Date: 10th May, 2022

To,

The Manager,	The Manager,
Compliance Department	Compliance Department
BSE Limited	**National Stock Exchange of India Limited**
Corporate Service Department	Exchange Plaza, Plot No. C/1,
Phiroze Jeejeebhoy Towers,	G Block, Bandra-Kurla Complex,
Dalal Street, Mumbai - 400 001.	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, 6th May, 2022 at 4.30 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.The audio recording of the Conference call was submitted to the Stock Exchanges on 6th May, 2022.

We request you to kindly take the same on record.

Thanking You.

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

Tribhovandas Bhimji Zaveri Limited Mumbai

Niraj Oza
Head - Legal & Company Secretary

Encl: as above

Tribhovandas Bhimji Zaveri Limited
Earnings Conference Call
May 06, 2022

Moderator: Good evening, Ladies and gentlemen. I am Mike, moderator for this conference. Welcome to the Q4 and FY22 Earnings Conference Call of Tribhovandas Bhimji Zaveri Limited organized by Dickenson World 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 wish to ask a question, you may press "*" and "1" on a telephone keypad. Please note that this conference is being recorded. I would now like to hand over the floor to Ms. Pushpa Mani. Over to you, Ma'am.

Pushpa Mani: Thank you, Mike. Good evening, everyone. I welcome you all to the earnings call of TBZ Limited for the fourth quarter and year ended March 22. Today on this call, the management of TBZ Limited will be represented by Ms. Binaisha Zaveri – Whole Time Director, and Mr. Saurav Banerjee – Chief Financial Officer. Before we get started, I would like to remind you all that remarks made today might include some forward-looking statements and actual results may differ materially from those contemplated by forward looking statements. Any statement made today on this call is based on our assumption as of the date, and we are under no obligation to update the statements as a result of any new information or future events. I would now like to invite Ms. Binaisha Zaveri to make the opening remarks. Thank you and over to you, ma'am.

Binaisha Zaveri: Good evening, everyone. I welcome you all to the earnings calls of Tribhovandas Bhimji Zaveri Limited for the fourth quarter and the financial year ended March 2022. Thank you for sparing your valuable time and joining us here today.

The year gone by posed several challenges to the business due to COVID-related disruptions and geopolitical disturbances. Despite the challenging operational environment, TBZ registered YoY revenue growth while curtailing operating expenses. As restrictions eased and vaccination permeated in large populations, there was a gradual return to normalcy. As a result, customer sentiments improved, and there was a steady incline in footfalls at the store level. Pent-up demand for diamond jewellery, wedding purchases, and festival buying led to the healthy conversion of the increased footfall, However, gold price increased, widespread lockdown, and the emerging Omicron variant resulted in customers deferring or reducing their outlay towards jewellery purchasing in Q4. As we focus, the customer communicates brand recall and brand commercials.

We also implemented strategic brand-centric campaigns, including discounts and special offers connected to specific products and strengthening our visibility across social media and digital channels. These digital campaigns also had a positive rub-on effect in driving store footfalls. Through these various initiatives, we maintained TBZ's strong positioning as a preferred jewellery destination that caters to all occasions, weddings, and everyday jewellery.

In the current ensuing fiscal period of FY2023, TBZ is once again in an expansion mode and fully geared up to reap to benefits of fairer weather; we are pleased to announce that after two years of pause caused by Covid-19, we are shortly about to launch our new store very soon.

The Inventory levels as of 31st March 22 were strategically kept at adequate levels to cater to the rising demand during festivals like Gudi Padwa and Akshaya Tritiya in the month of April and May. Borrowings also seem to be inflated because of the higher utilization of bank limits to maintain high inventory levels. Inventory and borrowings will taper down soon as sales are out of the current inventory. Our efforts have positively impacted our balance sheet to reach our planned levels.

Customer preferences for branded jewellery continue to sustain, giving TBZ a strong brand pull. With our continuous efforts towards product innovation, the launch of new collections, and brand promotion, the company shall be firmly positioned to gather further momentum in the market field.

