



Date: May 26, 2023

To, BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001 Tel:022-22721233/34 Fax: 022-22722131/1072/2037/2061/41 Email: corp.relations@bseindia.com corp.compliance@bseindia.com Scrip Code: 515018	To, The National Stock Exchange of India Limited, Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai: 400051 Tel: 022-26598235/36/452 Fax: 022-26598237/38 Email: cmlist@nse.co.in SYMBOL: REGENCERAM
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Dear Sir/Ma'am,

Subject: Outcome of Board Meeting held on May 26, 2023

With reference to the subject cited above, it is hereby informed that the meeting of the Board of Directors of the Company was held on Friday, May 26, 2023 at 12:10 PM and the meeting concluded at 8.30 pm at the Registered Office of the Company.

The outcome of the Board Meeting, inter alia, is as under:

- 1. To consider and approve the Annual Audited Financial Results for the Quarter and Financial Year ended March 31, 2023.**

The Board considered and approved the Audited Financial Results of the Company for the Quarter and Financial Year ended March 31, 2023.



- 2. To take note of the Audit Report issued by the Statutory Auditor of the Company for the Quarter and Financial Year ended March 31, 2023.**

The Board took note of the Audit Report issued by M/s. K.S. Rao & Co, Chartered Accountants Statutory Auditor of the Company, for the Quarter and Financial Year ended March 31, 2023.

- 3. To consider the appointment of M/s. M&K Associates, Company Secretaries as the Secretarial Auditor for the Financial Year 2023-24**

The Board considered and approved the appointment of M/s. M&K Associates, Company Secretaries as the Secretarial Auditor pursuant to Section 204 of the Companies Act, 2013 to undertake the Secretarial Audit for the Financial Year 2023-24.

A brief profile of M&K Associates, Company Secretaries is enclosed herewith as Annexure-I.

Regency Ceramics Ltd., Plot No 83, 4th Floor, Dwaraka Summit, Kavuri Hills, Hyderabad 500 083

Email: tax@regcose@9mail.com

www.regencyceramics.in

phone no - 040-23315902

GST: 36AABCR0720Q129 CIN: L26914TG1983PLC004249

4. To consider the appointment of M/s. Brahmayya & Co., Chartered Accountants as the Internal Auditor for the Financial Year 2023-24

The Board considered and approved the appointment of M/s. Brahmayya & Co., Chartered Accountants, as the Internal Auditor pursuant to Section 138 of the Companies Act, 2013 to undertake the Internal Audit for the Financial Year 2023-24. A brief profile of Brahmayya & Co., Chartered Accountants is enclosed herewith as Annexure-II.

5. To take note of the resignation of Mr. Sreenivasulu Naidu, as the Non-Executive, Non-Independent Director of the Company

The Board was apprised that Mr. Sreenivasulu Naidu (DIN: 00106038), Non -Executive, Non-Independent Director of the Company, tendered his resignation from the Board of Directors of the Company vide his resignation letter dated May 26, 2023, with effect from May 26, 2023, on account of personal reasons and other professional commitments.

The Board of Directors of the Company deeply appreciate his valuable contribution and support during his term as the Non-Executive, Non-Independent Director of the Company.

The details as required under Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/ CFO /CMD/4/2015 dated September 9, 2015 are enclosed herewith as Annexure-III.

6. To take note of the resignation of Mr. Gopala Krishna Yalamanchili as the Independent Director of the Company.

The Board was apprised that Mr. Gopala Krishna Yalamanchili (DIN: 02210405), Independent Director of the Company, tendered his resignation from the Board of Directors of the Company vide his resignation letter dated May 26, 2023, with effect from May 26, 2023, on account of personal reasons and other professional commitments.

The Board of Directors of the Company deeply appreciate his valuable contribution and support during his term as an Independent Director of the Company.

Further, as per the requirement of Regulation 30 read with Schedule III, Para A, Clause (7B) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has received confirmation from Mr. Gopala Krishna Yalamanchili that there are no material reasons for his resignation other than those mentioned by him in the resignation letter dated May 26, 2023.




