



38th ANNUAL REPORT
2021-22

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CORPORATE INFORMATION

CORPORATE IDENTITY NUMBER (CIN):

L26914TG1983PLC004249

BOARD OF DIRECTORS

S. No.	Name of the Director	Category of Director
1.	Dr. Naraiah Naidu Gudar	Chairman and Managing Director
2.	Mr. Narala Satyendra Prasad	Whole Time Director
3.	Mr. Sreenivasulu Naidu	Non-Executive Non-Independent Director
4.	Mr. Gopala Krishna Yalamanchili	Independent Director
5.	Mrs. Vijaya Lakshmi Yalamanchili	Independent Director
6.	Mr. Ramkumar Srinivasan	Independent Director

CHIEF FINANCIAL OFFICER

Mr. Narala Satyendra Prasad

COMPANY SECRETARY

1. Mr. Narasimham Mangavally - Company Secretary

COMMITTEES OF THE BOARD

AUDIT COMMITTEE

S. No.	Name	Category Of Director	Designation
1.	Mr. Gopala Krishna Yalamanchili	Non-Executive, Independent Director	Chairperson
2.	Mrs. Vijaya Lakshmi Yalamanchili	Non-Executive, Independent Director	Member
3.	Mr. Sreenivasulu Naidu	Non-Executive, Non-Independent Director	Member

NOMINATION AND REMUNERATION COMMITTEE

S. No.	Name	Category Of Director	Designation
1.	Mr. Gopala Krishna Yalamanchili	Non-Executive, Independent Director	Chairperson
2.	Mrs. Vijaya Lakshmi Yalamanchili	Non-Executive, Independent Director	Member
3.	Mr. Sreenivasulu Naidu	Non-Executive, Non-Independent Director	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

S. No.	Name	Category Of Director	Designation
1.	Mr. Gopala Krishna Yalamanchili	Non-Executive, Independent Director	Chairperson
2.	Mr. Naraiah Naidu Gudaru	Executive Director	Member
3.	Mr. Sreenivasulu Naidu	Non-Executive, Non-Independent Director	Member

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REGISTERED OFFICE

Plot No.89/A, Aishwarya, 1st Floor
Street No 8, Sagar Society
Road No.2, Banjara Hills
Hyderabad - 500034
Telangana, India

FACTORY ADDRESS

Behind Bus Stand,
Yanam – 533464
(Union Territory of Puducherry)

STATUTORY AUDITOR

M/s. K S Rao & Co.
Chartered Accountants
Hyderabad

INTERNAL AUDITOR

M/s. Brahmayya & Co.,
Chartered Accountants
Hyderabad

SECRETARIAL AUDITOR

M/s. M&K Associates
Practicing Company Secretaries
Hyderabad

REGISTRAR & SHARE TRANSFER AGENTS

Venture Capital & Corporate Investments Private Limited
CIN : U65993TG1986PTC006936
H.No.12-10-167, Bharat Nagar, Hyderabad-500018, Telangana, India
Ph. No. 040-23818475, 23818476, 23868023
SEBI Registration No. INR000001203
Email Id: info@vccilindia.com, Website: www.vcciplindia.com

LISTED AT

BSE Limited

National Stock Exchange of India Limited

ISIN

INE277C01012

WEBSITE

www.regencytiles.com

INVESTOR E-MAIL ID

info@regencytiles.com

TELEPHONE NUMBER

040-23319902

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Regency Ceramics Limited

CIN: L26914TG1983PLC004249

Registered office: Plot No. 89/A, Aishwarya, 1st Floor, Street No.8, Sagar Society,
Road No.2, Banjara Hills, Hyderabad - 500 034, Telangana, India

Phone: 040-23319902 E-mail ID:

rlcosec@gmail.com Website: www.regencytiles.com

NOTICE OF 38th ANNUAL GENERAL MEETING

Notice is hereby given that the 38th Annual General Meeting of the Members of Regency Ceramics Limited will be held on Friday, September 30, 2022 at 10.30 A.M (IST) through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon; and in this regard, pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** the Audited Financial Statement of the Company for the Financial Year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To re-appoint Mr. Sreenivasulu Naidu (DIN: 00106038), who retires by rotation as a Director at this Annual General Meeting and being eligible seeks re-appointment and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, (“Act”) and other applicable provisions, if any, Mr. Sreenivasulu Naidu (DIN: 00106038), who retires by rotation at this meeting, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

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3. To re-appoint M/s. K S Rao & Co., Chartered Accountants, Hyderabad (Firm Registration No. 003109S) as Statutory Auditors of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to Section 139, 142 and any other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof) and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/S. K S Rao & Co, Chartered Accountants, having registration No. 003109S be and are hereby re-appointed as the Statutory Auditors of the Company for term of five consecutive years, who shall hold office from the conclusion of this 38th Annual General Meeting till the conclusion of the 43rd Annual General Meeting to be held in the year 2027 on such remuneration and reimbursement of out of pocket expenses as may be mutually agreed between the Auditor and the Board of Directors of the Company.”

BY ORDER OF THE BOARD
for Regency Ceramics Limited

Place: Hyderabad
Date: September 05, 2022

Sd/-
Dr. Naraiah Naidu Gudar
Chairman and Managing Director
(DIN: 00105597)

REGISTERED OFFICE

Plot No.89/A, Aishwarya, 1st Floor
Street No. 8, Sagar Society
Road No.2, Banjara Hills
Hyderabad - 500034, Telangana, India

NOTES

1. In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs (“MCA”) vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No. 02/2021 dated January 13, 2021, General Circular No.19/2021 dated December 8, 2021 and General Circular no. 02/2022 dated May 05, 2022 (collectively “MCA Circulars”) and Securities and Exchange Board of India (“SEBI”) vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and circular no. SEBI/HO/CFD/CMD2/ CIR/P/2021/11 dated January 15, 2021 and circular no. SEBI/HO/CFD/CMD2/CIR/P/2022/62dated May 13, 2022 (collectively “SEBI Circulars”), have permitted companies to conduct AGM through Video Conferencing (“VC) or other audio visual means (“OAVM”), subject to compliance of various conditions mentioned therein. In compliance with the aforesaid MCA Circulars and SEBI Circulars and the applicable provisions of Companies Act, 2013 and rules madethereunder, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the 38th AGM of the Company is being convened and conducted through VC. In accordance with the Secretarial Standard-2 on General Meetings issued by the Institute of Company Secretaries of India ("ICSI") read with Clarification/Guidance on applicability of Secretarial Standards - 1 and 2 dated April 15, 2020 issued by the ICSI, the deemed venue for AGM shall be the Registered Office of the Company.
2. The Company has enabled the Members to participate at the 38th AGM through the VC / OAVM facility provided by the Company. The instructions for participation by Members are given in the subsequent paragraphs. Members may note that the VC facility provided by the Company, allows participation of at least 1000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first come-first-served principle.
3. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. Since this AGM is being held through VC / OAVM pursuant to the MCA Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed hereto.

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4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. This AGM Notice is being sent to all the Members, whose names appear in the Register of Members/ List of Beneficial Owners as received from National Securities Depository Limited (“NSDL”) / Central Depository Services (India) Limited (“CDSL”) as on September 02, 2022. It shall also be available on the website of the Company i.e., www.regencytiles.com.
7. The Board of Directors of the Company (the “**Board**”) has appointed Ms. Kushbu Vijayvargi, Partner at M/s. M&K Associates, Company Secretaries, as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.
8. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) intending to appoint their authorized representatives pursuant to Sections 112 and 113 of the Act, as the case maybe, are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting or voting during the AGM. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to mail@mnklaws.com with a copy marked to helpdesk.evoting@cdslindia.com.
9. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to Remote e-voting are given in this Notice under Note No. A of para 26. The Company will also send communication relating to Remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
10. As per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company’s Registrars and Transfer Agents, Venture Capital & Corporate Investments Private Limited (“**RTA**”) for

assistance in this regard.

11. The Ministry of Corporate Affairs, Government of India (vide its circular nos. 17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' by allowing paperless compliances and recognizing delivery of Notices / Documents / Annual Reports, etc., to the shareholders through electronic medium. In view of the above the Company will send Notices / Documents / Annual Reports, etc., to the shareholders through email, wherever the email addresses are available; and through other modes of services where email addresses have not been registered. Accordingly, members are requested to support this initiative by registering their email addresses in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with the Company's RTA.
12. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent.
13. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.
14. The Securities and Exchange Board of India (SEBI) vide circular ref no. MRD/DoP/CIR-05/2007 dated April 27, 2007, made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish a copy of their PAN card to the Company / RTAs for registration of such transfer of shares.
15. In terms of Section 72 of the Companies Act, 2013, a member of the Company may nominate a person on whom the shares held by him / her shall vest in the event of his / her death. Members desirous of availing this facility may submit nomination in prescribed Form SH - 13 to the Company / RTA, in case of shares held in physical form, and to their respective depository participant, if held in electronic form.

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16. In accordance with the proviso to Regulation 40(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, effective from April 1, 2019, transfers of securities of the Company shall not be processed unless the securities are held in the dematerialized form with a depository. In view of the same to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA for assistance in this regard.
17. The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2022 to September 30, 2022 (both days inclusive).
18. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
19. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
20. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company on or before September 15, 2022 through email on rlcosec@gmail.com. The same will be replied by the Company suitably.
21. No Dividend on Equity Shares is recommended by the Board of Directors for the Financial Year ended March 31, 2022.
22. In compliance with the aforesaid MCA and SEBI Circulars Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.regencytiles.com, websites of the Depositories Members may please note that this Notice and Annual Report 2021-22 will also be available on the Company's website at www.regencytiles.com and the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. In case of any queries regarding the Annual Report, the Members may write to rlcosec@gmail.com to receive an email response.
23. Brief profile of the Director proposed to be appointed / re-appointed is given towards the end of this Notice pursuant to Regulation 36(3) of the Listing Regulations and

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Secretarial Standard-2 issued by the Institute of Company Secretaries of India. The Company has received the requisite consent/ declaration for the appointment/ re-appointment of the Director mentioned in the Notice of the AGM as stipulated under the Companies Act, 2013 and the rules made thereunder.

24. Additional Details pertaining to Item No. 3 for Re-appointment of Statutory Auditor of the Company is given towards the end of this Notice pursuant to Regulation 36(5) of Listing Regulations.
25. The Register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e., September 30, 2022. Members seeking to inspect such documents can send an email to rclcosec@gmail.com.
26. **Instructions for e-voting and joining the AGM are as follows:**

A. VOTING THROUGH ELECTRONIC MEANS:

- i. The voting period begins on Monday, September 26, 2022 at 9:00 AM (IST) and ends on Thursday, September 29, 2022 at 5:00 PM (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of Wednesday, September 21, 2022, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii. Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and

maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories / Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- iv. In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL / NSDL / KARVY/ LINKINTIME, so that the user can visit the e-Voting service providers' website directly.</p>

	<p>3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with NSDL</p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.</p>

	After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

v. Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.

- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

- 6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- vi. After entering these details appropriately, click on “SUBMIT” tab.

- vii. Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly

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recommended not to share your password with any other person and take utmost care to keep your password confidential.

viii. For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

ix. Click on the EVSN for the relevant <Company Name> on which you choose to vote.

x. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xi. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

xii. After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

xiii. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

xiv. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

xv. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

B. ADDITIONAL FACILITY FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS –FOR REMOTE VOTING ONLY.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; rclcosec@gmail.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

C. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

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3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / iPad for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at rlcosec@gmail.com. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

D. PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.

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2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

ANNEXURE - A

**FORM FOR REGISTRATION OF EMAIL ADDRESS FOR RECEIVING
DOCUMENTS / NOTICES BY ELECTRONIC MODE**

To,
Venture Capital & Corporate Investments Private Limited
H.No.12-10-167, Bharat Nagar,
Hyderabad-500018, Telangana, India

Company: Regency Ceramics Limited

I agree to receive all documents / notices including the Annual Report of the Company in electronic mode. Please register my email address given below in your records for sending communication through email.

Name of Sole / First Holder : _____

DP ID / Client ID / Regd. Folio No. : _____

PAN No. : _____

E-mail Address : _____

Date:

Place:

(Signature of Member)

ANNEXURE - B

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-
APPOINTMENT AT THE ANNUAL GENERAL MEETING**

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015 and Secretarial Standard-2 on General Meetings, brief particulars of the Directors seeking appointment/re-appointment are given as under:

Name of the Director	Mr. Sreenivasulu Naidu
Director Identification Number	00106038
Date of Birth	01/07/1942
Nationality	Indian
Date of first Appointment	10/01/1994
Qualifications	Advocate (LLB)
Shareholding in the Company	0
Expertise in specific functional areas	Have an experience of more than 30 years in advocacy
Disclosure of relationships between directors inter se	No relationship

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*Chairmanships/ Directorships of other Companies (excluding Foreign Companies and Section 8 Companies)	0
*Chairmanships/ Memberships of Committees of other Public Companies (includes only Audit Committee; and Shareholders/ Investors Grievance Committee)	0

*Directorships and Committee memberships in Regency Ceramics Limited and its Committees are not included in the aforesaid disclosure. Also, alternate Directorship, Directorships in Private Limited Companies, Foreign Companies and Section 8 companies and their Committee memberships are excluded. Membership and Chairmanship of Audit Committees and Investor Grievance Committees of only Public Companies have been included in the aforesaid table.

ANNEXURE- C

DETAILS OF STATUTORY AUDITOR SEEKING RE-APPOINTMENT

ITEM NO.3 – REAPPOINTMENT OF M/S. K S RAO & CO., CHARTERED ACCOUNTANTS, AS STATUTORY AUDITOR OF THE COMPANY

M/s. K S Rao & Co., Chartered Accountants (Firm Registration No. 003109S) were appointed as Statutory Auditors of the Company at the 33rd Annual General Meeting held on September 27, 2017 to hold office from the conclusion of the said meeting till the conclusion of this 38th Annual General Meeting. In terms of the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or reappoint an audit firm as statutory auditors for not more than two (2) terms of five (5) consecutive years. M/s. K S Rao & Co., Chartered Accountants, is eligible for reappointment for a further period of five years. Based on the recommendations of the Audit Committee, the Board of Directors at its meeting held on September 05, 2022, approved the reappointment of M/s. K S Rao & Co., Chartered Accountants, as the Statutory Auditor of the Company to hold office for a second term of five consecutive years from the conclusion of the ensuing AGM until the conclusion of the 43rd AGM to be held in the year 2027. The reappointment is subject to the approval of the members of the Company.

The proposed remuneration plus reimbursement of out-of-pocket expenses shall be as mutually decided by Board of Directors and the Statutory Auditor.

M/s. K S Rao & Co., is a firm of Chartered Accountants. They are engaged in providing audit and related assurance services to its clients in various industry segments. The Registered Office of the firm is situated at Flat No. 601A, Golden Green Apartments, Irrum Manzil Colony, Hyderabad-500082, Telangana, India.

M/s. K S Rao & Co., Chartered Accountants, have confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

ANNEXURE – D
COMPLIANCE CERTIFICATE

**(Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015)**

To,
The Board of Directors,
Regency Ceramics Limited

Dear members of the Board,

We, Naraiah Naidu Gudar, Chairman and Managing Director and Narala Satyendra Prasad, Whole Time Director (CFO) of Regency Ceramics Limited certify that:

- a. We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2022 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To their best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to Financial Reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

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d. We have indicated to the Auditors and the Audit Committee

- i. Significant changes in internal control, if any, over Financial Reporting during the year;
- ii. Significant changes in accounting policies, if any, during the year and that the same have been disclosed in the notes to the Financial Statements; and
- iii. Instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

BY ORDER OF THE BOARD
for Regency Ceramics Limited

Sd/-

Narala Satyendra Prasad
Whole time Director & CFO
(DIN: 01410333)

Sd/-

Dr. Naraiah Naidu Gudar
Chairman and Managing Director
(DIN:00105597)

Place: Hyderabad

Date: September 05, 2022

BOARD'S REPORT

To,
The Members,
Regency Ceramics Limited,
Hyderabad

Your Directors have pleasure in presenting the 38th Annual Report on the business and operations of the Company together with the Audited Financial Statement for the Financial Year ended March 31, 2022.

