



Regency Ceramics Limited

REF:RCL/SEC/2020

Date: 14th February 2020

1. National Stock Exchange of India Ltd
Exchange Plaza,
Bandra Kurla Complex,
Bandra (E), MUMBAI – 400051.

2. Corporate Relationship Department BSI
Limited, 25th Floor
Phiroze Jeejeebhoy Towers
Dalal Street, MUMBAI– 400 001.

Dear Sir / Madam,

Sub : Outcome of Board meeting held on 14.02.2020.

Ref : BSE Scrip Code 515018, NSE: REGENCERAM

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With reference to the above subject cited, this is to inform the Exchanges that the meeting of the Board of Directors of Regency Ceramics Limited held on Friday, 14th February, 2020 at 2:00 p.m. at the registered office of the company the following were considered and approved:

Un-Audited financial results along with Limited Review Report for the quarter and nine months ended 31.12.2019. (Enclosed).

The meeting concluded at 4.00 p.m.

This is for the information and records of the Exchange, please.

Thanking you.

Yours faithfully,
For Regency Ceramics Limited


Authorized Signatory

Regency Ceramics Limited

CIN : L26914TG1983PLC004249

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

Phone : 040-23319903, Email : info@regencytiles.com Website : www.regencytiles.com

Factory : Yanam-533 464



Regency Ceramics Limited

UN AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER 2019

(Rs. in lakhs except for share data)

| S.No | Particulars | Quarter ended | | | Nine Months Ended | | Year |
|------|---|-----------------|-----------------|-----------------|-------------------|-----------------|-----------------|
| | | 31-12-2019 | 30-09-2019 | 31-12-2018 | 31-12-2019 | 31-12-2018 | 31-03-2019 |
| | | (Un Audited) | | | (Un Audited) | | (Audited) |
| I | Revenue from Operations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| II | Other Income | 0.96 | 0.96 | 0.72 | 2.88 | 6.36 | 91.26 |
| III | Total income (I + II) | 0.96 | 0.96 | 0.72 | 2.88 | 6.36 | 91.26 |
| IV | Expenses | | | | | | |
| | (a) Cost of Materials consumed | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | (b) Purchase of stock-in-trade | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | (d) Employee benefits expense | 0.00 | 1.93 | 6.73 | 1.93 | 35.65 | 43.51 |
| | (e) Finance Cost | 0.00 | 0.00 | 5.29 | 0.00 | 9.70 | 9.37 |
| | (f) Depreciation and amortisation expense | 112.15 | 112.15 | 113.98 | 336.42 | 341.94 | 455.93 |
| | (g) Other expenses | 3.39 | 19.54 | 3.92 | 25.01 | 28.01 | 99.83 |
| | Total Expenses | 115.54 | 133.60 | 129.92 | 363.36 | 415.30 | 608.64 |
| V | 3. Loss before Tax(III-IV) | (114.58) | (132.64) | (129.20) | (360.48) | (408.94) | (517.38) |
| VI | Exceptional Items | 0.00 | 0.00 | 65.74 | 0.00 | 65.74 | 0.00 |
| VII | Tax expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| VIII | (Loss) / Profit for the period | (114.58) | (132.64) | (63.46) | (360.48) | (343.20) | (517.38) |
| IX | Other comprehensive income | | | | | | |
| | Items that will not be re classified to profit or loss- (net of taxes) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| | Other comprehensive income | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| X | Total comprehensive income (VII + VIII) | (114.58) | (132.64) | (63.46) | (360.48) | (343.20) | (517.38) |
| XI | Paid-up equity share capital | 2644.16 | 2644.16 | 2644.16 | 2644.16 | 2644.16 | 2644.16 |
| | Basic and Diluted EPS after extraordinary items (Face value of Rs.10/- each) | (0.43) | (0.50) | (0.24) | (1.36) | (1.30) | (1.96) |

Notes:

- These financial results have been prepared in accordance with Indian Accounting Standards(Ind AS) prescribed under Section 133 of the Companies Act,2013 read with relevant rules issued thereunder and terms of SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 08,2016.
- The above results have been reviewed by the audit committee and approved by the board at their meeting held on 14 February , 2020. The statutory auditors of the company have carried out limited review of the results for the period ended December 31, 2019.
- The above results were prepared without considering the effect of the loss / damage to Buildings, Plant & Machinery and other assets of the company.
- The unprecedented industrial violence on 27.01.12 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. The Salary, Wages and other benefits to factory employees were not considered as provisional liability and not taken in the books under "No Work - No Pay" principle pending orders / judgment of the Industrial Tribunal.
- 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.