The details as required under Regulation 30 of the Listing Regulations read with SEBI Circular No. CIR/ CFO /CMD/4/2015 dated September 9, 2015 are enclosed herewith as Annexure-IV. The resignation letter including the confirmation is enclosed herewith as Annexure V.

7. To take note of the reconstitution of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee

Consequent to change in the composition of the Board of Directors of the Company, the Board took note of the reconstitution of the committees with effect from May 26, 2023 as under:

i. Audit Committee

Pursuant to Section 177 of the Companies Act, 2013 read with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have reconstituted the Audit Committee as under:



S. No.	Name of the Member	Designation in Committee
1.	Mr. Ramkumar Srinivasan	Chairperson
2.	Ms. Vijaya Lakshmi Yalamanchili	Member
3.	Mr. Narala Satyendra Prasad	Member

ii. *Nomination and Remuneration Committee

Pursuant to Section 178 of the Companies Act, 2013 read with Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have reconstituted the Nomination and Remuneration Committee as under:

S. No.	Name of the Member	Designation in Committee
1.	Mr. Ramkumar Srinivasan	Chairperson
2.	Ms. Vijaya Lakshmi Yalamanchili	Member

*Due to the resignation tendered by Mr. Gopala Krishna Yalamanchili and Mr. Sreenivasulu Naidu, there is a vacancy created in the Nomination and Remuneration Committee and the Company is in the process of filling up the same.


iii. Stakeholders Relationship Committee

Pursuant to Section 178 of the Companies Act, 2013 read with Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors have reconstituted the Stakeholders Relationship Committee as under:

S. No.	Name of the Member	Designation in Committee
1.	Mr. Ramkumar Srinivasan	Chairperson
2.	Ms. Vijaya Lakshmi Yalamanchili	Member
3.	Mr. Naraiah Naidu Gudar	Member

Kindly take the above information on record.

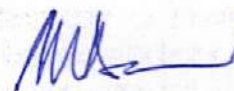

Thanking you,
For Regency Ceramics Limited


Narala Satyendra Prasad
Wholtime Director & CFO
DIN: 01410333



Annexure-I
Brief Profile of M/s. M&K Associates, Company Secretaries

Reason for change viz., appointment, resignation, removal, death or otherwise	Appointment
Date of appointment/cessation (as applicable) & term of appointment	Appointed in the Board Meeting held on May 26, 2023 for the Financial Year 2023-24
Brief profile (in case of appointment);	<p>M/s. M&K Associates is a firm of Practicing Company Secretaries with extensive experience in Legal, Secretarial and Management Advisory Services in the field of Corporate Laws, SEBI Regulations, FEMA/RBI, Intellectual Property Rights advisory and other related compliances.</p> <p>Mr. Manoj Kumar Koyalkar, (B.Com, L.L.B, FCS, Insolvency Professional), is a Fellow Company Secretary in Practice and a registered Trademark agent, having wide and rich experience, since 2005 working in various industries including Real Estate, Construction, Infrastructure, Hospitality, Manufacturing, Entertainment and Media.</p> <p>In his professional career, he has anchored varied critical assignments and has been instrumental in settling management disputes. He serves as an advisor to the Board of Directors and focuses on aligning their actions to their business plans.</p> <p>Ms. Kushbu Vijayvargi, (B.Com (Hons). L.L.B, FCS), is an All India 7th Rank holder in the Professional exam conducted by the Institute of Company Secretaries of India. She is a Company Secretary in Practice and a registered trademark agent who brings with her a diverse experience in Corporate consultancy, Management and Advisory.</p> <p>M/s. M&K Associates has accorded consent to act as Secretarial Auditor of the Company and is qualified and eligible for appointment in accordance with the requirements of the Companies Act, 2013.</p>
Disclosure of relationships between Directors (in case of appointment of a Director)	Not Applicable

