: As I explained to you that the primary aim of the company is to carve out the inventory from the existing inventory, which will also rationalize the inventory to a certain extent. In terms of Gold, we have the Gold-on-lease, Gold-on-loan model, we have enough limits with the bank so that is not going to be a strain on the company's working capital requirement one can say. CAPEX, yes, the company will spend some amount on CAPEX, but that is not a very huge amount. Diamond, we get a fair bit of credit from the market, so there again you know we are not so much dependent on working capital limit, so on an overall basis even when we open an own store, it is not a big strain on the working capital. We have the limits in place, we do not have to reach out to an external force for investment purposes, so I think that should be helping us in opening own stores as well.

Moderator: Thank you. The next question is from the line of Suji Nahar from TVG. Please go ahead.

Suji Nahar: Sir, can you comment on blended and individual inventory turnover?

Saurav Banerjee: Blended in inventory turn is around 1.8, 1.9 whereas Gold inventory turn is approximately 2.4 to 2.5 and Diamond inventory turn is around 1.

Suji Nahar: What are the free cash flow that is generated this year?

Saurav Banerjee: We have a cash flow presented in the investor presentation, may I request you to go through that and if required we can discuss off-line.

Suji Nahar: Last question from my side, sales to sales growth rate, can you throw some light on it?

Saurav Banerjee: In Q4, we have recorded approximately of 9% to 10% of same-store sales growth, so that I think is a very positive sign for the company and in future also we expect the same kind of growth will be able to sustain.

Moderator: Thank you. The next question is from the line of Ravindra Goswami from Locus Investments. Please go ahead.

Ravindra Goswami: Thank you for the opportunity, just few questions to understand the new stores that you would be opening what is the average size of the stores on your own site as well as on the franchisee site?

Saurav Banerjee: Generally, we look at two formats, one is the large format store and one is the small format store. Large format stores are approximately about 2500 square feet in size and small format stores are around 1800 to 2000 square feet in size. Mostly, our stores are within this range. There can be some stores particularly franchisee stores which can be a little lesser, little smaller in the sense about 1500 square feet and if they are opening store in a very large city or kind of Metro city then the store size will be 3000 plus, so that is the kind of range but as I said on an average about 2500, 2000 square feet that is the range of the size of a store.

Ravindra Goswami: In terms of CAPEX what is the average spend on your own stores, if you are opening a 2500 square feet store?

Saurav Banerjee: For 2500 square feet store, it will be approximately about 2 crores of CAPEX, for a smaller store it will be anything between 1 to 1.5 crores.

Ravindra Goswami: What is the inventory strategy for a new store once you decide that you open a 2500 sq ft, , what kind of inventory do you stock it up with on the Gold side as well as Diamond side?

Saurav Banerjee: One can say as a thumb rule it will be around 65% to 70% of Gold inventory and balance will be Diamond inventory, but it depends again on the market and on the city that we are talking about. There can be exceptions to this thumb rule.

Ravindra Goswami: On the overall value side, a new store let us say would be stocked with about 20 or 30 crores of inventory?

Saurav Banerjee: Yes, approximately 30 to 35 crores of inventory, if it is a small store then it will be lesser at around 20 to 25 crores of inventory.

Ravindra Goswami: Just the last question in terms of breakeven, how do you look at the store breakeven and over what period of time do you actually see your stores breaking even?

Saurav Banerjee: Basically, you can say eight to 10 months of breakeven and for maturity, it is about three to four years.

Ravindra Goswami: This eight to 10 months of breakeven is at what level you are looking at?

Saurav Banerjee: At EBITDA level.

Ravindra Goswami: When you say maturity, what does it mean three to four years of maturity?

Saurav Banerjee: Three to four years of maturity in terms of the store, the performance of the store in terms of giving sales to sales growth, because a store takes a bit of time to settle down in a particular market and then the customer and everything the customer base increases, footfalls increase and finally the stores starts delivering a much more profitable kind of numbers, so that is what we are talking about in terms of maturity.