We shall continue to remain vigilant in ensuring our Balance Sheet remains strong and maintaining a robust retail sales strategy to drive higher store footfalls. We will also focus on our online customer engagements to support our digital revenues and generate healthy profits. We also intend to improve our margins further and acquire customers while maintaining our discipline on cost control measures.

I would now like to hand over the call to our CFO, Mr. Saurav Banerjee, for a quick overview of the financial performance; thank you, and over to you.

Saurav Banerjee: First, I will read out the quarter numbers total income from operations- ₹431.49 crore vis-a-vis ₹366.08 crore YoY growth of about 18%. Gross profit ₹45 crore vis-a-vis ₹47.19 crore; gross margin 10.44% vis-a-vis 12.89%, EBITDA at ₹15.44 crore vis-a-vis ₹20.40 crore. PBT has ₹2.84 crore vis-a-vis ₹10.78 crore and PAT at ₹2.43 crore vis-a-vis ₹8.60 crore. For the full year, the numbers are total income from operations ₹1843.84 crore vis-a-vis ₹1341.99 crore. Gross profit at ₹197 crore vis-a-vis ₹213 crore, gross margins at 10.7% vis-a-vis 15.9%. EBITDA at ₹72.35 crore vis-a-vis ₹120.97 crore. PBT at ₹22.88 crore vis-a-vis ₹59 crore and PAT at ₹17.11 crore vis-a-vis ₹43 crore. We can now go ahead with the Q&A session.

Moderator: Thank you, sir. We will now begin the question-and-answer session. The first question is from the line of Sonali Rao from SR Financial Services. Please go ahead.

Sonali Rao: I want to understand how has been the contribution from Kalpavruksha scheme in this quarter and also for the financial year 2022?

Saurav Banerjee: The Kalpavruksha scheme, which is our EMI based saving scheme, has done pretty well in this entire year, and we have realised the sale of more than ₹130 crore from this scheme for the full year. Quarter sales also is in line with the overall number; about ₹30 odd crore being realised in this quarter. In terms of advances that we have received as EMI against Kalpavruksha scheme, more than ₹100 crores of advances have come in by way of EMIs that will mature eventually and result in further development, sales in the forthcoming period, which is in this financial year. Usually, Kalpavruksha scheme when it matures and when there is a redemption which happens there is an upselling which also happens, for example, if someone's maturity amount is ₹ 1 lakh, it has been seen that most customers end up buying jewellery (worth) ₹1,30,000, ₹1,40,000 or even ₹1,50,000. So, anything between 30% to 50% of upselling is also happening through the Kalpavruksha plans.

Sonali Rao: I have one more question. We have seen the jewellery sector consolidating now, especially after hallmarking is made compulsory. So, I just want to ask how is the competitive intensive, especially post hallmarking, is being made compulsory I, also wanted to know the competitive intensity from all other unorganized players in the market?

Saurav Banerjee: Yes, you are right. There is a lot of consolidation which is happening, and also the organized sectors share in the entire industry is increasing. So, the percentage of organized shares is currently a little above 30%. At one point of time, it was less than 10%. So obviously the organized sector is growing pretty fast, and the unorganized sector is finding difficult to keep pace with the kind of growth because of various regulatory measures that have been implemented by the government. As you rightly mentioned one of them and a very significant one is hallmarking because hallmarking ensures that the customer gets the exact what they are looking for, what they are paying for in terms of the purity. TBZ as a brand has been selling hallmark jewellery for ages now nothing new as far as TBZ is concerned in terms of hallmarking, but it is a game changer for lots of unorganized players who were probably not really getting the jewellery hallmarked, which they have to do mandatorily now. So, it is a game changer. The competitive environment is extremely strong, extremely stiff I would say lots of players in the market several national brands are competing for the market share, regional brand and also mom and pop shops who has one or two stores in a particular city, but in those cities, they have strong legacy or loyalty of customers following them. So, overall, the competitive spirit is very high, which is good for the industry because it brings out the best from every player and also the customer benefits in the long run.

