RENAISSANCE JEWELLERY LTD.

Ref. No.: RJL/S&L/2018/57

May 29, 2018

Bombay Stock Exchange Limited Listing Department Phiroze Jeejeebhoy Towers Dalal Street, Fort, Mumbai – 400 001	**National Stock Exchange of India Ltd.** Exchange Plaza, Plot no. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400 051

Sub.: Update on Company's Performance alonwith presentation on Performance Highlights for Q4 FY 18.

Dear Sir

We are enclosing herewith the update on Company Performance along with the presentation on Performance Highlights for the fourth quarter ended March 31, 2018, for the purpose of updating our investors.

We request you to upload the same under the suitable section of your website.

Thanking you,

Yours faithfully,
For **Renaissance Jewellery Ltd.**

G. M. Walavalkar
G. M. – Legal & Company Secretary

Encl.: As Above

RENAISSANCE JEWELLERY LTD.

May 28, 2018

Renaissance Jewellery Limited- Release of Q4 FY18 Results

Renaissance Jewellery Limited, a leading global manufacturer of fine jewellery declared its Consolidated Financial Performance for the fourth quarter and year ended March 31st,2018.

The key highlights are given below:

- **Highest ever Sales, EBIDTA and PAT registered in the Company's history**
- **Sales growth (consolidated) of 23.9% on a y-o-y basis**
- **EBIDTA (consolidated) for the full year crosses INR 100 crore**
- **PAT increase of 50.0 % on a y-o-y basis**
- **Book value of INR 295.4**

- The Company has recorded its highest ever Sales, EBIDTA and PAT in any financial year since its inception. While Consolidated sales for the full year increased by 23.9% over the previous year, the Consolidated PAT increased by 50.0% over the same period.
- The Company's strategy of acquiring businesses complementary to its product and client portfolio has helped in accelerating the growth of the Company. The robust growth during the current year has been possible by the seamless integration of the manufacturing unit acquired in Dubai in November 2016.

Financial Performance highlights for the period ended March 31st, 2018 (Consolidated)

Particulars (INR Crores)	Q4 FY18	Q4 FY17	% Change Q-o-Q	FY18	FY17	% Change Y-o-Y
Sales	448.6	399.3	12.3%	1825.1	1473.4	23.9%
EBITDA	13.9	12.5	11.2%	101.6	81.3	25.1%
PBT	6.5	5.5	18.7%	74.7	54.0	38.3%
PAT	8.4	6.3	32.7%	63.8	42.5	50.0%

- The Company has recorded a Consolidated Sales turnover of **INR 1825.1 crore** for the year ended March 31st, 2018 as compared to INR 1473.4 for the year ended March 31st, 2017. The Company achieved a **growth of 23.9% in sales** as against the guidance of 16-17% given at the start of the year.

- For the first time, the EBIDTA achieved during the year surpassed the INR 100 crore mark. Consolidated EBIDTA of the Company for the year ended 31st March,2018 stands at **INR 101.6 crores** as against INR 81.3 crores for the same period of the earlier year. This reflects a **growth of 25.1%.** Despite strong Sales growth, the Company has maintained and marginally improved the EBITDA Margin. The current year Margin stands at **5.6% vs 5.5%** in the last year.

Renaissance Jewellery Limited MUMBAI

- The Consolidated Profit Before Tax **(PBT)** for the year ended 31st March, 2018 has increased significantly by **38.3%** from INR 54.0 crore to **INR 74.7 crore.**

- The Consolidated **PAT** for the year ended March 31st, 2018 is **INR 63.8 crores** as compared to INR 42.5 crore for the same period last year. The same is an increase of **50.0% growth** on a y-o-y basis. The PAT for the current quarter is **INR 8.4 crores** reflecting a **growth of 32.7% on q-on-q basis.**

- The Consolidated **PAT margin** of the Company has grown from **2.9%** during the earlier year to **3.5%** during the year ended March 31st, 2018. The same translated to an **EPS** (annualized) of **INR 34.1** for the year ended 31st March, 2018.

- The Company has adopted Ind-AS for the first time beginning April 1, 2017. The results for the full year ended March 31, 2018 are as per Ind-AS. Changes in Balance Sheet items are recognized under the Other Comprehensive Income(OCI). The PAT mentioned above is prior to any adjustments of OCI and reflects the profitability from operations.

