



Tara Jewels Ltd
Plot 29 (P) & 30 (P), Sub plot A,
SEEPZ SEZ, Andheri (E),
Mumbai 400 096
O. +91 22 66774444
F. +91 22 66774464
www.tarajewels.in

Date: May 26, 2016

To
The Manager
The Department of Corporate Services
BSE Limited
Ground Floor, P. J. Towers
Dalal Street, Mumbai – 400 001

To
The Manager
The Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East), Mumbai – 400 051

Dear Sir / Madam,

Ref.: Scrip Code: 534756; Symbol: TARAJEWELS

Sub: INVESTOR PRESENTATION

With reference to the captioned subject, please find attached the copy of Investor Presentation.

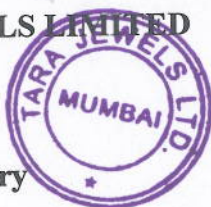
Kindly take note of the above on your record.

Thanking You,

Yours faithfully,

For **TARA JEWELS LIMITED**

Nivedita Nayak
Nivedita Nayak
Company Secretary
FCS: 8479



Encl: As above



Tara Jewels Limited

Investor Presentation



Tara Jewels factory
SEEPZ, Mumbai

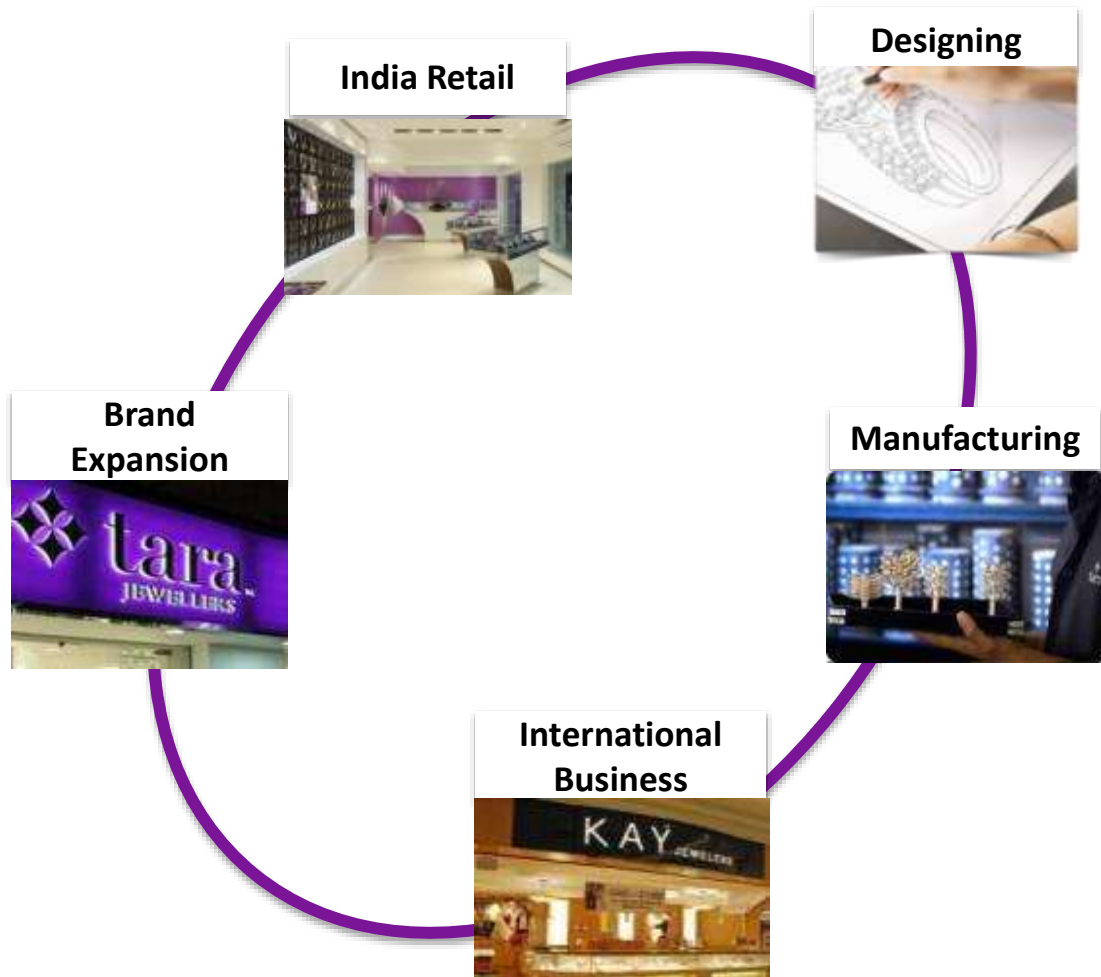
May 2016

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Integrated Player in the Jewellery Industry



Manufacturing

- ◆ Manufacturing units
 - ◆ Mumbai : 1 unit - MIDC & 2 units - SEEPZ
- ◆ Employs 39 designers & 1000 craftsmen
- ◆ SAP implemented across all units

India Retail

- ◆ Total Network of 20 Stores
 - ◆ 5 Shop-in-Shop format outlets in Shoppers Stop
 - ◆ 15 Company Stores
- ◆ Online presence on Amazon.in & Snapdeal.com through distributor

International Business

- ◆ Direct Selling of Studded Jewellery to Global Retailers
- ◆ Branded merchandise

*...with experience from **Designing to Retailing***

Business Strategy going forward...

Exports Business

- ◆ Good Traction – New Customer, Geographies, SKUs & Brands
- ◆ Combined Orderbook of Rs. 9,479 mn
 - Confirmed Orderbook : Rs. 3,574 mn
 - Framework Orderbook : Rs. 5,905 mn

Retail Business

- ◆ Total Network of 20 Stores
 - 5 Shop-in-Shop format outlets in Shoppers Stop
 - 15 Operating Format Stores
- ◆ Online with Amazon and Snapdeal

Future Strategy

- ✓ Growing Cash Generating Business
 - ✓ Strong Branding efforts lead to enhancement in Margins
-
- ✓ Limited Capital Allocation
 - ✓ Improving Profitability
 - ✓ New Expansion by way of
 - Asset Light Retail Partner Model
 - Collaboration with wedding planners