Annexure-II
Brief Profile of M/s. Brahmayya & Co. Chartered Accountants

Reason for change viz., appointment, resignation, removal, death or otherwise	Appointment
Date of appointment/cessation (as applicable) & term of appointment	Appointed in the Board Meeting held on May26, 2023 for the Financial Year 2023-24
Brief Profile	<p>M/s. Brahmayya & Co., is a firm of Chartered Accountants, based at Hyderabad, having an experienced team of professionals equipped with modern infrastructure and providing par excellence service to its esteemed clients. M/s. Brahmayya & Co., has a rich experience in areas of Accounts and Audit including audit of internal control systems.</p> <p>M/s. Brahmayya & Co., has accorded consent to act as the Internal Auditor of the Company and is qualified and eligible for appointment in accordance with the requirements of the Companies Act, 2013.</p>
Disclosure of relationships between Directors (in case of appointment of a Director)	Not Applicable




Annexure-III

Details of Mr. Sreenivasulu Naidu

Name	Mr. Sreenivasulu Naidu
Reason for change viz., appointment, resignation, removal, death or otherwise	Resignation
Date of appointment/cessation (as applicable) & term of appointment	Resigned w.e.f., May 26, 2023
Brief profile (in case of appointment);	Not Applicable
Disclosure of relationships between Directors (in case of appointment of a Director)	Not Applicable

Annexure-IV

Details of Mr. Gopala Krishna Yalamanchili

Name	Mr. Gopala Krishna Yalamanchili
Reason for change viz., appointment, resignation, removal, death or otherwise	Resignation
Date of appointment/cessation (as applicable) & term of appointment	Resigned w.e.f., May 26, 2023
Brief profile (in case of appointment);	Not Applicable
Disclosure of relationships between Directors (in case of appointment of a Director)	Not Applicable
Names of listed entities in which the resigning director holds directorships, indicating the category of directorship and membership of board committees	NIL




Hyderabad, May 26, 2023

To,
The Board of Directors,
Regency Ceramics Limited,
4th Floor, Dwaraka Summit, Plot No 83,
Survey No. 43 to 46 & 48, Kavuri Hills,
Guttalabegumpet, Serilingampally Mandal,
Hyderabad – 500033, Telangana, India

Sub: Resignation from the position of Independent Director of the Company.

Dear Sir,

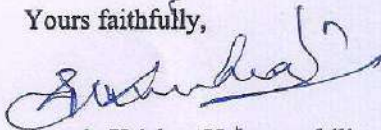
Keeping in view of my personal obligations and other professional commitment, I hereby tender my resignation from the position of Independent Director of the Company w.e.f., May 26, 2023. The resignation is purely on account of personal reasons and other professional commitments and I hereby confirm that there is no material reason other than those mentioned above, for my resignation from the Board of the Company.

I request that the Board of Directors be informed at their next Board meeting and a notice of my resignation be given to the Registrar of Companies.

I thank the Board of Directors for their co-operation and assistance to discharge my duties during my tenure as an Independent Director of the Company.

I request you to provide me an acknowledgement for receipt of the resignation letter and a copy of the Form DIR-12 filed with the Registrar of Companies to that effect for my reference and record.

Yours faithfully,



Gopala Krishna Yalamanchili
Independent Director
DIN: 02210405



Independent Auditor's Report on quarterly and year to date Financial Results of Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of **REGENCY CERAMICS LIMITED.**
Report on the audit of the Annual Financial Results

Qualified Opinion

1. We have audited the accompanying annual financial results of **REGENCY CERAMICS LIMITED** ("the Company") for the year ended 31st March, 2023, 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").

In our opinion and to the best of our information and according to the explanations given to us, **Except for the effect of the matter described in the Basis for Qualified Opinion** section of our report the aforesaid annual financial results:

- a. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in applicable Indian Accounting standards, and other accounting principles generally accepted in India, of the net loss and other comprehensive income and other financial information for the year ended 31 March 2023.