FINANCIAL SUMMARY/HIGHLIGHTS

The performance of the Company for the Financial Year ended March 31, 2022 is as under:

(Rupees in lakhs)

Particulars	Current Year 31-03-2022	Previous Year 31-03-2021
Revenue from Operations	0.00	0.00
Other Income	22.99	3.59
Total Income	22.99	3.59
Total Expenditure	571.32	511.98
Prior Period Adjustment	0.00	0.00
Profit / (Loss) Before exceptional and extraordinary items and Tax	(548.33)	(508.39)
Less: Exceptional and Extraordinary Items	3766.68	0.00
Profit/ (Loss) Before Taxation	3218.35	(508.39)
Less: - Current Tax		
- Tax adjustment relating to prior years	0.00	0.00
- Deferred Tax		
Profit / (Loss) After Tax	3218.35	(508.39)

REVIEW OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS

During the year under review, your Company could not make any sales and as such the Turnover was Nil (Previous Year: Nil) and incurred a Net Profit of Rs. 3218.35 Lakhs (Previous Year Net Loss of Rs. 508.39 Lakhs)

STATE OF THE COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Company has made significant progress to revive the operations of the Company during the past year. The Company has paid all the bank's dues and has obtained No-objection certificates from all the banks in the consortium and filed satisfaction of charge with RoC – Hyderabad. The Company was also successful in obtaining an award from the Arbitral Tribunal that upheld the company's contention that the insurance policy had intended for reinstatement of the plant and machinery, buildings, stocks, etc and the National Insurance Company, the lead insurer has not sufficiently recompensed the company as per the policy. The Company informs the members that National Insurance Company has preferred an appeal in the Court of the Principal District Judge, Pondicherry to set aside the award. The Company is taking up the matter with adequate legal efforts.

The company's management has also taken up efforts to restart operations by inviting the OEMs and other consultants to help in the reinstatement / refurbishment of the plant. There are other statutory permissions that are required which the company is working with various authorities to obtain the same.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There is no change in the nature of business of the Company, during the year.

PERFORMANCE & FINANCE

Your company declared lock-out of its plant at Yanam with effect from 31.01.2012 after the devastating incident occurred on 27.01.2012. Since then, there has been no production in the plant.

MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There was a significant material change that occurred after the close of the Financial Year and the date of report affecting the financial position of the Company. The details of the same are mentioned hereunder

Insurance Settlements

Background:

Your company made a claim on reinstatement value basis in accordance with the policy taken and submitted its claim for loss/damage to the properties of the Company. However, as per the

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policy terms, the Insurance Company contended that the Repairs/ Replacement of Plant & Machinery should have been completed within 12 (twelve) months from the date of incident. The insurance company therefore, denied the claim made by the Company on the basis of Reinstatement Value, finalized the claim under depreciation method / surveyors assessment and sent the discharge vouchers for acceptance. Your Company returned the discharge vouchers under protest and invoked arbitration clause as per the policy terms.

Current Status:

The Company is pleased to announce that the Hon'ble Arbitrator has pronounced an award in favor of the Company of an aggregate amount of Rs. 157,01,69,000 (Rupees One hundred and fifty seven crores one lakh and sixty nine thousand only) plus applicable interest from the date of award till the date of payment.

The Insurance Company had the right to recourse against this award as per the provisions of the Arbitration and Conciliation Act, 1996 and have filed an appeal to set aside the award under Sec 34 of the Act.

IMPACT OF COVID-19 ON BUSINESS

COVID-19 pandemic which started about 27 (Twenty Seven) months back impacted almost everyone and your Company was no exception. There were challenges around movement of people due to lockdown and various restrictions. Our team accepted the situation as a challenge and solved the issues one by one to ensure that your Company is able to revive its business operations at the earliest.

DEPOSITS

Your Company has not accepted any deposits falling within the meaning of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the Financial Year under review and as such no amount of principal or interest on public deposits was outstanding as on the date of balance sheet.

Pursuant to Rule 2(c) (viii) of the Companies (Acceptance of Deposits) Rules, 2014, the Company has received unsecured loan from Directors amounting to Rs. 57,05,55,956/-.

APPROPRIATIONS

TRANSFER TO RESERVES

The Company has transferred Rs. 32,18,35,598/- to the reserves during the Financial Year ended March 31, 2022.

DIVIDEND

There have been no operations in the Company for the last 10 (ten) years due to a devastating incident of riot and damage that occurred on 27.01.2012. The Company is not in a position to recommend any dividend for the year under review.

LABOUR SETTLEMENTS

After series of negotiations with the workers union, Memorandum of settlement was arrived on 24.10.2019 at Puducherry under Section 12 (3) of the Industrial Disputes Act, 1947 before the Commissioner of Labour-cum-Chief Conciliation Officer, Union Territory of Puducherry between the Company and its Staff and Workers Union. As per the MOU, the management has agreed to provide house sites at Yanam to all the displaced workers of the Company in three categories as proposed by the Union. In this connection, two stretches of land owned by ancillary units to the extent of about 25.35 Acres was registered on 18.10.2019 in favour of the Union through Settlement Deeds. The conversion of agricultural land in to residential plots, development of land, laying of roads, allotment of plots, etc is in progress and after the actual allotment of plots to each individual, necessary entries will be made in the books of accounts.

LENDERS' DUES SETTLEMENTS

The lenders of the Company earlier initiated action under section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and also filed an application under section 19 of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 in the Debts Recovery Tribunal, Hyderabad for recovery of their dues. Subsequently, all the five banks sanctioned revised One Time Settlement (OTS) package for settlement of their dues and the company paid entire OTS amount. All lenders except South Indian Bank and Corporation Bank have filed Satisfaction of Memo in DRT and all have filed Satisfaction of Charge with ROC.

FUTURE OUTLOOK

The future prospects of the Company and industry outlook are given in the Management Discussion and analysis report.

SHARE CAPITAL

During the year under review, the Authorized Share Capital of the Company is Rs.30,00,00,000/- (Rupees Thirty Crore) divided into 3,00,00,000 (Three Crore) Equity Shares of Rs.10/- (Rupees Ten) each.

The Issued, Subscribed and Paid up Capital of the Company as on March 31, 2022 is Rs. 26,44,15,860 /- (Rupees Twenty Six Crore Forty Four Lakhs Fifteen Thousand Eight Hundred Sixty) divided into 2,64,41,586 (Two Crore Sixty Four Lakhs Forty One Thousand Five Hundred Eighty Six) Equity shares of Rs.10/- (Rupees Ten) each.

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished.

DIRECTORS AND KMP

The following changes took place in the Board of Directors of the Company during the year under review:

- i. Dr. Naraiah Naidu Gudar's (DIN: 00105597) term as Chairman and Managing Director of the Company was extended for a second term of 3 years commencing from February 8, 2022 and Mrs. Vijaya Lakshmi Yalamanchili's (DIN: 02210385) term as an Independent Director of the Company was extended for a further term of 5 years commencing from February 13, 2022.
- ii. Dr. Naraiah Naidu Gudar's (DIN: 00105597) who was liable to retire by rotation in the Annual General Meeting held on September 30, 2021, was re-appointed as a Director of the Company.
- iii. Mr. Kunda Chinna Chowdappa (DIN: 08110992), Independent Director of the Company tendered his resignation from the Board of Directors of the Company w.e.f., November 08, 2021.
- iv. Mr. Ramkumar Srinivasan (DIN: 02059639) was appointed an Additional Independent Director of the Company by the Board of Directors on February 02, 2022 and his appointment was regularized by the members at Extraordinary General Meeting held on May 05, 2022.

The following changes took place in the position of Key Managerial Personnel during the year under review:

- i. Mr. Shalem Raju Vempati, Company Secretary and Compliance Officer of the Company tendered his resignation w.e.f., May 31, 2021.

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- ii. Ms. Nishitha Agarwal was appointed as the Company Secretary and Compliance Officer of the Company w.e.f., June 01, 2021.
- iii. Ms. Nishitha Agarwal, Company Secretary and Compliance Officer of the Company tendered her resignation w.e.f., February 28, 2022
- iv. Mr. Narasimham Mangavally was appointed as the Company Secretary and Compliance Officer of the Company w.e.f., March 01, 2022.

The Directors and Key Managerial Personnel of the Company as on March 31, 2022 were as follows:

- i. Dr. Naraiah Naidu Gudar - Chairman and Managing Director
- ii. Mr. Narala Satyendra Prasad - Whole-time Director and CFO
- iii. Mr. Sreenivasulu Naidu - Non Executive Non- Independent Director
- iv. Mr. Ramkumar Srinivasan - Additional Independent Director
- v. Mr. Gopala Krishna Yalamanchili - Independent Director
- vi. Mrs. Vijaya Lakshmi Yalamanchili - Independent Director
- vii. Mr. Narasimham Mangavally - Company Secretary and Compliance Officer

In accordance with the provisions of the Act, Mr. Sreenivasulu Naidu, (DIN: 00106038) Non Executive (Non- Independent) Director of the Company retires by rotation at the ensuing AGM and being eligible offers himself for re-appointment.

The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations and the Secretarial Standards on General Meeting ('SS-2') are given in the Notice of this AGM, forming part of the Annual Report.

BOARD MEETINGS

The Board of Directors met Nine (9) times during the Financial Year from 1st April 2021 to 31st March 2022. The dates on which the meetings were held are 01.06.2021, 29.06.2021, 11.08.2021, 06.09.2021, 10.11.2021, 10.02.2022, 28.02.2022, 17.03.2022 and 30.03.2022.

The intervening gap between the Meetings was within the period of 120 (One Hundred and Twenty) days as prescribed under the Companies Act, 2013.

The number of meetings attended by the Directors during the Financial Year 2021-22 is as follows:

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S. No.	Date of Board Meeting	No. of Directors entitled to attend	No. of Directors who attended	% of their Attendance
1.	01.06.2021	6	6	100
2.	29.06.2021	6	6	100
3.	11.08.2021	6	6	100
4.	06.09.2021	6	6	100
5.	10.11.2021	5	5	100
6.	10.02.2022	5	4	80
7.	28.02.2022	6	6	100
8.	17.03.2022	6	6	100
9.	30.03.2022	6	6	100

DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received declarations from Mr. Gopala Krishna Yalamanchili, Mrs. Vijaya Lakshmi Yalamanchili and Mr. Ramkumar Srinivasan, Independent Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub- Section (6) of Section 149 of the Companies Act, 2013 and Regulations 16(1)(b) and 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

In compliance with the requirement of Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The same is available on the website of the Company i.e., www.regencytiles.com.

BOARD EVALUATION

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, the Individual Directors, the Chairman of the Company etc. pursuant to the provisions of the Companies Act, 2013 read with the Rules framed thereunder and SEBI (LODR) Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors. The parameters include attendance of Directors at Board and Committee meetings, integrity, credibility, expertise and trustworthiness of Directors, Board's monitoring of various compliances, laying down and effective implementation of various policies, level of engagement and contribution of the Directors, safeguarding the interest of all stakeholders etc. The performance evaluation of each Independent Director was carried out by the Board.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of Independent Directors, performance of the Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual Directors on the basis of criteria such as the contribution of the Individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

As an outcome of the above exercise, it was noted that the Directors come from different backgrounds varied administrative, financial, legal and corporate experience. They bring together a good blend of knowledge, relevant skills, experience and have provided sound advice. The Board has functioned as a cohesive body and has ensured compliance with legal, regulatory and good governance norms. It was also noted that the Committees of the Board are functioning well and satisfaction was expressed on the performance of Independent Directors and the Executive Directors of the Company.

POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration pursuant to Section 178(3) of the Companies Act, 2013. The details of the same forming part of the Company's Nomination and Remuneration Policy is placed on the website of the Company i.e., www.regencytiles.com.

NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES

Your Company has laid down well-defined criteria for making payment to Non-Executive Directors of the Company. The details of the same are available at the Company's website i.e., www.regencytiles.com.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement of Section 134(3)(c) and 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your board of Directors to the best of their knowledge and ability confirm that:

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- a) in the preparation of the annual accounts for the Financial Year ended March 31, 2022, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2022 and of the loss of the Company for the Financial Year under review;
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

As no dividend was declared from the Financial Year 2004-05 and hence no amount has been transferred to IEPF.

INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES

During the year under review, the Company does not have any subsidiaries, joint ventures or associate companies.

EXTRACT OF ANNUAL RETURN

Annual Return as at March 31, 2022 is placed on the Company's website at - www.regencytiles.com. By virtue of amendment to Section 92(3) of the Companies Act, 2013, the Company is not required to provide extract of Annual Return (Form MGT-9) as part of the Board's Report.

AUDITORS'

A. STATUTORY AUDITOR

M/s. K S Rao & Co. Chartered Accountants, Hyderabad (Firm Registration No. 003109S) were appointed as Statutory Auditor of the Company, for a term of 5 (five) consecutive years, at the 33rd Annual General Meeting held on 27th September, 2017, to hold the office till the conclusion of 38th Annual General Meeting of the Company. Accordingly M/s. K S Rao & Co. Chartered Accountants, will be completing their term of five years at the conclusion of the forthcoming Annual General Meeting. The Board proposes to re-appoint M/s. K S Rao & Co. Chartered Accountants for another term of 5 (five) years and recommend their appointment to the members at the ensuing AGM.

The Auditor's Report for the Financial Year 2021-22 on the Financial Statements forms part of this Annual Report.

B. SECRETARIAL AUDITOR

According to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. M&K Associates, Company Secretaries were appointed as Secretarial Auditor for the Financial Year 2021-22. The Secretarial Audit Report submitted by M/s M&K Associates, Company Secretaries is enclosed as Annexure to this report.

DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITOR

There have been no instances of fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013 and the Rules framed there under either to the Company or to the Central Government.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made are as under:

A. STATUTORY AUDITOR'S REPORT

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2022 and has noted the reservation, qualification or adverse remarks made by them. The Explanations or comments by the Board on qualifications made by the Statutory Auditor are as under:

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S. No.	Audit Qualifications	Board's Reply to the qualifications made by Statutory Auditor
1.	Reply to Audit Qualification 1	<p>The Company suffered extensive damage to the Buildings, Plant & Machinery and other assets situated at Factory, Yanam due to unprecedented violence, occurred on 27th January, 2012. Stocks of Finished goods, Raw materials, stores and spares, stocks-in-process and other inventories were damaged / looted to a large extent. The Company declared lock-out of the Plant from 31st January 2012.</p> <p>The extent of loss/damage to Plant & Machinery, Buildings and other assets of the company were not considered in the books pending assessment and disclosed at book value after providing depreciation without considering 5% residual value on account of efflux of time.</p> <p>The Company could not estimate the condition of the existing fixed assets and its realizable value. As such, the machinery and buildings could not be insured.</p>
2.	Reply to Audit Qualification 2	<p>After series of negotiations with the workers union, Memorandum of settlement was arrived on 24.10.2019 at Puducherry under Section 12 (3) of the Industrial Disputes Act, 1947 before the Commissioner of Labour-cum- Chief Conciliation Officer, U T of Puducherry between the company and the Regency Ceramics Staff and Workers Union. As per the MOU, the management has agreed to provide house sites at Yanam to all the displaced workers of the Company in three categories as proposed by the union.</p> <p>In this connection, two stretches of land owned by ancillary units to the extent of about 25.35 Acres was registered on 18.10.2019 in favour of the union through settlement deeds. The conversion of agricultural land into residential plots, development of land, laying of roads, allotment of plots, etc is in progress and after the actual allotment of plots to each individual, necessary entries will be made in the books of accounts.</p>

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3.	Reply to Audit Qualification 3	The management cannot estimate the impact as the exact quantification of these will be known only when the operations start and these debtors and creditors are approached for commencement of business
4.	Reply to Audit Qualification 4	No impact to the Company's financials. It is only a matter of time that the two banks will file satisfaction memo in the Debt Recovery Tribunal (DRT).
5.	Reply to Audit Qualification 5	The management has agreed with Directors and Bodies Corporate that the interest will not be provided on the Unsecured loans. Interest to MSME suppliers will be negotiated and finalized after operations commence.
6.	Reply to Audit Qualification 6	The Company is of opinion that the statutory authorities shall waive the same in view of the unprecedented incident.

B. SECRETARIAL AUDIT REPORT

The Board has duly reviewed the Secretarial Auditor's Report for the year ended March 31, 2022 and has noted the qualification made by them. The Explanations or comments by the Board on qualifications made by the Secretarial Auditor are as under:

S. No.	Audit Qualifications	Board's Reply to the qualifications made by Secretarial Auditor
1.	Reply to Audit Qualification 1	The Promoters are in the process of dematerializing their shareholding.
2.	Reply to Audit Qualification 2	The website of the Company is being redesigned by the Company.
3.	Reply to Audit Qualification 3	It was an inadvertent clerical mistake.

INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Companies read with rules made there under, the Board has appointed M/s. Brahmayya & Co, Chartered Accountants as Internal Auditor of the Company for the Financial Year 2021-2022.

