

Bhatia Communications & Retail (India) Limited

BHATIA'S
The mobile one stop shop

CIN: L32109GJ2008PLC053336

Regd Off: 132, Dr. Ambedkar Shopping Centre, Ring Road, Surat-395002

Email: info@bhatiamobile.com, Ph: 0261-2349892

Website : www.bhatiamobile.com

Date: 29th November, 2018

To,
BSE Limited,
P.J Towers,
Dalal Street,
Mumbai-400001

Subject: Disclosure of information pursuant to Regulations 30 read with Part A of Schedule III, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Sir/Madam,

In compliance with Regulation 30 read with Part A of Schedule III, of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Kindly find enclosed herewith a copy of Half Yearly Financial Results presentation with respect to the H1 2019 Unaudited Half Yearly Financial results for the year ended 30th September 2018 of the Company.

Kindly take the above information on record and oblige.

Thanking you.

Yours Faithfully,

For and on behalf of

Bhatia Communications & Retail (India) Limited


Avani Chaudhari
Company Secretary



Bhatia Communications & Retail (India) Limited

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The mobile one stop shop



Investor Presentation | November 2018

Safe Harbour

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Agenda

01

Company at Glance

02

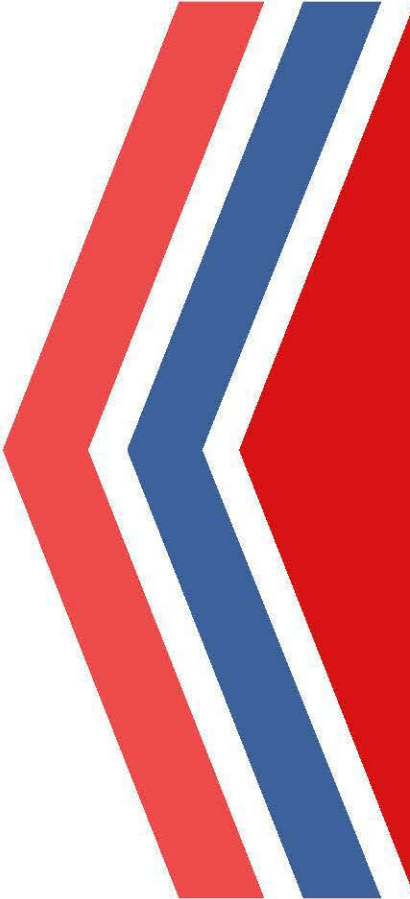
Way Forward

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Sector Overview

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Financial Highlights



Company at Glance

Company at Glance

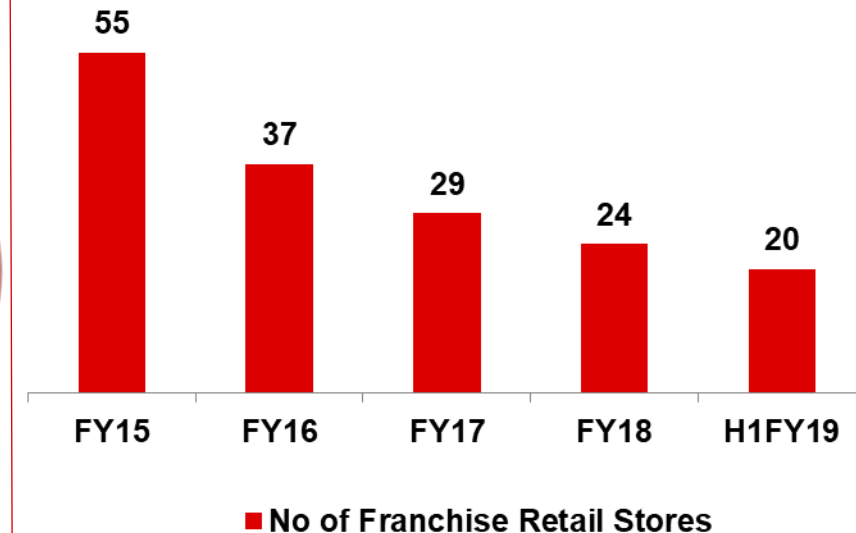
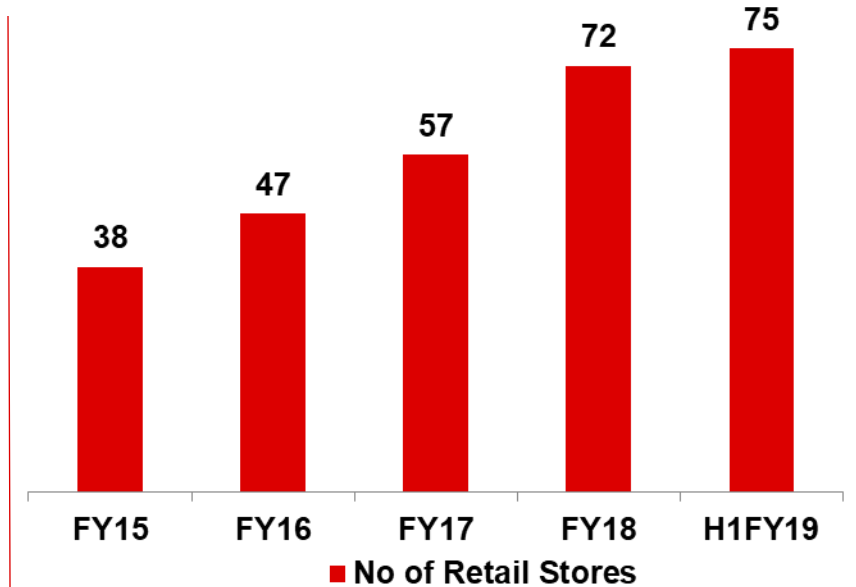
- Business of trading into mobile phones & accessories
- More than 1000+ technical experts helping customers to choose the right mobile device according to their needs and budget
- Owned 75 retail outlets chain located all over South Gujarat region including Surat, Vapi, Valsad, Navsari, Vyara etc
- Also sells cellular mobile devices and accessories through 20 franchisee retail chain dealers located in the South Gujarat region
- Provides credit/EMI facilities to customers for buying products tied up with major leading credit houses like Bajaj Finserv, Capital First etc
- Healthy Conversion rate of 25% on average