....Limited Capital allocation to Retail and Improving Margins in Exports



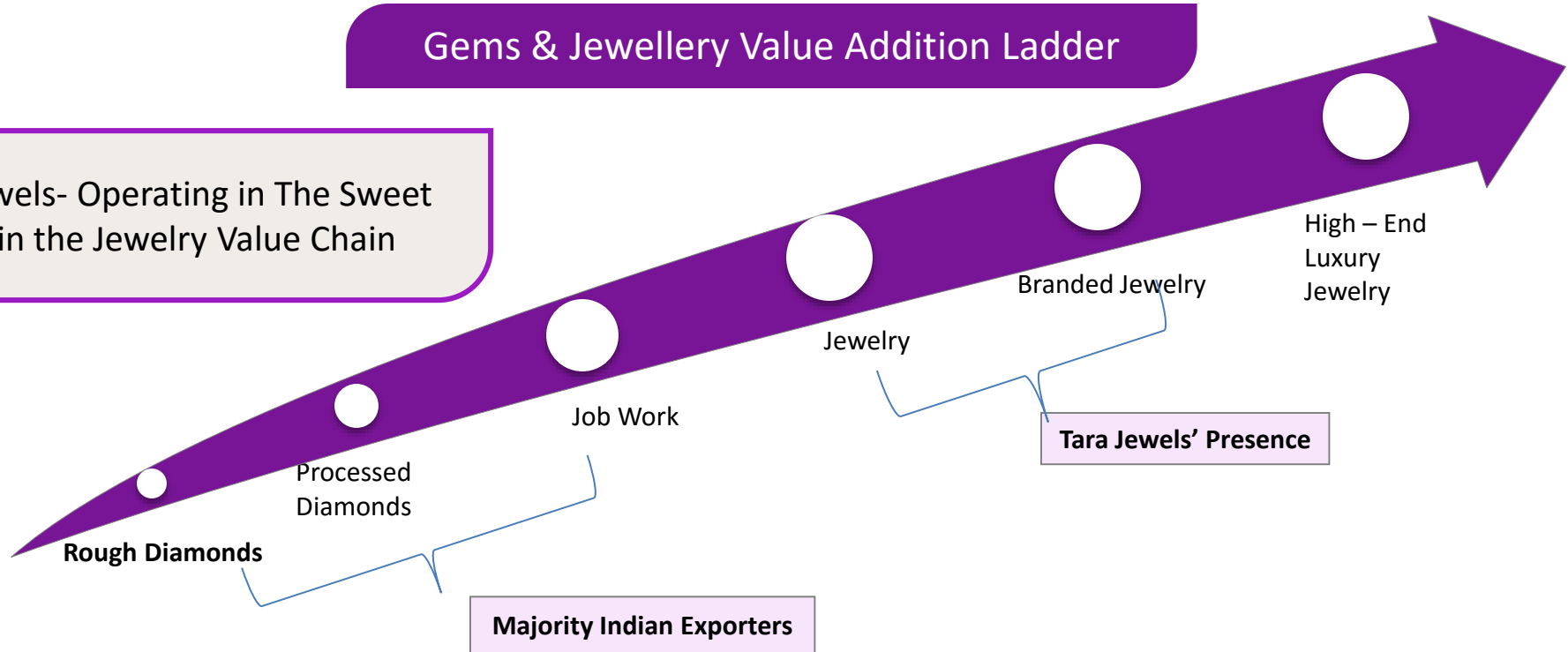
International Business



Presence in High End of Value Chain

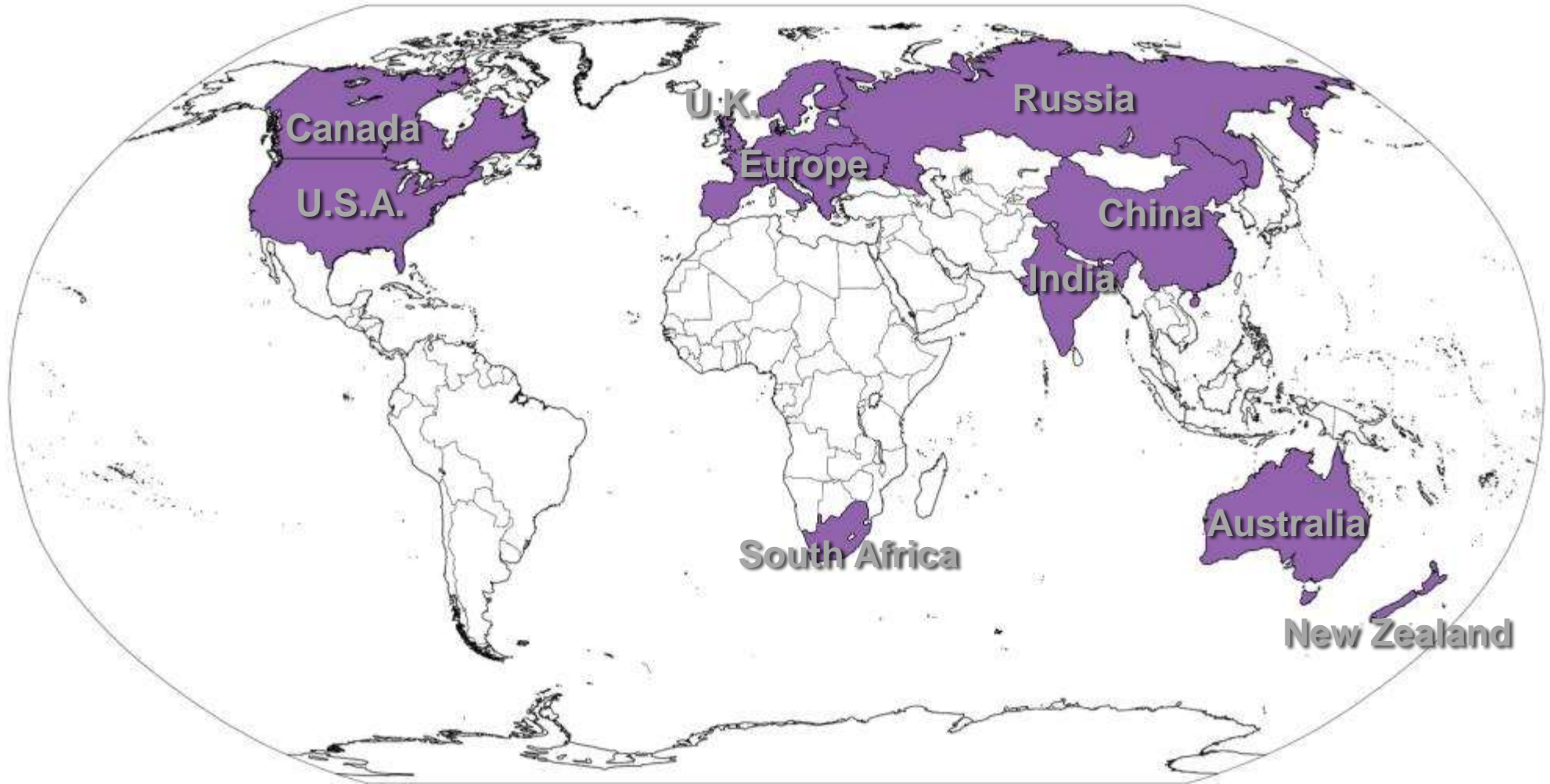
Gems & Jewellery Value Addition Ladder

Tara Jewels- Operating in The Sweet spot in the Jewelry Value Chain



Parameters	Indian Export Industry	Where we are positioned
Products	Dominated by Diamond processing & polishing, followed by Gold Jewelry	Diamond studded jewellery, studded jewellery
Customers	Wholesalers	Large Retailers – Wal-Mart Inc, JC Penny, Zale, Ernest Jones, H.Samuel, Helzberg etc
Branding	NA	Co-brand merchandise to increase brand recognition & repeat orders

Global Presence



Promoted over 8 brands globally across 7,000 doors Worldwide

Across various Segments and Geographies

Walmart



Largest Departmental Store in US

Kay



No. 1 Specialty Jeweller in US

Zales



No. 2 in Specialty Retail jewellery chain in US

Jared



No. 1 Off-mall Destination Jeweller in US

Ernest Jones



No. 1 Upper Middle Market Jeweller in UK

H Samuels



No. 1 Specialty Jeweller in UK

Helzberg



Speciality Retailer of Fine Diamond Jewellery

JC Penney



One of biggest Mid-range Department Store in US

Blue Nile



No. 1 Online Specialty Retailer of Jewellery

QVC



Leading Broadcast Television Network in US

Sterns



Leading Regional Dept Store in South Africa

American Swiss



Leading Jeweller in South Africa

International Brands



- **The Monique Lhuillier Collection** is being sold through one of the largest online retailers
- Considering sale through high-end jewellery chain stores



- **Facets by Michael Beaudry** is being sold through Broadcast Television Network and high-end jewellery chain stores