MAINTENANCE OF COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under sub-section (1) of Section 148 of the Companies Act, 2013, are not applicable for the business activities carried out by the Company.

BUSINESS RESPONSIBILITY REPORT (BRR)

Securities Exchange Board of India (SEBI) vide circular CIR/CFD/DIL/8/2012 dated August 13, 2012 has mandated the inclusion of BRR as part of the Annual Report for the top 1000 listed entities based on their market capitalization on BSE Limited and National Stock Exchange of India Limited as at March 31, 2022. In view of the requirements specified, the Company is not mandated for providing the BRR and hence it does not form a part of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given loans, guarantees or made any investments that are covered under Section 186 during the year under review.

RELATED PARTY TRANSACTIONS

All the related party transactions that were entered during the Financial Year are in the ordinary course of business of the Company and were on arm length basis. The Audit Committee has approved the related party transactions for the FY 2021-22.

There were no materially significant related party transactions entered by the Company during the year with the promoters, Directors, key managerial personnel or other persons which may have a potential conflict with the interest of the Company.

The policy on related party transactions as approved by the Board of Directors is hosted on the website of the Company.

Particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto shall be disclosed in Form No. AOC-2 as Annexure to this Report.

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are as follows:

S. No.	Conservation of Energy	
(A)	(i) the steps taken or impact on conservation of energy	The operations of your Company are not energy intensive; however adequate measures have been taken to reduce energy consumption.
	(ii) the steps taken by the Company for utilising alternate sources of energy.	All efforts are made to use more natural lights in office premises to optimise the consumption of energy
	(iii) the capital investment on energy conservation equipment.	NIL
Technology Absorption		
(B)	(i) the efforts made towards technology absorption;	Not Applicable
	(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	Not Applicable
	(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year); a) the details of technology imported; b) the year of import; c) whether the technology been fully absorbed; if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	Not Applicable
	(iv) the expenditure incurred on Research and Development	Not Applicable
(C)	Foreign Exchange Earnings and Outgo	
	Particulars	(in Rupees)

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		2021-22	2020-21
	Foreign Exchange Outflow	Nil	Nil
	Foreign Exchange Inflow	Nil	Nil

CONSTITUTION OF COMMITTEES

(I). AUDIT COMMITTEE

The Audit Committee of the Company is duly constituted as per Section 177 of the Companies Act, 2013 and is in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Composition and scope of Audit Committee is provided under the Corporate Governance report annexed herewith.

(II). NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee cum Compensation Committee is duly constituted as per Section 178 of the Companies Act, 2013 and is in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Composition and scope of Nomination & Remuneration Committee cum Compensation Committee is provided under the Corporate Governance report annexed herewith.

(III). STAKEHOLDERS RELATIONSHIP COMMITTEE

The Stakeholders Relationship Committee is duly constituted as per Section 178 of the Companies Act, 2013 and is in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Composition and scope of Stakeholders Relationship Committee is provided under the Corporate Governance report annexed herewith.

RISK MANAGEMENT POLICY

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and the rules framed there under and pursuant to the applicable provision of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, the Company has established a mechanism through which all stake holders can report the suspected frauds and genuine grievances to the appropriate authority. The Whistle blower policy which has been approved by the Board of Directors of the Company has been hosted on the website of the Company viz www.regencytiles.com.

INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY

The Company has appointed an Internal Auditor to safeguard and protect the Company from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the Company checks and verifies the internal financial control and monitors them in accordance with policy adopted by the Company. Even through this non-production period, the Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

CORPORATE SOCIAL RESPONSIBILITY

The provision w.r.t. Corporate Social Responsibility (CSR) is not applicable to the Company. Therefore, the Company has not constituted CSR committee during the year 2021-22.

SIGNIFICANT & MATERIAL ORDERS PASSED BY COURTS / REGULATORS TRIBUNALS

There are no significant and material orders passed by the regulators /courts that would impact the going concern status of the Company and its future operations.

However, the trading of the Company was suspended during the year due to non-payment of Annual Listing Fees dues. The Company has paid outstanding dues to the Exchange and has made an application for enabling of trading.

CORPORATE GOVERNANCE

In pursuance of Regulation 17 to 27 read with Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, a separate Report on Corporate Governance together with a certificate from the Practicing Company Secretary confirming compliance forms an integral part of this Report.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Management Discussion and Analysis Report highlighting the industry structure and developments, opportunities and threats, future outlook, risks and concerns etc. is furnished separately and forms part of this report.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standards as issued by ICSI (Institute of Company Secretaries of India) have been duly complied by the Company.

LISTING WITH STOCK EXCHANGES

The Company confirms that it has paid the Annual Listing Fees for the Financial Year 2021-22 to BSE Limited as well as National Stock Exchange of India Limited where the Company's Shares are listed.

POLICIES

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website (<https://www.regencytiles.com>). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

ENVIRONMENT AND HUMAN RESOURCE DEVELOPMENT

Your Company always believes in keeping the environment pollution free and is fully committed to its social responsibility. The Company has been taking utmost care in complying with all pollution control measures from time to time strictly as per the directions of the Government.

We would like to place on record our appreciation for the efforts made by the management and the keen interest shown by the Employees of your Company in this regard.

Your Company treats its "human resources" as one of its most important assets.

INDUSTRIAL RELATIONS

Since the Company is in the process of reviving its operations, there are very few employees in the Company and the Company maintains a cordial relationship with them.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT
WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The provision relating to constitution of Internal Complaints Committee is not applicable to the Company

The following is a summary of sexual harassment complaints received and disposed off during the year 2021-22:

- No. of complaints received: - NIL
- No. of complaints disposed off: - NIL

**STATEMENT SHOWING THE NAMES OF THE TOP TEN EMPLOYEES IN TERMS
OF REMUNERATION DRAWN AND THE NAME OF EVERY EMPLOYEE AS PER
RULE 5(2) & (3) OF THE COMPANIES (APPOINTMENT & REMUNERATION)
RULES, 2014**

The Company is not carrying any operations and is making efforts to revive the Company.

During the year none of the employees is drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month as per the limits specified under the Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

RATIO OF REMUNERATION TO EACH DIRECTOR

The remuneration paid to all Key management Personnel was in accordance with remuneration policy adopted by the Company.

CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website www.regencytiles.com

DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016

DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the period under review, there was no instance of onetime settlement with any Bank or Financial Institution.

EVENT BASED DISCLOSURES

During the year under review, the Company has not taken up any of the following activities:

1. Issue of sweat equity share : NA
2. Issue of shares with differential rights : NA
3. Issue of shares under employee's stock option scheme : NA
4. Disclosure on purchase by Company or giving of loans by it for purchase of its shares : NA
5. Buy back shares : NA
6. Disclosure about revision : NA
7. Preferential Allotment of Shares : NA

CEO/ CFO CERTIFICATION

The Managing Director cum CEO and CFO certification of the financial statements for the year 2021-2022 is annexed to this Annual Report.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation of the contribution made by the all concerns at all levels for the operations of the Company. Your Directors also wish to place on record their appreciation of business constituents and shareholders of the Company for their continued support for the Company.

BY ORDER OF THE BOARD
for Regency Ceramics Limited

Place: Hyderabad
Date: September 05, 2022

Sd/-
Dr. Naraiah Naidu Gudarū
Chairman and Managing
Director(DIN:00105597)

ANNEXURE-E

The details of remuneration during the year 2021-2022 as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are as follows:

S No.	Disclosure Requirement	Disclosure Details	
1.	Ratio of Remuneration of each Director to the median remuneration of the employees of the Company for the Financial year	Executive Director	Ratio to median remuneration
		Nil*	Nil*
2.	Percentage increase in the remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial year	Director, Chief Financial Officer, Chief Executive Officer, Company Secretary	% increase in remuneration in the Financial year
		Nil*	

3. Percentage increase/ decrease in the median remuneration of the employees in the Financial Year – Nil

4. Total employees on the rolls of the Company as on March 31, 2022 – 3 (Three)

5. Explanation on relationship between average increase in remuneration and Company performance:

The average increase in employee remuneration effected during the Financial Year 2021-22 was Nil. The Company in general has not undertaken any increment/performance appraisal during the previous Financial Year viz, 2021-22.

6. Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company is in Compliance with its remuneration policy.

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7. Information under Section 197(12) of the Companies Act, 2013 read with the rule 5(2) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of Directors Report for the year ended March 31, 2022 –

Names of top 10 Employees Employed throughout the Financial Year and in receipt of remuneration aggregating Rs. 1,02,00,000/- (Rupees One Crore and Two Lakh) or more:-

Name of the Employee	Designation	Remuneration (in Rs.)	Qualification	Experience (years)	Date of Commencement of Employment	Age	Last employment held before joining the Company	% of equity shares held in the Company
Nil								

Names of top 10 Employees Employed throughout the Financial Year and in receipt of remuneration for a part of that year, at a rate which, in the aggregate, was not less than Rs. 8,50,000/- Per Month:-

Name of the Employee	Designation	Remuneration (in Rs.)	Qualification	Experience (years)	Date of Commencement of Employment	Age	Last employment held before joining the Company	% of equity shares held in the Company
Nil								

8. If employed throughout the Financial Year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company – Nil

ANNEXURE – F

FORM NO. AOC – 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at Arm's length basis.

S. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NIL
2.	Nature of contracts/arrangements/transaction	
3.	Duration of the contracts/ arrangements/ transaction	
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	
5.	Justification for entering into such contracts or arrangements or transactions'	
6.	Date of approval by the Board	
7.	Amount paid as advances, if any	
8.	Date on which the ordinary resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at Arm's length basis.

S. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NIL
2.	Nature of contracts/arrangements/transaction	
3.	Duration of the contracts/ arrangements/ transaction	
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	
5.	Date of approval by the Board	
6.	Amount paid as advances, if any	

BY ORDER OF THE BOARD
for Regency Ceramics Limited

Place: Hyderabad
Date: September 05, 2022

Sd/-
Dr. Naraiah Naidu Gudar
Chairman and Managing
Director(DIN:00105597)

ANNEXURE-G

DECLARATION ON CODE OF CONDUCT FOR THE YEAR 2021-22

(Pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
Regency Ceramics Limited

I, Naraiah Naidu Gudar, Managing Director of Regency Ceramics Limited do hereby declare and confirm that:

The Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors.

In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended March 31, 2022.

BY ORDER OF THE BOARD
for Regency Ceramics Limited

Place: Hyderabad
Date: September 05, 2022

Sd/-
Dr. Naraiah Naidu Gudar
Chairman and Managing Director
(DIN: 00105597)

ANNEXURE - H

REPORT ON CORPORATE GOVERNANCE

In compliance with Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ('Listing Regulations') the Company sets forth the report on the Corporate Governance on the matters as mentioned in the said schedule and practices followed by the Company.

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is backed by Principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

BOARD DIVERSITY

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on our website.

BOARD OF DIRECTORS

Composition of The Board

The Company is managed and controlled through a professional body of Board of Directors which comprises of an optimum combination of Executive, Non-Executive and Independent Directors headed by the Chairman and Managing Director. The Composition and Category of Directors as on March 31, 2022 is:

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Category	No. of Directors
Promoter Directors	2
Promoter Non-Executive Director	1
Non-Executive Independent Directors	3
Total	6

The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Attendance of each director at the Board Meetings held during the Financial Year 2021-22 and at the last Annual General Meeting.

Name of the Director	Category	Meetings held during the year	Meetings Entitled to attend	Meetings attended	Attendance at Last AGM
Dr. Naraiah Naidu Gudaru Managing Director and Chairman DIN: 00105597	Promoter, Executive Director	9	9	9	Present
Mr. Narala SatyendraPrasad DIN: 01410333	Promoter, Executive Director	9	9	8	Present
Mr. Sreenivasulu Naidu DIN: 00106038	Non- Executive Non- Independent Director	9	9	9	Absent
Mrs. Vijaya Lakshmi Yalamanchili DIN: 02210385	Non- Executive Independent Director	9	9	9	Present
Mr. Gopala Krishna Yalamanchili DIN: 02210405	Non- Executive Independent Director	9	9	9	Present

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Mr. Kunda Chinna Chowdappa DIN: 08110992	Non-Executive Independent Director	9	4	4	Absent
Mr. Ramkumar Srinivasan DIN: 02059639	Non-Executive Independent Director	9	3	3	Not Applicable

Number of other Boards/Board Committees in which the Directors are either Member or Chairman as at March 31, 2022

Name of the Director	No of Directorships in other Public Companies ⁽¹⁾		No. of Committee positions in other public companies ⁽²⁾		Directorships in other listed entities (Category of Directorship)
	Chairman	Director	Chairman	Member	
Dr. Naraiah Naidu Gudar	---	3	---	---	---
Mr. Narala Satyendra Prasad	---	2	---	2	---
Mr. Sreenivasulu Naidu	---	---	---	---	---
Mr. Gopala Krishna Yalamanchili	---	6	---	---	---
Mr. Kunda Chinna Chowdappa ⁽³⁾	---	---	---	---	---
Mr. Ramkumar Srinivasan ⁽⁴⁾	---	---	---	---	---
Mrs. Vijaya Lakshmi Yalamanchili	---	4	---	2	---

(1) Excludes directorship in the Company, Private Companies, Foreign Companies and Section 8 Companies

(2) Pertains to membership/chairpersonships of the Audit Committee and Stakeholders' Relationship Committee of other Indian public companies as per Regulation 26(1)(b) of the

SEBI Listing Regulations.

(3) *Resigned from the directorship of the Company w.e.f., November 8, 2021. The number of directorships, committee positions and shareholding details are as on the date of his cessation.*

(4) *Appointed as the Independent Director w.e.f., February 10, 2022.*

Number of Board Meetings held and dates on which they were held during the year 2021-22

Quarter	No. of Meetings	Dates on which held
April – June 2021	2	01.06.2021 29.06.2021
July – September 2021	2	11.08.2021 06.09.2021
October – December 2021	1	10.11.2021
January – March 2022	4	10.02.2022 28.02.2022 17.03.2022 30.03.2022
Total	9	

Disclosure of Relationships Between Directors Inter-Se

Dr. Naraiah Naidu Gudaru, Chairman and Managing Director and Mr. Narala Satyendra Prasad, Whole Time Director (CFO), are relatives. Other than them, none of the Directors are related to any other Directors.

Number of shares and convertible instruments held by non-executive Directors:

Mr. Gopala Krishna Yalamanchili, Non-Executive, Independent Director of the Company holds 800 Equity Shares of the Company.

None of the other Non-Executive Directors hold any shares in the Company.

Weblink: where details of familiarization programmes imparted to independent Directors is disclosed: <https://www.regencytiles.com>

Skills/ expertise/ competence of the Board of Directors

The Board comprises of qualified members who bring the required skills, expertise and competence on the following matrix which allows the Company to carry its business efficiently.

- Governance and Board Services (1)

- Business Understanding (2)
- Risk/Legal/Regulatory Compliance (3)
- Information Technology/Accounting/ Financial Experience (4)
- Industry/ Sector Knowledge (5)
- Strategy development and implementation (6)

Name of the Director	(1)	(2)	(3)	(4)	(5)	(6)
Dr. Naraiah Naidu Gudar	✓	✓	✓		✓	✓
Mr. Narala Satyendra Prasad	✓	✓		✓	✓	✓
Mr. Sreenivasulu Naidu	✓	✓	✓		✓	
Mr. Gopala Krishna Yalamanchili	✓		✓	✓	✓	
Mr. Ramkumar Srinivasan	✓	✓			✓	
Mrs. Vijaya Lakshmi Yalamanchili	✓		✓		✓	

DISCLOSURE ON INDEPENDENT DIRECTORS

We confirm that the Independent Directors of the Company fulfill the conditions specified in these regulations and are independent of the Management.

Mr. Kunda Chinna Chowdappa, Independent Director, resigned from the directorship of the Company w.e.f., November 8, 2021, i.e., before the expiry of his tenure on account of his personal obligations and other professional commitments. The Director had confirmed vide his resignation letter dated November 8, 2021 that there are no material reasons other than those provided above for tendering his resignation.

Independent Directors' Meeting

A meeting of the Independent Directors was held on February 09, 2022 which was attended by all the Independent Directors. The Independent Directors have evaluated the performance of the Non-Independent Directors, the Board as a whole and the Chairman of the Board. The Board was briefed on the deliberations made at the Independent Directors Meeting.

Familiarization Program for Independent Directors

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company are also made to the directors.

Direct meetings with the Chairman are further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarization programme held in FY 2021-22 are also disclosed on the Company's website at <https://www.regancytiles.com>.