90+
Retail Stores

18+
Years
Experience

1000 +
Expert
Advisors

40
Award
Winner





Product Range



Smart Handsets – Mobile



Tablets



Mobile Accessories

Experienced Management

7



Sanjeev Bhatia

Managing Director

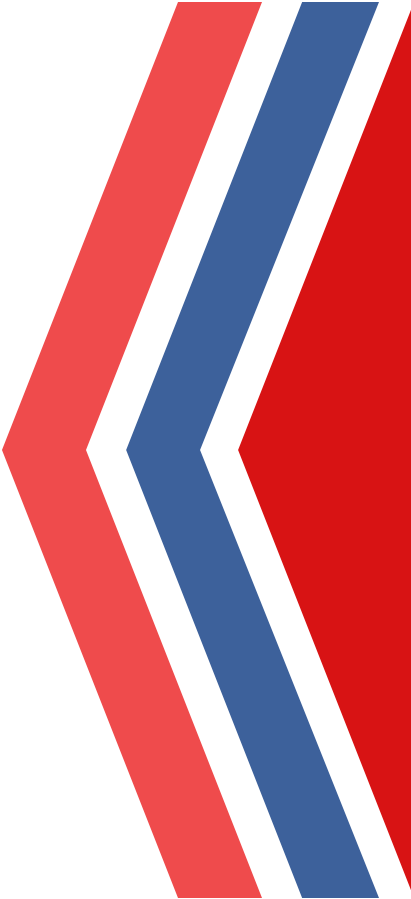
Sanjeev Bhatia, aged 39 years, is having vast experience of 18 years and looks after Finance, Franchise Outlet and General administration functions



Nikhil Bhatia

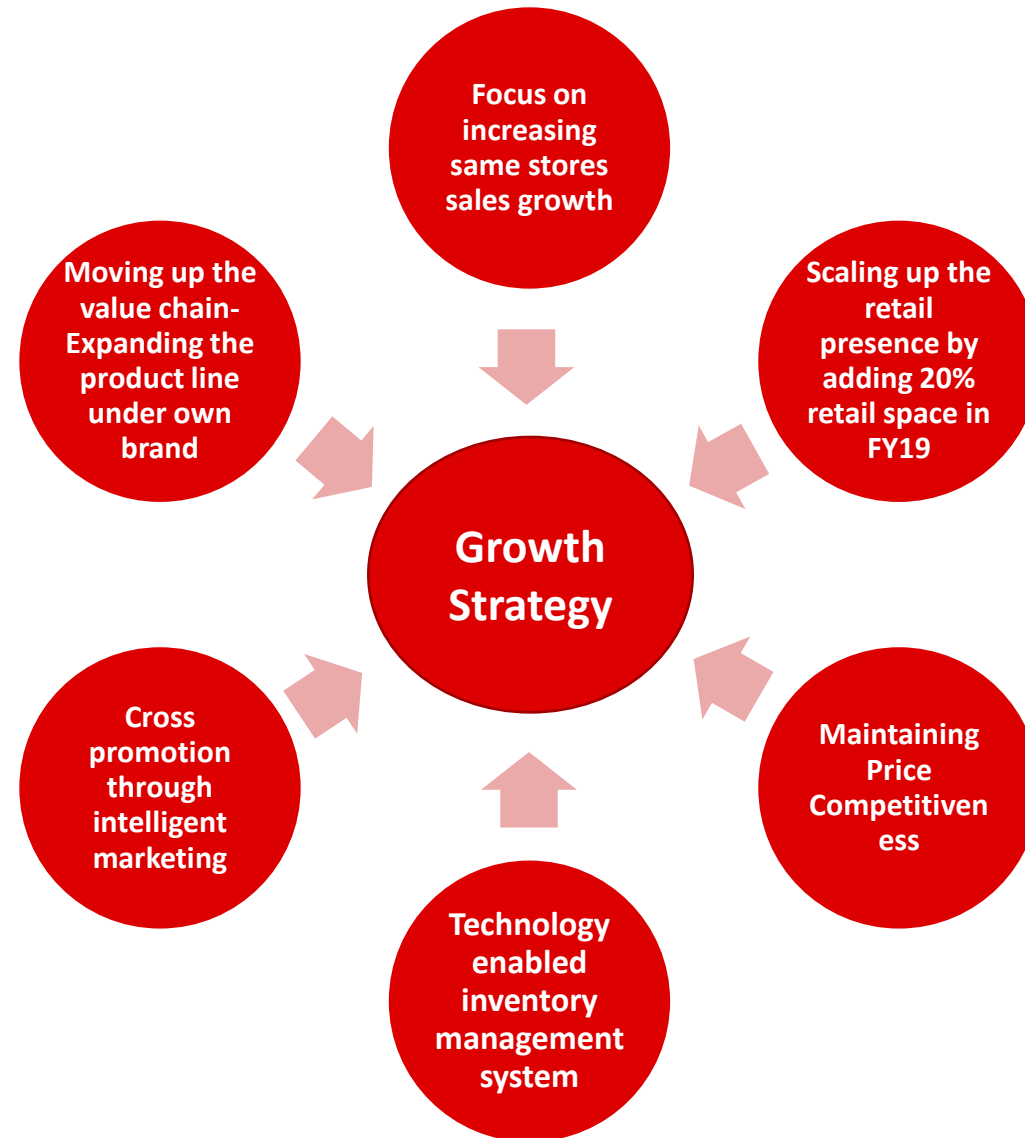
Whole Time Director

Nikhil Bhatia, aged 35 years, having vast experience of 12 years in the field of Finance and Sales and looks after sales, purchase, finance and account functions



Way Forward

Way Forward – Future Growth Strategy



Presence – Targeting Pan Gujarat Presence

10

Top 10 Retail & Franchise Store Location:

Location	Area (Sq.ft)
Ring Road, Surat	1,250
Poddar Arcade, Surat	1,500
Piplod, Surat	700
Ved Road, Surat	750
Navsari	450
Gunjan, Vapi	500
Valsad	300
Kamrej	560
Kim	540
Pandesra	700

**Average
Ticket Size
~ Rs. 9,000**

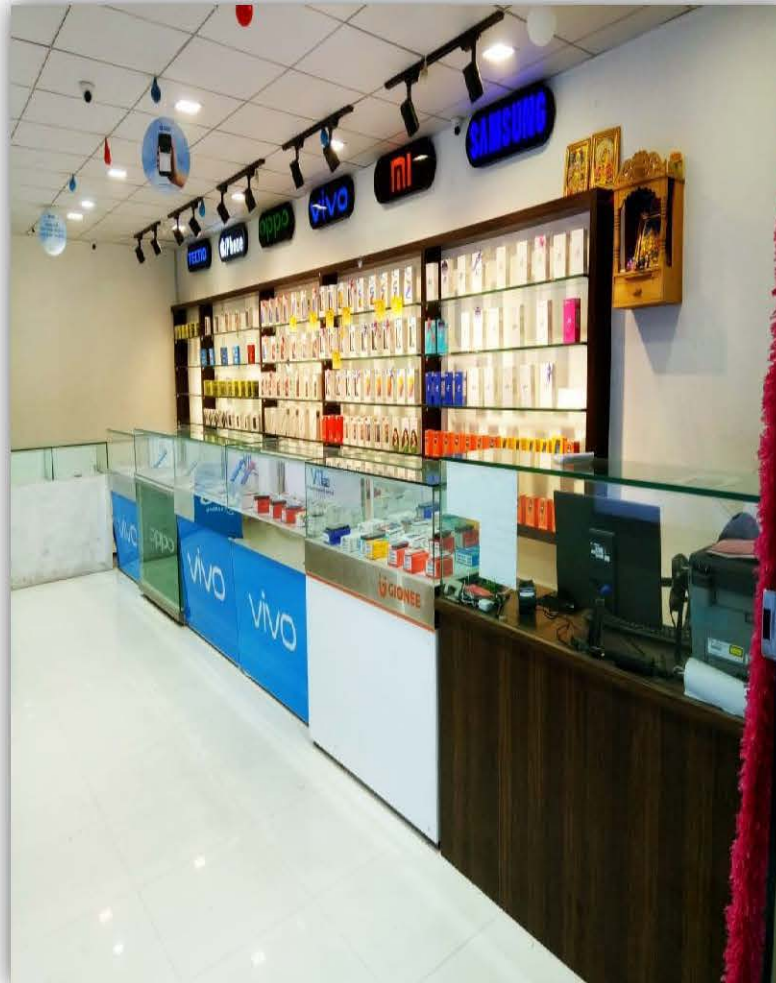
**Revenue
~Rs 42,000
per sq ft**



Total Retail Space : 38,000 sq. ft.
Scaling up the retail presence by adding 20% retail space in FY19

Expanding Horizons – New Store in Surat

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Launched OnlyMobiles – New Retail Format

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Minimum 150 sq. ft Retail Space



Only Smartphone & Premium Electronic Products



Rich Customer Experience



Better Realization with minimum ticket size of Rs. 12,000



Addition of New Franchisors under this new retail format



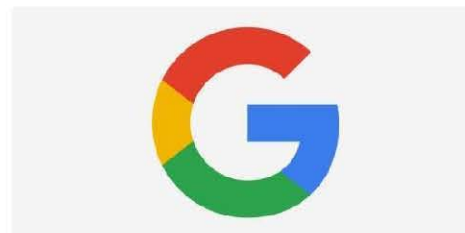
Currently, 6 stores under OnlyMobiles Brand Name

OnlyMobiles.com – Better Realization

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Brand Association – Top Brands



Banking Channel Partners – Forms 25% of Sales

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Strategic Tieup – For Underbanked Customers

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Only 27% of Southeast Asia's population of 600 Mn is banked



India's population of more than 1.2 billion, largest Credit Bureau has only data of 300 Mn & of them only 15% has proper borrowing history