Outlook for FY19:

- The Company's profitability is likely to increase faster than the top-line. This is on account of the ***Management's focus to improve the margins on its products***. The Company has been working closely with brands as well as focusing on higher value-added category of jewellery to achieve the same.
- Management believes that the next wave of growth would be in the consolidation of the industry. There are be a lot of businesses with good clients and good product bouquets that are looking to be bought out or their operations being merged with larger entities. ***The Company will constantly evaluate such acquisition opportunities (both domestically and internationally) based on their products and markets being complementary to its own.***
- Changes in the Macro Business Dynamics in India including GST Implementation and the efforts to remove illegitimate transactions etc. will lead to serious entry barriers. Companies with good governance practices will sustain and grow in this environment. Changes in Consumer Preferences towards designer and branded jewellery are encouraging signs. ***Over the course of next year, Company will closely study and evaluate the Domestic Retail Market and devise an entry strategy for the same.***

Renaissance Jewellery Limited MUMBAI

RENAISSANCE JEWELLERY LTD

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PERFORMANCE HIGHLIGHTS
Q4 FY18

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KEY CONSOLIDATED FINANCIALS

PERFORMANCE HIGHLIGHTS FOR THE PERIOD ENDED MARCH 31st, 2018

Highlights

Sales
INR 1825.1cr
Highest ever since inception

PAT
INR 63.8cr
PAT ⬆ 50%

EBIDTA
INR 100+cr
First time since inception

INR 295.4
Book Value / Share

Particulars (INR Crores)	Q4 FY18	Q4 FY17	% Change Q-o-Q	FY18	FY17	% Change Y-o-Y
Sales	448.6	399.3	12.3%	1825.1	1473.4	23.9%
EBITDA	13.9	12.5	11.2%	101.6	81.3	25.1%
PBT	6.5	5.5	18.7%	74.7	54.0	38.3%
PAT	8.4	6.3	32.7%	63.8	42.5	50.0%

EPS for the full year ended March 31st, 2018 is INR 34.1

Note: Company has adopted Indian Accounting Standards (Ind–AS) since April 1st 2017. The PAT mentioned above is prior to any adjustments of OCI and reflects the profitability from operations

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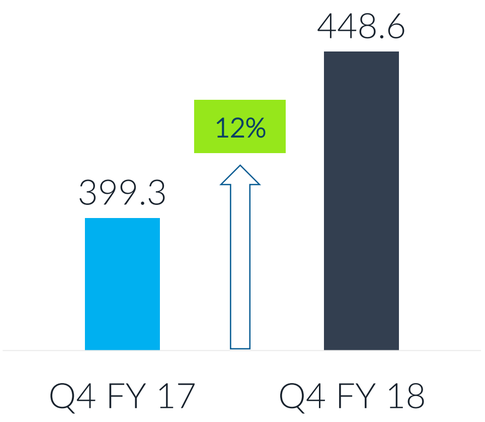
KEY CONSOLIDATED FINANCIALS

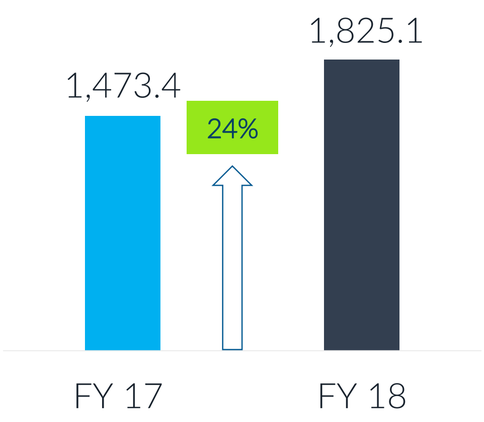
PERFORMANCE COMPARISON

Revenue

Quarterly Performance

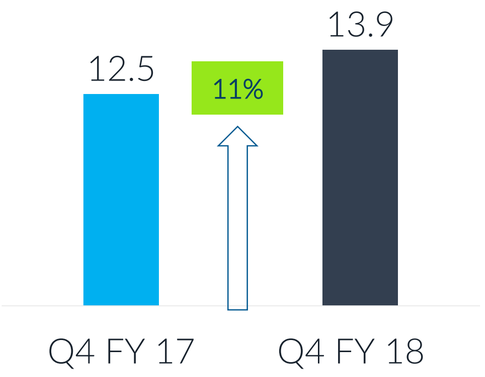


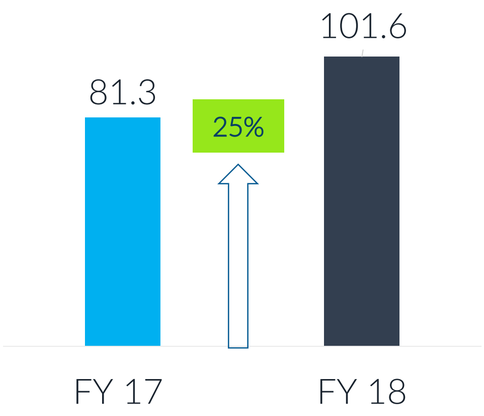
Yearly Performance



- The Company has recorded a **Consolidated Sales** of **INR 1825.1 crore** for the year ended March 31st, 2018 as compared to INR 1473.4 crore for the same period last year
- The Company achieved a **growth of 23.9% in sales** as against the guidance of 16-17% given at the start of the year