INFORMATION SUPPLIED TO THE BOARD:

The Board has complete access to all information of the Company and is regularly provided detailed information as a part of the agenda papers or is tabled therein. In addition, quarterly performance report by the CFO is presented in the quarterly Board meeting. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the Company and the Accounting Policy
- Minutes of the meetings of the Audit Committee and other Committees of the Board
- Plans to revive the business of the Company.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required
- Fatal or serious accidents, injuries or any material environmental problems, if any
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any
- Significant labour problems and their proposed solutions, whenever necessary
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Quarterly details of foreign exchange exposures and the steps taken by the management to limit the risks of adverse exchange rate movement, if material
- Quarterly disclosure of all the investments made
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service, such as non-payment of dividend, delay in share transfer and others, if any
- Quarterly review of compliance status under various laws applicable to the Company
- Substantial non-payment of goods sold by the Company except disputes
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business
- Half-yearly summary of bank guarantees issued.
- All other matters required to be placed before the Board for its review / information /

approval under the statutes, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

AUDIT COMMITTEE

Audit Committee constituted in terms of Sec. 177 of Companies Act, 2013 read with reg. 18 of SEBI (LODR) Regulations, 2015

Brief Description of Terms of Reference

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Regulations, 2015 and, inter alia, includes

1. Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement reflects a true and fair position and that sufficient and credible information is disclosed.
2. Recommending the appointment and removal of statutory auditors and internal auditors and fixation of their audit fees and approval for payment of any other services.
3. Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
4. Reviewing the financial statement and draft audit report, including quarterly/half yearly financial information.
5. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - i) Any changes in accounting policies and practices.
 - ii) Major accounting entries based on excises of judgment by the management.
 - iii) Qualifications in draft audit report.
 - iv) Significant adjustment arises out of audit.
 - v) The going concern assumption.
 - vi) Compliance with Accounting Standards, Stock Exchange and legal requirement concerning financial statements.
 - vii) view and approval of Related Party Transactions.
6. Reviewing the Company's Financial and Risk Management's Policies.
7. Disclosure of contingent liabilities.
8. Reviewing with management, external and internal auditors, the adequacy of Internal Control Systems.
9. Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
10. Discussion with internal auditors of any significant findings and follow-up thereon.

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11. Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
12. Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. Reviewing compliances as regards the Company's Whistle Blower Policy.

Composition, Meetings & Attendance

During the year under review, the Committee met 5 (five) times. The meetings were held on the following dates:

01.06.2021, 29.06.2021, 11.08.2021, 10.11.2021 and 10.02.2022

Name	Designation	Category	Number of meetings during the year 2021-22	
			Held	Attended
Mr. Kunda Chinna Chowdappa ⁽¹⁾	Chairman	Independent, Non-Executive	5	3
Mr. Gopala Krishna Yalamanchili ⁽²⁾	Chairman	Independent, Non-Executive	5	5
Mrs. Vijaya Lakshmi Yalamanchili	Member	Independent, Non-Executive	5	5
Mr. Sreenivasulu Naidu ⁽³⁾	Member	Non-Independent, Non-Executive	5	2

The Chairman of the Committee could not attend the AGM held on September 30, 2021, due to ill-health. As per Clause 4.1.1 of Secretarial Standards-2, the Chairman can authorise any other member of the committee to attend the Annual General Meeting on his behalf. All the other members attended the meeting as authorised by the Chairman.

(1) Mr. Kunda Chinna Chowdappa resigned from the Company and as the Chairman of the Committee w.e.f., November 08, 2021.

(2) Mr. Gopala Krishna Yalamanchili was appointed as the Chairman of Audit Committee w.e.f., November 10, 2021.

(3) Mr. Sreenivasulu Naidu was appointed as the Member of Audit Committee w.e.f.,

November 10, 2021

NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of the Nomination and Remuneration committee constituted in terms of Section 178 of Companies Act, 2013 and as per Regulation 19 of SEBI (LODR) Regulations, 2015 are as under:

Brief Description of Terms of Reference

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
 - a. To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
 - b. To bring out objectivity in determining the remuneration package while striking abalance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.
- Devising a policy on the Board of Directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

Composition of the Committee, Meetings & Attendance

During the year under review, the Committee met 3 (three) times. The meetings were held on the following dates:

06.09.2021, 10.02.2022 and 28.02.2022

Name	Designation	Category	Number of meetings during the year 2021-22	
			Held	Attended
Mr. Kunda Chinna Chowdappa ⁽¹⁾	Chairman	Independent, Non-Executive	3	1
Mr. Gopala Krishna Yalamanchili ⁽²⁾	Chairman	Independent, Non-Executive	3	3
Mr. Sreenivasulu Naidu ⁽³⁾	Member	Non-Independent, Non-Executive	3	2
Mrs. Vijaya Lakshmi Yalamanchili	Member	Independent, Non-Executive	3	3

The Chairman of the Committee could not attend the AGM held on September 30, 2021, due to ill-health. As per Clause 4.1.1 of Secretarial Standards-2, the Chairman can authorise any other member of the committee to attend the Annual General Meeting on his behalf. All the other members attended the meeting as authorised by the Chairman.

(1) Mr. Kunda Chinna Chowdappa resigned from the Company and as the Chairman of the Committee w.e.f., November 08, 2021.

(2) Mr. Gopala Krishna Yalamanchili was appointed as the Chairman of Audit Committee w.e.f., November 10, 2021.

(3) Mr. Sreenivasulu Naidu was appointed as the Member of Audit Committee w.e.f., November 10, 2021

Remuneration Policy

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high performance workforce. The Company follows a

compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process.

Details of remuneration to the Directors

Directors are not paid any sitting fees for any Board / Committee meetings attended by them.

Performance Evaluation Criteria for Independent Directors

The performance evaluation criterion for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors that were evaluated include participation in meetings and contribution by Directors, commitment, effective deployment of knowledge and skills, effective management of relationship with stakeholders, integrity and maintenance of confidentiality, independence of behavior and judgment.

Performance Evaluation Criteria for Directors

The Human Resources, Nomination and Remuneration Committee has devised a criteria for evaluation of the performance of the Directors. The said criteria provides certain parameters like attendance, acquaintance with business, communication inter se between board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by global peers etc., which is in compliance with applicable laws, regulations and guidelines.

STAKEHOLDERS RELATIONSHIP COMMITTEE

The Company has a Stakeholders Relationship Committee (SRC) of Directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, etc.

During the Financial Year ended March 31, 2022, 1 (one) Stakeholders Relationship Committee Meeting was held on 10.02.2022.

Composition and Attendance for Meetings

Name	Designation	Category	Number of meetings during the year 2021-2022	
			Held	Attended
Mr. Kunda Chinna Chowdappa ⁽¹⁾	Chairman	Independent, Non-Executive	1	0
Mr. Gopala Krishna Yalamanchili ⁽²⁾	Chairman	Independent, Non- Executive	1	1
Mr. Naraiah Naidu Gudaru	Member	Executive Director	1	1
Mr. Sreenivasulu Naidu ⁽³⁾	Member	Non-Independent, Non- Executive	1	1

The Chairman of the Committee could not attend the AGM held on September 30, 2021, due to ill-health. As per Clause 4.1.1 of Secretarial Standards-2, the Chairman can authorise any other member of the committee to attend the Annual General Meeting on his behalf. All the other members attended the meeting as authorised by the Chairman.

(1) Mr. Kunda Chinna Chowdappa resigned from the Company and as the Chairman of the Committee w.e.f., November 08, 2021.

(2) Mr. Gopala Krishna Yalamanchili was appointed as the Chairman of Audit Committee w.e.f., November 10, 2021.

(3) Mr. Sreenivasulu Naidu was appointed as the Member of Audit Committee w.e.f., November 10, 2021.

Name, Designation and Address of Compliance Officer

S. No.	Name of the Compliance Officer	Designation	Address
1.	Ms. Nishitha Agarwal (01/06/2021-28/02/2022)	Company Secretary	10-2-129, Pipeline Road, Fathenagar, Hyderabad-500018, Telangana, India

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2.	Mr. Narasimham Mangavally (Appointed w.e.f., 01/03/2022)	Company Secretary	Flat No. 402, Palla Enclave, Shalivahana Nagar, Near Brilliant, IIT, Dilsukhnagar, Hyderabad-500060, Telangana, India
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Details of Complaints/Requests Received, Resolved and Pending During the Year 2021-2022

S. No.	Description	Received	Resolved	Pending
1.	Non receipt of Share Certificates	Nil	Nil	Nil
2.	Non receipt of Annual Reports	Nil	Nil	Nil
3.	Non receipt of Dividend	Nil	Nil	Nil
4.	Regarding Sub-Division/ Consolidation	Nil	Nil	Nil
5.	Complaints received from SEBI	Nil	Nil	Nil
Total		Nil	Nil	Nil

GENERAL BODY MEETINGS

The date, time and venue of the Annual General Meetings held during preceding three years and the special resolution(s) passed thereat, are as follows:

Financial Year	Date	Time	Venue	Special Resolution Passed
2020-2021	30 th September, 2021	11.00 A.M	The meeting was held through Video-Conferencing/ Other Audio-Visual Means. The deemed venue of the Meeting was the Registered Office of the Company i.e., Plot No.89/A, Aishwarya, 1 st Floor, Street No.8. Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500034, Telangana	1. Re-appointment of Mrs. Vijaya Lakshmi Yalamanchili (DIN: 02210385) as an Independent Director

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2019- 2020	30 th December, 2020	01.00 P.M	Regency Ceramics Limited Regd Office: Plot No. 89/A, Aishwarya, 1 st Floor, Street No.8. Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500034, Telangana	--
2018- 2019	30 th September, 2019	12.00 P.M	Regency Ceramics Limited Regd Office: Plot No.89/A,Aishwarya, 1 st Floor, Street No.8. Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034, Telangana	<p>1. Continuation of Dr. G N Naidu (DIN: 00105597) as Chairman and Managing Director of the Company</p> <p>2. Continuation of Mr. G. Sreenivasulu Naidu (DIN: 00106038) as Non- Executive Director</p> <p>3. Continuation of Mr. K C Chowdappa as Non- Executive Independent Director</p>

Extraordinary General Meeting / Postal ballot

During the F.Y 2021-22 the Company had not held any Extraordinary General Meeting.

- Whether any special resolution passed last year through postal ballot: No special resolution was passed during the Financial Year 2021-22 through postal ballot.
- Whether any Special Resolution is proposed to be passed through a Postal ballot: No special resolution is proposed to be passed through a Postal ballot.

DISCLOSURES

Materially Significant Related Party Transactions

During the year under review, the Company had not entered into any materially significant transactions with any related party. During the year, the Company had not entered into any other contract/arrangement/transaction with related parties which could be considered material in

accordance with the policy of the Company on materiality of related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm's length basis.

The Company's policy on related party transactions and dealing with related party transactions is put up on the website of the Company and can be accessed at www.regencytiles.com.

Details of Non-Compliance by the Listed Entity, penalties, and strictures imposed on the Listed Entity by Stock Exchange(s) or the Board or any Statutory Authority, on any matter related to Capital Markets, during the last Three Years

The penalties were imposed by BSE and NSE for Non appointment of Company Secretary, delay in filing Annual Report and Non submission of shareholding pattern under the relevant regulations of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The trading of the shares of the Company was suspended due to non-payment of arrears of Annual Listing Fees (ALF) on BSE Limited.

Vigil Mechanism/ Whistle Blower Policy

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism as defined in Regulation 22 of SEBI Listing Regulations and in terms of Section 177 of the Companies Act, 2013.

With a view to adopt the highest ethical standards in the course of business, the Company has a whistle blower policy in place for reporting the instances of conduct which are not in conformity with the policy. Directors, employees, vendors or any person having dealings with the Company may report non-compliance to the Chairman of the Audit Committee, who reviews the report. Confidentiality is maintained of such reporting and it is ensured that the whistle blowers are not subjected to any discrimination. No person has been denied access to the Chairman of the Audit Committee.

Subsidiary Companies

The Company does not have any subsidiaries.

Utilisation of funds raised through preferential allotment or qualified institutions placement

During the year under review the Company has not raised any funds through preferential allotment or qualified institutions placement.

Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the mandatory requirements and regulations as applicable to the Company of the Stock Exchanges, SEBI and other statutory regulatory authorities.

Details of recommendation of any Committee of the Board which is not accepted by the Board.

The Board of Directors accepted all the recommendation(s) of the Committees of the Board during the Financial Year ended March 31, 2022.

Details of total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part.

Particulars	FY 2021-22
Audit Fees	Rs. 1,00,000

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The provision relating to constitution of Internal Complaints Committee is not applicable to the Company

The following is a summary of sexual harassment complaints received and disposed off during the year 2021-22:

No. of complaints received	: NIL
No. of complaints disposed off	: NIL
No. of complaints pending	: NIL

Disclosure by listed entity and its subsidiaries of 'loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount

There were no loans or advances given to firms/companies in which the Directors are interested.

CODE OF CONDUCT

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS

The Company has complied with all the mandatory requirements of Compliance with Corporate Governance requirements specified in Regulation 17-27 and clauses (b) to (i) of Sub- regulation(2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

DISCLOSURES PERTAINING TO NON-EXECUTIVE DIRECTORS

Shareholding of Non-Executive Directors

The shareholding of the Non –Executive Directors in the Company as on March 31, 2022 is as under:

S. No.	Name of the Director	Shares held
1.	Mr. Ramkumar Srinivasan	0
2.	Mr. Gopala Krishna Yalamanchili	800
3.	Mrs. Vijaya Lakshmi Yalamanchili	0
4.	Mr. G. Sreenivasulu Naidu	0

Pecuniary transactions with Non-Executive Directors

There were no pecuniary transactions with any of the Non-Executive Directors.

CERTIFICATE FROM PRACTICING COMPANY SECRETARY

As required under Clause C Para 10 (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificate from PCS that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of the Company is annexed to this report.

DECLARATION BY CHIEF EXECUTIVE OFFICER

As required under Clause D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the declaration issued by the Chief Executive officer is provided in is annexed to this report .

CERTIFICATE ON CORPORATE GOVERNANCE

As required under Clause E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificate regarding compliance of corporate governance is given as an annexure to the Report.

DISCLOSURE ON RELATED PARTY TRANSACTIONS

There are no significant related party transactions with the Company's Promoters, Directors, the Management or relatives that may have potential conflict with the interest of the Company at large. Related party transactions have been disclosed in Notes to the Annual Accounts. The Company has framed a Policy on Related Party Transactions and the same is available on website of the Company at <http://www.regencytiles.com>.

S. No.	In the accounts of	Amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.
1	Holding Company	Nil
2	Subsidiary	Nil

COMPLIANCE WITH ACCOUNTING STANDARDS

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant the relevant provision of the Companies Act, 2013 read with applicable Accounting Standards, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

MEANS OF COMMUNICATION

Quarterly results and filings

- (i) The approved financial results are filed with the Stock Exchanges and are published in Financial Express (in English Language), a national daily English newspaper having nationwide circulation and in Navatelangana (in Telugu Language), a regional newspaper having wide circulation in the state of Telangana.
The Company posts all the vital information relating to the Company and its

performance/ results including the press releases on its web site for the benefit of the shareholders and public at large.

- (ii) The presentations made to the investors are also uploaded on the website of the Company.

SEBI Complaints Redressal System (SCORES)

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The Company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

Management Discussion and Analysis Report

The Management Discussion and Analysis Report is attached and forms part of the Annual Report.

Reconciliation of share capital Audit

A qualified practicing Company secretary carried out Secretarial Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Reconciliation of share capital Audit (Formerly Secretarial Audit Report) confirm that the total issued / Paid-up capital is in agreement with the total number of shares in physical form and the total number of Dematerialized shares held with NSDL and CDSL.

As per the vigil mechanism applicable to the Company, there is an ombudsman who is responsible for its implementation.

A Dash board containing the risks identified if any, will be placed to the audit committee and measures taken by the management will be discussed to mitigate.