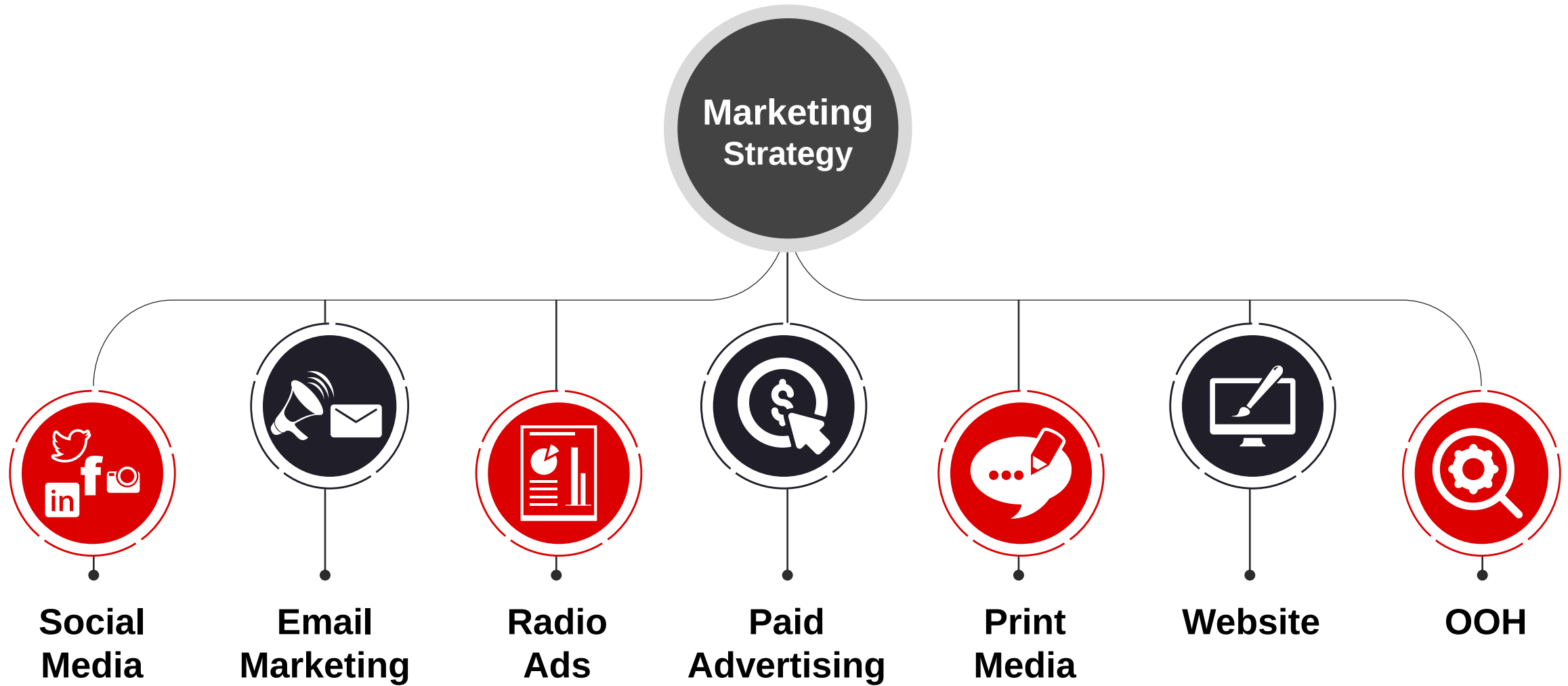
In India, less than 20 Mn consumers has credit cards & formal consumer credit availed by only 24 Mn households



Disbursements in the consumer durable segment poised to grow at a healthy pace of 21-24% p.a to reach Rs. 1.9-2.1 trillion in FY21

ZestMoney platform enables instant account opening & real-time credit approval for underbanked customers, combined with seamless digital loan servicing and repayments technology

Branding Strategy



Marketing Campaigns – Strong Brand Recall Value

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iPhone

iPhone 6s ₹ 35,990/-
Cash Discount - ₹ 6,000/-
BHATIA Cash Back - ₹ 1,000/-
Effective Price ₹ 28,990/-



iphone Airpod

Airpod ₹ 11,999/-
BHATIA Cash Back - ₹ 999/-
Effective Price ₹ 10,999/-

iPhone X 64 GB @ ₹ 87,999/-
iPhone X 256 GB @ ₹ 99,999/-

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અહીં મોબાઈલ ડિલિવરી તો BHATIA સે હી ડિલિવરી.

BHATIA'S
રક્ષાબંધન ઓફર

દરેક મોબાઈલ સરળ હપ્તેથી હિપલબદ

SAMSUNG

Note 9 EMI start from ₹5678/-	J6 EMI start from ₹1300/-	J8 EMI start from ₹1900/-	A6 Plus EMI start from ₹2200/-
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DEAL OF THE DAY

A3S EMI start from ₹1374/-	A5 EMI start from ₹1667/-	F7 EMI start from ₹1999/-
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vivo

Y81 EMI start from ₹1625/-	Y83 EMI start from ₹1667/-	Y83 Pro EMI start from ₹1777/-
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Exclusive Cash Back Upto 5% on Selected Model.

mi -&- **1+** **0% DOWN PAYMENT** | **EASYEMI** | **0% INTEREST**

All Model Available **FINANCED BY** **BAJAJ FINSERV** **CREDIT**

NOKIA 1 ₹4999/- MOP - ₹500/- Paytm - ₹500/- BHATIA Cash Back ₹3999/- Effective Price	NOKIA 6.1 (3/32) ₹15499/- MOP - ₹2400/- Paytm - ₹1000/- BHATIA Cash Back ₹12099/- Effective Price	NOKIA 6.1 (4/64) ₹17499/- MOP - ₹2700/- Paytm - ₹1000/- BHATIA Cash Back ₹13799/- Effective Price
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FESTIVAL DHAMAKA OFFER

BHATIA'S
The mobile one stop shop

FESTIVAL DHAMAKA OFFER

EMI

BAJAJ FINSERV

BHATIA'S
₹18,750/-
CASHBACK ON RAJAJ EMI

દરેક મોબાઈલ પર મેળવો **20% કેશબેક**

Galaxy J6 32GB EMI ₹ 999/-	Galaxy J6 64GB EMI ₹ 1499/-	Galaxy J6 64GB EMI ₹ 1699/-	Galaxy J6 32GB EMI ₹ 1915/-	Galaxy A7 128GB EMI ₹ 2299/-	Galaxy S9 128GB EMI ₹ 4075/-	Galaxy S9 128GB EMI ₹ 5150/-	Galaxy S9 128GB EMI ₹ 5550/-
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Vivo Y83 Pro 64GB EMI ₹ 1333/-	Vivo Y83 64GB EMI ₹ 1333/-	Vivo Y83 64GB EMI ₹ 1333/-	Vivo Y83 64GB EMI ₹ 1333/-
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MI 6A 16GB EMI ₹ 999/-	MI 6 16GB EMI ₹ 1399/-	MI Y2 8GB EMI ₹ 1099/-	MI 6 PRO 8GB EMI ₹ 1299/-	MI A2 8GB EMI ₹ 1499/-	MI POCO F1 8GB EMI ₹ 2099/-
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OPPO A35 16GB EMI ₹ 1625/-	OPPO F7 8GB EMI ₹ 1727/-	OPPO A5 32GB EMI ₹ 1733/-	OPPO F7 Pro 8GB EMI ₹ 2101/-
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EMI Option Available:

HDB **BAJAJ FINSERV** **0% DOWN PAYMENT** | **0% INTEREST**

અહીં મોબાઈલ ડિલિવરી તો BHATIA સે હી ડિલિવરી.

