

**Independent Auditors' Report on Quarter and Annual Standalone Ind AS Financial Results of Renaissance Jewellery Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors of  
Renaissance Jewellery Limited

We have audited the accompanying Statement of Standalone Ind AS Financial Results of Renaissance Jewellery Limited ('the Company'), for the quarter and year ended March 31, 2018 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as modified by SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016, which has been initialed by us for the purpose of identification.

This Statement is the responsibility of the Company's Management and has been reviewed by the Audit Committee and approved by the Board of Directors in their respective meetings held on 28th May, 2018, has been compiled from the related annual standalone financial Ind AS statements prepared in accordance with Indian Accounting Standards ("Ind AS"), prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Statement.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Based on our audit conducted as stated above, in our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI circular dated 5 July 2016; and
- ii. gives a true and fair view in conformity with the aforesaid Ind AS and Other Accounting principles generally accepted in India of the profit, total comprehensive income and other financial information of the Company for the quarter and year ended March 31, 2018.



**Emphasis of Matters:**

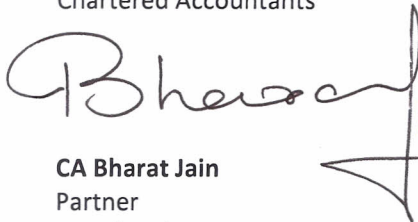
Without qualifying our report, we draw attention to Note no.7 of the statement, explaining reason for non-provision for diminution in the value of investment made and loan given to wholly owned subsidiary Company "House Full International Limited" aggregating to Rs 3,068.42Lakhs.

**Other Matters:**

1. The Statement includes the results for the Quarter ended March 31, 2018, being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.
2. The comparative financial information of the Company for the quarter and year ended March 31, 2017, included in the Statement, are based on the previously published standalone financial results for the said period prepared in accordance with the Companies (Accounting Standard) Rules, 2006 and other accounting principles generally accepted in India, audited by the previous auditor whose audit report for the year ended March 31, 2017 dated May 30, 2017 expressed an unmodified opinion on those financial statements. The adjustments to those financial information for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not modified in respect of these other matters.

**For Damania & Varaiya**  
Firm Registration No 102079W  
Chartered Accountants



**CA Bharat Jain**  
Partner  
Membership No: 100583



Place: Mumbai  
Date: May 28, 2018



# RENAISSANCE JEWELLERY LIMITED

CIN: L36911MH1989PLC054498

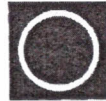
REGD OFFICE : PLOT NOS. 36A & 37, SEEPZ-SEZ, ANDHERI (EAST), MUMBAI - 400 096.

## AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED MARCH 31, 2018

(₹ In Lacs)

Sr No.	Particulars	Quarter Ended			Year Ended	
		Mar 31, 2018 Audited	Dec 31, 2017 Unaudited	Mar 31, 2017 Audited	Mar 31, 2018 Audited	Mar 31, 2017 Audited
1	<b>Income</b>					
	a) Revenue from operations	25,159.28	32,951.92	22,916.44	102,220.87	110,043.15
	b) Other income	47.56	10.80	111.99	244.62	235.23
	<b>Total Income (a+b)</b>	<b>25,206.84</b>	<b>32,962.72</b>	<b>23,028.43</b>	<b>102,465.49</b>	<b>110,278.38</b>
2	<b>Expenditure</b>					
	a) Cost of Materials consumed	23,668.05	19,221.06	18,148.61	87,517.38	88,036.71
	b) (Increase)/Decrease in Inventories	(1,881.39)	7,289.22	1,662.31	(4,292.00)	3,273.14
	c) Employee Benefit Expense	726.33	1,450.05	806.74	3,965.66	3,444.22
	d) Foreign Exchange (Gain) / Loss (net)	(563.99)	(788.95)	(666.19)	(2,798.82)	(1,366.54)
	e) Finance Cost	226.01	269.52	215.24	917.35	810.82
	f) Depreciation and amortisation expense	213.62	199.91	231.57	780.81	813.92
	g) Other Expenditure (Refer note no. 6)	2,712.64	3,044.98	2,842.46	12,024.21	11,425.51
	<b>Total Expenditure (a+g)</b>	<b>25,101.27</b>	<b>30,685.79</b>	<b>23,240.74</b>	<b>98,114.59</b>	<b>106,437.78</b>
3	<b>Profit from Operations before Exceptional Items and tax (1-2)</b>	<b>105.57</b>	<b>2,276.93</b>	<b>(212.31)</b>	<b>4,350.90</b>	<b>3,840.60</b>
4	<b>Exceptional Items</b>					
	Less : Provision for diminition in value of investment (Refer note no.7)	528.33	-	-	528.33	-
5	<b>Profit / (Loss) before tax after exceptional items (3-4)</b>	<b>(422.76)</b>	<b>2,276.93</b>	<b>(212.31)</b>	<b>3,822.57</b>	<b>3,840.60</b>
6	<b>Tax expense</b>					
	Income Tax	(172.53)	652.85	(15.95)	998.22	883.78
	Deferred Tax	(132.85)	(18.59)	(49.03)	(167.79)	(20.80)
7	<b>Net Profit / (Loss) after tax for the period / year (5-6)</b>	<b>(117.38)</b>	<b>1,642.67</b>	<b>(147.33)</b>	<b>2,992.14</b>	<b>2,977.62</b>
8	<b>Other Comprehensive Income (OCI)</b>					
	<b>(i) Items that will not be reclassified to profit and loss</b>					
	a) Re-measurement gains (losses) on defined benefit plans	8.59	(3.00)	(3.00)	(0.41)	(12.00)
	b) Equity instruments through OCI	(271.64)	417.17	550.76	276.30	194.01
	c) Mutual fund equity instruments through OCI	-	-	-	3.04	9.40
	d) Income tax effect on above	43.25	(71.16)	(94.27)	(48.98)	(31.05)
	<b>(ii) Items that will be reclassified to profit and loss</b>					
	a) Fair value changes on derivatives designated as cash flow hedges	(1,073.70)	479.43	1,430.37	(1,766.76)	1,398.86
	b) Mutual fund debts instruments through OCI	-	-	-	-	1.35
	c) Income tax effect on above	370.06	(165.92)	(495.01)	609.92	(484.34)
	<b>Other Comprehensive income for the period (i+ii)</b>	<b>(923.44)</b>	<b>656.52</b>	<b>1,388.85</b>	<b>(926.89)</b>	<b>1,076.23</b>
9	<b>Total Comprehensive income for the period after tax (7+8)</b>	<b>(1,040.82)</b>	<b>2,299.18</b>	<b>1,241.51</b>	<b>2,065.25</b>	<b>4,053.85</b>
10	<b>Paid-up Equity Share Capital (Face Value of ₹ 10/- each)</b>	<b>1,868.30</b>	<b>1,868.30</b>	<b>1,843.30</b>	<b>1,868.30</b>	<b>1,843.30</b>
11	<b>Earning Per Share EPS of ₹ 10/- each (Refer note no. 8)</b>					
	Basic	(0.64)	8.89	(0.80)	16.19	16.15
	Diluted	(0.64)	8.89	(0.80)	16.19	16.15