2. Basis of Qualified Opinion

- i) 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.
- ii) 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 "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 31st March 2023.
- iii) Confirmation of balances was not obtained from Debtors, Creditors, loans and advances and other current assets
- iv) The company did not provide the interest on unsecured loans received from Directors and Body Corporates and related parties.. 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.
- v) 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.

Consequent to the above, profit for the year ended is overstated and Liabilities as on 31st March 2023 was understated and Shareholders funds are overstated to this extent.





Emphasis of Matter

- i) We draw attention to note no 11 to the financial results wherein it is stated that the company has received Insurance Claim 14.92 Crores out of which Rs.2.76 Crores adjusted against claim receivable for stock damages. The balance amount Rs.12.15 Crores showing under other current liabilities as insurance claim received for reinstatement/replacement of assets.
 - ii) We draw attention to note no 12 to the financial results wherein it is stated that the company has charged Rs.1263.34 Lakhs to the profit and loss account under exceptional items as excess insurance claim towards stock value is adjusted according to the award given by Arbitral Tribunal.
 - iii) We draw attention to note no 13 to the financial results wherein it is stated that the company has written back credit balances written back in respect of commission and incentives payables to dealers and marketing staff the same is shown under other income Rs.290.16 Lakhs.
3. We conducted our audit in accordance with the Standards on Auditing ("Sas") specified under section 143(10) of the Companies Act,2013 ("the Act"). Our responsibilities under those SA's are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Results section of our report. We are independent of the Company, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules there under, and we have fulfilled our other responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us, is sufficient and appropriate to provide a basis for our opinion on the annual financial results.

Material Uncertainty Related to Going Concern

We draw attention to Note 10 of the Financial Results which states that during the year the company has recorded Net loss of Rs. (1564.28) lakhs for the year financial year 2022-23 and has accumulated loss of Rs. (7897.90) Lakhs as on 31.03.2023 resulting in erosion of the net worth of the Company and there were no cash flows from the existing business activities. The company is in process of settlement with agitating workers. Also, hopeful of receiving insurance claim on reinstatement value basis for refurbishing the plant and to recommence the plant operations. The Financial Results have been prepared on a going concern. Our opinion is not modified in respect of this matter.

Management's Responsibility for the Annual Financial Results

4. The Company's Management and the Board of Directors are responsible for the preparation and presentation of these Annual Financial Results that give a true and fair view of the net profit/ loss and other comprehensive income and other financial information in accordance with the recognition and measurement principles laid down in Indian Accounting Standards prescribed under Section 133 of the Act and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring



accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Annual Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

— Identify and assess the risks of material misstatement of the annual financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion through a separate report on the complete set of financial statements on whether the company has adequate internal financial controls with reference to financial statements 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 in the annual financial results made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 annual financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions



are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

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

Other Matter:

The annual financial results include the results for the quarter ended 31 March 2023 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

for K.S Rao & CO.

Chartered Accountants

Firm's Regn No. 003109S



N. Prasad
(M. Naga Prasadu)

Partner

Place : Hyderabad

Date : 26.05.2023

Membership No. 231388

UDIN: 23231388BGYLDH1735



AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31st MARCH 2023

(Rs.. in lakhs except for share data)