HOM **SMART LED TV**

32" @ ₹ 13490/-
48" @ ₹ 24990/-
55" @ ₹ 34990/-

You Tube **NETFLIX**

GET IT ON **Google Play** **Google** **Wi-Fi**

Authorized Dealer
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Moving up the Value Chain – Smart LED TV Segment

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- Global smart TV market expected to reach USD 292.55 billion by 2025
- Television market in India anticipated to cross USD 9 billion by the end of 2021.
- Increasing disposable incomes, demand for Smart Televisions has shot up, contributing around 18-20 percent to sales in India's electronics sector
- Consumer's preference has evolved :
 - ✓ Increasing preference for built-in smart functions
 - ✓ Rising demand for HDR and 4K resolution featured for both content and hardware access
 - ✓ Smart TV platforms offers information & communication (IC) technology solutions to the end-user
 - ✓ Availability of affordable models

- Launch of Smart LED TV in Surat, Gujarat under HOM brand
- Sizes of Smart TV launched:
 - ✓ 32 inch
 - ✓ 48 inch
 - ✓ 55 inch
- Premium Trade Partner for HOM



Brand owned by HOC LLP

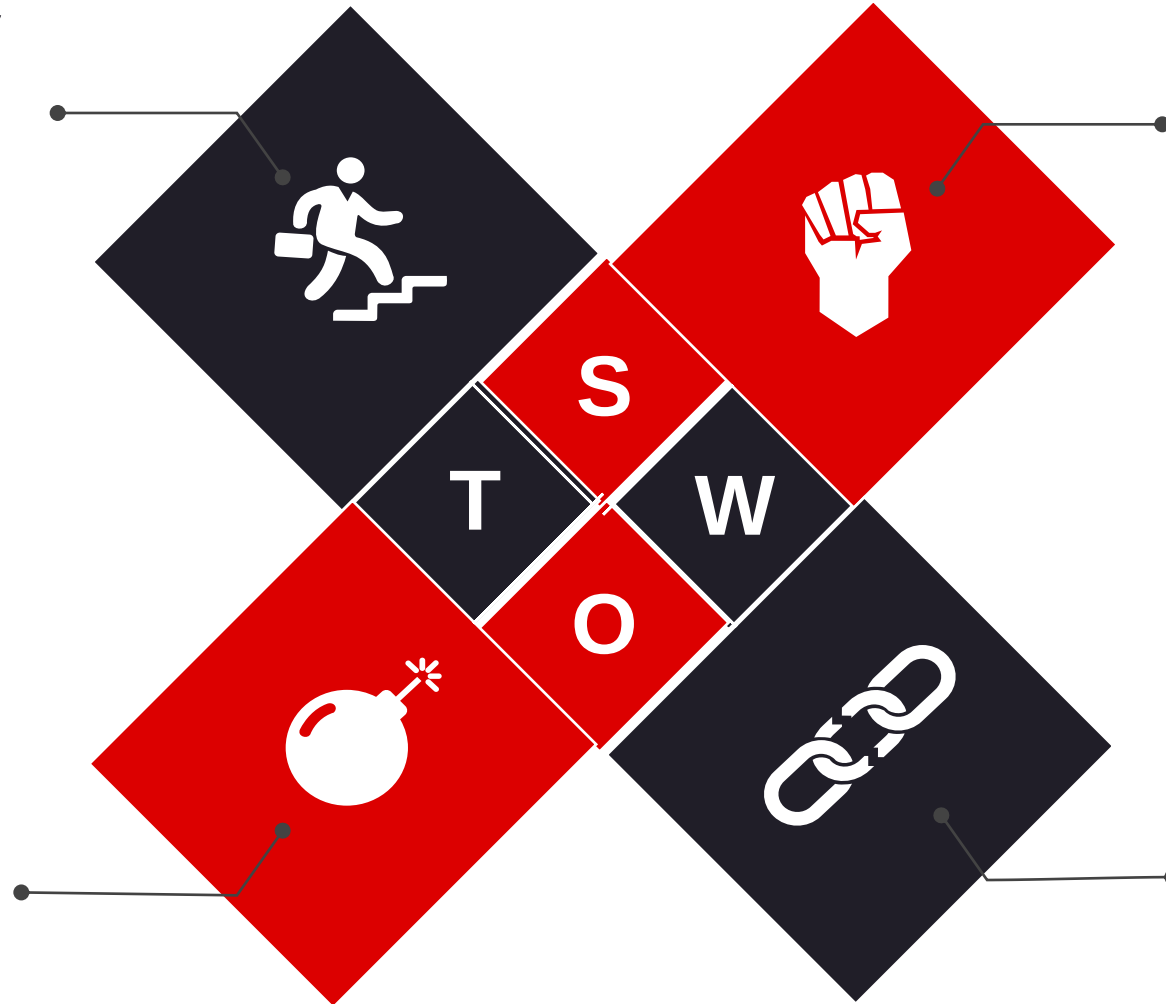
SWOT Analysis

Opportunity

- Implementation of GST, resulted into increase in sales growth & level playing field
- Online selling of our Products is increasing day by day
- Credit/EMI Facilities are provided by leading credit houses

Threat

- Industry is prone to change as per government policies
- Low entry barriers for new entrant