Ravindra Goswami: Just the last question from my side is when you look at just the return on capital employed for the business, what is the sustainable level of return on capital that your business can attain and when do you think you can get there?

Saurav Banerjee: I would say in the range of 15% to 20%, from the current position we should be able to get there in couple of years maximum three years, I think couple of years should be good enough.

Ravindra Goswami: This 15% to 20% is pre-tax or post tax?

Saurav Banerjee: Pre-tax.

Moderator: Thank you. The next question is from the line of Dinesh Sait. Please go ahead.

Jinesh Sheth: My first question is on given the fact that over the past six years we have added around 23 stores and we are embarking on adding 30 stores on a base of 37 stores which is a significant addition to our stores count, so what is pushing us or what are we seeing to embark on such a massive expansion?

Saurav Banerjee: I think you know over the past few years we have seen a lot of regulatory changes, many of them have been adverse for the industry and have been impediments in the growth path. Having said that, we are pretty confident that now that some kind of settling down phase is clearly visible in terms of GST, in terms of hallmarking in terms of level playing field and in terms of also the organized sector clearly growing at a faster rate than it was in the last three or four years, this is one of the aspect. The second aspect is that India has very huge market which is still largely untapped for aspirational brands like TBZ and we are pretty confident that this is the right time to expand more aggressively more rapidly. We were consciously not expanding rapidly in the past two to three years-four years, but now I think we see an opportunity particularly when the organized sector is going to play a much more significant role, so I think those are the factors those are the drivers which we have taken into account. We are clearly seeing an upsurge in terms of customer interest in branded products in Tier-2, Tier-3 cities in the catchment areas and semi-rural areas as well and we find that there is a huge market potential for a brand like TBZ to reach out to those customers. These are the considerations which we have taken before we have embarked on this expansion journey. We also know that the mom-and-pop kind of jewelers they have started contracting in terms of numbers because of regulatory changes, because of GST, and other measures which they are finding it difficult to live up to perhaps and we can see a clear focus and the movement for the customers towards

brands which are trustworthy, which have been around for many, many years, the legacy and all that and that also encourages us to reach out to these customers in different parts of the country.

Jinesh Sheth: I would like your thoughts on the fact that over the past five to six years in terms of SSG, we have barely grown, so how do you see that number picking up or what were the challenges where we are not able to grow the SSG over the past years?

Saurav Banerjee: Of course you are right that there has been a very sluggish growth or maybe in couple of quarters even a degrowth in terms of SSG, but if you look at some of the recent quarters including Q4, you will find that there has been I would say a reasonable same-store sales growth which has been recorded. In this quarter, we have recorded about 10% of same-store sales growth. In terms of our strategy, in terms of overall selling and marketing strategy, we are completely refocused on increasing the footfall, the walk-ins and the footfall that we are focusing on once again if different kind of a strategy and we have found that in the initial phases of the strategy rollout, we are seeing good response, we have seen the footfalls increasing and which will convert into sales because the conversion ratio for TBZ has always been one of the best in the industry, so we are pretty confident that with this kind of movement, we should be able to register consistent same-store sales growth in the forthcoming quarters.

Jinesh Sheth: Lastly, in terms of the investment required from our side, correct me if I am wrong, so over the next two years, considering the kind of expansion plan that we have, the CAPEX could be around 40 crores and the investment in inventory could be around 600 crores?

Saurav Banerjee: CAPEX will not be 40 crores.

Jinesh Sheth: Assuming 20 stores are our own stores, I am talking about '19 or '20 and you mentioned 2 crores of CAPEX for own stores?