- **Heat Essence** is currently being sold in speciality jewellery stores in US



- **The Zac Posen Collection** is being sold by one of the largest online retailers and high-end jewellery chain stores
- With brands **ZAC Zac Posen** in fashion, **Truly Zac Posen** in bridal wear



- **The Angel Sanchez Collection** is being sold by the one of the largest specialty fine jewelry companies in US and UK



- **Cherished Hearts** is being sold by one of the biggest mid-range department store in US



- **'Heart2Heart'** is being sold by one of the largest departmental store in US

...Strategically aligns our offerings with Clients Business Model

International Brands

Our Brand tie-ups available on:

www.bluenile.com

www.helzberg.com

www.kay.com

www.amazon.in

www.snapdeal.com

TRULY ZAC POSEN BRIDAL

glamour | *Classic Hollywood*
shop now >

deco | *Architectural Geometric*
shop now >

metropolitan | *Elegant Modern*
shop now >

"The true essence of the engagement is strong like the beautiful diamond and never ending like the shape of the ring."

about Zac Posen | shop all

watch Zac Posen Behind the Scenes ▶

Monique Lhuillier FINE JEWELRY

Available Exclusively at Blue Nile

ROMANTIC COLLECTION
Inspired by Monique Lhuillier's signature style, this design combines soft lines and ethereal architecture.

MODERN COLLECTION
With striking yet subtle, this collection is sure to draw your eyes looking to where it shines.

View the collection >

View the collection >

HELZBERG DIAMONDS I AM LOVED
A Berkshire Hathaway Company

Style # or Keyword 🔍

ENGAGEMENT | WEDDING | DIAMONDS | JEWELRY | WATCHES | COLLECTIONS | CREATE YOUR OWN | GIFTS | CLEARANCE

Hundreds of New Styles Just Added! [Shop Clearance >](#)

Michael Beaudry FACETS COLLECTION
FOR HELZBERG DIAMONDS

Michael Beaudry sees jewelry as the ultimate artistic medium. His passion for handcrafted authenticity and his flair for the unexpected have made him one of America's premier jewelry designers. This exquisite collection symbolizes his dedication to creating heirlooms that will be passed from generation to generation.

Huge Growth Potential

Sales in USD mn

Key Retail Customers	Stores	Retail Jewellery Sales	Tara Jewels End Sales FY2015
	4540	\$1,000	\$56.10m
	1600	\$1,900	\$20.86m
	1094	\$2,300	\$60.24m
	253	\$1,200	
	196	\$218	\$13.93m
	302	\$241	

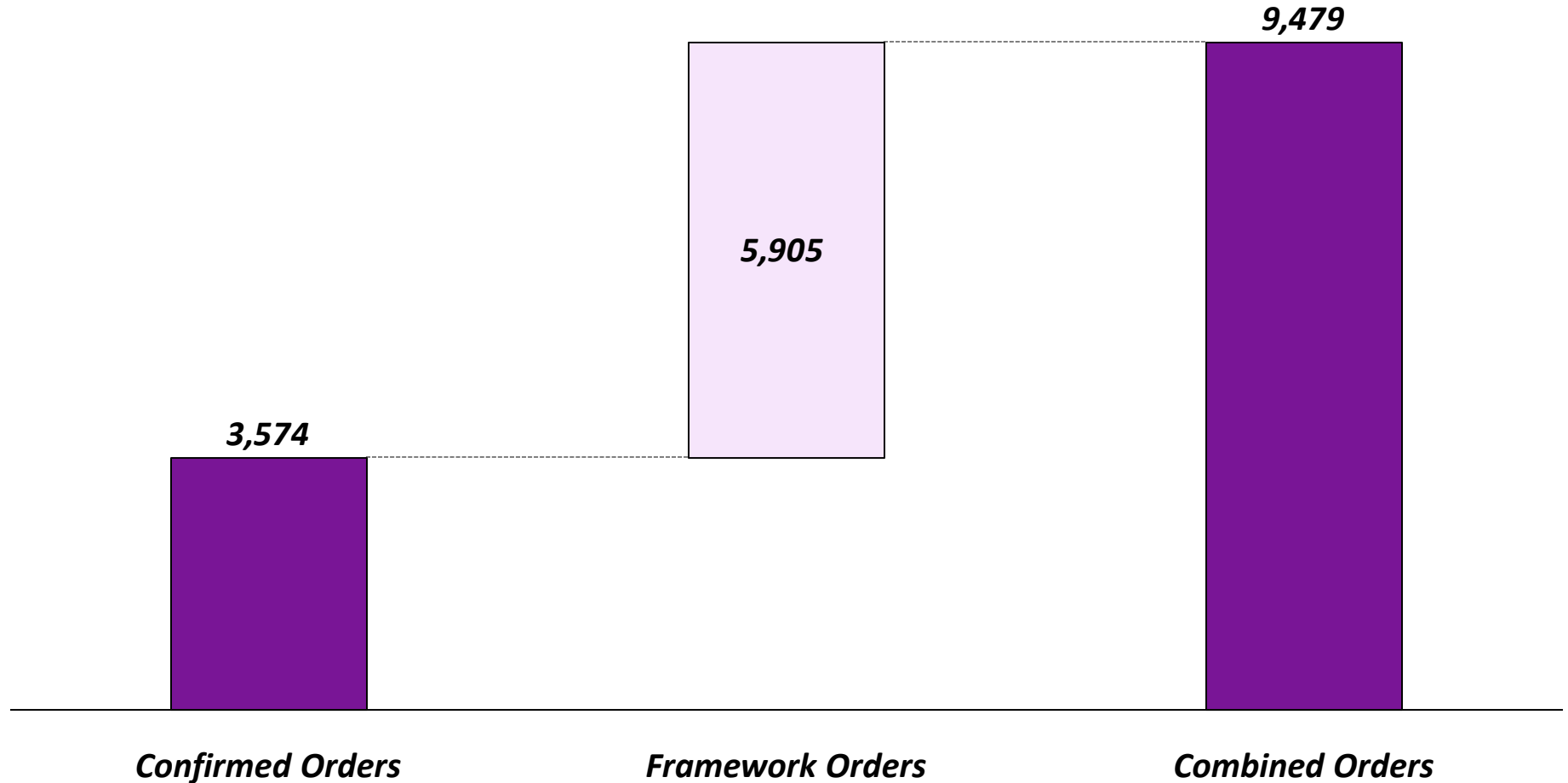
Key Retail Customers	Stores	Retail Jewellery Sales	Tara Jewels End Sales FY2015
	234	\$700	\$14.74m
	1,020	\$500	\$11.31m
	NA	\$474	\$8.86m
	175	\$430	\$2.88m
	240	\$740	

...with Key Existing Customers

Current Order Book

Combined Order Book

(Rs. mn)

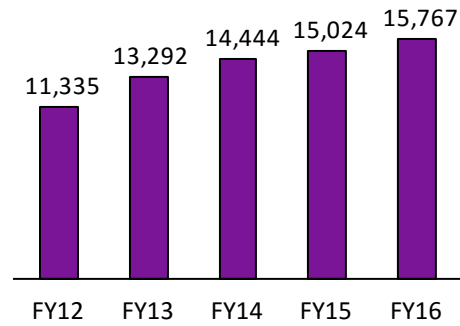


Order book as on 31st March 2016

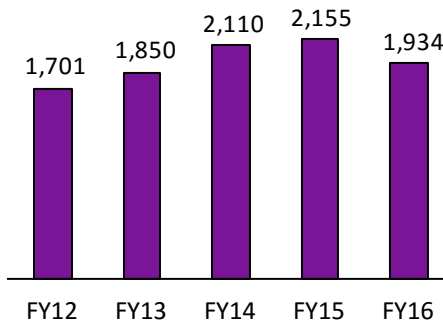
International Business: Annual Performance