S.No	Particulars	Quarter ended			Year Ended	
		31.03.2023	31.12.2022	31.03.2022	31.03.2023	31.03.2022
		(Audited)	(Unaudited)	(Audited)	(Audited)	(Audited)
I	Revenue from Operations	4.08	0.00	0.00	4.08	0.00
II	Other Income	313.11	21.27	0.28	336.39	22.99
III	Total income (I + II)	317.19	21.27	0.28	340.47	22.99
IV	Expenses					
	(a) Cost of Materials consumed	0.00	0.00	0.00	0.00	0.00
	(b) Purchase of stock-in-trade	3.65	0.00	0.00	3.65	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
	(d) Employee benefits expense	28.47	2.25	0.75	32.22	2.50
	(e) Finance Cost	0.65	0.00	0.02	0.65	0.30
	(f) Depreciation and amortisation expense	107.38	106.98	107.75	428.30	430.99
	(g) Other expenses	113.70	22.41	9.39	176.59	137.53
	Total Expenses	253.85	131.64	117.91	641.41	571.32
V	Profit / (Loss) before Tax(III-IV)	63.34	(110.37)	(117.63)	(300.94)	(548.33)
VI	Exceptional Items-income/(expense)	(1263.34)		3766.68	(1263.34)	3766.68
VII	Tax expense	0.00	0.00	0.00	0.00	0.00
VIII	(Loss) / Profit for the period	(1200.00)	(110.37)	3649.05	(1564.28)	3218.35
IX	Other comprehensive income					
	Items that will not be re classified to profit or loss-(net of taxes)	-	0.00	-	-	-
	Other comprehensive income	-	0.00	-	-	-
X	Total comprehensive income (VII + VIII+IX)	(1200.00)	(124.22)	3649.05	(1564.28)	3218.35
XI	Paid-up equity share capital	2644.16	2644.16	2644.16	2644.16	2644.16
	Face Value of Rs.Each	10.00	10.00	10.00	10.00	10.00
	Earning per Share after extrodinary items					
	Basic and Diluted earnings per Share	(4.54)	(0.42)	13.80	(5.92)	12.17

Md

Statement of Assets and Liabilities

Particulars	As at	As at
	31.03.2023	31.03.2022
	(Audited)	(Audited)
A. ASSETS		
1. Non-current assets		
(a) Property, Plant and Equipment	1992.16	2427.05
(b) Capital work-in-progress	-	-
(c) Non-current investments	1373.44	1.57
(d) Long-term loans and advances	17.05	17.05
Total - Non-current assets	3382.65	2445.67
2. Current assets		
(a) Inventories	0.00	0.00
(b) Financial Assets		
Trade receivables	797.43	797.43
Cash and cash equivalents	32.61	12.07
Other Financial Assets	425.74	1961.06
(c) Other current assets	1871.59	1870.93
(d) Current Tax Assets(Net)	29.94	27.35
Total - Current assets	3157.31	4668.84
TOTAL - ASSETS	6539.96	7114.51
B. EQUITY AND LIABILITIES		
1. Equity		
(a) Equity Share Capital	2644.16	2644.16
(b) Other Equity	(7897.90)	(6333.62)
Total Equity	(5253.74)	(3689.46)
2. Non-current liabilities		
(a) Financial Liabilities-Borrowings	5755.76	5735.56
(b) Provisions	145.30	145.30
Total - Non-current liabilities	5901.06	5880.86
5. Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	0.00	0.00
(ii) Trade payables		
Micro and small enterprises	141.84	146.84
Creditors other than micro and small enterp	2333.23	2354.55
(iii) Other financial liabilities	1100.27	1239.76
(b) Other current liabilities	2317.30	1181.96
Total - Current liabilities	5892.64	4923.11
TOTAL - EQUITY AND LIABILITIES	6539.96	7114.51




Statement of Audited Financial Results for Three Months and Year Ended 31st March, 2023**Notes to Financial results**


1. 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.
2. The above results have been reviewed by the audit committee and approved by the board at their meeting held on 26th May, 2023. These results have been subjected to Statutory Audit.
3. The above results were prepared without considering the effect of the loss / damage to Buildings, Plant & Machinery and other assets of the company.
4. The condition of the fixed assets, raw materials, stores, spares and its present realisable value could not be estimated and not insured.
5. 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.
6. 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 of the Company 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 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.
7. 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.
8. The company has recorded a Net Loss of Rs.1564.28 lakhs during the financial year 2022-23 and has accumulated Loss of Rs.7897.90 lakhs as on 31.03.2023 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 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.
9. 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.