Saurav Banerjee: While you are theoretically correct, but every store will be of different sizes, so this is the maximum, so there will be stores which are small in size, for example, mall stores very, very little or almost no CAPEX is required, smaller stores require much less CAPEX, so CAPEX will not exactly be 40 crores, but yes, there will be a reasonable sum of money that will be required. Inventory again, but one must also add that when you open stores then there is cash flow generated as well, so it is not just an outflow of cash, but there is an inflow of cash as well from the new market and from the sales that happen, so it is a balance and whatever limits we have in place currently, we have unutilized limits from banks and we are planning to use them and of course if required we can ask for little more limits from the banks which I am sure we should be able to receive, so on an overall basis we do have enough wherewithal to open stores and as I said, it is not just an outflow, there will be an inflow and it will get matched out.

Jinesh Sheth: Out of these 15 odd stores that we are planning to open in FY '19, how many of these are we already in the phase of discussion may be at advanced level or initial level, I mean how many of these areas or locations have been identified at this moment?

Saurav Banerjee: Most of the locations have been already identified. We are aware which are the cities where we want to open the stores so that identification, the initial task is already been completed. In several cities, the work is progressing in terms of either getting ready to open a store or discussions with the franchisee partners is ongoing, so I think we are fairly well prepared to go ahead with the opening of stores planning that we have done.

Jinesh Sheth: One last thing, coming back to the same-stores sales growth as you mentioned that this quarter we have done phenomenally well so do you see that it is a structural change that has happened, do you see that to sustain at least for a year or a few quarters?

Saurav Banerjee: As I explained nothing happens without reason so I just explained very briefly to you that we have a strategy in place, it is a well thought out strategy and it seems to be working well for us although it is early days, it is a very I would say scientifically-based strategy, you increase your visibility, your communication to customers are straight and there is no ambiguity in it, walk-ins and footfalls increased, conversion has been the strength of this company and which will result in top line. I mean as far as revenue growth is concerned, same-store sales growth in terms of revenue, this is very I would say well laid out, well thought out strategy and should be working well for us.

Moderator: Thank you. The next question is from the line of Rohit Pothi who is an Individual Investor. Please go ahead.

Rohit Pothi: Sir, just one bookkeeping question, I was noticing that we have been aggressively growing our store account, but our employee cost is going down so how are we managing that I mean I understand that from my understanding on a yearly basis I would guess there will be per employee increase in salary driven by inflation and this coupled with the store count should increase our overall employee cost, so how are we actually reducing the cost over a year-on-year basis?

Saurav Banerjee: I mean employees are obviously adequately rewarded for performances, but what we do is that we have done a lot of rationalization on the ERP front, fair amount of automation has happened in the recent times versus whatever it was earlier, and efficiencies have been built in every single function that we have, so we have been very consciously looking at the employee headcount and we have been able to cut that, reduce that effectively in several areas which is why you see some kind of drop in the overall employee cost.

Rohit Pothi: Is there a number, so you want to keep it what around 3% to 4% of the sales, is there a number like that you are looking at?

Saurav Banerjee: I would not say that there is any such number. If somebody is required to be hired for his expertise then there is obviously no question that will be done, but at the same time as I said that one needs to look into the automation measures, the efficiencies in the workplace and we should be well optimized in terms of our manpower strength, we should neither be over or nor below the requirements, so that is how it is, there is no such thumb rule or some percentage.

Rohit Pothi: Just from my understanding, how is the landscape in the jewellery sector post the PNB scam from the customers and the banker end, I would like to get the management's perspective, is there a sea change in the environment that you and the industry faces post that development?

Saurav Banerjee: Whenever you know such incidents occur which are shocking and very surprising, naturally there will always be some kind of I would say extraordinary reactions from banks and also to a certain extent from customers and the jewellery industry generally comes into a lot of focus, but then as we know it is not that the entire industry is doing something different, it is those individual companies or those individuals who may have stepped outside the law and obviously law will take its natural course. From a customer perspective, yes, sometimes they do get worried or they have too many questions on their mind, but companies like TBZ obviously we give them that comfort and they are aware that the legacy of the company, the trust factor is there so it is very temporary and things settle down pretty quickly.

Moderator: Thank you. The next question is from the line of Amneesh Agarwal from Prabhudas Lilladher. Please go ahead.