Rs mn

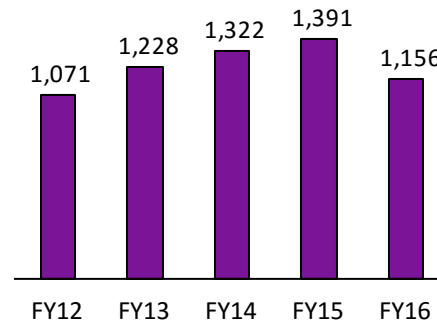
Sales



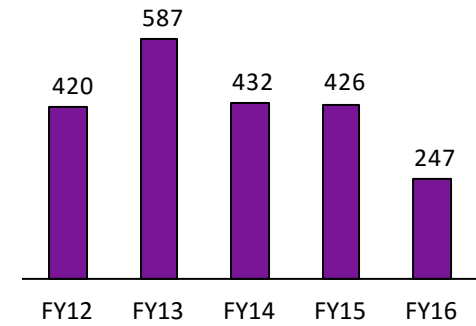
Gross Profit



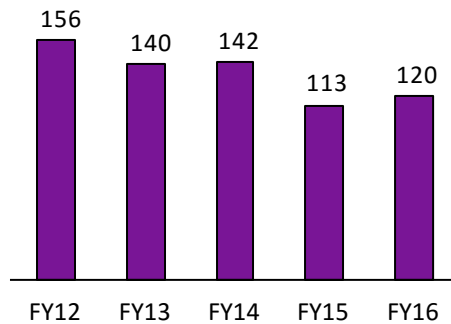
EBITDA



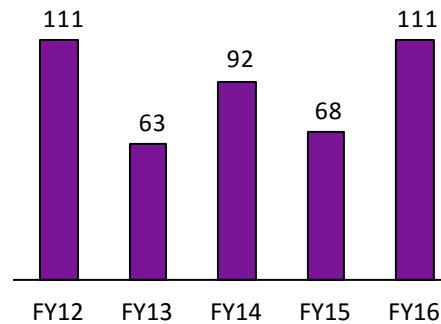
PAT



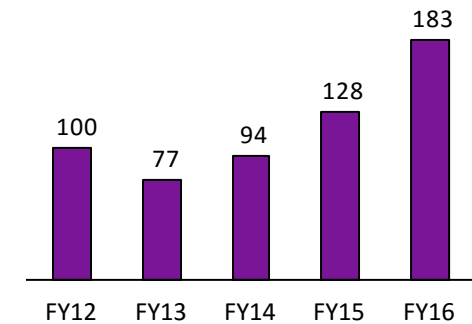
Inventory Days (Sales)



Creditor Days (Sales)

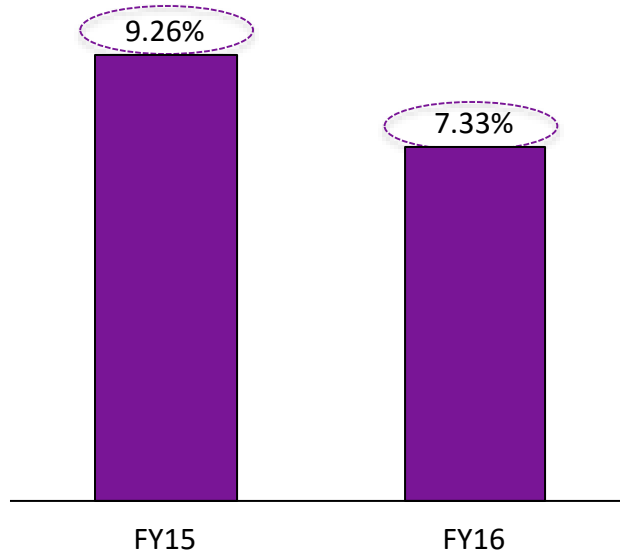


Debtor Days (Sales)

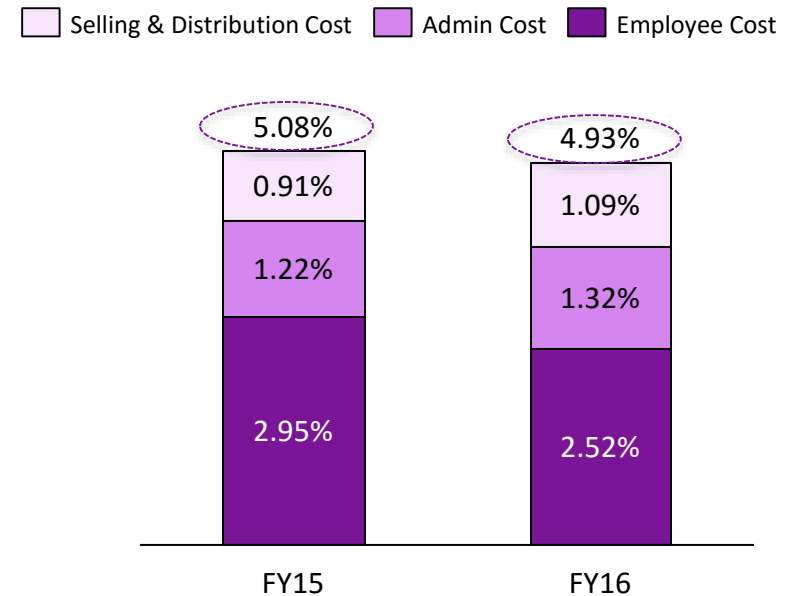


International Business: Annual Margin Analysis

EBITDA Margin



Operating Cost



100% of revenue generated from International Business is from Diamond Studded Jewellery



India Retail



Changing Jewellery Retail Experience

Redefine ...

... the Jewellery Purchase Experience

- ◆ Purchases more Transparent & Credible
- ◆ Allows the customer to browse through collections
- ◆ Made to Order - Design personalized Jewellery based on Unique Personalities

Re-Engineer...

... the Store Format

- ◆ Best practices from International Retail
- ◆ Introduced smaller, full-service format stores for stocks to reflect customer preferences
- ◆ In-store workshops for jewellery servicing

Build...

... the Customer Confidence

- ◆ Give adequate knowledge about Diamond Jewellery
- ◆ Customers upgrade from Gold to Diamond Jewellery
- ◆ Special Confidence Building Programs

*...a blend of **Cultural Influences** with **Global Trends***

Drivers of Success

◆ **Strong Promoter / Management background in Retail & Branding**

- ◆ Rose International was conceptualised in 1981
- ◆ Jewellery Retail Chain Orra was launched in 1998
- ◆ Strong Consumer Connect demonstrated across advertising, Media, Fashion and Luxury
- ◆ Benchmark Marketing & Branding case studies created across market segments
- ◆ Learnings from Multi-Industry Exposure being transcreated to Jewellery Retail

◆ **Experienced Supplier to the Large Global Retailers**

- ◆ Implementing the learning from the more matured Global Retail Leaders
- ◆ Creating Global Fashion & Trends
- ◆ Varied Market Insights
- ◆ Store Concept & Marketing Skills

◆ **High precision jewellery manufacturing technology**

- ◆ Fully automated jewellery casting plant
- ◆ State of the art technology: Laser Lithography, Microscopic Precision Setting, Machine made bands, Invisible Settings (patented), Machined Engraving
- ◆ CAD / CAM

Our Retail Business Model

◆ Pan India Presence

- ◆ Network of 20 Stores including 5 Shop-in-Shop format outlets in Shoppers Stop
- ◆ Span across suburban areas of metro cities, mini metros and Tier I – III cities

◆ Scalable Format of Small Full Service Stores

- ◆ Jewellery displayed on Browse Walls, Collection Walls and Consultation Tables

◆ Targeting the untapped “Aspiring Indians” at base of the Pyramid

- ◆ Affordable luxury with Great Value
- ◆ Average ticket size of Rs 50,000

◆ In tune with changing consumer behavior

- ◆ Presence on Amazon.in and Snapdeal.com through distributor
- ◆ Collaboration with wedding planners – participating in bridal events and wedding magazines



Smart, Scalable & Sustainable

Re-strategizing the Retail Business



....to maintain Profitable Growth

Shop in Shop Format ..