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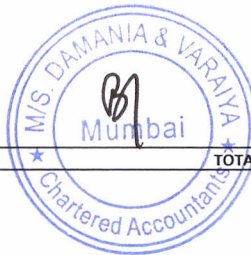
CIN: L36911MH1989PLC054498

REGD OFFICE : PLOT NOS. 36A & 37, SEEPZ-SEZ, ANDHERI (EAST), MUMBAI - 400 096.

## STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS ON MARCH 31, 2018

(₹ In Lacs)

Sr No.	Particulars	Mar 31, 2018 Audited	Mar 31, 2017 Audited
	<b>ASSETS</b>		
(I)	Non-current assets		
	(a) Property, plant and equipment	3,133.63	3,296.06
	(b) Capital work-in-progress	294.52	23.45
	(c) Other Intangible assets	28.82	41.83
	(d) Financials assets		
	(i) Investments	10,782.05	10,798.75
	(ii) Others	164.50	147.14
	(e) Deferred Tax assets (net)	1,539.49	848.76
	(f) Other non-current assets	218.20	113.93
	<b>TOTAL Non current assets</b>	<b>16,161.21</b>	<b>15,269.92</b>
(II)	Current assets		
	(a) Inventories	26,597.95	18,252.42
	(b) Financials assets		
	(i) Investments	2,111.30	4,384.22
	(ii) Trade receivables	31,464.48	32,694.90
	(iii) Cash and cash equivalents	2,466.68	5,006.04
	(iv) Bank balances other than (iii) above	405.06	379.36
	(v) Loans	1,264.54	66.97
	(vi) Other financial assets	542.49	2,234.83
	(c) Current Tax assets (net)	163.65	149.87
	(d) Other current assets	1,855.09	1,090.75
	<b>TOTAL Current assets</b>	<b>66,871.24</b>	<b>64,259.36</b>
	<b>TOTAL ASSETS</b>	<b>83,032.45</b>	<b>79,529.28</b>
	<b>EQUITY AND LIABILITIES</b>		
	Equity		
	(a) Equity Share capital	1,868.30	1,843.30
	(b) Other Equity	43,908.40	41,584.13
	<b>Total Equity</b>	<b>45,776.70</b>	<b>43,427.43</b>
	LIABILITIES		
(I)	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	126.75	187.16
	(b) Provisions	160.57	135.69
	<b>TOTAL Non current liabilities</b>	<b>287.32</b>	<b>322.85</b>
(II)	Current liabilities		
	(a) Financials liabilities		
	(i) Borrowings	18,700.39	19,697.57
	(ii) Trade payables	17,699.86	15,443.47
	(iii) Others	361.12	380.53
	(b) Other current liabilities	71.58	85.91
	(c) Provisions	135.48	153.16
	(d) Current Tax liabilities (Net)	-	18.36
	<b>TOTAL Current liabilities</b>	<b>36,968.43</b>	<b>35,779.00</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>83,032.45</b>	<b>79,529.28</b>





