

INDEPENDENT AUDITOR'S REPORT

**To The Board of Directors of
Renaissance Global Limited**

Report on the audit of the Standalone Financial Results

Opinion

We have audited the accompanying standalone financial results of Renaissance Global Limited (the company) for the quarter and year ended March 31, 2020 ('standalone financial results') attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us these standalone financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit and other comprehensive loss and other financial information for the quarter and year ended March 31, 2020

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Results* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Emphasis of Matter

We draw attention to note no. 7 of the standalone financial results regarding the uncertainties arising out of the outbreak of COVID 19 pandemic and the assessment made by the management on its operations and the financial reporting for the year ended March 31, 2020. Such an assessment and the outcome of the pandemic, as made by the management, is dependent on the circumstances as they evolve in the subsequent periods. Further, we were not able to participate in the physical verification of inventory that was carried out by the management. Consequently we have performed alternate procedures to audit the existence of inventory as per the guidance provided in SA 501 "Audit Evidence –Specific consideration for Selected items" and have obtained sufficient appropriate evidence.

Our opinion is not modified in respect of this matter.

Management's and Board of Directors' Responsibilities for the Standalone Financial Results

These standalone financial results have been prepared on the basis of the standalone financial statements. The Company's Management and Board of Directors are responsible for the preparation of these standalone financial results that give a true and fair view of the net profit and other comprehensive loss and other financial information in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial results, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.



The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our



auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial results, including the disclosures, and whether the financial results represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

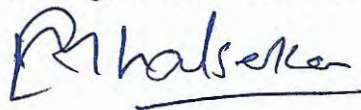
Other Matter

The standalone financial result include the results for the quarter ended March 31, 2020 and corresponding quarter ended in previous year as reported in these financial results are the balancing figures between audited figures in respect of full financial year and published year to date figures up to the third quarter of current and previous financial year respectively, which has been reviewed and not subjected to audit.

For Chaturvedi & Shah LLP

Chartered Accountants

Firm Registration Number: 101720W/ W100355



Lalit R. Mhalsekar

Membership No.103418

UDIN: 20103418AAAACX8065



Place: Mumbai

Date: June 29, 2020

**RENAISSANCE GLOBAL LIMITED**

FORMERLY RENAISSANCE JEWELLERY LIMITED

REGD OFFICE : PLOT NOS. 36A & 37, SEEPZ-SEZ, ANDHERI (EAST), MUMBAI - 400 096 | CIN: L36911MH1989PLC054498

AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED MARCH 31, 2020

(₹ In Lakhs)

Sr No.	Particulars	Quarter Ended			Year Ended	
		Mar 31, 2020 Audited	Dec 31, 2019 Unaudited	Mar 31, 2019 Audited	Mar 31, 2020 Audited	Mar 31, 2019 Audited
1	Income					
	a) Revenue from operations	22,321.04	44,470.63	28,839.03	126,065.35	127,820.74
	b) Other income	63.05	26.36	33.19	162.81	133.52
	Total Income (a+b)	22,384.09	44,496.99	28,872.22	126,228.16	127,954.26
2	Expenditure					
	a) Cost of Materials consumed	14,210.56	21,439.75	19,210.51	83,122.25	86,286.64
	b) Purchase of Traded Goods	1,325.83	2,816.82	6,881.29	12,199.22	22,137.08
	c) Changes in inventories of finished goods, Stock-in-Trade and work-in progress	681.19	14,918.45	(3,008.21)	6,546.59	(5,168.91)
	d) Employee Benefit Expense	1,034.91	914.49	869.71	3,863.37	3,576.79
	e) Foreign Exchange (Gain) / Loss (net)	(348.68)	(497.29)	391.28	(755.12)	2,123.37
	f) Finance Cost	183.17	312.94	259.16	1,044.13	962.30
	g) Depreciation amortisation and Impairment expense	351.22	273.88	238.24	1,099.19	883.43
	h) Other Expenditure	3,277.42	3,689.22	3,585.24	14,731.00	13,550.54
	Total Expenditure (a+h)	20,715.62	43,868.26	28,427.22	121,850.63	124,351.24
3	Profit / (Loss) from Operations before Exceptional Items and tax (1-2)	1,668.47	628.73	444.99	4,377.53	3,603.02
4	Exceptional Items Provision for Diminution in value of investment	(346.56)	(3.38)	69.50	(407.13)	(68.50)
5	Profit / (Loss) before tax after exceptional items (3-4)	1,321.91	625.36	514.49	3,970.40	3,534.52
6	Tax expense					
	Current Tax	495.61	199.95	(63.41)	1,268.75	783.43
	(Short/(Excess) Provision of tax relating to earlier years (net))	-	(23.26)	-	(23.26)	-
	Deferred Tax (net)	(414.76)	(90.04)	149.14	(455.31)	97.53
7	Net Profit / (Loss) after tax for the period / year (5-6)	1,241.06	538.71	428.76	3,180.23	2,653.56
8	Other Comprehensive Income (OCI)					
	(i) Items that will not be reclassified to profit and loss					
	a) Re-measurement gains (losses) on defined benefit plans	-	-	(4.55)	-	(4.55)
	b) Equity instruments through OCI	(733.51)	59.59	95.86	(805.87)	97.99
	c) Mutual fund equity instruments through OCI	(139.52)	(5.47)	0.67	(198.18)	9.96
	d) Income tax effect on above	127.12	(9.46)	(11.75)	129.68	(13.74)
	(ii) Items that will be reclassified to profit and loss					
	a) Fair value changes on derivatives designated as cash flow hedges	(2,480.63)	(379.84)	1,351.25	(3,538.61)	844.16
	b) Mutual fund debts instruments through OCI	-	-	-	-	-
	c) Income tax effect on above	866.83	132.73	(472.18)	1,236.53	(294.98)
	Other Comprehensive income for the period (i+ii)	(2,359.71)	(202.45)	959.30	(3,176.45)	638.84
9	Total Comprehensive income for the period after tax (7+8)	(1,118.65)	336.26	1,388.06	3.78	3,292.40
10	Paid-up Equity Share Capital (Face Value of ₹ 10/- each)	1,868.30	1,868.30	1,868.30	1,868.30	1,868.30
11	Earning Per Share EPS of ₹ 10/- each					
	(Before Exceptional Item)					
	Basic & Diluted	8.50	2.90	1.92	19.20	14.57
	(After Exceptional Item)					
	Basic & Diluted	6.64	2.88	2.30	17.02	14.20