Moderator: Thank you. We have the next question from the line of Harish Shah from HS Shah. Please go ahead.

Harish Shah: I have some questions from my side. First of all, like, we saw the revenue for the full year and the quarter is increasing, but we feel that there was a decline in large margins, so if we can get the reason for that, that is my number one questions and secondly, how do you see the EBITDA margins and PAT margins panning out for the FY23 that is my second question?

Saurav Banerjee: Yes, you are right. The revenues have increased substantially, particularly for the full year. The margins have fallen to a certain extent both are correct. I will tell you the reasons briefly. First, coming to the gross profit margins it is dependent on numerous factors. One, of course, is the gold price movement. The second is the product mix that a company sells. So, for example, TBZ suppose it is having a gold and diamond product mix of say 75:25; 75% being gold and 25% being diamond, and suppose it changes to say 79:21 or 80:20 because of customer preferences of buying which can sometimes change towards gold, gold being a safer haven and having seen the kind of economic stress and strain that everybody has gone through the natural tendency of every buyer is to lean towards gold in difficult circumstances, as compared to diamond. So, when there is a shift in the product mix, it is a significant shift even a 1% shift in product mix is a significant shift. Why? the reason is that diamond GP margins are generally three times that of gold. So, for example, if gold margins are at an approximate 10%, diamond margins will be 30%. So, this kind of shift, when it happens it, starts impacting the GP, although these are temporary phenomenon. In the longer run, things even out, but in the Quarter 4 and also to a certain extent in the full year, there has been a little bit of shift towards gold more than what used to happen earlier that is one important reason I would say. The other is that the company and, in fact, the entire industry has just come out of a pandemic kind of a situation. I would now like to elaborate. Everybody knows what the entire world has gone through, and the focus of the company was to get back the customer into the store. So, the customer were not sure of what was happening, there was a sense of fear because of the kind of infection that was spreading, vaccination and every other step taken by the government helped, and finally, the customers were eager to come out or cater to the pent- up demand. Still, the role that the company has played is to communicate effectively through their marketing campaigns and advertising efforts to bring back the customers. The old customers who have sort of shied away, they have started coming back. People who were not familiar with the brand, first timers, have started to come so there is an increase in the first timer. I would say customers that have come into the stores. Overall, the walk-ins have started improving. The focus was entirely on getting back the customers, a good conversion ratio, revenue generation, and a high revenue generation. So, this year, the great focus was on that, and we have been able to achieve that to a great extent. Going forward, obviously, the focus will again be that on the margins so, that is one thing. Secondly, as far as EBITDA margins are concerned, there is a dip because the operating expense of an increase in this year, or I would rather say that they have come back to some kind of normal kind of spends that used to happen earlier. The two major operating expenses that have gone up are manpower cost primarily-there was the restoration of the entire full pay for all employees, which was restricted during the COVID times. The increments that have been rolled out and from a marketing and advertising perspective, there have been an increase of approximately ₹19 crore because, as I said, the focus and the strategy of the company was to invest in marketing opportunities to bring back the customers, to communicate effectively talk about best price, talk about designs, the kind of range that we have. I think we have been pretty successful in doing that. In terms of a long-term EBITDA margins, I believe that we should be able to go back to the 5% to 6% level in a normal kind of scenario- 5% to 6% of EBITDA should be very much possible.

Harish Shah: So, you target 5% to 6% EBITDA margins by this current FY23?

Saurav Banerjee: You asked about FY23.

Harish Shah: So, this would be by the higher EBITDA margin would be again any strategy for achieving?