EBITDA





- **Consolidated EBIDTA** of the Company for the year ended 31st March, 2018 grew by **25.1%** and stands at **INR 101.6 crore** as against INR 81.3 crores for the same period of the earlier year
- Despite strong Sales growth, the Company has maintained and marginally improved the EBITDA Margin. The current year Margin stands at **5.6% vs 5.5 %** for the previous year

Note : All the values are in INR crore

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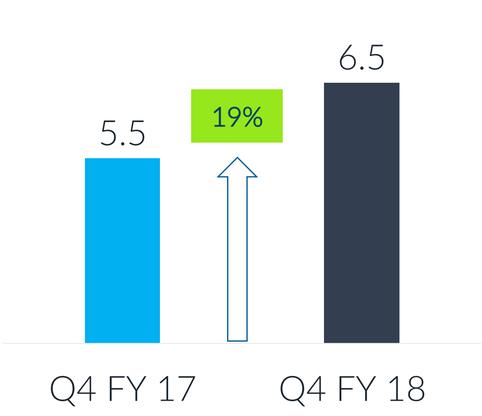
KEY CONSOLIDATED FINANCIALS

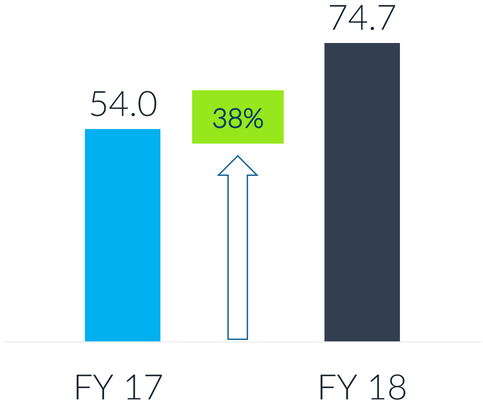
PERFORMANCE COMPARISON

PBT

Quarterly Performance

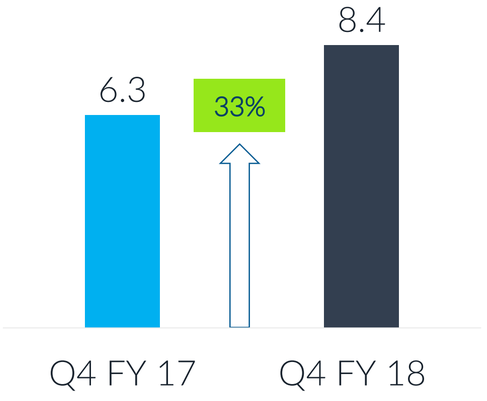


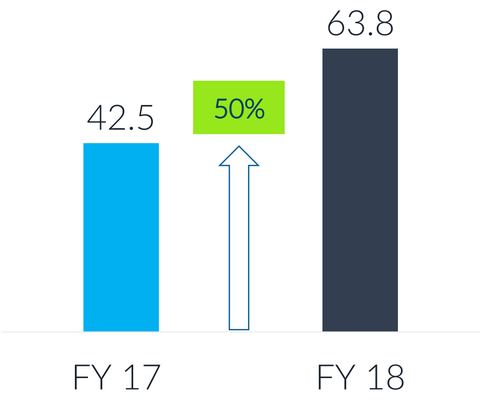
Yearly Performance



- The **Consolidated Profit Before Tax (PBT)** has shown a **38.3% growth on y-o-y basis**
- The **Consolidated PBT** for the year ended 31st March, 2018 is **INR 74.7 crore** as compared to INR 54.0 crore for the same period last year

PAT





- The **Consolidated PAT** for the year ended March 31st, 2018 is **INR 63.8 crores** as compared to INR 42.5 crore for the same period last year. The same **reflects 50.0% growth on y-o-y basis**
- The Consolidated **PAT Margin** has **grown from 2.9 % to 3.5%** for the current year

Note : All the values are in Rs crore

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WAY FORWARD

BRIGHTER FUTURE AHEAD

High Margin Business

- The Company's profitability is likely to increase faster than the top-line
- The Company has been working closely with brands as well as focusing on higher value-added category of jewellery to improve the margins on its product

Strategic Acquisitions

- Management believes that the next wave of growth would be in the consolidation of the industry
- There are businesses with good clients and product bouquets that are looking to be bought out or their operations being merged with larger entities
- The Company will constantly evaluate such opportunities (both domestically and internationally) based on their products and markets being complementary to its own

India Retail

- Changes in the Macro Business Dynamics in India including GST Implementation and the efforts to remove illegitimate transactions etc. will lead to serious entry barriers. Companies with good governance practices will sustain and grow in this environment
- Over the course of next year, Company will closely study and evaluate the Domestic Retail Market and devise an entry strategy for the same