Measures for Prevention of Insider Trading

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2016, the Company framed a Code of Conduct for Prevention of Insider Trading and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information for its Directors and designated employees. The code lays down guidelines, which mandates the Directors and designated employees on the procedures to be followed and disclosures to be made while dealing with the shares of the Company and also appraises the consequences for the violations. Details of the code for prevention of insider trading is available at the Company's website viz www.regencytiles.com

GENERAL SHAREHOLDERS INFORMATION

•	Company Registration Details	The Company is registered in the State of Telangana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L26914TG1983PLC004249.
•	Date	30 th September, 2022
•	Time	10:30 A.M
•	Venue of AGM	Through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”)
•	Financial Calendar	1 st April to 31 st March.
•	Tentative Schedule for considering Financial Results:	
	For the Quarter ending June, 2022	July/August,2022
	For the Quarter ending September, 2022	October/ November, 2022
	For the Quarter ending December,2022	January/ February,2023
	For the Quarter/year ending March,2023	April/ May,2023
•	Date of Book Closure	22.09.2022 to 30.09.2022 (both days inclusive)
•	Listing on Stock Exchanges	BSE Limited; National Stock Exchange of India Limited
•	Scrip Code/Symbol	BSE: 515018; NSE: REGENCERAM
•	ISIN Number for NSDL & CDSL	INE277C01012
•	Payment of annual listing fees to stock exchanges	Listing Fees as applicable have been paid.
•	Share Transfer System	All the transfers received are processed and approved by the Registrar and Transfer Agents and same is reviewed by the Stakeholders Relationship Committee.
•	Address for correspondence	To be addressed to: Venture Capital & Corporate Investments Private Limited 12-10-167, Bharat Nagar, Hyderabad-500018, Telangana, India
•	Dematerialisation of shares and Liquidity	As on March 31, 2022, 2,28,26,694 Equity Shares representing 86.3 % of shareholding have been dematerialised. The balance 36,14,892 Equity Shares representing 13.6% were in Physical form.

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●	Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity	As on March 31, 2022, there were no outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments of the Company.
●	Commodity price Risk or foreign exchange risk and hedging activities;	Not Applicable
●	Plant Location	Behind Bus Stand, Yanam-533464 (Union Territory of Puducherry)
●	Investor Correspondence/ Query on Annual Report etc.,	Regency Ceramics Limited Plot No. 89/A, Aishwarya, 1 st Floor Street No.8, Sagar Society Road No.2, Banjara Hills Hyderabad - 500 034, Telangana

REGISTRARS & TRANSFER AGENTS

Venture Capital & Corporate Investments Private Limited
12-10-167, Bharat Nagar, Hyderabad – 500018, Telangana, India
Ph.No. 040-23818475, 23818476, 23868023
Email Id: info@vccilindia.com

MARKET PRICE DATA

Monthly High/Low of market price of the Company’s shares traded on BSE Limited and National Stock Exchange of India Limited.

Month	National Stock Exchange Limited		BSE Limited	
	High	Low	High	Low
March 2022	1.90	1.90	2.64	2.64

Since, the trading of the shares of the Company was suspended from April, 2020 to till date, hence, the monthly high/low of market price of the Company’s shares traded on BSE Limited and National Stock Exchange of India Limited cannot be ascertained.

SHAREHOLDING PATTERN AS ON MARCH 31, 2022

Category	Number of Shares held	Percentage of Shareholding
Promoters	1,60,21,125	60.59
Promoters Body Corporate	---	---
Mutual funds / UTI	2,000	0.01
Financial Institutions /Banks	3,34,800	1.27
Foreign Institutional Investors	---	---
Venture Capital Funds	---	---
Bodies Corporate	38,89,040	14.71
Foreign Bodies Corporate	---	---
Retail individuals/NRIs/Trusts /others	61,94,621	23.42
Total	2,64,41,586	100.00

DEMATERIALISATION & LIQUIDITY OF SHARES

Trading in Company’s shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company’s scrip is INE277C01012. Investors are therefore advised to open a Demat account with a Depository Participant of their choice to trade in dematerialized form.

Particulars	No. of Shares	% Share Capital
NSDL	1,60,64,672	60.76
CDSL	67,62,022	25.57
Physical	36,14,892	13.67
Total	2,64,41,586	100.00

GREEN INITIATIVE FOR PAPERLESS COMMUNICATIONS

The Ministry of Corporate Affairs (“MCA”) has taken a “Green Initiative in Corporate Governance” by allowing paperless compliances by Companies through electronic mode. In accordance with the recent circular bearing no.17/2011 and 18/2011 dated April 21, 2011 and

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April 29, 2011 issued by the Ministry of Corporate Affairs, Companies can now send various notices/documents to their shareholders through electronic mode to the registered e-mail addresses of the shareholders. This is a golden opportunity for every shareholder of the Company to contribute to the Corporate Social Responsibility initiative of the Company.

This move by the Ministry is a welcome move, since it will benefit the society at large through reduction in paper consumption and contribution towards a greener environment. Additionally, it will avoid loss in postal transit, save time, energy and costs.

Pursuant to the said circular, the Company has forwarded e-mail communication on June 13, 2011 to all shareholders whose email id were registered in the Depository records that the Company intends to use the said e-mail id to send various Notices/ Correspondences etc .

By Understanding the underlying theme of the above circulars, to support this green initiative of the Government in full measure, the Company is sending the documents like notice convening general meetings, financial statements, Directors reports, auditor's report etc to the email address registered with the depositories by the shareholders holding shares in electronic form and for shareholders holding shares in physical form, the physical copy to the address registered with the Registrar and Share transfer Agents of the Company.

In this regard, we request shareholders who have not registered their email addresses, so far to register their email addresses, in respect of electronic holding with depository through their concerned depository participants and Members who hold shares in physical form are requested to send the required details to the Registrar and Share Transfer Agent, Venture Capital & Corporate Investments Private Limited, 12-10-167, Bharat Nagar, Hyderabad-500018, Telangana, India.

CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT

The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A Declaration signed by the Managing Director is furnished here under as Annexure. A copy of the Code of Conduct applicable for the Board and Senior Management has been placed on the Website of the Company.

BY ORDER OF THE BOARD
for Regency Ceramics Limited

Sd/-

Dr. Naraiah Naidu Gudar
Chairman and Managing
Director (DIN: 00105597)

Place: Hyderabad
Date: September 05, 2022

ANNEXURE-I
CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of,
Regency Ceramics Limited
Plot No. 89/A, Aishwarya, 1st Floor, Street
No.8, Sagar Society,
Road No.2, Banjara Hills,
Hyderabad - 500034,
Telangana, India.

We have examined the compliance of conditions of Corporate Governance by **Regency Ceramics Limited** (“Company”), for the Financial Year ended on March 31, 2022, as stipulated in Regulation 17 to 27 and clause (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the relevant records and the explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended March 31, 2022.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

for M&K Associates
Company Secretaries

Sd/-
Manoj Kumar Koyalkar
FCS: 9298
C.P. No.: 10004

Date: August 31, 2022
Place: Hyderabad
UDIN: F009298D000883831

ANNEXURE -J

**FORM MR-3
SECRETARIAL AUDIT REPORT**

(Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel)
Rules, 2014

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2022

To,
The Members,
Regency Ceramics Limited,
Registered Office: 89/A, Aishwarya,
Street No.8, Sagar Society 1st Floor,
Road No.2, Banjara Hills,
Hyderabad-500034,
Telangana, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Regency Ceramics Limited** (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company’s books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the Financial Year ended on 31st March, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2022 according to the provisions of:

1. The Companies Act, 2013 (the “Act”) and the rules made thereunder and other applicable provisions of Companies Act, 1956 which are still in force;

2. The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; ***Not applicable to the Company during the Audit period***
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):
 - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; ***Not applicable to the Company during the Audit period***
 - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ***Not applicable to the Company during the Audit period***
 - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***Not applicable to the Company during the Audit period***
 - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; ***Not applicable to the Company during the Audit period***
 - i. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; ***Not applicable to the Company during the Audit period***

6. Other laws applicable to the Company as per the representations made by the Management.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standard - 1 and Secretarial Standard – 2, with respect to Board and General Meetings respectively, issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

S. No.	Compliance Requirement (Sections/rules/regulations/circulars/guidelines including specific clause)	Deviations
1.	Regulation 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	100% of the Promoter and Promoter Group Shareholding is not held in dematerialized form, only 87.24% of the shareholding is held in dematerialized form.
2.	Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	The website of the Company is not updated.
3.	Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with Part A of Schedule III Appointment of Registrar and Share Transfer Agent	The intimation for appointment of Venture Capital and Corporate Investments Private Limited as the Registrar and Share Transfer Agent of the Company was filed with a delay.

We further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in

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the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

- b) Adequate notice is given to the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven (7) days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were carried out unanimously.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We report that, during the audit period, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standard etc. having a major bearing on the Company's affairs.

for M&K Associates
Company Secretaries

Sd/-
Manoj Kumar Koyalkar
Membership No.: 9298
CoP No.: 10004

UDIN: F009298D000875548

Hyderabad, August 30, 2022

**This report is to be read with our letter of even date which is annexed as "Annexure-1" and forms an integral part of this report*

ANNEXURE-1

To,
The Members,
Regency Ceramics Limited,
Registered Office: 89/A,
Aishwarya, Street No.8, Sagar
Society 1st Floor, Road No.2,
Banjara Hills,
Hyderabad-500034
Telangana, India.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the corrections and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

for M&K Associates
Company Secretaries

Sd/-
Manoj Kumar Koyalkar
FCS: 9298
C.P. No.: 10004

Hyderabad, August 30, 2022

ANNEXURE- L

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

(Pursuant to Clause 10 of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of Regency Ceramics Limited, I hereby certify that:

On the basis of the written representations/declarations received from the Directors and taken on record by the Board of Directors, as on March 31, 2022, none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/Ministry of Corporate Affairs or any such statutory authority.

for M&K Associates
Company Secretaries

Sd/-
Manoj Kumar Koyalkar
FCS: 9298
C.P. No.: 10004

Date: August 31, 2022
Place: Hyderabad
UDIN: F009298D000883864

ANNEXURE-M

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMIC OVERVIEW

The global economy grew an estimated 5.9% in 2021 compared to a de-growth of 3.3% in 2020. This improvement was largely due to increased vaccination rollout the world over and a revival in economic activity based on catch-up consumption.

The prominent feature of the global economic activity during the year under review was a sharp revival in commodity prices to record levels following the drop at the time of pandemic outbreak. The commodities that reported a sharp increase in prices comprised steel, coal, oil, copper, foodgrains, fertilisers and gold. The global economy is projected to grow at a modest 2.6% in 2022 following the Russia-Ukraine crisis. A higher interest rate environment could affect emerging markets and developing economies with large foreign currency borrowings and external financing needs in 2022.

INDIAN ECONOMIC OVERVIEW

The Indian economy reported an attractive recovery in 2021-22, its GDP rebounding from a de-growth of 7.3% in 2020-21 to a growth of 8.7% in 2021-22. By the close of 2021-22, India was among the six largest global economies, its economic growth rate was the fastest among major economies (save China), its market size at around 1.40 billion the second most populous in the world and its rural under-consumed population arguably the largest in the world.

India ranked 62 in the 2020 World Bank's Ease of Doing Business ranking. The country received positive FPIs worth H51,00,000 Lakhs in 2021 as the country ranked fifth among the world's top leading stock markets with a market capitalisation of US\$ 3.21 trillion in March 2022. The fiscal deficit was estimated at ~H15.91 trillion for the year ending 31st March 2022 on account of a higher government expenditure during the year under review. India's per capita income was estimated to have increased 16.3% from H1.29 Lakhs in 2020-21 to H1.50 Lakhs in 2021-22 following a relaxation in lockdowns and increased vaccine rollout. India's tax collections increased to a record H27.07 Lakhs crore in 2021-22 compared with a budget estimate of H22.17 Lakhs crore. While direct taxes increased 49%, indirect tax collections increased 30%. The tax-to-GDP ratio jumped from 10.3% in 2020-21 to 11.7% in 2021-22, the highest since 1999.

INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian ceramic tiles market was estimated at US\$ 3,702 million three years ago and projected to grow to US\$ 7,144.7 million by 2027 (CAGR of 8.6% during the forecasted period). The industry is marked by increased spending on infrastructure by the government,

urbanisation, growing population and consumer preference shift, promoting the demand for ceramic tiles in residential and commercial buildings. The size of the Indian tile industry is projected at 1,384 msm by 2027. Nearly ~40% of the industry is organised – and growing.

India is the second-largest producer and also the second-largest consumer of ceramic tiles after China; its consumption quantum is estimated at 750 msm, accounting for ~6% of the world. India is the fourth largest exporter of ceramic tiles in, accounting for a global share of 10%, its exports being 274 msm in 2021 compared to 228 msm in 2017. The new projects undertaken in the residential, commercial and hospitality segment are strengthening the demand for ceramic tiles. The replacement and renovation market is expected to report strong growth, catalysing the offtake of ceramic tiles

FUTURE OUT LOOK

The low per capita consumption of tiles, rapid urbanization, increasing disposable income of nuclear families, untapped rural market and stable replacement demand shall continue to augur well for the Indian tile industry. In addition, forecast of a normal monsoon, improved consumer sentiment and implementation of e-way bill promise healthier performance.

COMPANY OUTLOOK

The violent incident occurred on 27.01.2012 had impacted the whole town of Yanam with several people depending on the Company being deprived of the benefits they were enjoying before. Your company has settled the issues with the workers satisfactorily and also with the lenders successfully. Your company is in the process of settlement of Insurance claim before aiming at recommencing the plant operations in phases. Your company is optimistic about resolving all the pending issues peacefully and hence this is considered a temporary phase in the history of the Company.

INTERNAL CONTROL SYSTEMS

Your Company has in place proper and adequate systems of internal controls commensurate with its size and the nature of its operations comprising authority levels and powers, supervision, checks and balances, policies, procedures and internal audit. The internal control system provides reasonable assurance that the transactions are properly recorded and are executed in accordance with proper management authorization and that the assets are safeguarded against loss from unauthorized use or disposition and that the accounting records are adequate for preparation of financial statements and other financial information. The system is reviewed and updated on an on-going basis.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Your Company believes that human resource is the most important asset of the organization and lays importance on competence and commitment of human capital for its growth.

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Your company hopes to resolve the strained labour relations and the matters pending before the industrial tribunal in the near future. As the Company is in the process of reviving its operations, it shall hire the employees in the coming future. An enabling environment that fosters continuous learning and innovation remains a key focus area of your company.

BUSINESS REVIEW AND FINANCIAL PERFORMANCE

During the year under review, there is no change in your company's performance from last year as there was no production due to continued lockout.

THREATS

Constantly increasing fuel price is very big issue for the industry because the manufacturing involves a high energy intensive manufacturing process; gas, power and transportation cost are the key cost-related issues and impacting the industry. Consistency in fuel and power availability at reasonable rates is a very major concern for the industry. The Ceramic industry in India is highly competitive on account of low entry barriers and growing competitive intensity from unorganized players and cheap imports.

OPPORTUNITIES

Due to the increased compliance (GST & e-way bill), the organised sector is favourably positioned and this provides opportunities for development in the Industry.

The New initiative under "housing for all" introduced by the Government of India is looking to add around 2 crore new affordable houses by 2022, making them an incredible value proposition for big players in the home lifestyle solutions providers. Unfortunately, your company is unable to capture the requirement due to non – production.

RISKS AND CONCERN

The prices of petroleum products depend upon international market and subject to volatility. Some of the competitors who have the facilities of natural gas, tax incentives etc. are dominating the market. There may be a threat from some of the larger capacity players, who have varied range of products, effects and colors to dominate market presence.

DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT:

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

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Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the Company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
Nil	Nil	Nil	Nil

Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.

INDEPENDENT AUDITOR'S REPORT

**To the Members of
REGENCY CERAMICS LIMITED**

Report on the Audit of the Financial Statements

Qualified Opinion

We have audited the accompanying financial statements of **REGENCY CERAMICS LIMITED** (“the company”), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (herein after referred to as “the financial statements”)

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of our observations stated in “Basis for Qualified Opinion” section below, the accompanying financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the Profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

- 1. Manufacturing operations of the company were stopped due to riots, strike and malicious damage at factory since 27.01.2012. The company declared lock out of the plant on 31.01.2012 and the condition of the fixed assets & its realizable value could not be estimated. The machinery and building were not insured during the year and disclosed at book value after providing depreciation on account of efflux of time.*
- 2. During the year, the company has not provided the provisional liability towards salary, wages and other benefits to its factory employees. Further, the company has not provided for its liability towards Gratuity and leave encashment in accordance to Ind AS-19*

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“Employee Benefits”. Since the company could not compute the liability in the absence of complete records, we are unable to comment upon the impact of non-provision of additional loss of the company for the year and on the current liabilities as at 31.03.2022.