Saurav Banerjee: Yes, of course, there is a strategy behind everything. So, basically, as I said that we will be focusing on selling better and realizing greater margins from what we sell. So, there will be a greater focus on studded jewellery, and antique jewellery and also primarily on diamond jewellery which, as I said, I just explained that it would be in greater margin and of course, there will be a tight control on the cost now that we have understood what needs to be done and how it needs to be done to sort when we are coming out of a very unprecedented situation. Going back to the normal situation, things will be relatively easier to monitor. And we are pretty confident that the EBITDA margins will increase in the current financial year.

Moderator: Thank you. We have the next question from the line of Kritika Jain from SS Investments. Please go ahead.

Kritika Jain: My first question is regarding our expansion plans in terms of a store expansion plans for FY23 and FY24. Any idea on how many stores addition we are targeting and in which geographies, and what kind of revenue are we targeting from those store addition?

Saurav Banerjee: So, in fact, in terms of expansion, we are gearing up for the first store under the expansion plan, which should be coming up by the end of this month or by the first week of June. This will be, of course, in the new Bombay area, a size of approximately 2,200 square feet, so size medium-size store, which is coming up, as I said very soon shortly and post that we shall be looking at further expansions during the financial year. I am talking about FY22-23 now. So, we are targeting about 5 to 6 stores overall in this financial year. We need to see when we will get to open them it will obviously happen the first one as I said, it is coming up. In terms of geography or regions, we are focusing on two kinds of region areas- one is where we are already present and where we think that there is a need for an additional store because the city itself would have grown, the population would have grown, people are reluctant to travel too much nowadays they want everything at the doorstep. So, there are opportunities to open more stores in existing cities also looking at one or two areas where we will be like entering for the first time in that city because we think that’s the kind of gentry that is present, the population and the targeted audience or the targeted customers we will be able to find good sort of I would say aspirational purchase coming out from those cities. So, these are the two kinds of geographical areas that we are looking at.

Kritika Jain: What kind of revenue are we targeting from the addition?

Saurav Banerjee: Let us say a store which will be about 2,200 odd square feet having an inventory of say around ₹25 to ₹30 crore, we should be able to get in the first year we should be able to get about anything between ₹40 to ₹50 crore of revenues obviously going forward the revenue will start increasing because the inventory turns will improve. So, this is the modest number I am talking about; maybe a conservative number it should be a little bit higher on that.

Kritika Jain: And if you could give us any guidance on the CAPEX for the next two years, inclusive of our planned store expansion?

Saurav Banerjee: So, CAPEX is not really much. It is a small amount simply because the stores that we open, let us say the store that I have been talking about, will probably have a CAPEX at max ₹ one crore. So, if it is a slightly larger store, 3,000 odd square feet, it may go up to ₹1.5 crore or a maximum ₹ two crore. So, if I am opening five stores, it will be at max ₹ ten crore for one financial year, in all probability less than that but let us say ₹ ten crore.

Moderator: Thank you. We have the next question from the line of Neha Sharma from Pearl Globe Investments. Please go ahead.

Neha Sharma: Sir, could you please (throw) some light on the kind of sales you are generating from the online channel?

Saurav Banerjee: So, we are present online, yes, but that is a very small percentage of our total revenues that we generate. It is a small number as of now. Obviously, we are trying to ensure that number steadily increases, and efforts are being made to invest in those opportunities, but as of now, it is a very small number not worth really mentioning. Perhaps by the end of this financial year or going into FY23-24, we should be able to talk a little more. I would say in details about online revenue is being generated.

Kritika Jain: Sir, also, if it is possible, could you give the numbers for the quarter and full year?

Saurav Banerjee: Online.

Kritika Jain: Yes.

Saurav Banerjee: It is a really small number, ma'am. Not really anything much significant, a very small number.

Kritika Jain: Also, if you could let us know the margins?

Saurav Banerjee: So, it is all jewellery. I mean, whatever is being sold in a brick-and-mortar store is what is available, not the entire range, obviously. So, the margins are truly the same.

Kritika Jain: Sir, also, what are your plans for further expansion on online sales going ahead.