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CONSOLIDATED FINANCIAL STATEMENTS

UNAUDITED RESULTS FOR THE QUARTER YEAR ENDED 31st MARCH, 2018

(₹ In Lakhs)

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	**Income**					
	a) Revenue from Operations	44,857.52	61,609.49	39,928.67	182,510.17	147,344.88
	b) Other Income	185.61	42.22	150.61	374.90	455.97
	Total Income (a+b)	**45,043.13**	**61,651.71**	**40,079.28**	**182,885.07**	**147,800.85**
2	**Expenditure**					
	a) Cost of Materials consumed	44,441.92	31,846.76	40,386.55	141,757.22	104,305.73
	b) (Increase)/Decrease in Inventories	3,938.72	6,008.52	2,698.65	1,011.19	(2,323.70)
	c) Purchase of Traded Goods	(9,460.84)	13,723.75	(9,268.70)	8,838.58	13,791.48
	d) Employee Benefit Expense	1,737.10	2,630.72	1,940.86	8,386.20	8,031.79
	e) Foreign Exchange (Gain) / Loss (net)	(681.76)	(831.25)	(681.70)	(3,016.28)	(1,340.82)
	f) Finance Cost	421.38	360.70	350.64	1,448.73	1,321.30
	g) Depreciation and amortisation expense	323.98	316.09	356.53	1,244.80	1,403.36
	h) Other Expenditure	3,673.16	3,907.62	3,749.04	15,747.02	17,210.48
	Total Expenditure (a+h)	**44,393.66**	**57,962.92**	**39,531.88**	**175,417.46**	**142,399.62**
3	**Profit from Operations before Exceptional Items (1-2)**	649.47	3,688.79	547.40	7,467.61	5,401.23
4	Tax expense					
	Income Tax	(84.78)	782.92	79.06	1,270.49	1,312.43
	Deferred Tax	(101.87)	(54.75)	(161.61)	(181.97)	(163.40)
5	**Net Profit / (Loss) after tax for the period / year (3-4)**	**836.11**	**2,960.63**	**629.95**	**6,379.09**	**4,252.19**
6	**Other Comprehensive Income**					
	(i) Items that will not be reclassified to profit and loss					
	a) Re-measurement gains (losses) on defined benefit plans	10.63	(3.00)	1.16	1.63	4.66
	b) Equity instruments through other comprehensive income	(50.96)	624.19	815.86	707.32	538.70
	c) Mutual fund equity instruments through other comprehensive income				3.04	9.40
	d) Income tax effect on above	(7.14)	(71.15)	(95.61)	(99.37)	(42.52)
	(ii) Items that will be reclassified to profit and loss					
	a) Fair value changes on derivatives designated as cash flow hedges	(1,073.70)	479.43	1,430.37	(1,766.76)	1,398.87
	b) Mutual fund debts instruments through other comprehensive income	-	-	-	-	1.34
	c) Income tax effect on above	370.07	(165.92)	(495.03)	609.92	(484.34)
	d) Exchange differences on translation of foreign operations	(1,834.02)	(386.08)	(603.65)	(1,419.27)	(550.59)
	Other Comprehensive income for the period (i+ii)	**(2,585.13)**	**477.47**	**1,053.12**	**(1,963.51)**	**875.52**
7	**Total Comprehensive income for the period after tax (5+6)**	**(1,749.02)**	**3,438.10**	**1,683.06**	**4,415.58**	**5,127.71**

CONSOLIDATED FINANCIAL STATEMENTS

UNAUDITED RESULTS FOR THE QUARTER YEAR ENDED 31st MARCH, 2018

(₹ In Lakhs)

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
	Net Profit for the period attributable to:					
	(i) Shareholders of the Company	842.68	2,934.76	595.14	6,305.65	4,204.94
	(ii) Non - controlling Interest	(6.57)	25.87	34.81	73.44	47.24
	Comprehensive Income for the period attributable to:					
	(i) Shareholders of the Company	(2,585.13)	477.47	1,053.13	(1,963.50)	875.52
	(ii) Non - controlling Interest	-	-	-	-	-
	Total Comprehensive Income for the period attributable to:					
	(i) Shareholders of the Company	(1,742.45)	3,412.23	1,648.26	4,342.15	5,080.46
	(ii) Non - controlling Interest	(6.57)	25.87	34.81	73.44	47.24
8	Paid-up Equity Share Capital (Face Value of ₹ 10/- each)	1,868.30	1,868.30	1,843.30	1,868.30	1,843.30
9	Earning Per Share EPS (of ₹ 10/- each not annualised) (Refer note no. 8)					
	Basic	4.56	15.88	3.42	34.12	22.81
	Diluted	4.56	15.88	3.42	34.12	22.81

CONTACT US

For any Investor queries ,reach out to us at :

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