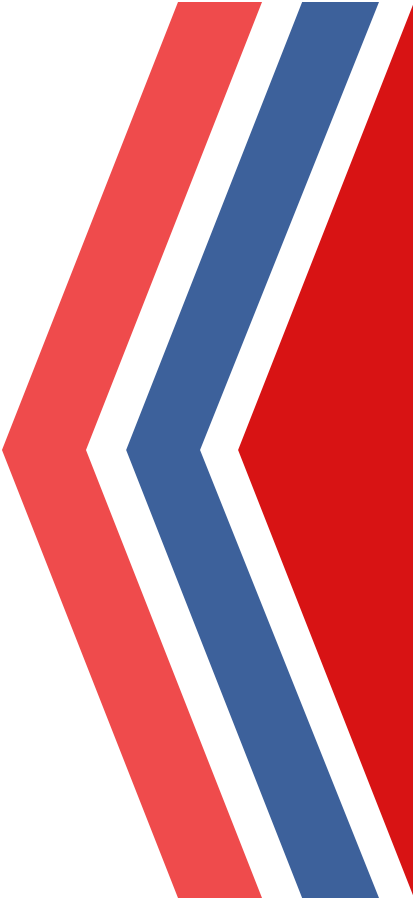


Strength

- Experienced Promoters, Directors and Management Team
- Wide spread of Branch & Franchisee network
- Trained work force & quality after Sale Services
- Wide Range of Products
- Cordial relations with Customers, Franchisee Distributors and suppliers

Weakness

- Dependent upon growth of telecom industry
- Lack of brand awareness
- Surge in finance needs to cope with the increase demand

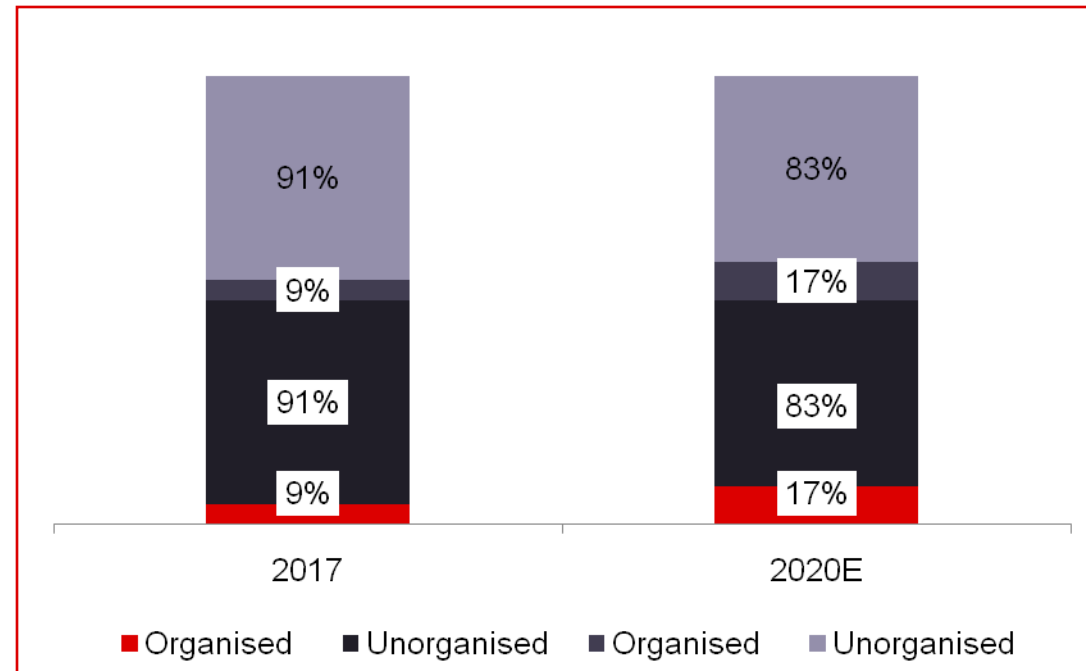
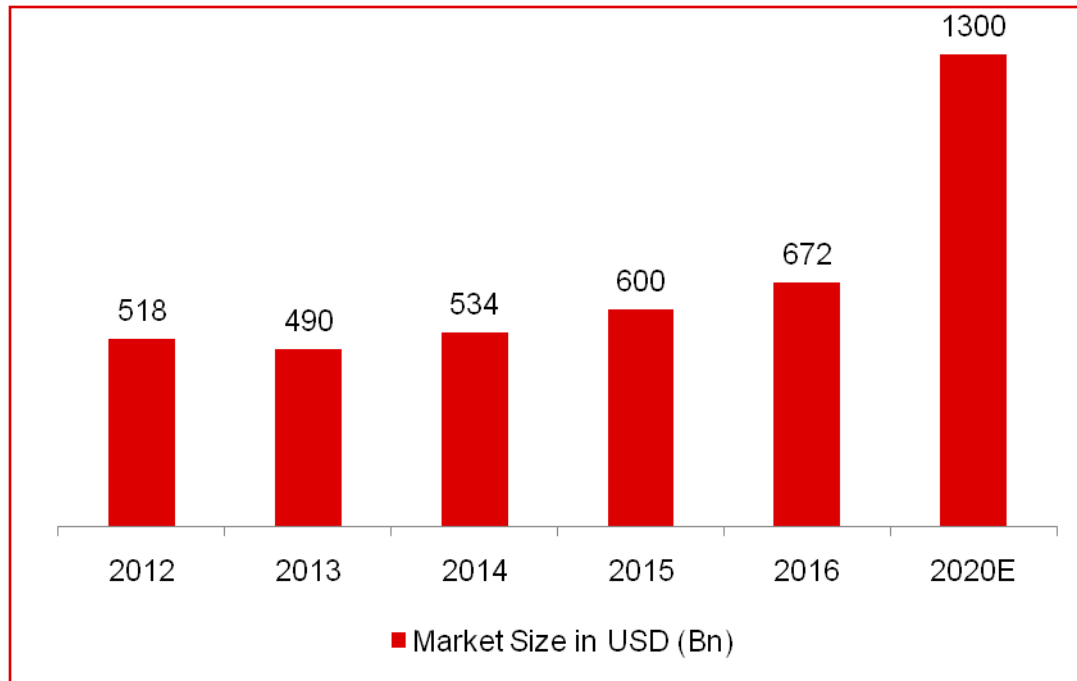
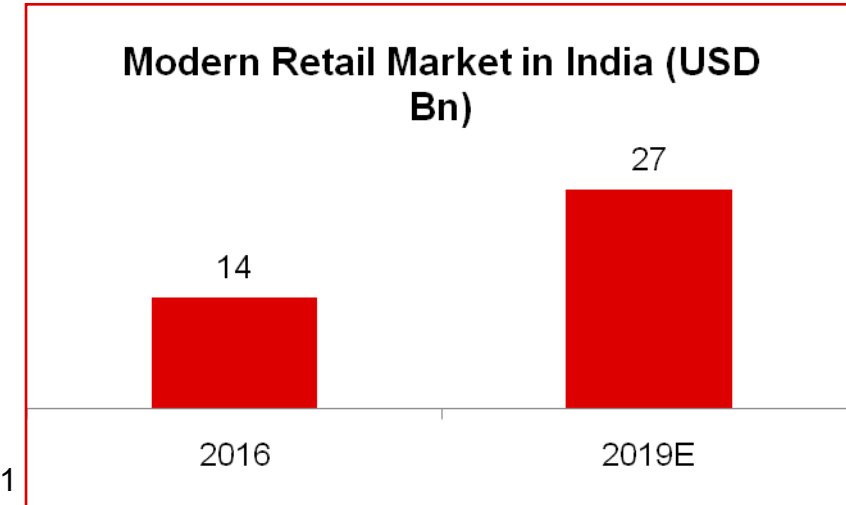