Saurav Banerjee: As I said that we are looking into and we are investing in that opportunity, the company will shortly be getting ready to come up with its own platform. Earlier, we have been present on the marketplace that forms like Flipkart and Amazon, and Snapdeal, but now we have moved away from that, and we are looking to have our own online platform.

Kritika Jain: And what kind of competition are you seeing in for the online channel?

Saurav Banerjee: Competition well online as a jewellery opportunity online sale is still in the initial stages of its career if I may say so. So, in fact you would have seen that some of the online players who started 100% online are now coming back and opening physical stores. So, there are few brands which are relatively well known in the online space, and they are coming out establishing a brick-and-mortar stores. So, I think online as a platform for jewellery sales need to mature a little more in this country.

Kritika Jain: Last one thing I notice, sir, from last 8 quarters, we are seeing a diamond sales share has never crossed 30%. If you compare it to our peers, it is not increasing that much; could you throw some light on that?

Saurav Banerjee: Yeah, so diamond sales margins at 30% average is a fairly healthy margin, I would say. See, it depends on what kind of range of products that is being sold or is being offered to the customers. We believe that every customer will have a different kind of a budget, and different kind of preference for diamond purchases, and we would like to cater to that earlier. We have run campaigns on the affordable diamond, which probably you would have noticed, or you would have heard about. The word speaks for itself affordable, so what we have tried to do is that we have tried to increase our customer base, we have tried to make diamond jewellery more and more popular, and more and more, I would say suited to the pockets of the individual. So, that is something that we have tried to do. We believe that this strategy will ultimately pay greater results. The diamond market will mature, the jewellery market for diamond will mature further and further, and there will be a tendency of customers to check out the diamond jewellery nowadays as you know, gold is firm favorite, but once that change happens, even to a certain extent it will help the company to generate greater revenues and greater margins.

Moderator: Thank you. We have the next question from the line of Komal Arora from Global Investment. Please go ahead.

Komal Arora: I have got two questions. Could you please elaborate for brand building and promotion going ahead as we have seen this quarter you have invested in the same, and what kind of percentage of revenue you have targeted for this current fiscal FY23?

Saurav Banerjee: Brand building and advertising activities and efforts is an ongoing process. They go hand in hand, sometimes, we are focusing on practical campaigns or product-specific or region-specific campaigns, and sometimes, we are doing activities to increase the brand visibility so that we reach out to new customers in the sense that we have new customers walk-ins. For example, this year we have seen an increase of new customer walk-ins by more than 10%. We are also at the same time looking at customers who were earlier with TBZ but probably have fallen away or maybe gotten into a dormant kind of a state, so they are called win-back customers. Thereto we have seen an increase of more than digit double-digit in terms of people coming back. So, I think as I was trying to say that brand building and advertising activities go hand-in-hand, they complement each other. We have a celebrity who endorses our brand who represents our brand- Sara Ali Khan. So, I think she is also very popular with the younger generation. She has made a mark for herself in representing the company's products and the various other offering offerings. So, I think this is an activity worth investing in. We have actually, as I told earlier to someone who has asked a question, we have spent strategically increased our spending on brand building and advertising campaigns. So, basically, it is a communication which goes out to customers at various stages of their relationship with the company either they are trying to figure out whether they should relate to TBZ come as the first-time customer or they will continue to be the customers or come back. So, all kinds of customers are targeted through various kinds of communication.

Kritika Jain: So, can we call it one of the strategies to increase your market share in the coming years?

Saurav Banerjee: Yes, of course, yes.

Kritika Jain: Apart from this one of the strategies, what are the other strategies you have in mind, sir?

Saurav Banerjee: Other brand-building strategies.

Kritika Jain: Other than brand building strategically?