3. *Confirmation of balances was not obtained from Debtors, Creditors, loans and advances and other current assets.*
4. *The lenders of the company earlier initiated action under section 13(4) of the SARFAESI Act and also filed an application under section 19 of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 in the Debts Recovery Tribunal, Hyderabad for recovery of their dues. Subsequently, all the five lenders sanctioned OTS and then a revised OTS package for settlement of their dues and the company paid entire amount under OTS. Thereafter, all lenders except South Indian Bank and e-Corporation Bank filed Satisfaction of Memo in the DRT and all lenders have filed Satisfaction of Charge with ROC.*
5. *The company did not provide the interest on Unsecured loans received from Directors and Body Corporates. Also, interest has not been provided in respect of overdue amount payable to Micro, Small and Medium Enterprises suppliers for a period exceeding 45 days.*
6. *The company has not provided the liability towards interest and penalties payable on account of statutory dues. The Company is of opinion that the statutory authorities shall waive the same in view of the unprecedented incident.*

In view of the above, the liability of the company in this regard could not be ascertained. Consequently, we are unable to comment about the impact of the same on the profit for the year, income tax and shareholder’s funds.

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditors responsibility for the Audit of Financial Statements* 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made 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 qualified opinion on the financial statements.

Material Uncertainty Related to Going Concern

We draw attention to note no. 1 to the financial statements regarding the preparation of the financial statements on a going concern basis, despite erosion of the net worth and no cash inflows from the existing business activities. However, the accompanying financial have been prepared on “Going Concern” basis for the reasons stated in the said note. Our opinion is not modified in respect of this matter.

Key Audit Matters

Except for the matters described in the Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India. 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 the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is 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 responsible for overseeing the Company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, 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 financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and, except for the matters described in the Basis for qualified opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit,
 - b) Except for the effects of the matters described in the Basis for qualified opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.,
 - c) the balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account,
 - d) Except for the effects of the matters described in the basis for qualified opinion paragraph, in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
 - e) The matters described in Basis for Qualified Opinion and Material Uncertainty Relation to Going Concern above, in our opinion, may have an adverse effect on the functioning of the Company.
 - f) On the basis of written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act,
 - g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, we couldn't

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evaluate as Company didn't have any manufacturing and business operations during the year under review.

- h) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, no managerial remuneration was paid to any director during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- i) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28, 29, 31 and 32 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.

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v. The Company had not declared or paid any dividend during the year under Report.

for **K.S.RAO & CO.**
Chartered Accountants
Firm's Regn No. 003109S

Sd/-
(V.VENKATESWARA RAO)
Partner
Membership No. 219209
UDIN: 22219209AJWLEZ3958

Place : Hyderabad
Date : 30.05.2022

Annexure - A to the Auditor's Report:

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of REGENCY CERAMICS LIMITED, for the year ended March 31, 2022.,

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
(B) The Company does not have any intangible assets. Therefore, the provisions of paragraph 3(i)(a) (B) of the Order is not applicable.
 - b. As explained to us, the management could not verify physically the fixed assets situated at Yanam, due to riots, strike and malicious damage.
 - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than Properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
 - d. The company did not revalue its Property, Plant and Equipment (including right of use assets) during the year. Accordingly, para 3 (i)(d) of the Order is not applicable.
 - e. There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- ii.
 - a. The Company does not have any inventory as on Balance Sheet date. Therefore, the provisions of paragraph 3 (ii) (a) of the Order is not applicable to the Company.
 - b. The Company did not obtain any working capital limits during the year. Therefore, the provisions of paragraph 3 (ii) (b) of the Order is not applicable to the Company.
- iii. The company has not granted any loans to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of Clauses {a} to {f} of sub para {iii} of Para 3 of the said Order are not applicable for the year under report:
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under sections 185 and 186. Therefore, the provisions of clause 3(iv) of the said order not applicable to the Company
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. During the year, there is no production and its related activity in the factory and as such, cost records pursuant to sub-section (1) of section 148 of the Companies Act, 2013 have not been maintained.
- vii.
 - a. According to the records, the company is not regular in depositing undisputed statutory dues including Goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and all other

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material statutory dues with the appropriate authorities. However, the extent of arrears of outstanding statutory dues as at March 31, 2022 for a period more than six months from the date they became payable are as below.

Name of the Statute	Nature of the dues	Amount (Rs. in Lakhs)	Period which amount relates to the	Due Date	Date of Payment
CST Act, 1956	Central Sales Tax	26.78	2011-12	Nov-2011	Not yet paid
VAT Act, 2005	VAT	335.02	2011-13	Sept-2011	Not yet paid
Central Excise & Service Tax Act, 1994	Service Tax	44.75	2011-13	Oct-2011	Not yet paid
ESI Act, 1948	Employee State Insurance	3.28	2011-13	Oct-2011	Not yet paid

- b. According to the records of the Company and the information and explanations given to us, there were no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, except the following.
- viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- ix. a. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or in the payment of interest thereon to any lender as on Balance Sheet date.
- b. According to the information and explanations given to us including representation received from the Management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- c. The Company has not taken any term loan during the year and there are no un utilised term loans at the beginning of the year and hence, reporting under clause 3 (ix)(c) of the Order is not applicable.
- d. The Company has not raised funds on short term basis during the year. Hence, reporting under clause 3(ix)(d) of the Order is not applicable.
- e. the Company does not have subsidiaries, associates or joint ventures. Hence Para 3 (ix) (e) the above mentioned Order is not applicable;
- f. the company does not have subsidiaries, associates or joint ventures. Hence Para 3 (ix) (f) of the above mentioned Order is not applicable
- x. a. The Company did not raise any money by way of initial public offer or further public offer

Regency Ceramics Limited
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(including debt instruments) during the year. Accordingly, para 3 (x)(a) of the Order is not applicable.

b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting under para 3(x)(b) of the order doesn't arise.

- xi. a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
b. No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
c. According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. a. In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business;
b. We have considered the reports of the Internal Auditors for the period under audit.;
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its Directors or persons connected with them. Therefore, the provision of clause 3(xv) of the Order is not applicable;
- xvi. a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, para 3(xvi) (a) of the Order is not applicable.
b. The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, para 3 (xvi)(b) of the Order is not applicable.
c. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence Para 3(xvi) (c) of the said Order is not applicable.
d. The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, para 3(xvi) (d) of the said Order is not applicable.
- xvii. The company has incurred cash losses of Rs. 113.00 lakhs during the current financial year and of Rs. 75.33 lakhs during the immediately preceding financial year.
- xviii. There is no resignation of statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets

Regency Ceramics Limited
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and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, as stated in para “Material Uncertainty Related to Going Concern” read with Note no. 1 of the financial statements. We state that material uncertainty exists as on the date of the audit report, so we are unable comment whether the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date and we further state that our reporting is based on the facts up to the date of the audit report.

- xx. The Company is not obliged to spend amounts for CSR activities since the Company does not fall in the category of Companies mentioned in section 135 of the Companies Act. Hence the paras 3(xx) (a) and (b) of the said Order not applicable.
- xxi. The Company does not have subsidiaries, associates or joint ventures. Hence para 3 {xxi} of the above said Order with regard to qualifications or adverse remarks in CARO reports of the companies included in the consolidated financial statements, is not applicable.

for **K.S.RAO & CO.**
Chartered Accountants
Firm’s Regn No. 003109S

Sd/-
(V.VENKATESWARA RAO)
Partner
Membership No. 219209
UDIN: 22219209AJWLEZ3958

Place : Hyderabad
Date : 30.05.2022

Regency Ceramics Limited
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REGENCY CERAMICS LIMITED
Balance Sheet as at 31st March,2022

(Rs.in Lakhs)

Particulars	Note No	As at 31.03.2022	As at 31.03.2021
I. ASSETS			
1.Non-Current Assets			
a) Property,Plant and Equipment	2	2427.05	2858.04
b) Financial Assets			
i) Investments	3	1.57	1.66
ii) Other Financial Assets	4	17.05	17.05
Total Non-Current Assets		2445.66	2876.76
2.Current Assets			
a) Inventories	5	0.00	664.00
b) Financial Assets			
i) Trade receivables	6	797.43	797.42
ii) Cash and cash equivalents	7	12.07	134.96
iv) Other Financial Assets	8	1961.06	1961.04
c) Other current assets	9	1870.93	1875.18
d) Current tax assets (Net)	10	27.35	27.35
		4668.86	5459.96
TOTAL		7114.52	8336.72
II. EQUITY AND LIABILITIES			
1.Shareholder's Funds			
a) Share Capital	11	2644.16	2644.16
b) Other Equity	12	(6333.62)	(9551.98)
Total Equity		(3689.46)	(6907.82)
2. Non- Current Liabilities			
a) Financial Liabilities			
Borrowings	13	5735.56	5350.56
b) Provisions	14	145.30	147.09
Total Non-Current Liabilites		5880.86	5497.65
3.Current Liabilities			
a) Financial Liabilities			
i) Borrowings	15	0.00	4805.69
ii) Trade payables			
Dues to Micro and small enterprises	16	146.84	146.84
Dues to Creditors other than micro and small enterprises		2354.55	2354.52
iii) Other Financial Liabilites	17	1239.75	1238.29
c) Other current liabilities	18	1181.97	1201.53
		4923.11	9746.87
TOTAL		7114.51	8336.71

As per our report of even date.

For K.S.Rao & Co
Chartered Accountants
Firm Registration No.003195

Sd/-
V. Venkateswara Rao.
Partner
Membership No.219209

Place : Hyderabad
Date : 30.05.2022

Sd/-
Dr.Naraiah Naidu Gudaru
Chairman and
Managing Director
DIN:00105597

Sd/-
Narala Satyendra Prasad
Whole Time Director/CFO
DIN:01410333

Sd/-
Narasimham Mangavally
Company Secretary

Regency Ceramics Limited
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REGENCY CERAMICS LIMITED
Statement of Profit and loss for the year ended 31.03.2022

(Rs. In Lakhs)

	Particulars	Note No.	Current Year	Previous Year
I.	INCOME			
	Revenue from operations	19	0.00	0.00
	Other Income	20	22.99	3.59
	Total Income		22.99	3.59
II.	EXPENSES			
	Raw material Stock written off	21	0.00	-
	stock-in-trade written off		0.00	-
	Changes in inventories of finished goods, work in Process and stock-in-trade	22	0.00	-
	Employee benefits expense	23	4.12	0.00
	Finance costs	24	0.30	10.92
	Depreciation and amortization expense	11	430.99	433.54
	Other expenses	25	135.92	67.52
	Total		571.32	511.97
III.	Profit/(Loss) before Exceptional Items and Tax		(548.35)	(508.38)
IV.	Exceptional Item		3766.68	0.00
	Profit/(Loss) before tax		3218.35	(508.38)
V.	Tax Expense			
	-Current Tax			
	-Deferred Tax		-	-
VI.	Profit/ (Loss) after tax		3218.35	(508.38)
VII.	Earnings per equity share (of Rs.10 each)			
	Basic & Diluted		12.17	(1.92)

As per our report of even date.
For K.S.Rao & Co
Chartered Accountants
Firm Registration No.003195

Sd/-
V. Venkateswara Rao.
Partner
Membership No.219209

Place : Hyderabad
Date : 30.05.2022

Sd/-
Dr.Naraiah Naidu Gudarur
Chairman and
Managing Director
DIN:00105597

Sd/-
Narala Satyendra Prasad
Whole Time Director/CFO
DIN:01410333

Sd/-
Narasimham Mangavally
Company Secretary

Regency Ceramics Limited
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REGENCY CERAMICS LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st March,2022

PARTICULARS	2021-22 (In.Rupees)	2020-21 (In.Rupees)
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss before Tax	3218.35	(508.38)
Adjustments for:		
Depreciation	430.99	433.54
Interest(net)	0.00	9.37
Fair value loss/(profit)	0.09	(0.82)
Exceptional item	-3766.68	0.00
Profit on sale os Investment	(20.00)	0.00
Operating Loss before working capital changes	-137.26	(66.29)
Adjustments for:		
Current Assets(Trade and other receivables)	4.23	8.23
Non Current Liabilities	-1.78	(11.24)
Current Liabilities(Trade payables)	-18.08	9.56
Cash generated from operations	<u>-152.89</u>	<u>(59.74)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of investments	20.00	0.00
Net Cash Used in investing activities	<u>20.00</u>	<u>0.00</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Loans from Directors	385.00	194.25
Repayment of loans from Institutions and others	-375.00	0.00
Interest paid	0.00	(9.37)
Net Cash used in Financing Activites	<u>10.00</u>	<u>184.88</u>
Net Increase/(decrease) in cash and cash equivalents(A+B+C)	-122.89	125.14
Cash and Cash equivalents as at 01.04.2021 (Opening Balance)	134.97	9.83
Cash and Cash equivalents as at 31.12.2022 (Closing Balance)	12.07	134.97

As per our report of even date.

For K.S.Rao & Co
Chartered Accountants
Firm Registration No.003195

V. Venkateswara Rao.
Partner
Membership No.219209

Place : Hyderabad
Date : 30.05.2022

Sd/-
Dr.Naraiah Naidu Gudar
Chairman and
Managing Director
DIN:00105597

Sd/-
Narala Satyendra Prasad
Whole Time Director/CFO
DIN:01410333

Sd/-
Narasimham Mangavally
Company Secretary

Statement of Changes in Equity for the year ended 31st March 2022

A. Equity Share Capital

Particulars	As at	
	31.03.2022	31.03.2021
At the beginning of the year	2,644.16	2,644.16
Changes in equity share capital during the year	-	-
At the end of the year	2,644.16	2,644.16

B. Other Equity

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Surplus in Statement of Profit and Loss	
Balance as at 01st April 2020	0.86	329.61	1,540.35	- 10,914.41	-9,043.59
Profit/(Loss) for the period				-139.57	-139.57
Other Comprehensive Income				-	-
Balance as at 31st March 2021	0.86	329.61	1,540.35	-11,422.80	- 9,551.98
Profit for the period				-508.39	-508.39
Other Comprehensive Income				-	-
Balance as at 31st March 2022	0.86	329.61	1,540.35	-8,204.44	-8,204.44

Notes:

Nature & Purpose of Reserves

(a) Capital Reserve

The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

(b) Securities premium

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the provisions of the Act.

(c) General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. This reserve is freely available for use by the Company.

(d) Surplus in Statement of Profit and Loss

Surplus in Statement of Profit and Loss represents the profits/(losses) that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to shareholders.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

1. CORPORATE INFORMATION

Regency Ceramics Limited is a public limited listed company incorporated on 18th November, 1983. The company is engaged in manufacture of ceramic floor and wall tiles suitable to domestic and international markets. The company introduced several designs of glazed vitrified tiles, parking tiles and heavy duty tiles for high traffic areas. The company is operating from its Registered cum Corporate office in Hyderabad and operates through various Depot network across the country. The plant is located at Yanam, Union Territory of Puducherry.

The company has recorded a Net Profit of Rs.3218.35 lakhs for the year 2021-22 and has accumulated loss of Rs.6333.62 Lakhs as on 31.03.2022 resulting in erosion of the net worth. Further, there were no cash flows from the existing business activities.

The lenders of the company sanctioned OTS and then, revised OTS package for settlement of their dues. The company paid entire OTS amount and thereafter, all lenders except South Indian Bank and e-Corporation Bank filed Satisfaction of Memo in the DRT and all lenders filed Satisfaction of charges with ROC.

After series of negotiations with the workers union, Memorandum of settlement was arrived under Section 12 (3) of the Industrial Disputes Act, 1947 before the Commissioner of Labour -cum- Chief Conciliation Officer, U T of Puducherry between the company and the Regency Ceramics Staff and Workers Union. As per the MOU, the management has agreed to provide house sites at Yanam to all the displaced workers of the company in three categories as proposed by the union. In this connection, two stretches of land owned by ancillary units to the extent of about 25.35 Acres was registered in favour of the union through settlement deeds. The conversion of agricultural land in to residential plots, development of land, lying of roads, allotment of plots, etc., is in progress.

The company is hopeful of receiving insurance claim on reinstatement value basis of award unanimously pronounced by Arbitrate Tribunal for refurbishing the plant and to recommence the plant operations.

In view of the above, the financial statements have been prepared by the company on a “going concern” basis.

SIGNIFICANT ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS.

1.A Significant Accounting Policies:

1.1) Basis of Preparation of Financial Statements.

- a) **compliance with Ind AS**

Regency Ceramics Limited
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The standalone financial statements comply in all material aspects with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (“the Act”), and relevant rules issued thereunder and the relevant provisions of the Act. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting Standards.

b) historical cost convention

These Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and financial liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied constantly over all the periods presented in these financial statements.

The financial statements are presented in INR which is also the Company’s functional currency and all values are rounded to the nearest Lakhs (INR 00,000), except when otherwise indicated.

1.2) Use of Estimates.