The image shows a handwritten signature in blue ink over a circular blue stamp. The stamp contains the text "Regency Ceramics Ltd." around the top edge and "Hyd." at the bottom. There are also small stars on either side of the bottom text.

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. As claim preferred in respect of loss/damage to Company's Property, Plant and Equipment, Finished Goods and Raw Materials during the Labour unrest on 27.01.2012 was not settled by the Insurance company on reinstatement/ replacement basis, company invoked arbitration clause as per the terms of Policy. Hon'ble Arbitral Tribunal has pronounced an award in favour of the company. However, the Insurance Company filed set-aside petition U/s 34 of the Arbitration and Conciliation Act,1996 before the Court of Principal District Judge, Puducherry. Pending final Judgement, the Principal District Judge ordered the Insurance Company to pay the amount accepted by the Insurance Company along with interest to the company. Accordingly, Rs. 15.14 crores including interest of Rs.24.89 Lakhs was received in January 2023. Out of the said amount, Rs. 2.76 crores (claim accepted on Inventories) was adjusted against the claim receivable and the balance is shown in current liabilities since the same is to be utilised for reinstatement/replacement of the Assets destroyed.
12. Exceptional loss of Rs.1263.34 Lakhs is on account of short recovery of Insurance Claim on inventory as the said amount cannot be recovered as per the award of Arbitral Tribunal.
13. Other income includes credit balances written back in respect of commission and incentives payable to dealers and marketing staff.
14. 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.
15. Previous period/year figures have been regrouped or rearranged wherever necessary to confirm to current year classification.

For REGENCY CERAMICS LIMITED


Narala Satyendra Prasad
Wholetime Director & CFO
DIN:01410333



Place: Hyderabad

Date 26.05.2023

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st March,2023

	PARTICULARS	For the year ended	For the year ended
		31-Mar-23	31-Mar-22
		(In.Lakhs)	(In.Lakhs)
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit/(Loss) before Tax	(1564.28)	3218.35
	Adjustments for:		
	Depreciation	428.30	430.99
	Interest(net)	(24.89)	0.00
	Credit Balances/Excess Provisions written back	(290.16)	0.00
	Fair value loss/(profit)	(16.82)	0.09
	Exceptional Item	1263.34	(3766.68)
	Others written off	30.73	
	Profit on sale of Asset	(0.25)	
	Profit on sale of Investment	0.00	(20.00)
	Operating Loss before working capital changes	(174.03)	(137.25)
	Adjustments for:		
	Current Assets(Trade and other receivables)	264.82	4.23
	Investments	16.99	
	Non Current Liabilities	0.00	(1.79)
	Current Liabilities(Insurance)	1215.68	
	Current Liabilities(Trade payables)	23.00	(18.08)
	Cash generated from operations	1346.46	(152.89)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Assets	(17.22)	0
	sale of Asset	0.25	0
	Investment in Mutual Fund	(1355.05)	0
	Interest Received	24.89	0
	Sale of investments	0.00	20.00
	Net Cash Used in investing activities	(1347.13)	20.00
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	Loans from Directors	21.21	385.00
	Repayment of loans from Institutions and others	0.00	(375.00)
	Interest paid	0.00	0.00
	Net Cash used in Financing Activites	21.21	10.00
	Net Increase/(decrease) in cash and cash equivalents(A+B+C)	20.54	(122.89)
	Cash and Cash equivalents as at 01.04.2022 (Opening Balance)	12.07	134.97
	Cash and Cash equivalents as at 31.03.2023 (Closing Balance)	32.61	12.07

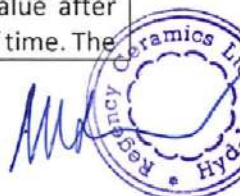




ANNEXURE I

Statement on Impact of Audit Qualifications (for audit report with modified opinion) submitted along-with Annual Audited Financial Results