Saurav Banerjee: As I was explaining a short while back that we are getting into an expansion mode gradually. So, the expansion itself is getting into new areas where we are not present, and obviously, we will target the customer base of those areas. It will expand our reach, it will help us penetrate deeper into markets wherein, so far, we may not have been present. That is one way of doing it which we are going to do. The third is to increase the catchment area itself. So, while we are located in a particular city, there is a surrounding area of say 100 to 150 odd kilometers, which we look into, and we strategize. We plan for holding an exhibition in those cities. So, those people living there get a flavor of TBZ as a brand, and we tried to attract the aspirational mode of somebody who wants to associate with the brand instead of trying to always remain with the mom-and-pop shops. So, these are the other activities or the efforts that are going into increasing market share.

Kritika Jain: And when TBZ plans to achieve double-digit ROCE, basically I am talking about return-on-capital-employed?

Saurav Banerjee: Yes, of course, I mean the entire effort is targeted towards that. It is difficult to say when exactly it will happen, but obviously, we would have wanted to happen in this financial year itself.

Moderator: Thank you. We have the next question from the line of KMS Prasad, an investor. Please go ahead.

KMS Prasad: Sir, I have a couple of questions. During the IPO, it was about 14 showrooms you have and the promise of 43 additional showroom within two years. Till date not even 50% of the additional showrooms were opened, and the business is not so great. As you know there are so many chains that have come up, and this is the problem we have. Why was this promise not fulfilled to date?

Saurav Banerjee: Currently, we have 31 showrooms. Earlier not so long back, we had more than 40 showrooms. So, if you are talking about 14 showrooms, we expanded to more than 40 showrooms, and the reason for the climb back, which will happen in the last one and half years, is only because of the COVID and the lockdown impacts that impact showrooms the, the company has gone through. Let me explain further that several of our smaller showrooms were in the malls, and those mall showrooms were opened with a strategy in mind. However, when the COVID-19 spread across the country and the government imposed a lockdown, as you know, nationwide lockdown, and that lockdown was there in place for a fairly long period of time, naturally, one of the I would say, public places that was initially and completely lockdown right from day one were the malls because there was the fear of the mass spread of COVID if people were thronging into malls. Hence the malls became inoperative and there was no way any business could have been generated from those malls. So, it made a lot of imminent sense to close down those showrooms because they were not going to help in anyway and would just be a I would say, a weight full spent. So, I think the company took a very correct decision of closing those showrooms and waiting for an opportunity to probably go back and open them when the things are better placed. So, the showroom getting closed is also a good strategy to have if it is not going to yield any result or if it is not going to generate revenues or profits or margins it makes sense not to keep on investing or spending on those tours, but it does not mean that it has gone forever. These are temporary measures that the company takes based on situations, and we can assure you that going forward, given the good opportunities when the economy is already opening up, although there are still some challenges which we are facing because of geopolitical reasons, but obviously, everybody is very hopeful that good times will come back and then you will surely see that we shall be expanding a little more rapidly. So, that is what I wanted to explain to you.

KMS Prasad: From the IPO model in 2012, that is about 10 years now gold prices went up by about three times and obviously the top line grows very well, but the IPO prices Rs. 120 and today there is an erosion of almost like 50% in terms of rupees Rs. 64 today market price and Rs. 120 of IPO price and also if you consider the inflation the shareholder's value has become zero where the problem lies is it the performance in the company performance, the performance with the business problem or something else then the shareholder wealth is not improved however investor will show interest towards TBZ?

Saurav Banerjee: I understand your question, so sir this is something that the company is constantly working on. As you are aware retail jewellery and gems and jewellery sector as a sector has been played or has had headwinds because of various reasons ranging from regulatory changes, some kind of political kind of changes which have happened because of certain other reasons, but unfortunately they have impacted the industry and the company to a certain extent and finally, of course, the last two years I mean need not say because of the COVID and lockdown there was an impact, but what I can assure you is that we have taken note of this whatever you have mentioned just now. We are working towards it, and we should be able to come up to your expectations sooner than later. There is no problem with the business model. This is the same business model that was there earlier, and it is also a very similar business model to some of the other players in the market. There obviously are some changes that will happen from company-to-company, but on an overall basis, this is the business model which is being followed by several other companies. Some of them are doing reasonably well, some of them are doing okay, and some of them are not really performing well. So, we have seen other companies who have fallen by the way, and we have seen companies who have been able to come out of the challenges that they have constantly faced. I think TBZ has been able to come out of those challenges, and yes, I mean there is always scope for improvement, and we shall do that, and we shall be able to answer or rather live up to your expectations.