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AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS ON MARCH 31, 2020

(₹ In Lakhs)

Sr. No.	Particulars	March 31, 2020	March 31, 2019
		Audited	Audited
	ASSETS		
1	<u>Non-current assets</u>		
	Property, Plant and Equipment	3,675.05	3,901.30
	Capital work-in-progress	8.36	11.28
	Intangible assets	44.20	21.43
	Right of use assets	177.13	-
	Financial assets		
	Investments	5,968.41	6,229.04
	Other financial assets	485.17	222.45
	Deferred Tax (net)	2,718.60	1,156.68
	Other non-current assets	96.76	130.22
	Total Non-current assets	13,173.67	11,672.40
2	<u>Current assets</u>		
	Inventories	25,790.24	32,849.14
	Financial assets		
	Investments	1,499.62	1,790.58
	Trade receivables	35,809.23	35,951.34
	Cash and cash equivalents	6,719.12	1,170.84
	Bank balances other than above	894.03	725.30
	Loans	41.13	23.11
	Other financial assets	341.79	1,335.62
	Current tax assets (net)	90.39	349.53
	Other current assets	1,275.87	1,782.26
	Total Current assets	72,461.42	75,977.73
	Total Assets	85,635.09	87,650.13



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AUDITED STANDALONE STATEMENT OF ASSETS AND LIABILITIES AS ON MARCH 31, 2020

(₹ In Lakhs)

Sr. No.	Particulars	March 31, 2020 Audited	March 31, 2019 Audited
	EQUITY AND LIABILITIES		
1	Equity		
	Equity share capital	1,868.30	1,868.30
	Other equity	44,445.76	44,505.57
	Total Equity	46,314.06	46,373.88
2	Liabilities		
	Non-current liabilities		
	Financial liabilities		
	Borrowings	18.34	113.46
	Others	142.46	-
	Provisions	238.07	139.69
	Total Non-current liabilities	398.87	253.15
3	Current liabilities		
	Financial liabilities		
	Borrowings	20,592.85	21,147.92
	Trade payables		
	Micro and Small Enterprises	0.24	1.60
	Others	15,321.14	18,943.28
	Other financial liabilities	2,738.15	386.57
	Other current liabilities	109.85	396.83
	Provisions	159.95	146.88
	Total Current liabilities	38,922.18	41,023.08
	Total Equity and Liabilities	85,635.09	87,650.13



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AUDITED STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

(₹ In Lakhs)