Amneesh Agarwal: Sir, we have reported a very sharp increase in other income in Q4, can you throw some light on the source of increase in other income?

Saurav Banerjee: Basically, it is the interest that is earned from fixed deposits and such other miscellaneous.

Amneesh Agarwal: There is a sharp increase nearly from I think it is from 1 crore to 3 crores sort of a jump?

Saurav Banerjee: For us as you are aware that it is the revenue which is there, I mean other income is just coming from financial I would say from the FDs and from other such investments, so that is about the other income. Mainly, there is nothing else but sales which happens from the Gold, Diamond and various other products that we, Platinum, Silver, and Jadau.

Amneesh Agarwal: This sort of a number is sustainable from a quarter-on-quarter basis?

Saurav Banerjee: Other income is not something that can be sustained, I mean it happens as and when it happens, the focus of the company is to sustain the revenue number and growth in that line of business.

Amneesh Agarwal: Sir, you just talked about your new campaign on increasing the visibility, marketing, and communication, but in your communication we are also which is on various say FM channels

or otherwise we are coming across aggressive advertising of the making charges and also, can you throw some light whether you have cut some making charges, how you have rationalized marketing strategy you are talking about?

Saurav Banerjee:

The cornerstone of this thing that we are doing is that we want to communicate directly and freely to the customers, the communication has to be crystal clear, no ambiguities, no ifs and buts, no thinking, no thought process that needs to go behind that. Whatever we are advertising, whatever the customer reads or hears or sees on television is what the customer will get when he or she walks into a TBZ store, so they do not have to worry about what is the interpretation of this communication, is there any something like a minimum level of purchase or a maximum level of purchase or there are some criteria and too many terms and conditions around the communication, so the basis is that we want to reach out, we want to inform everybody that this is what we are offering if you come TBZ store and if you buy a particular kind of product or design, you are going to get this plain and simple, you do not have to worry and take out your calculator and start doing all kinds of mathematics, so that is what we want which has helped us to reach out to a much wider range of customers, people who have been maybe sitting in the fence, maybe they had aspirations of purchasing a TBZ product, but were not able to do so for whatever reasons, they have come forward, the footfalls have gone up, people who have not yet been able to experience the TBZ brand have come forward and that is how the strategy of communication which we have played out through an advertising campaign, which has happened on all the media vehicle.

Amneesh Agarwal:

Sir, in this process have we cut on our making charges?

Saurav Banerjee:

Yes, there is as I said the aim was not to cut the making charges or anything like that, the aim is to reach out to maximum number of customers and give them that assurance that TBZ stands for what they say, so if we are committing something then there is no question of going back on that, they do not have to worry about any ambiguities. I think that is what is the I would say the nature of the communication, that is what the thought process is, so we have making charges, of course, yes, that is there but then that can be done in a different way also, one can do a tactical campaign, but that was not the thought process.

Avneesh Agarwal:

Sir, finally you are talking about opening 15 stores next year, so can you throw some light that where these stores could be in Tier-2, Tier-3 cities or in existing areas or states where you are operating or you are planning to enter some new geographical areas?

Saurav Banerjee:

We are planning both actually, there are geographical areas where TBZ is not present or maybe present in very, very small numbers, for example, in northern part of the country and also certain places in the South, so we are targeting those areas, for example, the Northern belt we are looking at the Delhi, Noida belt, we are looking at Uttar Pradesh and Punjab, so these are the states that we are looking at, we have identified cities there, we are also looking at South, Karnataka, couple of more stores in Telangana, Andhra Pradesh. We are also looking at East in

Kolkata, in Assam, in Orissa, so some of these states, so it is a well spread out kind of a strategy, so that our reach increases and the pan India presence of TBZ is much more emphatically felt and we reach out to all customers across the length and breadth.

Avneesh Agarwal: Sir, as you are looking at say more of your own stores, will own stores be more in the existing geographies or even in the new geographies?

