



Hyderabad, September 05, 2024

<b>To,</b> <b>BSE Ltd,</b> 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	<b>To,</b> <b>The National Stock Exchange of India Limited,</b> 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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**Sub: Notice of the 40<sup>th</sup> Annual General Meeting along with the Annual Report for the Financial Year 2023-24 of Regency Ceramics Limited ('Company') – Reg.**

**Ref: i) Regulation 34(1) of SEBI (LODR) Regulations, 2015**

**ii) Scrip Code: 532406 (BSE), NSE Symbol: REGENCERAM; ISIN: INE277C01012**

Dear Sir/Madam,

With reference to the subject cited above, in terms of Regulation 34(1) of the SEBI (LODR) Regulations, 2015, as amended from time to time ('Listing Regulations'), we wish to inform that the 40<sup>th</sup> Annual General Meeting ('AGM') of the Company is scheduled to be held on Monday, September 30, 2024 at 11:00 A.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in compliance with General Circular No. 14/2020, 17/2020, 20/2020, 02/2021, 21/2021, 2/2022 10/2022 and 09/2023 respectively issued by Ministry of Corporate Affairs and Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, SEBI/HO/DDHS/DDHSRACPOD1/P/CIR/2023/001 dated January 5, 2023 and SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by SEBI.

Accordingly, we enclose herewith the Notice of the 40<sup>th</sup> Annual General Meeting along with the Annual Report of the Company for the financial year ended March 31, 2024, which is being sent by e-mail to those Members whose e-mail addresses are registered with the Company / Depository Participant(s) ("DP")/ the Companies' Registrar and Transfer Agent, Venture Capital and Corporate Investments Private Limited. ("VCCIPL").



In terms of Regulation 46 of the Listing Regulations, the said Annual Report along with the Notice of 40<sup>th</sup> Annual General Meeting and other relevant documents will also be available on the website of the Company at [www.regencyceramics.in](http://www.regencyceramics.in).

Further, in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Listing Regulations, the Company is providing the facility to its Members to exercise their right to vote by electronic means on the businesses specified in the Notice convening the 40<sup>th</sup> Annual General Meeting of the Company, through remote e-Voting as well as e-Voting during the AGM.

The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide the remote e-voting facility to the members of the Company. The remote e-voting facility will be available at <https://www.evotingindia.com> and the members holding shares either in physical form or in electronic form as on cut-off date (i.e., *Monday*, September 23, 2024) shall only be entitled for availing the remote e-voting facility. Please make note of the following dates for e- voting:

**Date and time of commencement of remote e-voting: Thursday, September 26, 2024 at 9:00 AM.**

**Date and time of end of remote e-voting: Sunday, September 29, 2024 at 5:00 P.M.**

Kindly take the same on your record and display the same on the website of your Stock Exchanges

Thanking You,

*for* **Regency Ceramics Limited**

**Narala Satyendra Prasad**  
**Managing Director & CFO**  
**DIN: 01410333**

**Regency Ceramics Limited**  
**40<sup>th</sup> Annual Report**



**40<sup>th</sup> ANNUAL REPORT**  
**2023-24**

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## CORPORATE INFORMATION

### CORPORATE IDENTITY NUMBER (CIN):

L26914TG1983PLC004249

### BOARD OF DIRECTORS

S. No.	Name of the Director	Category of Director
1.	Dr. Naraiah Naidu Gudar	Executive Chairman
2.	Mr. Narala Satyendra Prasad	Managing Director
3.	Mrs. Vijaya Lakshmi Yalamanchili	Non-Executive, Independent Director
4.	Mr. Ramkumar Srinivasan	Non-Executive, Independent Director
5.	Mr. Vasantha Rayudu Garapati	Non-Executive, Independent Director
6.	Ms. Radhika Prasad Narala	Non-Executive Non-Independent Director (Appointed with effect from 11.10.2023)

### KEY MANAGERIAL PERSONNEL

S. No.	Name of the Director	Designation
1.	Mr. Narala Satyendra Prasad	Chief Financial Officer
2.	Mr. Anji Reddy Devarapalli	Company Secretary and Compliance Officer (Appointed with effect from 11.10.2023)

### CHIEF OPERATING OFFICER

Mr. K. Mohan Rao

### VICE PRESIDENT-SALES & MARKETING

Mr. Gautam Sikdar

## **COMMITTEES OF THE BOARD**

### **AUDIT COMMITTEE**

<b>S. No.</b>	<b>Name</b>	<b>Category of Director</b>	<b>Designation</b>
1.	Mr. Ramkumar Srinivasan	Non-Executive, Independent Director	Chairperson
2.	Mrs. Vijaya Lakshmi Yalamanchili	Non-Executive, Independent Director	Member
3.	Mr. Narala Satyendra Prasad	Managing Director	Member

### **NOMINATION AND REMUNERATION COMMITTEE**

<b>S. No.</b>	<b>Name</b>	<b>Category Of Director</b>	<b>Designation</b>
1.	Mr. Ramkumar Srinivasan	Non-Executive, Independent Director	Chairperson
2.	Mrs. Vijaya Lakshmi Yalamanchili	Non-Executive, Independent Director	Member
3.	Mr. Vasantha Rayudu Garapati	Non-Executive, Independent Director	Member

### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

<b>S. No.</b>	<b>Name</b>	<b>Category Of Director</b>	<b>Designation</b>
1.	Mr. Ramkumar Srinivasan	Non-Executive, Independent Director	Chairperson
2.	Dr. Naraiah Naidu Gudar	Executive Director	Member
3.	Mrs. Vijaya Lakshmi Yalamanchili	Non-Executive, Independent Director	Member

**REGISTERED OFFICE**

4<sup>th</sup> Floor, Dwaraka Summit, Plot No.83,  
Survey No. 43 to 46 & 48, Kavuri Hills,  
Guttalabegumpet, Serilingampally Mandal,  
Jubilee Hills, Shaikpet  
Hyderabad – 500033,  
Telangana, India

**FACTORY ADDRESS**

Behind Bus Stand,  
Yanam – 533464,  
(Union Territory of Puducherry)

**STATUTORY AUDITOR**

M/s. K S Rao & Co.  
Chartered Accountants  
Hyderabad

**INTERNAL AUDITOR**

M/s. Brahmayya & Co.,  
Chartered Accountants  
Hyderabad

**SECRETARIAL AUDITOR**

M/s. Kasat & Associates  
Company Secretaries  
Hyderabad

**REGISTRAR & SHARE TRANSFER AGENTS**

Venture Capital & Corporate Investments Private Limited  
CIN: U65993TG1986PTC006936  
“AURUM”, D No.4-50/P-II/57/4F & 5F, 4th & 5th Floors, Plot No.57,  
Jayabheri Enclave Phase – II, Gachibowli, Serilingampally,  
Hyderabad – 500032, Ranga Reddy District, Telangana, India  
Ph. No. 040-23818475, 23818476, 23868023  
SEBI Registration No. INR000001203  
Email Id: [info@vccilindia.com](mailto:info@vccilindia.com), Website: [www.vcciplindia.com](http://www.vcciplindia.com)

**BANKERS**

State bank of Mauritius (“SBM”)

**LISTED AT**

BSE Limited

National Stock Exchange of India Limited

**ISIN**

INE277C01012

**WEBSITE**

[www.regencyceramics.in](http://www.regencyceramics.in)

**INVESTOR E-MAIL ID**

cs@regencyceramics.in

**TELEPHONE NUMBER**

040-23319903

“Shareholders are requested to be part of the green initiative and avail copies of Annual Report and other intimations electronically through email and hence request to share your email ID along with Folio number to cs@regencyceramics.in”



**Regency Ceramics Limited**

**CIN: L26914TG1983PLC004249**

**Registered office:** 4th Floor, Dwaraka Summit, Plot No.83,  
Survey No. 43 to 46 & 48, Kavuri Hills, Guttalabegumpet,  
Serilingampally Mandal, Jubilee Hills, Shaikpet,  
Hyderabad – 500033, Telangana, India

**Phone:** 040-23319903 **E-mail Id:** support@regencyceramics.in

**Website:** www.regencyceramics.in

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**NOTICE OF 40<sup>th</sup> ANNUAL GENERAL MEETING**

Notice is hereby given that the 40<sup>th</sup> Annual General Meeting of the Members of Regency Ceramics Limited will be held on Monday, September 30, 2024 at 11.00 A.M (IST) through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”) to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon; and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** the Audited Financial Statements of the Company for the Financial Year ended March 31, 2024 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

2. To appoint a Director in place of Mr. Naraiah Naidu Gudar (DIN: 00105597), who retires by rotation and being eligible, offers himself for re-appointment, and in this regard to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, (“Act”) and other applicable provisions, if any, Dr. Naraiah Naidu Gudar (DIN: 00105597), who retires by rotation at this meeting, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

**SPECIAL BUSINESS:**

3. **To consider and approve for giving authorization to Board of Directors under section 186 of the Companies Act, 2013 upto an aggregate limit of Rs.200 crores.**

*To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:*

**“RESOLVED THAT** pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made thereto including any statutory modifications or re-enactments thereof and in accordance with the Memorandum and Articles of Association of the Company, approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company for giving any loan to any person or body corporate, give any guarantee or provide security in connection with a loan to any other body corporate or person; and acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit from time to time which together with the loans, guarantee, security and investment given/provided/made by the Company, from time to time in one or more tranches, may exceed the aggregate permissible limit **i.e. 60% of the paid-up capital of the Company and its free reserves and securities premium account or 100% of its free reserves and securities premium account, whichever is higher**, provided that the aggregate of such sum or sums of moneys shall not at any time exceed the aggregate limit of Rs.200 Crores (Rupees Two Hundred Crores Only).

**RESOLVED FURTHER THAT** for the purpose of giving effect to the aforesaid resolution, the Board of the Directors of the Company be and is hereby authorized to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments and to give corporate guarantee and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem necessary or appropriate or desirable including to settle any question, difficulty or doubt that may arise in respect of such investments / loans / guarantees / securities made or given or provided by the Company (as the case may be).”