Asset Light expansion Strategy


- ◆ Total of 5 Outlets in Shop-in-Shop Format
Outlets at Shoppers Stop



- ✓ Lower Inventory Requirement
- ✓ Captures footfalls of Malls/Large Stores
- ✓ Limited Operating Costs - Benefits from store advertising & promotions, Low Staffing Cost



....in line with our strategy to expand retail footprint through Asset Light Model



The screenshot displays the Tara Jewellers e-commerce website. At the top, there are two featured collections: 'HEARTS EMBRACE' with the tagline 'Two hearts embracing a diamond' and 'IVORY' with the tagline 'Exquisitely crafted jewellery in white enamel'. Below these is a 'SHOP BY CATEGORY' section with five icons: EARRINGS, PENDANTS, RINGS, BANGLES, and GENTS. The 'BRAND STORY' section features a photograph of the Tara Jewellers building and a text block that reads: 'TARA JEWELLERS AN INDIAN BRAND WITH INTERNATIONAL APPEAL. Tara Jewellers believes that every woman is special and truly deserves diamonds. With 18 years of international retail experience Tara Jewellers offers a wide and exquisite range of certified diamond jewellery, made intricately, delicately, lavishly & thoughtfully, so that there is something for every woman. Tara's three jewellery factories maintain stringent standards of quality, using cutting-edge technology and painstaking craftsmanship to create breath taking jewellery pieces. Having won many retail awards and being one of the leading studded diamond jewellery exporters in India, Tara is a brand you can trust.'

Asset Light expansion Strategy

- ✦ The distributor of Tara Jewels has tied up with Amazon and Snapdeal to launch the brands collection online
- ✦ Collection ranging from daily wear, signature collections such as Heart Embrace & Fleur to International Bestsellers
- ✦ Launched Unique jewellery collection 'Anisa', a range of rings and earrings

- ✓ No Establishment and Limited Operating Cost
- ✓ Easily adapt to the changing buying behaviour
- ✓ Wide spread penetration & Amazon's strong logistic capabilities

....in line with out strategy to expand retail presence through Asset Light Model

Tara My Karigar...

You Dream It

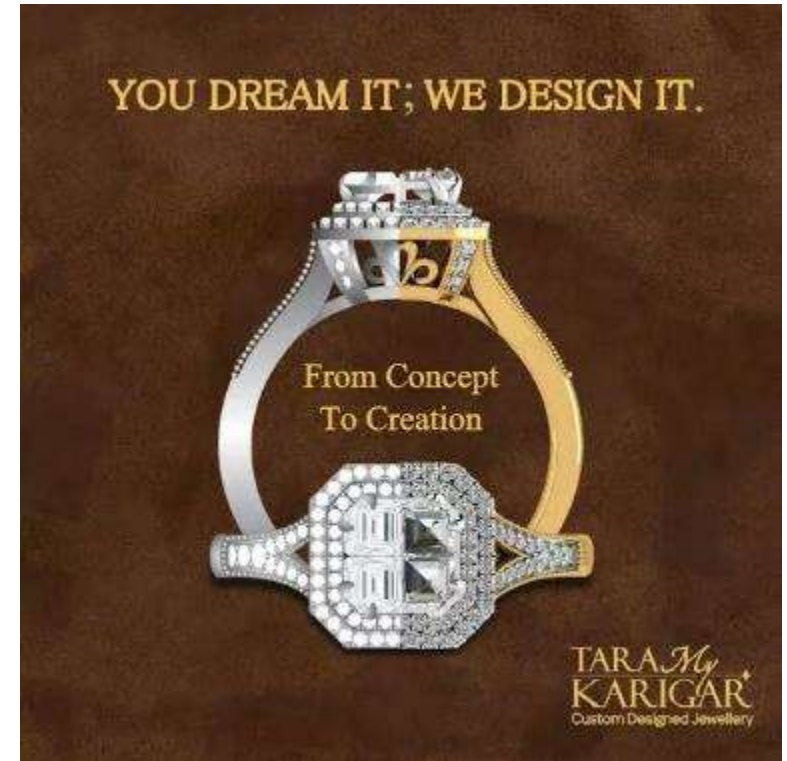
- ✦ Using a seamless Consumer Application
- ✦ Interactive decision making process
- ✦ Virtual reality 3D imaging capability
- ✦ Offered across all outlets

We Design It

- ✦ State of the art design software
- ✦ Best in class machinery
- ✦ International standard craftsmanship
- ✦ Vast design library

To be Introduced

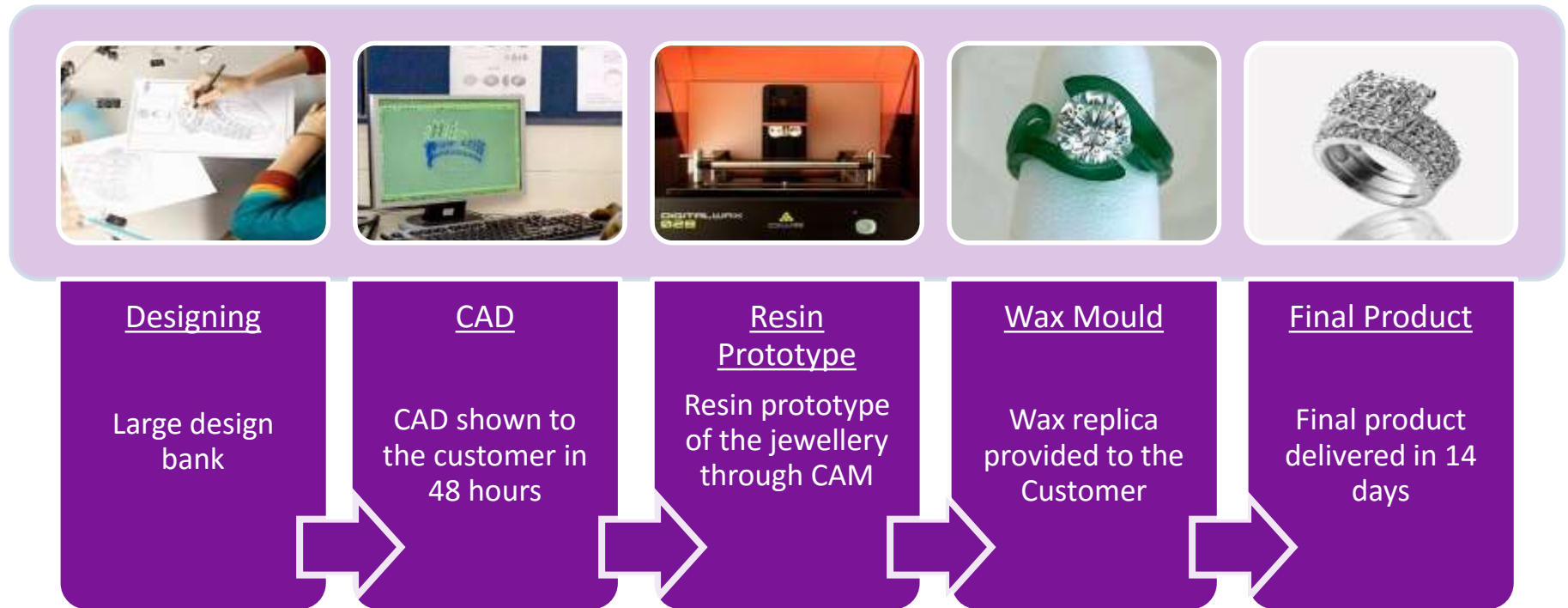
- ✦ 'My Tara Karigar' Kiosks with other Jewelry retailers
- ✦ To be available on Tara's own e-commerce Web Sit
- ✦ Make My Jewel app – for smart phones