Saurav Banerjee: The way we have tried to ascertain as I said earlier also that if it is a very large city, if it is a Metro city or a place where TBZ thinks that it is better off opening its own store then we will go for that. If it is a Tier-2 and Tier-3 city or some of the smaller town then we have seen that franchisee stores operate well enough and we will go for franchisee store, so I think that is the kind of criteria that we are using and we will be using in future also.

Moderator: Thank you. The next question is from the line of Keval Shah who is an Individual Investor. Please go ahead.

Keval Shah: Sir, what would be our revenue from non-Maharashtra stores in FY '18 and what would be the same number in FY '17? I also wanted to know what would be our revenue from our *Kalpavruksha* scheme in FY '18 and if possible can you add that number in our investor presentation because I guess that is a sizeable amount compared to our total sales and also what would be our total sales from repeat customers?

Saurav Banerjee: In terms of KP sales for the full year, we have about 200 crores of KP sale approximately about 200 crores of KP sales which has happened, which is an increase from last year, last year it was about 140 crores of KP sales. What was your third question?

Keval Shah: Sir, how much percent of our sales is roughly from our repeat customers?

Saurav Banerjee: About 60% of our sales will be coming 60% to 65% of our sales generally comes from repeat customers, balance comes from new customers. We expect that we shall be having more contributions from new customers with the strategy that we have recently adopted.

Keval Shah: Sir, if you could comment on what could be the share of revenue from non-Maharashtra stores?

Saurav Banerjee: I think it will be around probably about 65% to 70% maybe coming from non-Maharashtra stores

Keval Shah: Similar ratio in FY '17 as well?

Saurav Banerjee: I mean it can defer a little bit here and there, the gap has been growing, so we are spreading out better which means but you can say a general rule probably it is about 60% to 65% currently.

Keval Shah: Sir, my last question would be from our total new 15 stores, how many of them would be mall-based stores if you could give some idea?

Saurav Banerjee: Let us say you know probably three to five I would say will be mall stores.

Moderator: Thank you. We have a follow-up question from the line of Rohit Pothi who is an Individual Investor. Please go ahead.

Rohit Pothi: Sir, just following up on the previous participant, I was wondering I think the mall strategy are pretty new for our company and I was wondering how has it performed for the last year?

Saurav Banerjee: Mall stores have very recently opened, just a few months old, difficult to really comment on what exactly is going to happen, we need at least about as I said eight to nine months minimum to understand some kind of trend, but so far we have seen good numbers coming out in the sense that mall stores are actually for small ticket daily wear items mostly Diamond jewellery, so I think they have been well-received by the millenniums audience or the crowd that generally comes to the mall, so I think that way we have seen some kind of pickup or popularity that is already gaining grounds there, but difficult to say, maybe by the second quarter of this year, we should be able to tell a little more about how exactly the mall stores are doing.

Rohit Pothi: The top five stores contributing to total revenue, how has it been this year compared to last year, top five and top 10?

Saurav Banerjee: Top five stores would have contributed about 27% to 28% to the total sales approximately.

Rohit Pothi: Compared to FY '17, how much would that have been?

Saurav Banerjee: FY '17 also more or less the same number, maybe a couple of percentages here and there.

Rohit Pothi: I was wondering how the business has been this year after March 2018, this quarter how has the customer interest in the jewellery purchase has been?

Saurav Banerjee: You are talking about April, April has been a fairly good month for us, I think we are continuing to witness the growth in footfall and I think the strategy that we have adopted is working fairly well, so in terms of beginning to the financial year, it has been a pretty I would say encouragingly.

Moderator: Thank you very much. We will take that as the last question. I would now like to hand the conference back to Mr. Nilesh Dalvi for closing comments.

Nilesh Dalvi: We would like to thank everyone for joining us for today's call. In case of any further questions, you can get in touch with us. Our coordinates are provided at the end of the presentation, thank you.

Moderator:

Thank you very much. On behalf of Tribhovandas Bhimji Zaveri Limited that concludes this conference. Thank you for joining us ladies and gentlemen. You may now disconnect your lines.