Sr. No.	Particulars	March 31, 2020 Audited	March 31, 2019 Audited
	Profit before tax	3,970.40	3,534.52
	Non-cash adjustment to reconcile profit before tax to net cash flows		
	Depreciation/amortization	977.78	883.43
	Sundry balance written off	135.84	55.78
	Unrealized foreign exchange loss/(gain)	(134.43)	278.03
	Provision for Diminution in value of investment	407.13	68.50
	Impairment of Fixed Assets	121.41	-
	Loss/(profit) on sale of fixed assets	(14.52)	160.01
	Expected Credit Loss / Bad Debts	163.42	(4.23)
	Interest expense	1,044.13	962.30
	Interest income	(101.92)	(92.59)
	Rent Income	(10.08)	(17.34)
	Dividend Income	(18.38)	(5.34)
	Operating profit before working capital changes	6,540.78	5,823.08
	<u>(Increase)/decrease in Working Capital</u>		
	Increase / (decrease) in trade payable	(6,517.05)	1,417.95
	Increase / (decrease) in short-term provisions	(106.80)	(107.84)
	Decrease / (increase) in trade receivables	4,465.47	(5,257.33)
	Decrease / (increase) in inventories	7,058.90	(4,981.64)
	Decrease / (increase) in short-term loans and advances	(175.41)	224.59
	Cash generated from/(used in) operations	11,265.89	(2,881.19)
	Direct taxes paid (Net of refunds)	(692.57)	(1,005.56)
(A)	Net cash flow from/(used in) operating activity	10,573.32	(3,886.75)
	Cash flows from investing activities		
	Purchase of fixed assets, including intangible assets, CWIP and capital advances	(832.02)	(1,218.75)
	Proceeds from sale of fixed assets	50.22	38.10
	Purchase of Equity Shares and Mutual Fund	(3,533.70)	(2,022.18)
	Sale of Equity Shares and Mutual Fund	2,674.11	3,989.85
	Capital Withdrawn from LLP	-	8.33
	Rent Received	10.08	17.34
	Movement in Other Bank Balances	(168.73)	(320.24)
	Interest received	95.44	73.35
	Dividend received	18.38	5.34
(B)	Net cash flow from/(used in) investing activities	(1,686.22)	571.14
	Cash flows from financing activities		
	Proceeds/ (Repayment) from/of short-term borrowing (net)	(1,880.67)	2,590.40
	Interest paid	(1,019.78)	(994.20)
	Receipt from ESPS Trust.	(132.91)	-
	Dividend paid	(0.44)	(0.66)
(C)	Net cash flow from/(used in) financing activities	(3,033.80)	1,595.54



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AUDITED STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2020

Sr. No.	Particulars	(₹ In Lakhs)	
		March 31, 2020 Audited	March 31, 2019 Audited
(A+B+C)	Net increase/(decrease) in cash and cash equivalents	5,853.31	(1,720.07)
	Cash and cash equivalents at the beginning of the year	865.81	2,585.88
	Cash and cash equivalents at the end of the year	6,719.12	865.81
	Components of Cash and Cash Equivalents		
	Cash on hand	22.22	9.72
	With banks		
	- on current account	5,371.73	572.23
	- on deposit account	1,325.17	588.89
	Cash and Cash Equivalents	6,719.12	1,170.84
	Less: Bank overdrawn as per Books	-	305.03
		6,719.12	865.81

NOTES :

- 1 The above standalone financial results have been prepared in accordance with applicable Indian Accounting Standard as prescribed under Section 133 of the Companies Act, 2013, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations.
- 2 The above Audited Financial Results were reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on June 29, 2020.
- 3 The audit as required under regulation 33 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been complied by the statutory auditor of the Company.
- 4 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'.
- 5 National Company Law Tribunal, Mumbai Bench (NCLT) on April 22, 2019 has approved the Scheme of Amalgamation of Renaissance Jewellery Ltd. (now Renaissance Global Ltd.), its wholly owned subsidiary "N. Kumar Diamond Exports Limited" and a step down subsidiary "House Full International Limited". The effective date and Appointed dates for the merger was May 08 2019, and April 1, 2017 respectively. In view of the said Amalgamation, accounting effects have been given in the amounts reported for earlier periods.
- 6 The Company has adopted Ind AS 116 to its leases retrospectively w.e.f. April 01, 2019 and the impact of the same on the results is negligible.



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- 7 The outbreak of COVID 19 across the globe and in India has resulted in pandemic requiring unprecedented steps to combat it. Consequent to the nation-wide lockdown imposed by the Central Government from March 23, 2020 to prevent the spread thereof, the Company had to shut down its factories /stores and all its operational activities across its locations , impacting the business during the quarter.

Significant decline in the economic activity of the whole nation and the disruption created across the businesses have affected the operations of the Company as well, the impact whereof would evolve around the developments taking place in forthcoming months.

The operations of the Company have resumed in a partial manner at manufacturing locations at Bhavnagar, Gujarat from April 25, 2020 and at SEEPZ, Mumbai from May 14, 2020 taking cognizance of the Governments' views around resuming manufacturing activities with controlled entry and exit facilities , maintaining appropriate distancing and following other directives of the regulatory authorities.

In the case of inventory, the management has performed year end inventory verification procedures at each of its locations and also performed alternative procedures after year end .

Further, the Company expects to recover the carrying amount of all its assets including inventory, receivables and loans in the ordinary course of business based on information available on current economic conditions. The Company is continuously monitoring any material changes in future economic conditions for taking prompt corrective actions within its purview and would keep assessing the impact for taking appropriate cognizance in financial reporting in the forthcoming quarters

- 8 The standalone figures for the quarter ended March 31, 2020 and corresponding quarter ended in previous year as reported in these financial results are the balancing figures between audited figures in respect of full financial year and published year to date figures up to the quarter of current and previous financial year respectively, which has been reviewed and not subjected to audit.
- 9 The figures for the previous quarters have been re-group/restated, wherever necessary.

Place : Mumbai
Dated : June 29, 2020

**For RENAISSANCE GLOBAL LIMITED****NIRANJAN A. SHAH
EXECUTIVE CHAIRMAN**