**4. TO APPROVE MATERIAL RELATED PARTY TRANSACTIONS BETWEEN THE COMPANY AND DR. NARAI AH NAIDU GUDARU, CHAIRMAN OF THE COMPANY**

*To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:*

**"RESOLVED THAT** in supersession of all resolutions passed in this regard and pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s) as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) proposed to be entered into as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Dr. Naraiah Naidu Gudaru, Chairman of the Company and accordingly a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and Dr. Naraiah Naidu Gudaru, for an aggregate value not exceeding Rs.100 Crores."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary contract(s), arrangement(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any Director or Key Managerial Personnel or any officer / executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this

regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

**5. TO APPROVE MATERIAL RELATED PARTY TRANSACTIONS BETWEEN THE COMPANY AND MR. NARALA SATYENDRA PRASAD, MANAGING DIRECTOR AND CFO OF THE COMPANY**

*To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:*

**"RESOLVED THAT** in supersession of all resolutions passed in this regard and pursuant to the provisions of Regulations 2(1)(zc), 23(4) and other applicable Regulations, if any, of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended from time to time, Section 2(76) and other applicable provisions of the Companies Act, 2013 ('Act') read with the Rules framed thereunder [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] and other applicable laws / statutory provisions, if any, the Company's Policy on Related Party Transactions as well as subject to such approval(s), consent(s) and/or permission(s) as may be required and based on the recommendation of the Audit Committee, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the 'Board', which term shall be deemed to include the Audit Committee or any other Committee constituted / empowered / to be constituted by the Board from time to time to exercise its powers conferred by this Resolution) to the Material Related Party Transaction(s) / Contract(s) / Arrangement(s) / Agreement(s) proposed to be entered into, as mentioned in detail in the Explanatory Statement annexed herewith, between the Company and Mr. Narala Satyendra Prasad, Managing Director and CFO of the Company and accordingly a 'Related Party' of the Company, on such terms and conditions as may be mutually agreed between the Company and Mr. Narala Satyendra Prasad, for an aggregate value not exceeding Rs. 50 Crores.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (hereinafter referred to as 'Board' which term shall be deemed to include the Audit Committee of the Board and any duly constituted committee empowered to exercise its powers including powers conferred under this resolution) be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and to take all such steps as may be required in this connection including finalizing and executing necessary contract(s), arrangement(s), agreement(s) and such other documents as may be required, seeking all necessary approvals to give effect to this resolution, for and on behalf of the Company, to delegate all or any of its powers conferred under this resolution to any

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Director or Key Managerial Personnel or any officer / executive of the Company and to resolve all such issues, questions, difficulties or doubts whatsoever that may arise in this regard and all action(s) taken by the Company in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

Date: September 05, 2024

**BY ORDER OF THE BOARD**  
*for Regency Ceramics Limited*

Sd/-

Narala Satyendra prasad  
Managing Director & CFO  
(DIN: 01410333)

**REGISTERED OFFICE**

4<sup>th</sup> Floor, Dwaraka Summit, Plot No.83,  
Survey No. 43 to 46 & 48, Kavuri Hills,  
Guttalabegumpet, Serilingampally Mandal,  
Jubilee Hills, Shaikpet. Hyderabad – 500033,  
Telangana, India

**NOTES**

1. The Ministry of Corporate Affairs ('MCA') vide its Circular No. 14/2020 dated April 8, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 5, 2020 and latest one being Circular No. 09/2023 dated September 25, 2023 read with the SEBI's Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023, ('Circulars') has allowed the companies to hold the Annual General Meeting ('AGM' or 'Meeting') through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') without the physical presence of the Members at a common venue. Therefore, in compliance to the Circulars, applicable provisions of the Companies Act, 2013 ('Act') and the SEBI Regulations, the 40<sup>th</sup> AGM of the Company is scheduled to be held through VC/OAVM in the manner given below. The deemed venue of this Meeting shall be considered at the Registered Office of the Company situated at 4<sup>th</sup> Floor, Dwaraka Summit, Plot No.83, Survey No. 43 to 46 & 48, Kavuri Hills, Guttalabegumpet, Serilingampally Mandal Jubilee Hills, Shaikpet Hyderabad – 500033.
2. In view of relaxation given by MCA/the SEBI, the Annual Report including Financial Statements, Auditor's report, Directors' Report and Notice of this AGM along with all the annexures and attachments thereof are being sent only through electronic mode to those Members whose email addresses are registered with the Company / Depositories, except those Members who request for the physical copy of the same. Members may note that the Notice and Annual Report of the Company for the financial year 2023-24 will also be available on the Company's website i.e. [www.regencyceramics.in](http://www.regencyceramics.in) , websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com), respectively and is also available on the website of Central Depository Services Limited (agency for providing the remote e-voting facility).
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.

