



# Regency Ceramics Limited

## STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE 2021

(Rs.. in lakhs except for share data)

S.No	Particulars	Quarter ended		Year ended	
		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
I	Revenue from Operations	0.00	0.00	0.00	0.00
II	Other Income	20.80	1.29	0.69	3.59
III	<b>Total income (I + II)</b>	<b>20.80</b>	<b>1.29</b>	<b>0.69</b>	<b>3.59</b>
IV	<b>Expenses</b>				
	(a) Cost of Materials consumed	0.00	0.00	0.00	0.00
	(b) Purchase of stock-in-trade	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
	(d) Employee benefits expense	0.25	0.00	0.00	0.00
	(e) Finance Cost	0.13	0.00	0.21	9.37
	(f) Depreciation and amortisation expense	107.75	108.39	108.38	433.54
	(g) Other expenses	21.45	4.93	0.27	69.07
	<b>Total Expenses</b>	<b>129.58</b>	<b>113.32</b>	<b>108.86</b>	<b>511.98</b>
V	<b>Profit / (Loss) before Tax(III-IV)</b>	<b>(108.78)</b>	<b>(112.03)</b>	<b>(108.17)</b>	<b>(508.39)</b>
VI	Tax expense	0.00	0.00	0.00	0.00
VII	<b>(Loss) / Profit for the period</b>	<b>(108.78)</b>	<b>(112.03)</b>	<b>(108.17)</b>	<b>(508.39)</b>
VIII	<b>Other comprehensive income</b>				
	Items that will not be re classified to profit or loss-(net of taxes)	-	-	-	-
	Other comprehensive income	-	-	-	-
IX	<b>Total comprehensive income (VII + VIII)</b>	<b>(108.78)</b>	<b>(112.03)</b>	<b>(108.17)</b>	<b>(508.39)</b>
X	<b>Paid-up equity share capital</b>	2644.16	2644.16	2644.16	2644.16
	Basic and Diluted EPS after extraordinary items (Face value of Rs.10/- each)	(0.41)	(0.42)	(0.41)	(1.92)

### 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 in terms of SEBI(Listing Obligations and Disclosure Requirements) Regulations,2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016.
- The above results have been reviewed by the audit committee and approved by the board at their meeting held on 11 August, 2021. The statutory auditors of the company have carried out limited review of the these results for the period ended June 30,2021.
- 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 27.01.2012 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.

Regency Ceramics Limited

CIN : L26914TG1983PLC004249

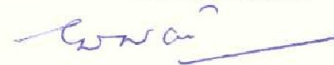
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Phone : 040-23319902, Email : info@regencytiles.com Website : www.regencytiles.com

Factory : Yanam-533 464

- 5 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 .
- 6 The condition of the fixed assets, raw materials, stores, spares and its present realisable value could not be estimated and not insured.
- 8 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 and the company paid entire amount under OTS. Thereafter, four lenders filed satisfaction of Memo in the DRT and two banks filed Satisfaction of charges with ROC. The process of settlement in respect of remaining lenders for complete closure of the account balances is in progress and as such, the Long Term Borrowings are considered as current maturities of long term borrowings and shown under Other Current Liabilities.
- 9 The company has recorded a Net Loss of Rs.108.78 lakhs during three months of the financial year 2021-22 and has accumulated Loss of Rs.(9660.75 lakhs) as on 30.06.2021 resulting in erosion of the net worth. Further, there were no cash flows from the existing business activities. the company is in the process of settlement of dues with financial institutions and agitating workers. The company is also hopeful of receiving insurance claim on reinstatement values basis 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.
- 10 Income includes Rs.20.00 lakhs on account of gain on sale of investment in Regma Ceramics Limited.
- 11 The interest on Term Loans and Working Capital Loans was not provided in the books as the company has paid the entire OTS amount and is in the process of obtaining clear No Dues Certificate from the lenders.
- 12 The interest on Unsecured Loans received from Directors and Body Corporates have not been provided in the books. Also interest in respect of dues payable to Micro, small and Medium Enterprises suppliers for a period exceeding 45 days has not been provided.
- 13 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.
- 14 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 per the policy terms. The matter is in progress.
- 15 Segment reporting is not applicable since the entire operations of the company are related to one segment. i.e. Manufacturing of Ceramic Tiles in terms of Ind AS 108 on operating segments.
- 16 Previous period/year figures have been regrouped or rearranged wherever necessary to confirm to current year classification.

For REGENCY CERAMICS LIMITED



Dr.G.N.Naidu  
Chariman and Managing Director

Place : Hyderabad

Date : 11.08.2021



Independent Auditor's Review Report on Quarterly Unaudited Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as amended

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 30th June, 2021 (the "Statement") 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 is the responsibility of the Company's Management and approved by the Company's 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 express a conclusion on the Statement based on our review.

We conducted our review of the Statement 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 Statement is free from material misstatement. A review of interim financial information consists of making inquiries, primarily of personnel 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 30.06.2021, 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 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 banks sanctioned revised OTS package for settlement of their dues and the company paid entire OTS amount. Thereafter, four lenders filed satisfaction of Memo in the





DRT and two banks filed Satisfaction of charges with ROC. The process of settlement in respect of other banks for complete closure of the account balances is in progress and as such, the Long Term Borrowings are considered as current maturities of long term borrowings and shown under Other Current Liabilities.

5. The Company did not provide interest on Unsecured loans received from Directors and Body Corporates. Also, Interest was not 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 the opinion 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 : 11.08.2021



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

(V VENKATESWARA RAO)  
Partner

Membership No. 219209

UDIN: 21219209AAAACN4270