.... *Your Jewelry just got a digital makeover!!*

Jewellery Customization

High Value and Higher Margin Business

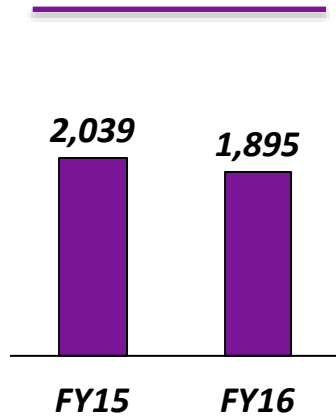


Made to Order constitutes ~30 % of India Retail Business

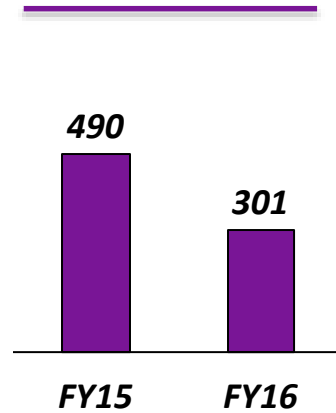
India Retail: FY16 Performance

Rs mn

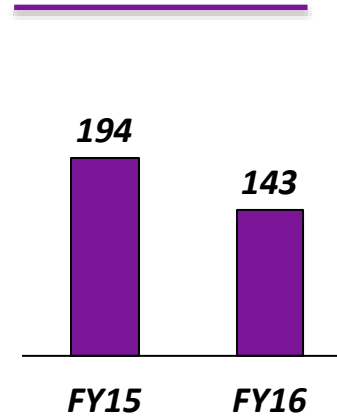
Sales



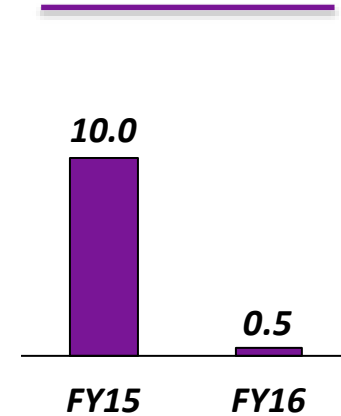
Gross Profit



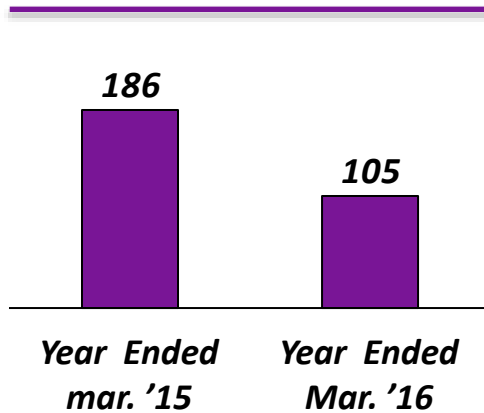
EBIDTA



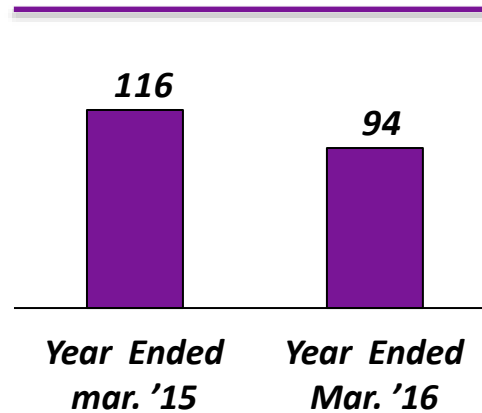
PAT



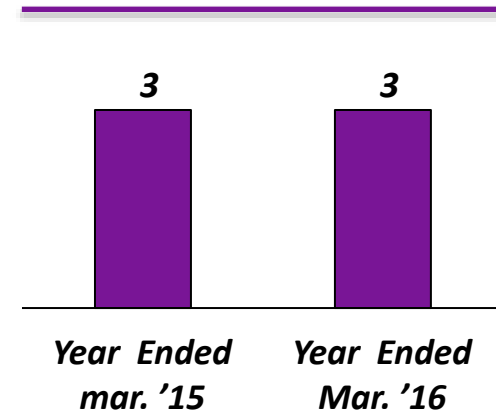
Inventory Days (Sales)



Creditor Days (Sales) *



Debtor Days (Sales)