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2023 [See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016] (Rs. In Lakhs)				
I.	S. No.	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
	1	Turnover / Total Income	340.47	340.47
	2	Total Expenditure	641.41	641.41
	3	Exceptional (Loss)	1263.34	1263.24
	4	Net Profit / (Loss) (including exceptional gain)	(1564.34)	(1564.34)
	5	Earnings per Share (including exceptional gain)	(5.92)	(5.92)
	6	Total Assets	6539.96	6539.96
	7	Total Liabilities	11793.70	11793.70
	8	Net Worth	(5253.74)	(5253.74)
	9	Any other financial item(s) (as felt appropriate by the management)	NA	NA
II.	<p>Audit Qualification (each audit qualification separately):</p> <p>Audit Qualification I –</p> <p>a. Details of Audit Qualification: The condition of the Fixed Assets and its realizable value could not be estimated by the company. The machinery and building were not insured during the year and disclosed at book value after providing depreciation.</p> <p>b. Type of Audit Qualification: Qualified Opinion</p> <p>c. Frequency of qualification: repetitive / since 2014</p> <p>d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:</p> <p>e. For Audit Qualification(s) where the impact is not quantified by the auditor:</p> <p>(i) Management's estimation on the impact of audit qualification: Not determinable</p> <p>(ii) If management is unable to estimate the impact, reasons for the same: 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. The</p>			



company could not estimate the condition of the existing fixed assets & its realizable value. As such, the machinery & buildings could not be insured.

(iii) Auditors' Comments on (i) or (ii) above: Impact is not determinable

Audit Qualification II –

a. Details of Audit Qualification: During the year, the company has not provided the provisional liability towards salary, wages and other benefits to its factory employees.

b. Type of Audit Qualification: Qualified Opinion

c. Frequency of qualification: repetitive / since 2013

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification: Not determinable

(ii) If management is unable to estimate the impact, reasons for the same:

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.

(iii) Auditors' Comments on (i) or (ii) above: Impact is not determinable

Audit Qualification III -

a. Details of Audit Qualification: Confirmation of balances was not obtained from the Debtors, Creditors, Loans and Advances and other current assets

b. Type of Audit Qualification: Qualified Opinion

c. Frequency of qualification: repetitive / since 2013

d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

(i) Management's estimation on the impact of audit qualification: Not determinable

(ii) If management is unable to estimate the impact, reasons for the same:

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

(iii) Auditors' Comments on (i) or (ii) above: Impact is not determinable

Audit Qualification IV -

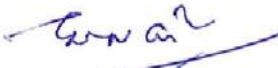




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- a. Details of Audit Qualification: The company did not provide the interest on Unsecured loans received from Directors and Bodies Corporate. Also, interest has not been provided in respect of amount due to Micro, Small and Medium Enterprises suppliers for a period exceeding 45 days.
- b. Type of Audit Qualification: Qualified Opinion
- c. Frequency of qualification: repetitive / since 2020
- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
- e. For Audit Qualification(s) where the impact is not quantified by the auditor:
- (i) Management's estimation on the impact of audit qualification: Not determinable
- (ii) If management is unable to estimate the impact, reasons for the same:
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.
- (iii) Auditors' Comments on (i) or (ii) above: Impact is not determinable

Audit Qualification V -

- a. Details of Audit Qualification: The company has not provided the liability towards interest and penalties payable on account of statutory dues.
- b. Type of Audit Qualification: Qualified Opinion
- c. Frequency of qualification: repetitive / since 2013
- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
- e. For Audit Qualification(s) where the impact is not quantified by the auditor:
- (i) Management's estimation on the impact of audit qualification: Not determinable
- (ii) If management is unable to estimate the impact, reasons for the same:
The Company is of opinion that the statutory authorities shall waive the same in view of the unprecedented incident.
- (iii) Auditors' Comments on (i) or (ii) above: Impact is not determinable.

III.	<p>Signatories:</p> <ul style="list-style-type: none"> • CEO/Managing Director  • CFO  • Audit Committee Chairman  • Statutory Auditor  <p>Place: Hyderabad Date: 26-05-2023</p> 
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