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4. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
5. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
6. Pursuant to Section 113 of the Act, an Institutional / Corporate Shareholders (i.e., other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Company by email through its registered email address to [rlcosec@gmail.com](mailto:rlcosec@gmail.com) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)
7. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to Remote e-voting and e-voting are given in these notes. The Company will also send communication relating to Remote e-voting which inter alia would contain details about User ID and Password along with a copy of this Notice to the members, separately.
8. The Register of Members and Share Transfer Books will remain closed from September 24, 2024 to September 30,2024 (both days inclusive).
9. In case of joint holders attending the Meeting, only the member whose name appears to be first will be entitled to vote at the AGM.
10. Only bonafide members of the Company whose names appear on the Register of Members on cut-off date will be permitted to join the Meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from joining the AGM.
11. As per the provision of Section 72 of the Act, the facility for making Nomination is available for the Members in respect of their shareholding in the Company. The Members are requested to submit the requisite form with their Depository Participant ('DP') who holds the shares in dematerialized form and those who are holding physical shares shall send the same to the Registrar and Share Transfer Agent - Venture Capital & Corporate Investments Private Limited, "AURUM", D No.4-50/P-II/57/4F & 5F, 4th & 5th Floors, Plot No.57, Jayabheri Enclave Phase – II, Gachibowli, Serilingampally, Hyderabad – 500032, Ranga Reddy District, Telangana, India (the 'RTA').

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12. Members holding shares in physical form are requested to notify/send the following in the Form ISR - 1 to the RTA of the Company:
- (i) Any change or update in their mailing address;
  - (ii) Particulars of their PAN, Bank account & e-mail ids in case the same have not been registered with the Company; Further, please note that Members holding equity shares in electronic form are requested to contact to their respective DP with whom they are maintaining the Demat accounts for updation in address, e-mail ids, Bank details, Bank mandate, ECS mandate, etc.
13. Pursuant to the amendment in Regulation 40 of the Listing Regulations, with effect from April 1, 2019, any request for transfer of shares held in physical form shall not be processed, except in case of transmission or transposition of shares or in case of transfer deed(s) once lodged with the Company prior to April 1, 2019 and returned/rejected due to deficiency in the documents. Thus, the Members holding shares in physical form are requested to dematerialised their shareholding, as the shares of the Company are under compulsory demat trading.
14. Green Initiative: Members who have not registered their e-mail address are requested to register their e-mail address to receive all communication from the Company in electronic mode.
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
16. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
17. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to write to the Company on or before September 15, 2024 through email on [rlcosec@gmail.com](mailto:rlcosec@gmail.com). The same will be replied by the Company suitably.
18. No Dividend on Equity Shares is recommended by the Board of Directors for the Financial Year ending March 31, 2024.
19. In compliance with the aforesaid MCA and SEBI Circulars Notice of the AGM along with the Annual Report 2023-24 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report 2023-24 will also be available on the



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Company's website at [www.regencyceramics.in](http://www.regencyceramics.in) and the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. In case of any queries regarding the Annual Report, the Members may write to [rlcosec@gmail.com](mailto:rlcosec@gmail.com) to receive an email response.

20. Brief profile of the Directors proposed to be appointed / re-appointed is given towards the end of this Notice pursuant to Regulation 36(3) of the Listing Regulations and SS-2, i.e., Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India. The Company has received the requisite consent/ declaration for the appointment/ re-appointment of the Directors mentioned in the Notice of the AGM as stipulated under the Companies Act, 2013 and the rules made thereunder.
21. The Register of directors and key managerial personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e., September 30, 2024. Members seeking to inspect such documents can send an email to [rlcosec@gmail.com](mailto:rlcosec@gmail.com).
22. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent.
23. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/ mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to RTA in case the shares are held by them in physical form.
24. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
25. Members seeking any information with regard to any matter to be placed at the AGM are requested to write to the Company on or before September 23, 2024 through email on [rlcosec@gmail.com](mailto:rlcosec@gmail.com). The same will be replied by the Company suitably.

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26. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address/e-mail id or staying abroad or demise of any members as soon as possible. Members are also advised not to leave their Demat Account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.
27. all correspondences with the Company, members are requested to quote their account/folio numbers and in case their shares are held in the dematerialized form, they must quote their DP ID and Client ID No(s).
28. The Members can join the AGM in the VC/OAVM mode 30 minutes before and 15 minutes after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis. Members of the Company under the category of Institutional Shareholders are encouraged to attend and participate in the AGM through VC/OAVM and vote thereat.
29. The remote E-voting period for all items of businesses contained in this notice of AGM shall commence from **Friday, September 27, 2024 at 9.00 A.M. (IST) and will end on Sunday, September 29, 2024 at 5.00 P.M. (IST)**. The E-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.
30. The cut-off date for determining the eligibility of shareholders to exercise remote E-voting rights and attendance at AGM is **Monday, September 23, 2024**. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the above-mentioned cut-off date, shall be entitled to avail the facility of remote E-voting or voting at the meeting through electronic mode. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date. A person who is not a Member as on the cut-off date should treat this Notice for information purpose only.
31. Those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote E-voting and are otherwise not barred from doing so, shall be eligible to vote through E-voting system during the AGM.

