



Regency Ceramics Limited

Date: 10th February, 2022

| | |
|---|---|
| To, BSE Ltd, 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, BandraKurla Complex, Bandra (East), Mumbai: 400051 Tel: 022-26598235/36/452 Fax: 022-26598237/38 Email: cmlist@nse.co.in Symbol: REGENCERAM |
|---|---|

Dear Sir/Ma'am,

Subject: Outcome of Board Meeting held on February 10, 2022

With reference to the subject cited, it is hereby informed that the meeting of Board of Directors of the Company was held on Thursday, February 10, 2022 at 4:00 P.M and concluded at 5.30 P.M at the Registered office of the Company.

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

1. Approval of the Unaudited Financial Results for the Quarter ended December 31, 2021.

The Board considered and approved the Unaudited Financial Results of the Company for the Quarter ended December 31, 2021.

2. Limited Review Report for the Quarter ended December 31,2021.

The Board took note of the Limited Review Report issued by M/s K.S Rao & Co, Statutory Auditor of the Company, for the Quarter ended December 31, 2021.

3. Appointment of Mr. Ramkumar Srinivasan (DIN: 02059639) as an Additional Director in the capacity of an Independent Director :

Mr. Ramkumar Srinivasan (DIN: 02059639) has been appointed as an Additional Director in the capacity of an Independent Director of the Company with effect from 10th February, 2022 subject to approval of the members. The requisite details of such appointment pursuant to the requirement of Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular dated 09th September, 2015 is given as Annexure-A.

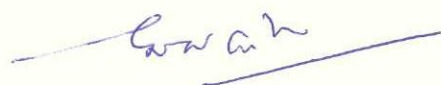
Annexure-A

**Information as required under Regulation 30 - Part A of Schedule III of SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015.**

| S.No | Requirement | Disclosure |
|------|--|--|
| 1. | Reasons for change viz., appointment, resignation, removal, death or otherwise | Appointment of Mr. Ramkumar Srinivasan (DIN: 02059639) as an Additional Director in the capacity of an Independent Director of the Company subject to approval of the Members. |
| 2. | Date of Appointment | 10 th February, 2022 (Five) years commencing from 10 th February, 2022 to 09 th February, 2027 |
| 3. | Brief Profile | Mr Ramkumar Srinivasan heads all Indian Operations for GlobeMed Resources since inception. He has gained a national reputation for building a top level organization based on honesty and integrity. He believes that Indian Healthcare Professionals should be in charge of their own destiny, is evident by his approaches. Often called a "workaholic", Mr Kumar travels the country very often to help conduct training camps, seminars, meet with associate service partners, and the millions of other activities needed to be successful. |
| 4. | Disclosure of relationships between directors | Mr. Ramkumar Srinivasan is the brother-in-law of Mr. Narala Satyendra Prasad (Whole Time Director & CFO of the Company) |
| 5. | Information as required under Circular No. LIST/COMP/14/2018-19 and NSE/CML/2018/02 dated June 20, 2018 issued by the BSE and NSE, respectively. | Mr. Ramkumar Srinivasan is not debarred from holding office of a Director by virtue of any SEBI Order or any other such authority. |

Kindly take the above information on record.

Thanking you,
for **Regency Ceramics Limited**



Naraiiah Naidu Gudar
Chairman & Managing Director
DIN: 00105597



Regency Ceramics Limited

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER/NINE MONTHS ENDED 31st DECEMBER 2021

(Rs.. in lakhs except for share data)