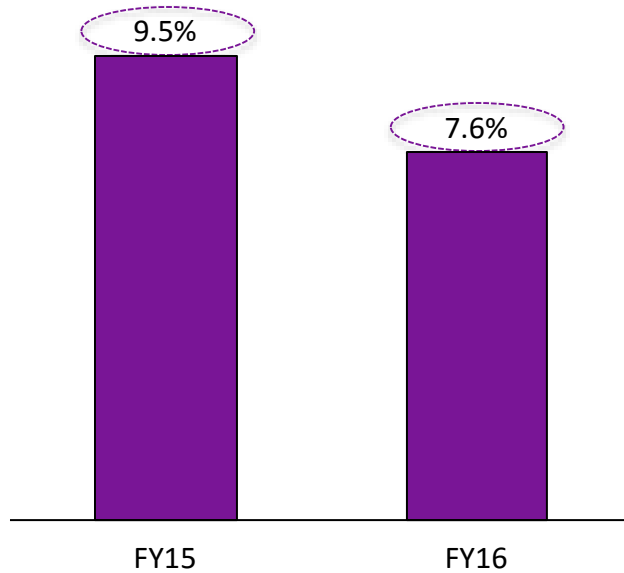


Above data excluding sales form Bullion

* Gold now acquired under gold on loan scheme

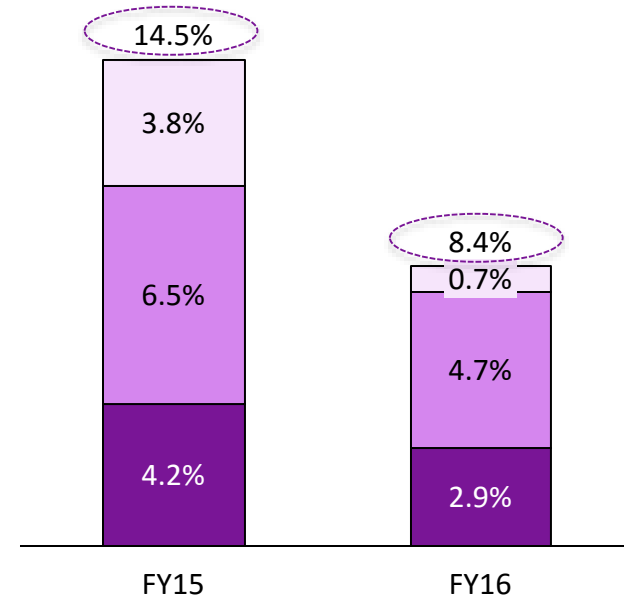
India Retail: FY16 Margin Analysis

EBITDA Margin



Operating Cost

Selling & Distribution Cost
 Admin Cost
 Employee Cost



Asset Light Model drives better margin

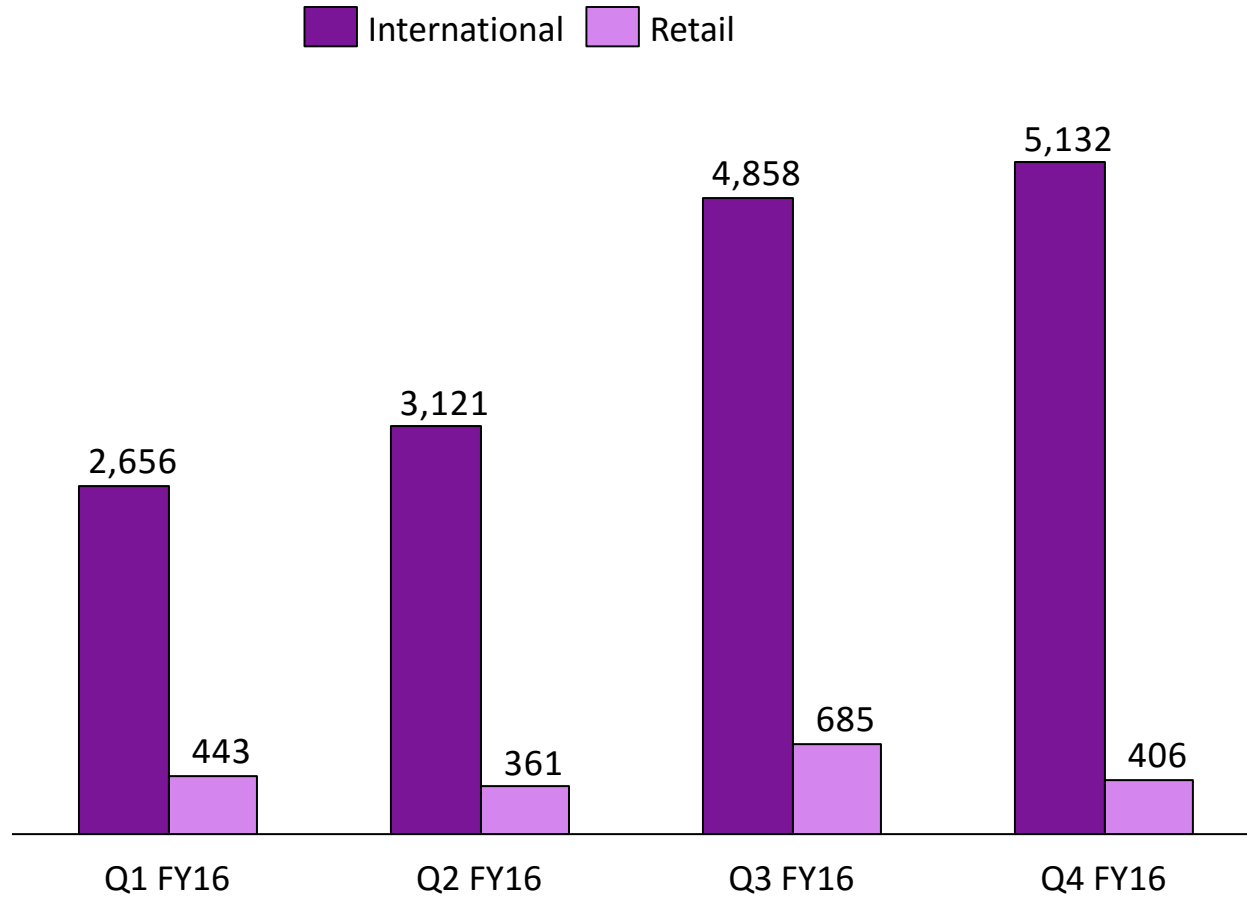


Financials



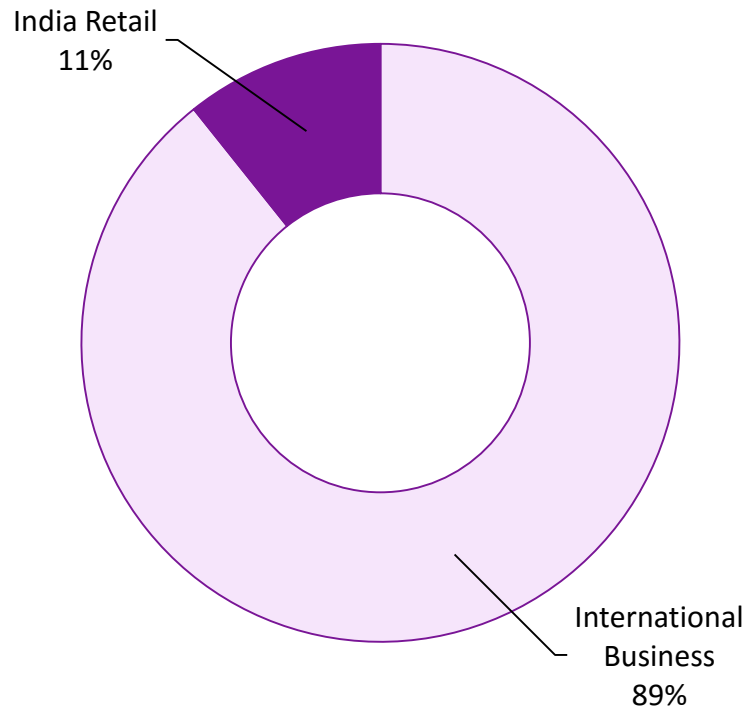
Revenue Breakup

Rs Mn

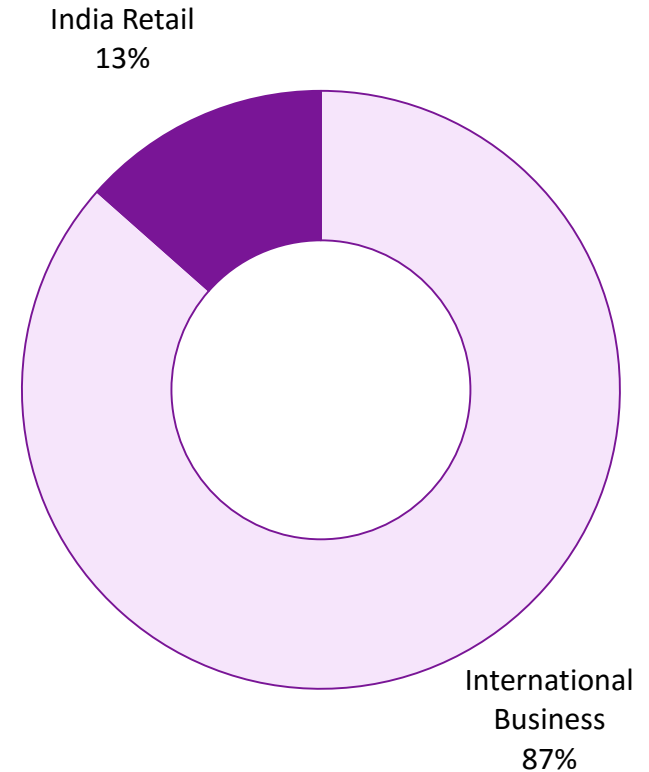


Segmental Breakup*

FY16 Sales: Rs. 17,661 mn



FY16 Gross Profit[^]: Rs. 2,235 mn



* - Excluding Bullion & Others

[^] - Gross Profit = Sales – (Consumption + Direct Expenses)