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32. The Members who have cast their vote by remote E-voting prior to the AGM may also attend/ participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again. Members are requested to carefully read the instructions for E-voting before casting their vote.
33. At the AGM, the Chairman of the meeting shall after discussion on all the resolutions on which voting is to be held, allow voting by electronic means to all those members who are present at the meeting but have not casted their votes by availing the remote E-voting facility. The Board of Directors of your Company have appointed Mr Varikuti Nagaraju (Membership Number: ACS-56337), Nagaraju & Associates, Company Secretaries, as the Scrutinizer to scrutinize the remote e-voting process and voting through E-voting system at the AGM in a fair and transparent manner.
34. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, will first download the votes cast at the meeting and thereafter unblock the votes cast through remote E-voting in the presence of at least 2 (Two) witnesses not in the employment of the Company. Thereafter the Scrutinizer shall, submit a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman, or a person authorised by him in writing who shall countersign the same and declare the result of voting forthwith. The result of e-voting along with consolidated Scrutinizer's report will be declared upon conclusion of the Meeting, within the permissible timelines.
35. The results declared along with the Scrutinizer's report shall be placed on the website of the Company and shall also be communicated to the Stock Exchanges. The Resolutions, if approved, shall be deemed to be passed, on the date of AGM.
36. In compliance with the aforesaid MCA and SEBI Circulars, Notice of the AGM is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Explanatory Statement will also be available on the Company's website [www.regencyceramics.in](http://www.regencyceramics.in) , websites of the Depositories and the websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. In case of any queries regarding the Notice, the Members may write to [rlcosec@gmail.com](mailto:rlcosec@gmail.com).
- 37. THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**
- Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date> may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>

<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> </ol>
<p>Individual Shareholders (holding</p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After</p>

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securities in demat mode) login through their <b>Depository Participants (DP)</b>	Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) Now enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,

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- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.



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- (ix) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.

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- It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [rlcosec@gmail.com](mailto:rlcosec@gmail.com) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders -, Please update your email id & mobile no. with your respective **Depository Participant (DP)**
3. **For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 22 55 33.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF  
COMPANIES ACT, 2013**

**ITEM NO. 3**

Pursuant to the provisions of Section 186 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 (the “Rules”) (as amended from time to time), the Board of Directors of a Company can give any loan to any person or body corporate, give any guarantee or provide security in connection with a loan to any other body corporate or person; and acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, any sum or sums of moneys on such terms and conditions and with or without security as the Board of Directors may think fit from time to time which together with the loans, guarantee, security and investment given/provided/made by the Company, beyond the maximum permissible limit under Section 186 of the Companies Act, 2013 i.e. 60% of the paid-up capital of the Company and its free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more, provided that if special resolution has been passed by the shareholders of the Company to that effect.

Keeping in view the future plans of the Company and to fulfil long term strategic and business objectives and as a measure of achieving greater financial flexibility and to enable optimal financing structure, the Board of Directors in its meeting held on September 05, 2024 has, subject to the approval of shareholders of the Company, has proposed and approved for seeking the shareholder approval for setting up limit upto an aggregate amount of Rs.200 Crores and to give powers to the Board of Directors or any duly constituted committee thereof to that effect under Section 186 of the Companies Act, 2013.

The loan(s), guarantee(s), security (ies) and investment(s), as the case may be, shall be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made thereunder.

None of the Directors or Key Managerial Personnel or their relative(s) is / are in any way concerned or interested, in passing of the above-mentioned resolution except to the extent of their directorships and shareholding in the Company (if any).

Accordingly, consent of the members is sought for passing a Special Resolution as set out at Item No. 3 of this Notice, in relation to the details as stated above and thus the Board of Directors recommends the said Resolution for the approval of the shareholders of the Company as a Special Resolution.

**ITEM NO. 4-5**

In terms of Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), as amended, any transactions with a related party shall be considered material, if the transaction(s) entered into/to be entered into individually or taken together with the previous transactions during a financial year exceeds ₹1,000 crore or 10% of annual consolidated turnover of the company as per the last audited financial statements of the company, whichever is lower, and shall require prior approval of shareholders by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis. The amended Regulation 2(1)(zc) of the SEBI Listing Regulations has also enhanced the definition of 'related party transaction' which now includes a transaction involving a transfer of resources, services or obligations between (i) a listed entity or any of its subsidiaries on one hand and a related party of the listed entity or any of its subsidiaries on the other hand, as well as (ii) a listed entity or any of its subsidiaries on one hand and any other person or entity on the other hand, the purpose and effect of which is to benefit any related party of the listed entity or any of its subsidiaries, regardless of whether a price is charged or not.

It is in the above context that, Resolution Nos. 3 to 4 are placed for approval of the Members of the Company.

**ITEM NO. 4**

The details as required under Regulation 23(4) of the Listing Regulations read with SEBI Circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 ("SEBI Circular") are set forth below:

<b>Particulars</b>	<b>Details</b>
Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Name of the related party- Dr. Naraiah Naidu Gudar  Relationship- Executive Chairman of the Company and the promoter of the Company holding 27.51% of paid-up capital of the Company
Name of Director(s) or Key Managerial Personnel who is related, if any	Dr. Naraiah Naidu Gudar is the relative of Mr. Narala Satyendra Prasad, Managing Director and CFO & Radhika Prasad

