

Regency Ceramics Limited

CIN : L26914TG1983PLC004249

Regd Office: 6-3-1090/A/7, IMS House, 3rd Floor, Somajiguda, Hyderabad – 500082

Phone : 040-23319902, 23327555

REF:RCL/SEC/2018

Date: 08.02.2018

The Manager
National Stock Exchange of India Ltd
Exchange Plaza, Plot No.C/1,
G-Block, Bandra-Kurla Complex,
Bandra (E),
Mumbai -

Dear Sir,

Sub : Compliance as per Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 - Reg.

Ref : Your e-mail dt 08.02.2018

With reference to the above, we clarify on the points mentioned therein:

1. Financial results not signed by authorized signatory/ies: Dr G N Naidu, Chairman and Managing Director, authorized person of the Company. we have uploaded the signed copy/ies of Financial results for the quarter ended 30.09.2017 duly signed by the authorized person only.

This is for your kind information please.

Thanking You,

Your's Sincerely
for REGENCY CERAMICS LIMITED

P. Sowari
Authorised Signatory



Regency Ceramics Limited

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Date: 14th September, 2017

- | | |
|---|---|
| 1. National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla
Complex, Bandra (E),
MUMBAI - 400051 | 2. BSE Limited
25 th Floor
Phiroze Jeejeebhoy Towers
Dalal Street, MUMBAI- 400 001 |
|---|---|

Dear Sir / Madam,

Sub : Un-Audited financial results for the quarter ended 30th June 2017.

Ref : Regulation 33 of the SEBI (LODR) Regulations 2015.

The Board of Directors in its meeting held on Thursday 14th September, 2017 at Regd office of the company, have inter alia considered:

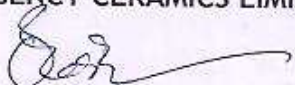
1. Un-audited Financial Results for the quarter ended 30th June, 2017 reviewed by the Audit Committee and the Limited Review of the same has been carried out by the Statutory Auditors of the company. A Copy of the Un-Audited Financial Results along with the Limited Review Report on the Un-Audited Financial Results is enclosed as per Regulations 33 & 30(4) of the SEBI (LODR) Regulations, 2015.

The above is for your information and record.

Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully
For REGENCY CERAMICS LIMITED


Authorized signatory

Encl : a/a

Regency Ceramics Limited

CIN : L26914TG1983PLC004249

Regd Off: IMS House, Somajiguda, Hyderabad - 500082

E-mail I.D : cosec@regencytiles.com ; Website: www.regencytiles.com

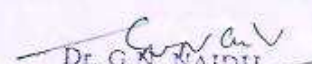
UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th June 2017

S.No	Particulars	(Rs. in lakhs)	
		Quarter ended	
		30/06/2017	30/06/2016
		(Un Audited)	
I	Revenue from Operations	0.00	0.00
II	Other Income	0.64	1.13
III	Total income (I + II)	0.64	1.13
IV	Expenses		
	(a) Cost of Materials consumed	0.00	0.00
	(b) Purchase of stock-in-trade	0.00	0.00
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.00	0.00
	(d) Employee benefits expense	6.95	7.86
	(e) Finance Cost	17.09	0.08
	(f) Depreciation and amortisation expense	117.41	119.81
	(g) Other expenses	14.42	16.07
	Total Expenses	155.87	143.81
V	3. Profit / (Loss) before Tax(III-IV)	(155.23)	(142.68)
VI	Tax expense	0.00	0.00
VII	Profit / (Loss) for the period	(155.23)	(142.68)
VIII	Other comprehensive income		
	Items that will not be re classified to profit or loss-(net of Other comprehensive income	0.00	0.00
IX	Total comprehensive income (VII + VIII)	(155.23)	(142.68)
X	Paid-up equity share capital	2644.16	2644.16
XI	Basic and Diluted EPS(not annualised)(in Rupees)	(0.59)	(0.54)

Notes:

1. The company has presented for the first time , its financial results under Indian accounting standards ("Ind AS") from April 1 , 2017 and accordingly these financial results have been prepared in accordance with the Recognition and Measurement principles laid down in the Ind AS-34 (Interim financial reporting) prescribed under section 133 of The Companies Act 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India. Financial results for the comparative period have also been presented in accordance with the recognition and measurement principles of Ind AS-34 (Interim financial reporting).