Moderator: Thank you. We have the next question from the line of Sonali Rawat from SR Financial Services. Please go ahead.

Sonali Rawat: Sir, my question is, as compared to the rest of India, gold consumption in the South part is quite high, and we are not very much penetrated over there, so I want to understand if we have any plans there to open the shop or to have business in that part of India?

Saurav Banerjee: Yes, that is true. The gold consumption in the South is highest in India in the southern region. So, it is not that we are not present at all we in fact have few stores there I will inform you. We have two stores in Hyderabad in punjagutta and Basheerabad. We have one store in Vijayawada; we have one store in Cochin. We had a store in Bangalore, but, because of this COVID-related matter, we thought it was better to close down, so anyway, it was not a very big store. Panjagutta, Basheerabad, all these stores are doing very well. Panjagutta is one of the top five stores for TBZ. So, our presence is very much there in the South, but yes not to the extent of some of the other southern players if we were to compare with Kalyan or Joyalukkas Malabar or Thangamayil. They are south-centric players, and they are inherent strength lies in the way they have begun from that region. So, compared to that, yes, we are not that much present. In the future, we shall always look at the opportunities to open stores. If we think that there is a city in the South or anywhere else, it does not matter where it may be as long as it can cater to the customer taste and preferences and generate revenues and margins for us, we will be very keen to open the store in that region.

Sonali Rawat: How do you see the ground situation and the reality, so you know do you see that past in the past COVID and on that scenario is the market back to normal. People like there buy luxury jewellery, or they are still lived very much normal.

Saurav Banerjee: I could not hear you very well, but I think I have understood what you want to know post-COVID yes, the economy is on the rebound. It is gradually settling down this year. In fact, 21-22 has been that kind of a year buying the first quarter. The first quarter was badly affected because of the second wave and was virtually washed out, but from Quarter 2 onwards we are finding that there is some kind of normalcy coming back in Quarter 2, Quarter 3, and Quarter 4 going forward into this plus quarter of this financial year also we see the same kind of trends. So, yes, I think people are coming back, and the customer sentiments have improved. Again, of course we were faced with the challenge because of the Ukraine Russia war and prices shooting up, inflationary pressure all over the place. So, these challenges are still existing as of now and continuing as of now, but hopefully, you know there will be good measures, and things will be improving. So, in that sense, there is a pent-up demand to which we are catering we can see, as I told you, that the walk-ins have improved, the revenue generation has improved, and the festivity that has just gone by Akshaya Tritiya and earlier Gudi Padwa we could see a lot of good traction happening. So, I think going forward, this financial year should be economically better for the company.

Sonali Rawat: Do you think that the financial year 23 could be normal in terms of sales there is revenge travel, and there is buying going on, so do you see that in the jewellery segment as well?

Saurav Banerjee: Yes, so I will not call it revenge, but there is a pent-up demand. I would say there are lots of occasions which have unfortunately gone up in people individual life, wedding and many other such family occasions which could not be held because of government restrictions and rightly so, but now the things are relatively better. I think normalcy will be seen in this year and the demands are already being met we can see that the traction, the customer enthusiasm of the interest in buying jewellery is coming back quite sharply, quite quickly. We hope that it stays that way throughout the year.

Sonali Rawat: And what kind of normalize inventory turnover are you targeting for the company in financial year 23?

Saurav Banerjee: In terms of gold and diamond, I will probably talk about blended inventory turns. So, in that sense inventory term of close to 2 or 2 blended gold and diamond combined should be a fairly good term to have in this financial year.

Sonali Rawat: By any chance, we are planning to go double-digit growth in terms of margins?