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	Narala, Non-Executive Director of the Company.
Type, tenure, material terms and particulars	Type- unsecured loan. Tenure- the above arrangement is continuing business transactions Material Terms- Interest free loan repayable on demand
Value of the transaction	The Company proposes to take unsecured loan amounting to Rs. 100,00,00,000 (Rupees One Hundred Crores only) over and above the loan existing loan taken by the Company from Dr. Naraiah Naidu Gudararu.
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	500%
Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
Justification as to why the RPT is in the interest of the listed entity	The Company being in its revival stage is in need of additional funds and Dr. Naraiah Naidu Gudararu, being the Chairman and Promoter of the Company has agreed to extend such funds without any security and interest. Hence, the same is in the interest of the Company.
Any valuation or other external report relied upon by the listed entity in relation to the transactions	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

Dr. Naraiah Naidu Gudararu is the relative of Mr. Narala Satyendra Prasad, Managing Director and CFO, Radhika Prasad Narala, Non-Executive Director of the Company and the relatives of these directors, to the extent of their shareholding, if any, shall be deemed to be concerned or interested in the said transaction.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said transactions.

Pursuant to Regulation 23 of the Listing Regulations, Members may also note that no related party of the Company shall vote to approve the Special Resolution set out at Item No. 4 whether the entity is a related party to the particular transaction or not.

The Board of Directors recommends passing Ordinary Resolution as set out in Item No. 4 in the Notice for approval of the Members.

**ITEM NO. 5:**

The details as required under Regulation 23(4) of the Listing Regulations read with SEBI Circular bearing reference no. SEBI/HO/CFD/CMD1/CIR/P/2021/662 dated November 22, 2021 (“SEBI Circular”) are set forth below:

<b>Particulars</b>	<b>Details</b>
Name of the related party and its relationship with the listed entity or its subsidiary, including nature of its concern or interest (financial or otherwise)	Name of the related party- Mr. Narala Satyendra Prasad  Relationship- Whole-time Director and CFO (proposed to be appointed as the Managing Director at the ensuing AGM) of the Company and the promoter of the Company holding 0.49% of paid-up capital of the Company
Name of Director(s) or Key Managerial Personnel who is related, if any	Mr. Narala Satyendra Prasad is the relative of Dr. Naraiah Naidu Gudaru, the Chairman, Radhika Prasad Narala, Non-Executive Director of the Company .
Type, tenure, material terms and particulars	Type- unsecured loan. Tenure- the above arrangement is continuing business transactions Material Terms- Interest free loan repayable on demand
Value of the transaction	The Company proposes to take unsecured loan amounting to to Rs. 50,00,00,000 (Rupees Fifty Crores only) over and above the loan existing loan taken by the Company from Mr. Narala Satyendra Prasad.

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<b>Particulars</b>	<b>Details</b>
The percentage of the listed entity's annual consolidated turnover, for the immediately preceding financial year, that is represented by the value of the proposed transaction	500%
Details of the transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary	Not Applicable
Justification as to why the RPT is in the interest of the listed entity	The Company being in its revival stage is in need of additional funds and Mr. Narala Satyendra Prasad, being the Managing Director and Promoter of the Company has agreed to extend such funds without any security and interest. Hence, the same is in the interest of the Company.
Any valuation or other external report relied upon by the listed entity in relation to the transactions	All relevant / important information forms part of this Statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

Mr. Narala Satyendra Prasad is the relative of Dr. Naraiah Naidu Gudar, Chairman of the Company, spouse of Radhika Prasad Narala, Non-Executive Director of the Company and the relatives of these directors, to the extent of their shareholding, if any, shall be deemed to be concerned or interested in the said transaction.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the said transactions.

Pursuant to Regulation 23 of the Listing Regulations, Members may also note that no related party of the Company shall vote to approve the Special Resolution set out at Item No. 5 whether the entity is a related party to the particular transaction or not.

The Board of Directors recommends passing Ordinary Resolution as set out in Item No. 5 in the Notice for approval of the Members.



**ANNEXURE - A**

**FORM FOR REGISTRATION OF EMAIL ADDRESS FOR RECEIVING  
DOCUMENTS / NOTICES BY ELECTRONIC MODE**

To,

**Venture Capital & Corporate Investments Private Limited**

“AURUM”, D No.4-50/P-II/57/4F & 5F, 4th & 5th Floors, Plot No.57,  
Jayabheri Enclave Phase – II, Gachibowli, Serilingampally,  
Hyderabad – 500032, Ranga Reddy District, Telangana, India

**Company: Regency Ceramics Limited**

I agree to receive all documents / notices including the Annual Report of the Company in electronic mode. Please register my email address given below in your records for sending communication through email.