For REGENCY CERAMICS LIMITED


Dr. G.N. NAIDU
 Chairman and Managing Director

2. Reconciliation of Net Profit/Loss reported in accordance with the Indian GAAP to total comprehensive income in accordance with Ind AS is given below

Particulars	Quarter ended 30/06/2016 Rs.in lakhs
Net loss as per Previous GAAP (Indian GAAP)	-142.91
Add/(Less): Fair value gain on Investments	0.23
Total comprehensive Income for the quarter	(142.68)

2a. Fair Value Gain on Investments

As per Ind AS, Investments have been fair valued and the resultant gain has been taken to the statement of profit and loss for the period ended June 30, 2016

3. The above unaudited financial results have been reviewed by the audit committee and approved by the board at their meeting held on September 14, 2017. The statutory auditors of the company have carried out limited review of the results for the current quarter only. The results and other financials information for the quarter ended June 30, 2016 have not been subjected to limited review / audit. However, the management has exercised necessary due diligence to ensure that the standalone financial results provide a true and fair view of its affairs.

4. The above results were prepared without considering the effect of the loss / damage to Buildings, Plant & Machinery and other assets of the company.

5. 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.

6. Gratuity Provision as per AS-15 and Leave Encashment were not provided in the books due to loss of employee records in the factory during the incident.

7. The condition of the fixed assets, raw materials, stores, spares and its present realisable value could not be estimated and not insured.

8. 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.

9. The lenders took symbolic possession of the properties under Rule 8(1) of Security Interest (Enforcement) Rules, 2002 in exercise of powers conferred on them under section 13(4) of the SARFAESI Act. State Bank of Bikaner & Jaipur assigned and transferred its facilities together with all underlying securities interests thereto to Phoenix ARC Private Limited (Trustee of Phoenix Trust - FY15-5). Some lenders sanctioned and others are in the process of sanctioning revised One Time Settlement package in view of the current situation.

For REGENCY CERAMICS LIMITED


Dr. G.N. NAIDU
Chairman and Managing Director

The lenders 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. 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.

10. The company has not provided the interest on secured loans amounting to Rs.167.42 lakhs for the quarter and Rs.5442.19 lakhs up to 30th June, 2017 which is subject to confirmation from the Banks..

11. A reference under Section 15(1) of Sick Industrial Companies (Special provisions) Act 1985 filed with Board for Industrial and Financial Reconstruction has been abated and the company preferred an appeal before AAIFR. The company lost the case in AAIFR also due to lack of support from the lenders.

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. Segment reporting is not applicable, since the entire operations of the company related to one segment. i.e. Manufacturing of Ceramic Tiles.

14. Previous quarter's figures have been regrouped wherever necessary.

For REGENCY CERAMICS LIMITED



G.N.Naidu
Dr. G.N.Naidu
Chairman and Managing
Director

Place : Hyderabad
Date : 14.09.2017



LIMITED REVIEW REPORT

To,
The Board of Directors
Regency Ceramics Limited,
Hyderabad.

We have reviewed the accompanying statement of unaudited financial results of **REGENCY CERAMICS LIMITED** ("the Company") for the quarter ended June 30, 2017, ("the statement") being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016. This statement is the responsibility of the Company's Management and has been 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 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial 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 the 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 is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and 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 30.06.2017, 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 AS-15 "Employee Benefits". The company could not compute the liability in the absence of complete records.





VIJAYAWADA, HYDERABAD, VISAKHAPATNAM, GUNTUR, KAKINADA, TANUKU, ALSO AT CHENNAI, BANGALORE AND ADONI.

3. There are no confirmatory letters in respect of Debtors, Creditors, loans and advances and other current assets.
4. During the period 01.04.2012 to 30.06.2017, the company has not provided on terms loans, working capital loans to the extent of Rs.5442.19 Lacs. We were informed by the company that the lenders opted for settlement of dues under OTS as a compromise, the company paid part amount and sought extension of time for balance payment. However, the Banks issued a Demand notice recalling the entire loan amount with interest, followed by another notice for symbolic possession under SARFAESI Act. During the period, the company has treated the Long term Borrowings from banks under "Current Maturities of Long term Borrowings".
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.
6. The reference made by the company under section 15(1) of Sick Industrial Companies (Special Provisions) Act, 1985 with the Board for Industrial and Financial Reconstruction has been abated and the Company preferred an appeal before AAIFR.

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.**

We have not reviewed the financial results and other information for the period ended 30th June, 2016 which have been prepared solely based on financial information compiled by the Management.

Place : Hyderabad
Date : 14.09.2017

for BRAHMAYYA & CO.
Chartered Accountants
Firm's Regn No. 0005135

K. Shravan
(K.SHRAVAN)
Partner
Membership No. 215798