The preparation of financial statements in conformity with the Indian Generally Accepted Accounting Principal(GAAP)requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amount of income and expenses during the period. Actual figures may differ from these estimates. Any revision to the accounting estimates is recognized prospectively in current and future periods.

Key assumptions

1.3) Property, Plant and Equipment-Tangible Assets:

- i. Property, plant and equipment are stated at historical cost less accumulated depreciation.
Cost directly attributable to acquisition are capitalized until the property, plant and equipment are ready to for use, as intended by the management.
- iii. Subsequent expenditure relating to property, plant and equipment are capitalized only when it is probable that the future economic benefits associated with them will flow to the Company and the cost of the expenditure can be measured reliably. Repairs and Maintenance costs are recognized in the statement of Profit and Loss when they are incurred.
- iv. Depreciation on property, plant and equipment has been provided under Straight Line Method over the useful life of assets estimated by the management which is in the line with terms prescribed in Schedule II of the Companies act-2013 except the assets costing Rs.5000 or less on which depreciation is charges @100% on in the year of acquisition. Depreciation for assets purchased/sold during the period is proportionately charged. Depreciation methods, useful lives & residual values are reviewed periodically.

The management estimates the useful life of the assets as follows:

Plant and Machinery(process) : 25years

Plant and Machinery (other) : 15 years

Buildings (Factory Buildings) : 30 years

Buildings(other than factory buildings): 60 years

v. Transition to Ind AS:

On transition to Ind AS, the Company has selected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying values the deemed cost of the property, plant and equipment.

(1.4) Inventory:

Inventories are valued at the lower of cost and net realizable value. The cost is determined on Weighted Average basis. Cost of finished goods and work-in-process include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. Stores and packing materials are valued at cost on weighted average basis.

(1.5) Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

a. Financial Asset:

Initial recognition and measurement

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit & loss account transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the company commits to purchase or sell the asset.

Subsequent Measurement

For the purpose of subsequent measurement financial assets are classified as measured at:

- 1) Amortised Cost
- 2) Fair value through profit and loss (FVTPL)
- 3) Fair value through other comprehensive income (FVTOCI)

Financial Asset measured at amortized cost

Financial Assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the statement of Profit & Loss.

The company while applying above criteria has classified all the financial assets (except investments in equity shares) at amortized cost.

Financial Assets Measured at fair value through other comprehensive income

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income. Fair value movements are recognized in the other comprehensive income (OCI). Interest income measured using the EIR method and impairment losses, if any are recognized in the Statement of Profit and Loss. On de-recognition, cumulative gain or loss previously recognized in OCI is reclassified from the equity to other income' in the Statement of Profit and Loss.

Financial Assets at fair value through profit or loss (FVTPL)

Financial Assets are measured at fair value through Profit & Loss if it does not meet the criteria for classification as measured at amortized cost or at FVTOCI. All fair value changes are recognized in the statement of profit & loss.

De-recognition of Financial Assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the debt instruments, that are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance. Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive.

The management uses a provision matrix to determine the impairment loss on the portfolio of trade and other receivables. Provision matrix is based on its historically observed expected credit loss rates over the expected life of the trade receivables and is adjusted for forward looking estimates.

Expected credit loss allowance or reversal recognized during the period is recognized as income or expense, as the case may be, in the statement of profit and loss. In case of balance sheet, it is shown as reduction from the specific financial asset.

b. Financial Liabilities.

Initial recognition and measurement

Financial liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except financial liabilities at FVTPL that are measured at fair value.

Subsequent Measurement

Financial liabilities are subsequently measured at amortized cost using the EIR method. Financial liabilities carried at fair value through profit or loss is measured data fair value with all changes in fair value recognized in the Statement of Profit and Loss.

Financial Liabilities at amortized cost

Amortized cost for financial liabilities represents amount at which financial liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount.

All the financial liabilities of the company are subsequently measured at amortized cost using Effective Interest method.

De recognition of Financial Liabilities

A financial liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

(1.6) Foreign Currency Transactions

The functional and presentation currency of the Company is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ losses arising on settlement as also on translation of monetary items are recognised in the Statement of profit and loss.

(1.7) Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

(1.8) Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured a regardless of when the payment made. The specific recognition criteria described below must also be met before revenue is recognized.

a. Sale of Products

Revenue from the sale of goods is recognised when significant risks and rewards of ownership have been transferred to the customer, the company no longer retain continuing managerial involvement to the degree usually associated with owner ship nor has effective control over the goods sold, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration that will be derived in the sale of goods.

Revenue from Sale of goods includes excise and other duties which the Company pays as a principal but excludes amounts collected on behalf of third parties i.e GST and Sales tax. Sale of goods in respect of export sales are recognized as and when the shipment of goods taken place.

b. Recognition of Export benefits

Export benefits entitlements in respect of incentives Schemes including Duty drawback, Merchandise export incentive scheme (MEIS), FMS and FPS of the Government of India are

recognized in the year in which Export Sales are accounted for.

c. Interest Income

Interest on deposits with government departments and financial institutions are recognized in statement of profit and loss when the right to receive/receivable during the period.

(1.09) Dividend Distribution

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

(1.10) Employee Benefits:

Contribution to provident fund is remitted to the Provident Fund Commissioner and such paid/payable amounts are charged against revenue. Group Gratuity Scheme is administrated through Trustees for which policies are taken from LIC of India. The above payments/provisions are charged to revenue. The liabilities towards such schemes are determined by an independent actuarial valuation as per the requirements of Accounting Standard-15.(Revised 2005) on "Employee Benefits". Encashment of leave is accounted for on accrual basis.

(1.11) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes on accounts. Contingent Assets are neither recognized nor disclosed in the financial statements.

(1.12) Income Taxes

Income tax expense comprises current tax and deferred tax charge or credit. The current tax is determined as the amount of tax payable in respect of the estimated taxable income of the period. The deferred tax charge or credit is recognised using prevailing enacted or substantively enacted tax rates. Where there are unabsorbed depreciation or carry forward losses, deferred tax asset is recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets are reviewed at each Balance Sheet date based on the developments during the year and available case laws, to reassess realisation/liabilities.

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

(1.13) Earnings Per Share

The Company presents basic and diluted earnings per share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

(1.14) Cash flow statement

Cash flows are reported using the indirect method. Where by profit for the period is adjusted for effects of transactions of a non-cash nature, any deferrals are accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

(1.15) Segment Reporting

The operations of the company are related to one segment i.e. manufacturing of ceramics tiles.

(1.16) Exceptional Items

Exceptional items refer to items of Income or expenses within the statement of profit and loss from ordinary activities which are nonrecurring and are of each size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the company.

(1.17) Recent accounting pronouncements

(i) Adoption of recent accounting pronouncements

a) Amendment in Schedule III of the Companies Act, 2013

On 24th March, 2021, the Ministry of Corporate Affairs (“MCA”) through a notification amended Schedule III of the Companies Act, 2012 which is applicable from 01st April, 2021. The effect of said amendment has been incorporated in these financial statements to the extent applicable to the Company.

b) Standards issued but not effective

Ind AS 16- Proceeds before intended use

The amendments mainly prohibit an entity from deducting the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sale proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and

equipment in its financial statements.

Ind AS 37 - Onerous Contracts- Costs of Fulfilling a Contract

The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Cost that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification, and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendments clarifies which fees an entity includes when it applies the ‘10 percent ‘ test of Ind AS 109 in Assessing whether to de recognized a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendment remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

(1.18) Events after Reporting date

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

(1.19) Critical Accounting Estimates and Judgments

The preparation of financial statements is in conformity with generally Accepted Accounting Principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the result of operations during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. Revisions in accounting estimates are recognized prospectively.

The areas involving critical estimates or judgments are –

- Estimates of Useful life of Property, plant and equipment and intangibles
- Measurement of defined benefit obligation
- Recognition of deferred taxes
- Estimation of impairment
- Estimation of provision and contingent liabilities

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Note 2 :

PROPERTY, PLANT AND EQUIPMENTS

Rs in Lakhs

S.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		COST AS AT 01.04.2021	ADDITIONS DURING THE YEAR	SALES/ ADJUSTMENTS DURING THE YEAR	COST AS AT 31.03.2022	UPTO 01.04.2021	FOR THE YEAR	ON SALES/ ADJUSTMENTS	UPTO 31.03.2022	AS AT 31.03.2022	AS AT 31.03.2021
1	LAND	63.36	-	-	63.36	-	-	-	-	63.36	63.36
2	BUILDINGS	1836.83	-	-	1836.83	1302.96	57.70	-	1360.66	476.17	533.87
3	PLANT & MACHINERY	18347.34	-	-	18347.34	16114.71	371.98	-	16486.68	1860.66	2232.63
4	OFFICE EQUIPMENT & COMPUTERS	457.27	-	-	457.27	453.10	1.31	-	454.41	2.87	4.18
5	FURNITURE & FIXTURES	69.76	-	-	69.76	69.59	0.00	-	69.59	0.17	0.18
6	VEHICLES	71.64	-	-	71.64	71.62	0.00	-	71.62	0.02	0.03
7	LIVE STOCK	23.81	-	-	23.81	-	-	-	-	23.81	23.81
	T O T A L	20870.01	-	0.00	20870.01	18011.98	430.99	0.00	18442.96	2427.05	2858.04
	PREVIOUS YEAR	20870.01		0.00	20870.01	17578.44	433.54	0.00	18011.98	2858.04	3291.58

***NOTE**

The company suffered extensive damage to the assets situated at Factory, Yanam due to unprecedented violence occurred on 27th January, 2012 and declared lock-out of the Plant from 31st January, 2012. The financial results for the year ended 31st March 2022 were prepared without considering loss/damage to Plant & Machinery, Buildings and other assets of the company in the books. Depreciation has been provided in the normal course due to the efflux of time as per the provisions of the Companies Act, 2013.

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Note 3

Non-current Investments

	Rs in Lakhs	
	31.03.2022	31.03.2021
<u>At amortised cost</u>		
Un Quoted: i).National Savings Certificates and Indira Vikas Patras(Deposited with Sales Tax Department)	0.42	0.42
-		
Investment in equity shares measured at fairvalue through profit and loss		
<u>Quoted</u>		
IFCI Limited -10,000 Shares	1.15	1.24
Total	1.57	1.66

Note 4

Other Financial Assets

	31.03.2022	31.03.2021
Security deposits (unsecured considered good)		
i) Electricity Deposits	17.05	17.05
Total	17.05	17.05

Note 5

Inventories

(Rs.in Lakhs)

	31.03.2022	31.03.2021
Raw Materials	0.00	482.29
Stores & Spares	0.00	54.72
Finished Goods (including in-transit for exports)	-	0.00
Stock in Trade (Acquired for trading)	0.00	50.84
Stocks-in-process	0.00	70.08
Packing Materials	0.00	6.07
Total	0.00	664.00

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Note 6

Trade receivables	(Rs.in Lakhs)	
	31.03.2022	31.03.2021
A. Secured	-	-
B. Unsecured		
i. Considered good		
ii. Significant increase in credit risk	797.43	797.42
iii. Credit Impaired	28.68	28.68
Less: Provision for Doubtful Debts	28.68	28.68
Total	797.43	797.42

As on 31 March 2022:

Particulars	Outstanding for following period from due date of payment						Total
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	797.43	797.43
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	28.68	28.68
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	826.11	826.11
Less: Provision for doubtful debts						28.68	28.68
Add: Unbilled Trade Receivables						-	-
Net Trade Receivables						797.43	797.43

As on 31 March 2021:

Particulars	Outstanding for following period from due date of payment						Total
	No due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	797.43	797.43
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	28.68	28.68
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-
Total	-	-	-	-	-	826.11	826.11
Less: Provision for doubtful debts						28.68	28.68
Add: Unbilled Trade Receivables						-	-
Net Trade Receivables						797.43	797.43

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Note 7

Cash and Cash Equivalents

(Rs.in Lakhs)

	31.03.2022	31.03.2021
Cash in hand	8.56	8.77
In Current Accounts	3.51	126.19
Total	12.07	134.96

Note 8

Other Financial Assets

(Rs.in Lakhs)

	31.03.2022	31.03.2021
Claims Receivable	1878.04	1878.03
Advances to Staff & Workers	11.47	11.47
Deposits Recoverable	52.92	52.91
Interest accrued on Deposits and Investments	18.63	18.63
Total	1961.06	1961.04

Note 9

Other Current Assets

	31.03.2022	31.03.2021
Advance for purchase, other advances	1674.15	1678.40
Balance with Govt. Departments	196.78	196.78
Total	1870.93	1875.18

Note 10

Current Tax Assets (Net)

	31.03.2022	31.03.2021
Income Tax Assets (Net of Provision)	27.35	27.35
Total	27.35	27.35

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NOTE 11 :

Share Capital

	As at 31.03.2022		As at 31.03.2021	
	No. of shares	Rs in Lakh	No. of shares	Rs in Lakh
Authorised				
Equity Shares of Rs.10/- each	30000000	3000.00	30000000	3000.00
Total	30000000	3000.00	30000000	3000.00
Issued				
Equity Shares of Rs.10/- each	26508586	2650.86	26508586	2650.86
Total	26508586	2650.86	26508586	2650.86
Subscribed and Paid up				
Equity Shares of Rs.10/- each fully paid up	26441586	2644.16	26441586	2644.16
Total	26441586	2644.16	26441586	2644.16

Reconciliation of outstanding no. of shares

Particulars	As at 31.03.2022		As at 31.03.2021	
	No. of shares	Rs in Lakh	No. of shares	Rs in Lakh
Shares Outstanding at the beginning of the year	26441586	2644.16	26441586	2644.16
Shares Issued during the year				
Shares redeemed / bought back during the year				
Shares outstanding at the end of the year	26441586	2644.16	26441586	2644.16

Share holding more than 5%

NAME OF THE SHAREHOLDER	AS AT 31.03.2022		AS AT 31.03.2021	
	SHARES HELD	%	SHARES HELD	%
G N Naidu	7275183	27.51	7275183	27.51
Radhika Naidu	7275183	27.51	4819586	18.23
Bindu G Naidu	2418750	9.15	2418750	9.15
Regency Transport carriers Limited	3314470	12.54	3314470	12.54

Shares held by promoters of the Company

Promoter's Name	FY 2021-22		FY 2020-21		% change during the year
	No of Shares	% total shares	No of Shares	% total shares	
G N Naidu	7275183	27.51	7275183	27.51	Nil
Radhika Naidu	4819586	18.23	4819586	18.23	Nil
Bindu G Naidu	2418750	9.15	2418750	9.15	Nil
Sarojini Gudaru	1214206	4.59	1214206	4.59	Nil
Venkatesulu Naidu G	132850	0.50	132850	0.50	Nil
N.Satyendra Prasad	130550	0.49	130550	0.49	Nil
Doraswamy Naidu	20000	0.08	20000	0.08	Nil
P.Narayanamma	10000	0.04	10000	0.04	Nil

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Note 12

Reserves and surplus

(Rs in Lakhs)

	31.03.2022	31.03.2021
a. Capital Reserve		
At the Commencement of the year	0.86	0.86
Closing Balance	0.86	0.86
Other Reserves		
b.General Reserve		
At the commencement of the year	1540.35	1540.35
Closing Balance	1540.35	1540.35
c. Share Premium		
At the commencement of the year	329.61	329.61
Closing Balance	329.61	329.61
d. Surplus		
At the commencement of the year	(11422.80)	(10914.41)
Add: Current year	3218.35	(508.39)
Closing Balance	(8204.45)	(11422.80)
Total (a+b+c+d)	(6333.62)	(9551.98)

Note 13

Non-Current Liabilities-Financial Liabilities-Borrowings

(Rs in Lakhs)

	31.03.2022	31.03.2021
Loans from Body Corporate & Others	30.00	30.00
Loans from Directors	5705.56	5320.56
Total	5735.56	5350.56

Note 14

Provisions

(Rs in Lakhs)

	31.03.2022	31.03.2021
Gratuity	134.43	136.17
Leave Encashment	10.86	10.92
Total	145.30	147.09

Gratuity Provision as per Ind AS-19 and Leave Encashment were not provided in the books due to loss of employee records in the factory during the incident occurred on 27.01.2012.