Consolidated Quarterly P&L

Rs. mn	Q4FY16	Q4FY15	FY16	FY15
Sales	5,538	5,280	17,661	17,063
Sales from Bullion & Others	201	0	352	290
Total Income	5,738	5,280	18,013	17,353
Raw Material	5,117	4,577	15,083	13,962
Purchase of Bullion & Others	200	0	348	289
Employee Expenses	85	128	452	530
Other Expenses	212	170	886	986
EBITDA	124	405	1,244	1,586
- EBITDA excl. Bullion & Others	123	405	1,240	1,585
- EBITDA Margin excl. Bullion & Others	2.2%	7.7%	7.0%	9.3%
Other Income	82	19	119	53
Interest	239	197	780	716
Depreciation	57	62	221	281
PBT	-90	165	362	643
Tax	-31	67	108	206
PAT	-59	99	254	437
PAT Margin	-1.0%	1.9%	1.4%	2.5%
Cash Profit	-2	160	475	717

Consolidated Balance Sheet

Rs. mn	March 2016	March 2015
Shareholder's Fund	6,100	5,846
Share capital	246	246
Reserves & Surplus	5,854	5,587
Money received against share warrants	0	12
Non-Current Liabilities	49	51
Long term borrowings	12	3
Other Non Current Liabilities	37	48
Current Liabilities	10,059	7,561
Short term borrowings	4,731	4,097
Trade Payables	4,820	3,017
Other current liabilities	507	448
Total Liabilities	16,208	13,458

Rs. mn	March 2016	March 2015
Non-Current Assets	1,342	1,247
Fixed assets	1,205	1,129
Non-current investments	50	37
Deferred tax assets (Net)	31	39
Long-term loans & advances	55	42
Current Assets	14,866	12,211
Inventories	5,810	5,764
Trade receivables	8,029	5,337
Cash and Bank Balances	782	847
Other current assets	246	262
Total Assets	16,208	13,458



RAJEEV SHETH



FERN MALLIS



RAJIV JAIN



SHANTI KHANDRIA

Board of Directors



NIKKHIL VAIDYA



RAKESH KALRA



MARIANO DE LA TORRE



RAVINDRAN M.P.



VISHNU GARG

Promoter Background: Rajeev Sheth

- ◆ Rajeev Sheth, a first generation entrepreneur, with over 32 years of jewellery manufacturing & retail experience
- ◆ Certified gemologist from Gemological Institute of America, USA and bench jeweller trained in USA and Japan, practiced this art for 9 years
- ◆ Started his career by promoting Rose International, high-end luxury jewellery boutique in 1981
- ◆ Promoter and managing director of Intergold India Limited from 1989 to 1999
- ◆ Set up one of India's first diamond jewellery retail chains currently called Orra
- ◆ Introduced concepts like flexible manufacturing units and turntable technology
- ◆ Only Indian Director of jewellers Board of Trade, USA
- ◆ Received award for the largest exporter for 12 years running



Key Milestones



Management Team



Vishnu Garg

Chief Financial Officer

- ◆ Responsible for planning and Control of Finance & Accounts function
- ◆ Chartered Accountant by profession
- ◆ Experience of more than 30 years with JSW Steel Ltd.

Ravindran M. P.

Chief Operating Officer

Aarti Sheth Cooper

VP - Business Development (Exports)

Vishal Adhyapak

GM – Information Technology

Tateos Tateossian

Senior Vice President – Operations

Chander Gurnani

GM - Finance

Nivedita Nayak

CS & Compliance Officer

Sajid Salim Sakarwalla

Vice President – Diamond Procurement

Rajesh Gupta

GM – Accounts & Costing

Pravin Patil

GM – Human Resources

Retail Business

Sunayana Vora

Vice President – Sales

Yogesh Sharma

GM – Materials

International Business

Jeffrey Shlakman

President – Merchandising & Product Development

Leonard Meyer

President – Sales (South Africa, Australia, UK)

Fabrikant Tara International LLC

Nilesh Agashiwala

Chief Financial Officer

Ambica Singh

Chief Operating Officer

Stuart Marcus

Vice President – Sales



Awards & Achievements



- ◆ Global Supplier of the Year : Twice Awarded by **Wal Mart**
- ◆ Overall Excellence award : Second-highest exporter in the category of studded precious metal jewellery exports in EPZ, by The Gem and Jewellery Export Promotion Council in year 2007, 2008, 2009
- ◆ Conferred with the status of a “**Star Trading House**” by the Ministry of Commerce & Industry and have been the highest exporter in gems and jewellery sector for the years FY2009 and FY2010.



Highest Export Performance award for 2009 - 2010



Highest Export Performance award for 2008 - 2009



Highest Export Performance Award for 2007 - 2008



"Highest Net Foreign Exchange Earner" Award for 2009 - 2010



"Second Highest Net Foreign Exchange Earner" Award for 2008-2009



"Second Highest Net Foreign Exchange Earner" Award for 2007-2008



The second highest exporter of studded jewellery for the year 2008 - 2009



The second highest exporter of studded jewellery for the year 2007 - 2008



The "Global Supplier of the Year" Award for 2007 from Wal-Mart.



Awarded “LUXURY RETAILER OF THE YEAR” at the Star Retailer Awards 2013



The Best Store Design of the year – Single Brand category at the ET Retail Awards 2013



Nominated for the Best 360 Marketing of the year 2012



“Print campaign of the year 2012”



WINNERS OF ET RETAIL AWARDS 2013

JURY BASED - PERFORMANCE LED AWARDS

CATEGORY	NOMINEES	WINNER
Online Retailer of the Year	Big Shoe Bazaar India Pvt Ltd indiaam.com Mokshyog Pvt. Ltd.	Mokshyog Pvt. Ltd.
Luxury Retailer of the Year	A S MOOTHALA FINE JEWELLERY Arabian Nights Exclusive	A S MOOTHALA FINE JEWELLERY
Excellence in Marketing	Coronet International Limited - Retail Division Crossword Bookstores Limited GOLD'S GYM INDIA HyperCity Retail (India) Ltd Club ITC by ITC Ltd.	GOLD'S GYM INDIA and Crossword Bookstores Limited
Store Design of the Year - Multi Brand	Aditya Birla Retail Ltd. Supermarkets Hampden - The Finest Toy Store in the World Ishaara	Ishaara
Store Design of the Year - Single Brand	Caliberlux, Fashions Limited Tara Jewellers TIDAN INDUSTRIES LIMITED	Tara Jewellers
Excellence in Operating Efficiency - Services	TCI Supply Chain Solutions - A division of Transport Corporation of India Limited	No Winner
Excellence in Operating Efficiency - Multi Brand Products	Big Shoe Bazaar India Pvt Ltd Home Town of Pantabouri Retail India Limited Spencer's Retail Ltd.	Big Shoe Bazaar India Pvt Ltd
Excellence in Operating Efficiency - Single Brand Products	KAMBI Bakers and Pastryerie Liberty Shoes Ltd. Max Retail Division, Lifestyle International Pvt. Ltd.	KAMBI B Bakers and Pastryerie & Liberty Shoes Ltd.
Retail Idea of the Year	Preshto ZAPKO Raymond Made to Measure Shoppers Stop Ltd.	Raymond Made to Measure

HONOURING EXCELLENCE IN RETAIL

In association with:

Knowledge Partner: | Education Partner: | Finance Advisor:

ET Retail Award

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