Name of Sole / First Holder : \_\_\_\_\_

DP ID / Client ID / Regd. Folio No. : \_\_\_\_\_

PAN No. : \_\_\_\_\_

E-mail Address : \_\_\_\_\_

Date:

Place:

(Signature of Member)

**ANNEXURE - B**

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-  
APPOINTMENT AT THE ANNUAL GENERAL MEETING**

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015 and Secretarial Standard-2 on General Meetings, brief particulars of the Directors seeking appointment/re-appointment are given as under:

<b>Particulars</b>	<b>Name of the Director</b>
DIN	00105597
Date of birth and Age	01/07/1941;83 years
Qualification	Civil Engineering, PG (Dip.) W.R.D., M.I.E.
Experience and expertise in specific functional areas	Worked as Civil Engineer in public works department in 1964 and around 35 years of experience in the Industry.
Brief Profile	<p>Dr. Naraiah Naidu Gudar is a born leader and the visionary behind Regency Ceramics Limited. He has chartered the Company all through its 39 years of journey. Under his leadership, the Company has grown exponentially and has achieved different recognitions and received many awards. His entrepreneurial skills have led to the establishment of one of the biggest architectural and structural consultancy Company in Hyderabad called as NN Associates.</p> <p>Dr. Naraiah Naidu Gudar was the recipient of the Pride of India Gold Medal in 1991 for his distinguished and outstanding services. Burkes University (UK) has conferred on him the honorary degree of Doctorate of Philosophy in Business Management in 2003. He is also the recipient of the Bharat Ratna Sir Mokshagundam Visvesvaraya</p>

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	Award for his outstanding contribution in the field of engineering in 2006.
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	He is the relative of Mr. Narala Satyendra Prasad, Whole Time Director and CFO of the Company & Father of Ms. Narala Radhika Prasad
Nature of appointment (appointment/re-appointment)	Retires by rotation and offers herself for re-appointment.
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	As per the Information shared in 39 <sup>th</sup> Annual report
Date of first appointment on the Board	09/02/2014
Shareholding in the company including shareholding as a beneficial owner;	72,75,183
The number of Meetings of the Board attended during the FY 2023-24	11 out of 11
Remuneration last drawn by such person, if applicable and remuneration sought to be paid	Rs. 85,000/-Per Month
Directorship Details of the Board	Nil
Membership / Chairmanship of Committees of other Boards	Nil
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board along with names of listed entities from which the person has resigned in the past three years	Nil

**ANNEXURE – C**

**COMPLIANCE CERTIFICATE**

**(Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015)**

To,  
The Board of Directors,  
Regency Ceramics Limited

Dear members of the Board,

I, Narala Satyendra Prasad, Managing Director & CFO of Regency Ceramics Limited certify that:

- a. We have reviewed Financial Statements and the Cash Flow Statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:
  - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b. To their best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.
- c. We accept responsibility for establishing and maintaining internal controls for Financial Reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to Financial Reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

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- d. We have indicated to the Auditors and the Audit Committee
- i. Significant changes in internal control, if any, over Financial Reporting during the year;
  - ii. Significant changes in accounting policies, if any, during the year and that the same have been disclosed in the notes to the Financial Statements; and
  - iii. Instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over Financial Reporting.

**BY ORDER OF THE BOARD**  
*for Regency Ceramics Limited*

Sd/-  
**Narala Satyendra Prasad**  
**Managing Director & CFO**  
**(DIN: 01410333)**

Place: Hyderabad

Date: September 05, 2024

## **BOARD'S REPORT**

**To,**  
**The Members,**  
**Regency Ceramics Limited,**  
**Hyderabad**

Your Directors have pleasure in presenting the 40<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Financial Statement for the Financial Year ended March 31, 2024.

### **FINANCIAL SUMMARY/HIGHLIGHTS**

The performance of the Company for the Financial Year ended March 31, 2024 is as under:  
*(Rupees in lakhs)*

<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
	<b>31-03-2024</b>	<b>31-03-2023</b>
Revenue from Operations	<b>215.88</b>	4.08
Other Income	<b>139.71</b>	336.39
<b>Total Income</b>	<b>355.59</b>	340.47
<b>Total Expenditure</b>	<b>1293.26</b>	641.41
Prior Period Adjustment	<b>0.00</b>	0.00
Profit / (Loss) Before exceptional and extraordinary items and Tax	<b>(937.68)</b>	(300.94)
Less: Exceptional and Extraordinary Items	<b>(43.00)</b>	(1263.34)
<b>Profit/ (Loss) Before Taxation</b>	<b>(980.68)</b>	(1564.28)
Less: - Current Tax		
- Tax adjustment relating to prior years	<b>0.00</b>	0.00
- Deferred Tax		
<b>Profit / (Loss) After Tax</b>	<b>(980.68)</b>	(1564.28)

### **REVIEW OF OPERATIONS AND STATE OF COMPANY'S AFFAIRS**

In the face of challenges and uncertainties, the past year has marked a remarkable journey of resilience and strategic rejuvenation for your Company. Through diligent efforts and strategies, we have successfully revitalized our operations, positioning ourselves for renewed growth and sustainability. By leveraging our core strengths and embracing adaptability, we have not only overcome the obstacles that came our way but also emerged stronger.

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As we present this annual report, we take pride in showcasing our revitalized operations and reinvigorated spirit, ready to seize new opportunities and create a brighter future for our stakeholders and the Company alike.

We further report that the net revenue from operation earned by the Company for the Financial Year ended March 31, 2024 was Rs. 215.88 Lakhs.

The Company has entered into an exclusive manufacturing arrangement that includes, but not limited to, leasing of facilities of Segno Ceramics Private limited (“Segno™”), which will enable the Company to serve its customers more efficiently and effectively by providing innovative products and better logistics in the hinterland. This agreement enhances the company’s operational goals. We believe this arrangement will significantly benefit our customers.