Sector Overview

Indian Retail Sector – One of the Largest Market in the World

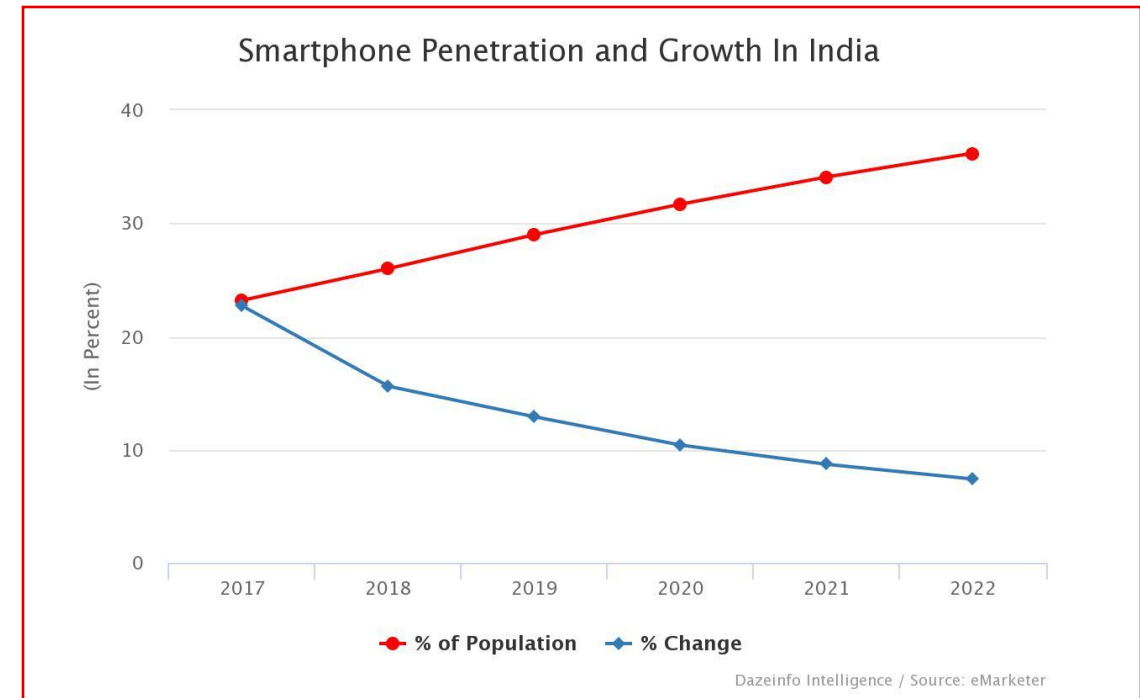
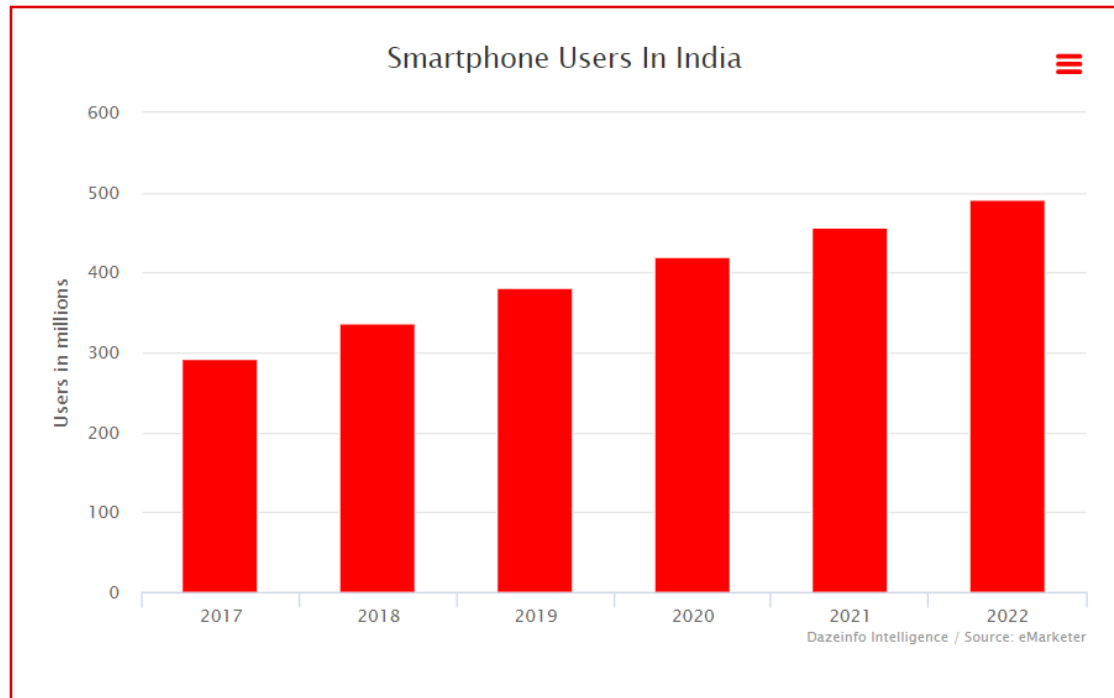
22