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## AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED MARCH 31, 2018

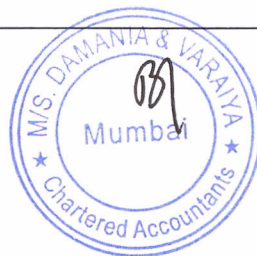
### NOTES :

- The above audited Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on May 28, 2018.
- The Company is engaged primarily in the business of 'Manufacture and sale of Jewellery' and hence there is no separate reportable segment within the criteria defined under Indian Accounting Standard (Ind AS) -108 'Operating Segments'.
- The Company adopted Indian Accounting Standard ("Ind-AS") and accordingly these financial results have been prepared in accordance with the recognition and measurement principles of Ind-AS prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under. The date of transition to Ind-AS April 01, 2016. The impact of transition has been accounted for in opening other equity and the comparative periods have been restated accordingly.
- The reconciliation between net profit for the quarter/year ended March 2017 reported earlier as per previous Indian GAAP and the one recast as per Ind AS is as under:

Particulars	Profit Reconciliation	
	Quarter Ended March 31, 2017	Year Ended on March 31, 2017
Net Profit after tax reported as per Previous GAAP	269.02	3,047.93
Add/ (Less): Adjustment pursuant to adoption of Ind AS		
Expected credit loss (provision)/ reversal on trade receivables	(0.48)	55.62
Reversal of interest income on fair value of preference shares (Refer Note 6)	(72.45)	-
Fair value gain/(loss) on financial guarantee	(7.16)	30.34
Investment in equity shares / Mutual fund investment designated at fair value through OCI	(357.84)	(167.57)
Actuarial Gain/ (loss) on defined benefit transferred to OCI	3.00	12.00
Tax adjustment on the above items	18.58	(0.70)
<b>Net Profit for the period after Tax as per Ind AS</b>	<b>(147.33)</b>	<b>2,977.62</b>
Other comprehensive Income (Net of Tax)	1,388.85	1,076.23
<b>Total Comprehensive income for the period after tax</b>	<b>1,241.51</b>	<b>4,053.85</b>

- The reconciliation of equity as reported earlier as per Previous Indian GAAP and the equity as per Ind AS is as per the table below:

Particulars	Reconciliation of Equity	
	As at March 31, 2017	
Equity as per previous Indian GAAP	44,229.08	
Fair value change of financial instruments - equity shares and mutual fund	196.17	
Expected credit loss (provision)/ reversal on trade receivables	(5.13)	
Fair valuation of financial guarantee	64.82	
RJL-Employee welfare trust shares netting off	(243.39)	
Tax adjustment on the above items	(814.11)	
<b>Equity as per Ind-AS</b>	<b>43,427.43</b>	





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### AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED MARCH 31, 2018

#### NOTES :

- 6 The company, during the preparation of first Ind AS financial Statement, applied the exemption contained in Ind AS 101 and is now carrying the preference share held in one of its wholly owned subsidiary at deemed cost, which was opted to be carried at fair value through profit and loss as per Ind AS in interim financial results up to December 31, 2017.
- 7 The Company has invested ₹ 1371.81 Lakhs in Renaissance Jewellery Bangladesh Private Limited (RJBPL) – wholly owned subsidiary company. The net worth of RJBPL as on March 31, 2018 is ₹ 843.48 Lakhs. The Company, in principle, had decided to exit out of its operation in Bangladesh and is pursuing appropriate steps in this direction either through divestment of its stake in RJBPL or sale of the entire operation as slump sale. The company has taken the write down of ₹ 528.33 Lakhs to the extent of the Net worth of RJBPL, being the expected realizable value.
- 8 In the meeting of shareholders of Renaissance Jewellery Limited (the Transferee Company) and Housefull International Limited and N. Kumar Diamond Exports Limited (both the Transferor Company) held on February 27, 2018 as directed by the National Company Law Tribunal (NCLT) vide Order dated January 19, 2018, the shareholders of the respective companies have approved the Scheme of Amalgamation (the Scheme). The necessary proceeding documents have been filed with NCLT as required by the Companies Act, 2013 on March 21, 2018. However, the final approval of NCLT is awaited. The effect of the Scheme on the financial statement / result will be reflected in the period in which the requisite approval is received and the Scheme is effective. In view of the Scheme, no provision for diminution in the Investment in Housefull International Limited is considered necessary.
- 9 For calculation of Earnings Per Share, Equity Shares held by ESPS Trust is netted of against paid up equity share capital of the Company.
- 10 The figures for the previous quarters and previous periods have been re-grouped/reclassified wherever considered necessary to conform with those of current quarter and current period.

Place : Mumbai  
Dated : May 28, 2018



For RENAISSANCE JEWELLERY LIMITED

  
HITESH M. SHAH  
MANAGING DIRECTOR