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Note 15

Current Liabilities-Financial Liabilities-Borrowings

(Rs in Lakhs)

	31.03.2022	31.03.2021
(A) Cash Credit from Banks		
i) State Bank of India	0.00	1614.94
ii) The South Indian Bank Ltd	0.00	639.21
Total (A)	0.00	2254.15
(B) Current Maturities of long term debt		
(i) Term Loans		
State Bank Of Travancore	0.00	1134.33
State Bank of India	0.00	449.88
State Bank of India- TL 2	0.00	66.91
	0.00	1651.12
ii) Funded Interest Term Loans		
State Bank of India	0.00	66.37
	0.00	66.37
iii) Working Capital Term Loans		
State Bank of India	0.00	696.28
South Indian Bank	0.00	137.78
	0.00	834.06
Total (B)	0.00	2551.55
Total (A+B)	0.00	4805.69

Refer note no. 29 on status of settlement with lenders

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Note 16

Trade Payables

(Rs in Lakhs)

	31.03.2022	31.03.2021
Trade Payables		
- Due to Micro, Small and Medium Enterprises	146.84	146.84
- Others	2354.55	2354.52

Trade Payable ageing schedule:

As on 31 March 2022:

(Rs in Lakhs)

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	146.84	146.84
(ii) Others	1.50	1.08	1.08	2,350.89	2,354.55
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-
Total	1.50	1.08	1.08	2,497.73	2,501.39

As on 31 March 2021:

(Rs in Lakhs)

Particulars	Outstanding for following period from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	146.84	146.84
(ii) Others	1.08	1.08	1.08	2,351.28	2,354.52
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-
Total	1.08	1.08	1.08	2,498.12	2,501.36

Disclosures required by the Micro Small and Medium Enterprises Development (MSMED) Act, 2006 are as under:

	31.03.2022	31.03.2021
(a) (i) The Principal amount remaining Unpaid at the end of the year	14683595	14683595
(ii) Interest due on principal remaining unpaid at the end of the year		
(b) (i) The delayed payments of principal amount paid beyond the appointed date during the year		
(ii) Interest actually paid under Section 16 of the MSMED Act.		
© Normal Interest due and payable during the year, for all the delayed payments as per the agreed terms		
(d) Total Interest accrued during the year and remaining unpaid		

The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company.

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Note 17

Other Financial Liabilities

(Rs in Lakhs)

	31.03.2022	31.03.2021
i) Employee benefit liabilities	940.50	940.28
ii) Payable for Capital Goods	12.63	12.63
iii) Other Payables	286.62	285.38
	1239.75	1238.29

Note 18

Other Current Liabilities

(Rs in Lakhs)

Particulars	31.03.2022	31.03.2021
Statutory Liabilities	549.81	549.38
Advance from Customers	294.94	294.94
Trade Deposit from Dealers	337.21	337.21
Advance received against sale of investment		20.00
	1181.97	1201.53

* The liability towards Interest and Penalties payable on account of Statutory Dues were not provided in the books expecting waiver in the current situation.

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Note 19

(Figures in Rs.)

Revenue from operations

	Current Year	Previous Year
Domestic Sale	0	0
Export Sale	0	0
Total	0	0
Less : Excise Duty	0	0
Total	0	0

Note 20

Other Income

Interest	0	0
Profit on Sale of Investments	2000000	0
Rent received	299500	276000
Increase in Value of Investments	0	82500
Total	2299500	358500

Note 21

Cost of Raw Material Consumed

Opening Stock	0	48229242
Add: Purchases	0	0
	0	48229242
Less: Closing Stock	0	48229242
Total Cost of Raw materials written off	0	0

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Note 22

Changes in inventories of Finished Goods, work-in-process and stock-in-trade

	Current Year	Previous Year
Inventories at the beginning of the year		
Finished Stock	0	0
Trading Stock	0	5083732
Stock in process	0	7007475
	0	12091207
Less: Inventories at the end of the year		
Finished Stock	0	0
Trading Stock	0	5083732
Stock in process	0	7007475
	0	12091207
(Increase)\ Decrease/written off	0	0

Note 23

Employee benefits expense

Salaries, Wages, bonus and Other benefits	250000	0
Contribution to Provident Fund	0	0
Contribution to ESI	0	0
Workmen and Staff Welfare Expenses	0	0
Compensation	161561	0
Total	411561	0

The unprecedented industrial violence on 27.01.2012 resulted in deaths of personnel and destruction of buildings and equipment in the factory. Consequent to this, a lock-out was declared at the factory from 31.01.2012. After series of negotiations with the workers union, Memorandum of settlement was arrived on 24.10.2019 at Puducherry under Section 12 (3) of the Industrial Disputes Act, 1947 before the Commissioner of Labour -cum- Chief Conciliation Officer, U T of Puducherry between the company and the Regency Ceramics Staff and Workers Union. As per the MOU, the management has agreed to provide house sites at Yanam to all the displaced workers of the company in three categories as proposed by the union. In this connection, two stretches of land owned by ancillary units to the extent of about 25.35 Acres was registered on 18.10.2019 in favour of the union through settlement deeds. The conversion of agricultural land in to residential plots, development of land, laying of roads, allotment of plots, etc is in progress and after the actual allotment of plots to each individual, necessary entries will be made in the books of accounts.

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Note 24

Finance Cost	Current Year	Previous Year
Interest	1840	1079108
Bank Charges	27938	11869
Total	29778	1090977

The interest on Term Loans and working capital loans was not provided in the books as the company paid the entire OTS amount and obtained No Dues Certificate.

Note 25

Other Expenses	Current Year	Previous Year
Rent	480000	0.00
Repairs and Maintenance -Buildings	218500	0.00
Repairs and Maintenance -Others	83661	33619
Rates and Taxes	853474	4207910
Insurance	0	5171
Printing and Stationery	20121	20373
Postage, Telegrams, Telephone and Telex	58807	47775
Travelling and Conveyance	38125	42524
Payments to auditors- Fee	118000	118000
Legal and Professional Charges	11086226	177425
General Expenses	163328	2037318
Debit Balance written off	425242	34000
Advertisement	37800	28434
Fair value loss on investments	9000	0
Total	13592284	6752549.00

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2022

Note 26

Financial Risk Management

The Company's activities expose it to market risk, credit risk and liquidity risk. Company's overall risk management focus the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

i. Market Risk

Market risk is the risk of loss of the future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

ii. Foreign Currency Risk

Foreign Currency Risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to change in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates is negligible.

The company did not enter into any derivative instruments for trading or speculative purposes.

iii. Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's short term borrowing. The Company constantly monitors the credit markets and re-balances its financing strategies to achieve an optimal maturity profile and financing cost.

iv. Credit Risk

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or custom contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with banks. The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. The Company is receiving payments regularly from its customers and hence the Company has no significant credit risk.

v. Liquidity Risk

Liquidity risk is defined as the risk that the company will not be able to settle or meet obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts based on expected cash flows.

Note 27

Capital Management

The Company's objectives when managing capital are to

- i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.
- ii) Maintain an optimal capital structure to reduce the cost of capital. Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio:

Gearing Ratio

(Rs. in lakhs)

Particulars	As at	
	March 31, 2022	March 31, 2021
a) Debt Obligations	0	4805.68
b) Cash and Cash equivalents	12.08	134.97
c) Net Debt (a-b)	-12.08	4670.71
d) Total Equity	(3689.46)	(6907.82)
e) Net Debt/Equity Ratio (c/d)	NA	-0.68

There is no outstanding debt obligation as on March 31, 2022

Note 28

Factory status

The company suffered extensive damage to the Buildings, Plant & Machinery and other assets situated at Factory, Yanam due to unprecedented violence, occurred on January 27, 2012. Stocks of Finished goods, Raw materials, stores and spares, stocks-in-process and other inventories were damaged / looted to a large extent. The Company declared lock-out of the Plant from January 31, 2012.

The extent of loss/damage to Plant & Machinery, Buildings and other assets of the company were not considered in the books pending assessment and disclosed at book value after providing depreciation without considering 5% residual value on account of efflux of time. The company could not estimate the condition of the existing fixed assets & its realizable value.

As such, the machinery & buildings could not be insured.

Note 29

Status with lenders

The lenders of the company earlier initiated action under section 13(4) of the SARFAESI Act and also filed an application under section 19 of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 in the Debts Recovery Tribunal, Hyderabad for recovery of their dues. Subsequently, All the five lenders sanctioned OTS and then, revised OTS package for settlement of their dues. The company paid entire OTS amount and thereafter, all the lenders except South Indian Bank and e-Corporation Bank filed satisfaction of Memo in the DRT and all the lenders filed Satisfaction of charges with ROC.

Note 30

Exceptional Items

- a) Exceptional gain amount of Rs. 4430.69 lakhs represents amount of borrowings with State Bank of India and South Indian Bank as on 31st March 2022, which are written back in the books of accounts on receipt of no dues certificate from the said banks on payment of amount as per compromise settlement approved by the banks.
- b) Exceptional loss of Rs. 663.99 Lakhs on account of writeoff of inventory during the financial year ended 31 March 2022.

Note 31

Status of Insurance

The claim made in respect of loss/damage to its properties during the incident on 27.01.2012 was assessed by insurance company on adhoc/depreciation method although the company is eligible for the claim under reinstatement/replacement method. Hence, the company rejected the claim amount under protest and invoked arbitration clause as per the policy. In this regard, the Hon'ble Arbitrator has pronounced an award in favour of Company. It is also to be noted that the Insurance Company has the right to recourse against the award as per the provisions of the Arbitration and Conciliation Act, 1996.

Note 32

Contingent Liabilities and Commitments (to the extent not provided for)

Contingent liabilities-	As at 31.03.2022 (Rs. in lakhs)	As at 31.03.2021 (Rs. in lakhs)
Contingent Liabilities not provided for:		
On account of Letters of Credit and Bank Guarantees given by Bankers.		
Demand from Customs & Central Excise (Service Tax Cell), disputed by the company, Pending in appeal before CESTAT, Hyderabad	5.33	5.33
Demand from Customs & Central Excise (Excise Duty), disputed by the company, Pending in appeal before CESTAT, Chennai	39.99	39.99
Demand from Yanam Municipality (Property Tax-With retrospective effect) disputed by the company- pending with commissioner, Yanam Municipality	75.79	75.79

Note 33

Confirmation of Balances

The Company could not obtain confirmation of balances in respect of Sundry Debtors & Sundry Creditors, loans and advances, other current assets and other liabilities.

Note 34

Fair Value Measurement Hierarchy

The following table provide analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to 3 as described below.

Level 1 –Quoted prices in an active market

Level 1 hierarchy includes financial instruments measured using quoted prices. This included listed equity instruments, traded bonds, ETFs and mutual funds that have quoted prices. The fair value of all equity instruments (including bonds) which are traded in the Stock Exchanges is valued using the closing price as at the reporting period.

Level 2 –Valuation techniques with observable inputs.

The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and really as little as possible and entity-specific estimates if all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3 –Valuation Techniques with significant un observable inputs.

This level of hierarchy included financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor are they based on available market data.

The following table provides the fair value measurement hierarchy of the company's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy as at March 31, 2022

(Rs. in lakhs)

Particulars	Fair Value Hierarchy (Level)	As at March 31, 2022	As at March 31, 2021
Financial Assets measured at FVTPL			
Investments	1	0.42	0.42
Investments	2	0.00	0.00
Financial Asset Measured at Amortized cost			
Margin Money Deposits	3	17.05	17.05
Other Financial Assets	3	1961.06	1961.04
Financial liabilities measured at Amortized cost			
Term loans	3	0.00	4805.68

Note 35: There are no remittances in foreign currency on account of Dividend during the year 2021-22.

Note 36: Balance of some of the debtors, creditors & loans and advances are subject to confirmation/reconciliation

Note 37

Segment Reporting

The entire operations of the Company relate only to one segment.

Note 38
Deferred Tax

	Current Year (Rs. in lakhs)	Previous year (Rs. in lakhs)
Composition of Net Deferred Tax Asset/(Liability):		
Components of Deferred Tax:		
Deferred Tax Assets:		
Loss as per Income Tax Act	2001.5	2317.04
Provision for doubtful debts	7.45	7.67
Disallowances u/s 43B of Income Tax Act	0	0
	2324.71	2324.71
Deferred Tax Liability:		
Depreciation	464.21	568.54
Deferred Tax (Liability)/Asset (Net)	1544.75	1756.17

Note: The Company has not recognized deferred tax asset as a matter of prudence.

Note 39. RELATED PARTY DISCLOSURES

Key Management Personnel	Relation
Dr. G.N.Naidu	Chairman & Managing Director
Sri. N.Satyendra Prasad	Whole Time Director(CFO)

I. Transaction with Key Managerial Personnel

Nature of transaction	Current Year	Previous Year	Receivable/(Pa yable) as on 31.03.2022	Receivable/(Pa yable) as on 31.03.2021
Unsecured Loan:				
Dr. G.N.Naidu	385	194.26	(5,706)	(5,321)

**II Transaction with Related parties of
Key Managerial Personnel(Repayable
on demand)**

Nature of transaction	Current Year	Previous Year	Receivable/(Pa yable) as on 31.03.2022	Receivable/(Pa yable) as on 31.03.2021
1.Regency Educational Society				
Advances given	---	---	(346)	(346)

Note 40

Disclosure in accordance with Ind As 19 On Employee Benefits

The unprecedented industrial violence on 27.01.2012 resulted in deaths of personnel and destruction of buildings and equipment in the factory. Consequent to this, a lock-out was declared at the factory from 31.01.2012. After series of negotiations with the workers union, Memorandum of settlement was arrived on 24.10.2019 at Puducherry under Section 12 (3) of the Industrial Disputes Act, 1947 before the Commissioner of Labour -cum- Chief Conciliation Officer, U T of Puducherry between the company and the Regency Ceramics Staff and Workers Union. As per the MOU, the management has agreed to provide house sites at Yanam to all the displaced workers of the company in three categories as proposed by the union. In this connection, two stretches of land owned by ancillary units to the extent of about 25.35 Acres was registered on 18.10.2019 in favour of the union through settlement deeds. The conversion of agricultural land in to residential plots, development of land, lying of roads, allotment of plots, etc is in progress.

Gratuity Provision as per Ind AS-19 and Leave Encashment were not applicable in view of the Memorandum of settlement duly signed by both the Management and the Union.

There are no employees on payroll as on 31.03.2022 and for day to day operations, the company is availing services from outside and hence, the requirements of Ind AS -19 Employee Benefits in respect of Gratuity are not applicable. However, Provisions for gratuity if any required under The Payment of Gratuity Act shall be provided for and paid as and when liability arises.

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Note 41. Basic and Diluted Earnings Per Share (EPS), of face value Rs.xx/- has been calculated as under:-

<u>Numerator</u>	31.03.2022	31.03.2021
Net Profit/(Loss) for the year	3218.35	(508.39)
<u>Denominator</u>		
Weighted average number of equity shares outstanding during the year	2,64,41,586	2,64,41,586
Earnings per Share	12.17	(1.92)

Note 42. Additional Regulatory Information

Financial Ratios:

As there were no operations during the current year and previous year, key financial ratios have been disclosed to the extent applicable

Ratio	Numerator	Denominator	FY 2022	FY 2021	% Variance
a) Current Ratio (in times)	Current Assets	Current Liabilities	0.95	1.08	-12%
b) Debt-Equity Ratio (in times)	Debt	Equity	-	-	-
c) Debt Service Coverage Ratio (in times)	Earnings Available	Interest + Principal	-	-	-
d) Return on Equity Ratio (in %)	PAT	Average equity	-	-	-
e) Inventory turnover ratio (in times)	Net sales	Average Inventory	-	-	-
f) Trade Receivables turnover ratio (in times)	Net sales	Average trade receivables	-	-	-
g) Trade payables turnover ratio (in times)	Operating Expenses	Average trade payables	-	-	-
h) Net capital turnover ratio (in times)	Net sales	Net Working capital	-	-	-
i) Net profit ratio (in %)	PAT	Net sales	-	-	-

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Notes 43 : Additional information

- a) There are no transactions with struck off companies under section 248 or 560
- b) No charges or satisfaction is yet to be registered with Registrar of Companies beyond the statutory period.
- c) The Company has complied with the no. of layers prescribed u/s 2(87) read with the applicable Rules
- e) There is no Scheme of Arrangements that has been approved in terms of sections 230 to 237
- f) The company has not advanced/loaned/invested or received funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- g) There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- h) The company is not covered under section 135.
- i) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year

Note 44. Previous year figures have been regrouped /reclassified wherever necessary to suit the current year's layout.

As per our report of even date.

For K.S.Rao & Co

Chartered Accountants

Firm Registration No.003195

Sd/-

V. Venkateswara Rao.

Partner

Membership No.219209

Place : Hyderabad

Date : 30.05.2022

Sd/-

Dr.Naraiah Naidu Gudar

Chairman and

Managing Director

DIN:00105597

Sd/-

Narala Satyendra Prasad

Whole Time Director/CFO

DIN:01410333

Sd/-

Narasimham Mangavally

Company Secretary