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Factory : Yanam-533 464

- 6 The condition of the fixed assets, raw materials, stores, spares and its present realisable value could not be estimated and not insured.
- 7 Depreciation on fixed assets calculated as per provisions of Companies Act, 2013 has been provided in the normal course due to efflux of time without considering the effect of loss / damage.
- 8 The lenders of the company had taken symbolic possession of the properties in exercise of powers conferred under section 13(4) of the SARFAESI Act and 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. One lender also filed the Application before the Hon'ble NCLT, Hyderabad bench under section 7 of the Insolvency and Bankruptcy Code, 2016. Thereafter, all the lenders have sanctioned revised OTS package for settlement of their dues. The company paid entire OTS amount to four out of five lenders and part OTS amount to the fifth lender. Subsequently, three lenders had filed Full satisfaction Memo in DRT and had withdrawn themselves. Similarly, One lender had filed Satisfaction of charges with ROC. In view of the above, the Long Term Borrowings are considered as current maturities of long term borrowings and shown under Other Current Liabilities. Hypothecation/Hire purchase loans are repayable within one year and shown under Other Current Liabilities.
- 9 The interest on Term Loans and working capital loans was not provided in respect of four banks where the company paid the entire OTS amount and obtained No Dues Certificate. The Interest on Term Loans amounting to Rs.66.33 lakhs for the third quarter of 2019-20 and Rs.2227.75 Lakhs upto 31.12.2019 debited and interest reversal of Rs.2106.66 Lakhs credited by Corporation bank in the current year was not provided in the books as the company is disputing the same.
- 10 The Liability provision for Interest and Penalties payable on account of Statutory Dues were not provided in the books expecting waiver in the current situation.
- 11 The claim made in respect of loss/damage to its properties during the incident on 27.01.2012 was not settled by the Insurance company on reinstatement/replacement basis and as such, the company invoked arbitration clause as the policy terms. And the matter is in progress.
- 12 Segment reporting is not applicable, since the entire operations of the company related to one segment, i.e. Manufacturing of Ceramic Tiles in terms of Ind AS 108 on operating segments.
- 13 Previous period/year figures have been regrouped or rearranged wherever necessary to confirm to current year classification.

Place : Hyderabad
Date : 14.02.2020



For REGENCY CERAMICS LIMITED

N. Satyendra Prasad
N.SATYENDRA PRASAD
Executive Director

DIN : 01410333



Limited Review Report – Financial Results

To the Board of Directors of Regency Ceramics Limited,

We have reviewed the accompanying statement of unaudited financial results of REGENCY CERAMICS LIMITED ("the Company") for the quarter ended 31st December, 2019 and year-to-date results for the period from 1st April, 2019 to 31st December, 2019 ("the statement") attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

This statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, *Review of Interim Financial information performed by the Independent Auditor of the Entity*, issued by Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatements. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

1. Manufacturing operations of the company were stopped due to riots, strike and malicious damage at factory since 27.01.2012. The condition of the fixed assets, raw materials, stores and spares and its present realizable value could not be estimated, not insured and disclosed at book value after providing depreciation on Fixed Assets on account of efflux of time.
2. During the period from 01.04.2012 to 31.12.2019, the company has provided the provisional liability towards salary, wages and other benefits to its factory employee's upto 30.09.2012. Further, the company has not provided for its liability towards Gratuity and leave encashment in accordance to Ind AS-19 "Employee Benefits". The company could not compute the liability in the absence of complete records.
3. There are no confirmatory letters in respect of Debtors, Creditors, loans and advances and other current assets.
4. The company did not provide the interest on secured loans in respect of four lenders where the account were settled under OTS. An amount of Rs.66.33 Lakhs for the current quarter and Rs.2227.75Lakhs up to 31.12.2019 debited and interest reversal of Rs.2106.66 lakhs credited by one bank was not provided in the books as the company is disputing the same.





K.S. Rao & Co.

CHARTERED ACCOUNTANTS

5. The company has not provided the liability towards interest and penalties payable on account of statutory dues and we were informed by the company that the statutory authorities shall waive the same in view of the unprecedented incident.

Based on our review conducted as above, we are unable to comment on the financial statements due to non-availability of information/damages suffered by the Company due to fire and violence by the workers at the manufacturing facility situated at Yanam.

Place : Hyderabad
Date : 14.02.2020

for K S RAO & CO.

Chartered Accountants

Firm's Regn No. 003109S

(V VENKATESWARA RAO)

Partner

Membership No. 219209

UDIN: 20219209 AAAAAS 7481