| S.No | Particulars | Quarter ended | | | Nine Months Ended | | Year ended |
|------|---|-----------------|-----------------|-----------------|-------------------|-----------------|-----------------|
| | | 31.12.2021 | 30.09.2021 | 31.12.2020 | 31.12.2021 | 31.12.2020 | 31.03.2021 |
| | | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Unaudited) | (Audited) |
| I | Revenue from Operations | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| II | Other Income | 1.28 | 0.63 | 1.41 | 22.71 | 2.30 | 3.59 |
| III | Total income (I + II) | 1.28 | 0.63 | 1.41 | 22.71 | 2.30 | 3.59 |
| 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 | 0.75 | 0.75 | 0.00 | 1.75 | 0.00 | 0.00 |
| | (e) Finance Cost | 0.02 | 0.15 | 2.67 | 0.30 | 9.39 | 9.37 |
| | (f) Depreciation and amortisation expense | 107.75 | 107.74 | 108.38 | 323.24 | 325.15 | 433.54 |
| | (g) Other expenses | 57.58 | 49.11 | 25.77 | 128.14 | 64.12 | 69.07 |
| | Total Expenses | 166.10 | 157.75 | 136.82 | 453.43 | 398.66 | 511.98 |
| V | Profit / (Loss) before Tax(III-IV) | (164.82) | (157.12) | (135.41) | (430.72) | (396.36) | (508.39) |
| VI | Exceptional Items(income) | | | | | | 0.00 |
| VII | Tax expense | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| VIII | (Loss) / Profit for the period | (164.82) | (157.12) | (135.41) | (430.72) | (396.36) | (508.39) |
| IX | Other comprehensive income | | | | | | |
| | Items that will not be re classified to profit or loss-(net of taxes) | - | 0.00 | - | - | - | 0.00 |
| | Other comprehensive income | - | 0.00 | - | - | - | 0.00 |
| X | Total comprehensive income (VII + VIII+IX) | (164.82) | (157.12) | (135.41) | (430.72) | (396.36) | (508.39) |
| XI | Paid-up equity share capital | 2644.16 | 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 | 10.00 |
| | Earning per Share after extrodinary items | | | | | | |
| | Basic | | | | | | |
| | Diluted | (0.62) | (0.59) | (0.51) | (1.63) | (1.50) | (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 10 February, 2022. The statutory auditors of the company have carried out limited review of the these results for the quarter ended December 31,2021.
- The above results were prepared without considering the effect of the loss / damage to Buildings, Plant & Machinery and other assets of the company.

[Handwritten Signature]

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

Factory : Yanam-533 464

- 4 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.
- 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.
- 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 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.430.72 lakhs during nine months of the financial year 2021-22 and has accumulated Loss of Rs.(9982.94 lakhs) as on 31.12.2021 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 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.
- 11 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.
- 12 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.
- 13 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.
- 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


Dr. G.N.Naidu
Chairman and Managing Director



Place : Hyderabad
Date : 10.02.2022

REGENCY CERAMICS LIMITED

CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st DECEMBER, 2021

| PARTICULARS | 2021-22 | 2020-21 |
|---|-----------------|----------------|
| | (In.Lakhs) | (In.Lakhs) |
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Loss before Tax | (430.72) | (508.39) |
| Adjustments for: | | |
| Depreciation | 323.24 | 433.54 |
| Interest(net) | 0.00 | 10.79 |
| Fair value loss/profit) | (0.39) | (0.82) |
| Profit on sale of Investment | (20.00) | 0.00 |
| Operating Loss before working capital changes | (127.86) | (64.88) |
| Adjustments for: | | |
| Current Assets(Trade and other receivables) | (0.03) | 8.23 |
| Non Current Liabilities | (1.79) | (11.24) |
| Current Liabilities(Trade payables) | (20.80) | 9.55 |
| Cash generated from operations | <u>(150.48)</u> | <u>(58.34)</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 | 6.00 | 194.27 |
| Repayment of loans from Institutions and others | 0.00 | 0.00 |
| Interest paid | 0.00 | (10.79) |
| Net Cash used in Financing Activities | <u>6.00</u> | <u>183.48</u> |
| Net Increase/(decrease) in cash and cash equivalents(A+B+C) | (124.48) | 125.14 |
| Cash and Cash equivalents as at 01.04.2021 (Opening Balance) | 134.97 | 9.83 |
| Cash and Cash equivalents as at 31.12.2021 (Closing Balance) | 10.49 | 134.97 |

[Signature]





Independent Auditor's Review Report on Quarterly and Year to Date 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 December 31, 2021 and year-to-date results for the period from April 01, 2021 to December 31, 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 31.12.2021, 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 : 10.02.2022



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

(V VENKATESWARA RAO)
Partner

Membership No. 219209

UDIN: 22219209ABFMVP8456