Saurav Banerjee: As I was explaining earlier, in terms of gross profit margins, we are already above the double-digit admittedly, as of now, the margins were a little lower in this quarter, but on an average, the margins have always been in the range of 13.5 to 14.5 even we have seen margins of 15. In terms of EBITDA margins, I just explained that we are currently looking at around the 5 to 6% range. The. We should be able to make it higher as we go along, but for this financial year, I think 5% to 6% is what we are looking at.

Sonali Rawat: And I have a bookkeeping question as well so can we see us in quarter and full year financial year 2022?

Saurav Banerjee: I am not able to hear your question.

Sonali Rawat: My question is bookkeeping related question. Could you give me sales in grammage for the quarter and the full year for the financial year 2022 and also like year before that?

Saurav Banerjee: Sales in grammage will be difficult. Just now I told, I do not have the data, but what I can tell you is that there is a volume growth. So, if you are looking at a volume growth, yes, we have registered a reasonably healthy volume growth of about 18%.

Sonali Rawat: In the financial year 2022 and in the year before that?

Saurav Banerjee: Year before that, there has been some volume growth, about 10% to 12% of volume growth has been there not the year before that. Year before that was a COVID year. So, obviously, things were very exceptional, but if I am referring to financial year like 18-19 and to a certain extent 19-20. 2021 was a very exceptional year, so there was no question of volume growth happening in that year.

Sonali Rawat: And can you give me any idea for the coming year, for example, the financial year 2023, any idea for or the plan in 2023?

Saurav Banerjee: Yeah, so we are looking at a double-digit growth certainly for the year 2022-23. I will not be able to exactly spell out exactly how much the growth will be, but what we are targeting is a digit double-digit growth.

Moderator: Thank you. We have the next question from the line of Komal Arora from Global Investment. Please go ahead.

Komal Arora: Sir, I have a question about this debt level. As we saw in Q4 in the last three-year financial years, the debt level has gone up and the back of increasing inventory level, so if you can just give some guidance on what kind of normalize debt level the company is, targeting going forward?

Saurav Banerjee: Yes, the debt level has gone up primarily because we have strategically increased the inventory levels to the requirements of the stores also to cater to the festivity, the big festivities, for example, Akshaya Tritiya, and thirdly, as I said, the expansion plans that are just around the corner. However, what you are looking at a debt level on a reporting date. So, as of 31st March, the debt level was said ₹500 odd crore, but if I look at the average debt levels, then for the year which is FY21-22, the average debt level was a little more than ₹400 crore. So, that way there is no significant increase.

Komal Arora: I have another question because I could not find this gross margin breakup for studded and gold jewellery and also if you can talk about the EBITDA margins for both these segments separately?

Saurav Banerjee: Gems and jewellery are in the retail jewellery space, and it is treated as one segment as per the accounting rules. It is not a segment-wise bifurcation. It is treated as just one segment, which is jewellery. So, in terms of gross margins, just to give you a flavor, gold gross margins can range anything between 10% to 12% approximately within that plain gold jewellery has a slightly lower margin, and standard gold jewellery will have a higher margin. Diamond jewellery, as I have already mentioned, will be in the range of anything between 30% to 35%.

Komal Arora: Lastly, due to this geopolitical disturbances in COVID, do you feel that people are trusting jewellery as a better investment now?

Saurav Banerjee: To a certain extent, yes, not fully, I would say, but yes, to a certain extent, the sales have a concept that always comes into people's mind, particularly in the case of gold. So, whenever there is a crisis, any kind of crisis which is like you know global kind of a crisis, then people tend to buy gold and treat it as an investment to safeguard for future eventualities.

Moderator: Thank you very much. I now hand the conference over to Ms. Pushpa Mani for closing comments.

Pushpa Mani: Thank you, everyone for joining us today for this call. In case you have any further queries, you can get back to us and our coordinates provided in the investor presentation. Thank you so much.

Moderator: Thank you. On behalf of Tribhovandas Bhimji Zaveri Limited, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.