- Retail sector is projected to grow to \$1.3 trillion by 2020 due to:
 - ✓ Rising disposable income
 - ✓ Change in Lifestyle by middle class
 - ✓ Increasing digital connectivity
- Modern trade to grow twice as fast at 20% v/s traditional trade at 10%
- Indian retail market divided into:
 - ✓ Organized Retail Market valued at USD 60 BN only 9%
 - ✓ Unorganized Retail Market constitutes the rest 91%
- India's direct selling industry is expected to reach Rs 159.3 billion (US\$ 2.5 billion) by 2021



Indian Smartphone Sector – One of the Largest Market

- India world's third largest smart phone market, continues to hold its position of being the biggest feature phone market globally
- Number of smart phone users in India is expected to grow by 15.6% to reach 337 million in 2018
- Number of smart phone users in India would reach 490.9 million by 2022, growth of over 60% from current level
- Indian telecom operator Reliance Jio shipped huge shipped 164 mn feature phone shipments in 2017 from 140 mn a year ago
- Despite the growing trend, the smart phone penetration in India will reach only 36.2% by the end of 2022



Online V/s Offline Selling

24



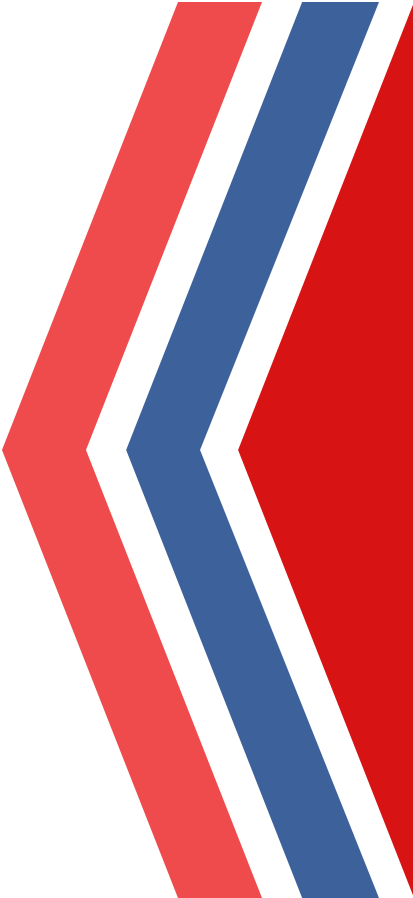
Online



Offline

✓ After sale support is usually average or very low	✓ After sale support is very good in most cases
✓ Return and replacement process is a bit complicated	✓ There is a direct contact with the seller. You can experience the product before buying it ✓ Return and replacement process is very simple (in case of defective products)
✓ Some of the best phones that are available exclusively through online retailers	✓ Majority of the Phones are available at the offline store with competitive price
✓ Heavy discounts were given prior to implementation of GST and MOP (Market Operating Price)	✓ With implementation of GST & MOP(Market operating Price) not much of the price difference between online store and offline store

People are shifting from online shopping of phones to offline shopping



Financial Highlights

Financial Highlights – H1 FY19

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Total Revenue

INR 888 Mn

+ 4% YoY

EBITDA

INR 39 Mn

+ 50% YoY

PAT

INR 23 Mn

+ 86% YoY

H1 FY19

H1 FY19

853

888

H1FY18

H1FY19

26

39

H1FY18

H1FY19

12

23

H1FY18

H1FY19

Profitability Highlights – H1 FY19

27

INR in Mn	H1 FY19	H1 FY18	YoY	FY18	FY17	YoY
Total Income	888	853	4%	1,670	1,335	25%
Stock-in-trade	797	782		1,494	1,221	
Employee Cost	17	19		48	26	
Other costs	35	25		58	69	
EBITDA	39	26	50%	70	19	268%
EBITDA Margin (%)	4.37%	3.04%		4.19%	1.42%	
Depreciation	4	4		8	5	
Interest	2	5		9	7	
Exceptional items	0	0		0	0	
Profit Before tax	32	18	80%	54	8	575%
Tax	9	5		18	2	
Profit After Tax	23	12	86%	36	5	620%
PAT Margin (%)	2.57%	1.44%		2.14%	0.39%	
EPS (Rs.)	3.65	3.33		7.14	10.24	

Balance Sheet Highlights – H1 FY19

INR Mn	Sep-18	Mar-18
Shareholder's Funds	305	282
Share capital	63	63
Reserves & Surplus	243	220
Non-current liabilities	12	14
Long Term Borrowings	10	11
Deferred Tax liabilities (Net)	-	1
Long-Term Provisions	2	2
Current liabilities	138	158
Borrowings	-	2
Trade Payables	127	135
Other Current liabilities	2	2
Short-term provisions	9	19
Total Equities & Liabilities	455	454

INR Mn	Sep-18	Mar-18
Non-current assets	87	82
Tangible Assets	59	55
CWIP	-	-
Intangible Assets	3	3
Non Current Investments	-	-
Deferred Tax Assets (Net)	-	-
Long-term Loans & Advances	25	24
Other Non-Current Assets	-	-
Current assets	369	372
Inventories	197	155
Investments	-	-
Trade receivables	42	46
Cash & Cash equivalents	101	142
Short-term loans & Advances	29	29
Other Current Assets	-	-
Total Assets	455	454

Thank You



Bhatia Communications & Retail (India) Limited

Mr. Ravindra Sojal (CFO)

Email Id : ravi.sojal@bhatiamobile.com



Stellar Investor Relations

Mr. Gaurang Chotalia / Ms. Sheetal Keswani

Email Id : gaurang.chotalia@stellar-ir.com / sheetal@stellar-ir.com