**CHANGE IN THE NATURE OF BUSINESS, IF ANY**

There is no change in the nature of business of the Company, during the year.

**MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY**

There have been no material changes and commitments affecting the financial position of the Company between the end of the Financial Year of the Company to which the Financial Statements relate and the date of this report.

**INSURANCE SETTLEMENTS**

**Background:**

Your company made a claim on reinstatement value basis in accordance with the policy taken and submitted its claim for loss/damage to the properties of the Company. However, as per the policy terms, the Insurance Company contended that the Repairs/ Replacement of Plant & Machinery should have been completed within 12 (twelve) months from the date of incident. The insurance company therefore, denied the claim made by the Company on the basis of Reinstatement Value, finalized the claim under depreciation method / surveyors assessment and sent the discharge vouchers for acceptance. Your Company returned the discharge vouchers under protest and invoked arbitration clause as per the policy terms.

The Company is pleased to announce that the Hon’ble Arbitrator has pronounced an award in favor of the Company of an aggregate amount of Rs. 157,01,69,000/- (Rupees One hundred and fifty seven crores one lakh and sixty nine thousand only) plus applicable interest from the date of award till the date of payment. The Insurance Company had the right to recourse against this award as per the provisions of the Arbitration and Conciliation Act, 1996 and have filed an appeal to set aside the award under Sec 34 of the Act.

**CURRENT STATUS:**

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. The said amount has been utilised for reinstatement/replacement of the assets destroyed.

**LABOUR SETTLEMENTS**

The company has signed a Memorandum of settlement on 24.10.2019 under Section 12 (3) of the Industrial Disputes Act, 1947 with the Staff and Workers Union. The Company is ready to allot the developed house site as per the Memorandum of settlement once the Yanam Master Plan is approved and the layout approval is received.

**NAMES OF COMPANIES, WHICH HAVE BECOME OR CEASED TO BE COMPANY'S SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR;**

During the Financial Year, no Company has become or ceased to be Company's Subsidiary, Joint Venture or Associate Company

**PARTICULARS OF LOANS, GUARANTEES, SECURITIES OR INVESTMENTS UNDER SECTION 186**

During the period under review, the company has not any loans, Guarantees, Securities and not made any Investments which fall under Section 186 of the Companies Act, 2013.

**DEPOSITS**

Your Company has not accepted any deposits falling within the meaning of section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the Financial Year under review and as such no amount of principal or interest on public deposits was outstanding as on the date of balance sheet.

Pursuant to Rule 2(c) (viii) of the Companies (Acceptance of Deposits) Rules, 2014, the Company has outstanding unsecured loans from Directors amounting to Rs. 67,09,56,863/- as on March 31, 2024.

**TRANSFER TO RESERVES**

The Company has not transferred any amount to the reserves during the Financial Year ended March 31, 2024.



## **DIVIDEND**

The Company is not in a position to declare dividend. This decision, however difficult, is a deliberate step towards the prudent management of our Company's financial health and long-term viability. We acknowledge the importance of dividends to our shareholders but believe that prioritizing the stabilization of our operations and the reduction of losses is pivotal at this juncture. As we navigate these circumstances, we remain resolute in our efforts to restore profitability and ensure the sustained growth of our business.

## **FUTURE OUTLOOK**

The future prospects of the Company and industry outlook are given in the Management Discussion and analysis report.

## **SHARE CAPITAL**

During the year under review, the Authorized Share Capital of the Company is Rs.30,00,00,000/- (Rupees Thirty Crore) divided into 3,00,00,000 (Three Crore) Equity Shares of Rs.10/- (Rupees Ten) each.

The Issued Capital of the Company is Rs. 26,50,85,860/- (Rupees Twenty Six Crore Fifty Lakhs Eighty Five Thousand Eight Hundred and Sixty only) divided into 2,65,08,586 (Two Crore Sixty Five Lakhs Eight Thousand Five Hundred and Eighty Six) Equity Shares of Rs.10/- (Rupees Ten) each.

The Subscribed and Paid-up Capital of the Company as on March 31, 2024 is Rs. 26,44,15,860 /- (Rupees Twenty-Six Crore Forty Four Lakhs Fifteen Thousand Eight Hundred Sixty only) divided into 2,64,41,586 (Two Crore Sixty Four Lakhs Forty One Thousand Five Hundred Eighty Six) Equity shares of Rs.10/- (Rupees Ten) each.

The Company has not issued any shares with differential rights and hence no information as per provisions of Section 43(a) (ii) of the Act read with Rule 4(4) of the Companies (Share Capital and Debenture) Rules, 2014 is furnished. Further the Company has not issued employee stock options and sweat equity shares.

## **DIRECTORS AND KMP**

The following changes took place in the Board of Directors and key managerial personal of the Company during the year under review:

- a. Mr. Vasantha Rayudu Garapati (DIN: 10286287) was appointed as an Additional Independent Director of the Company by the Board of Directors on August 22, 2023 and his appointment was regularized by the members at Annual General Meeting held on September 30, 2023.
- b. Mrs. Radhika Prasad Narala (DIN: 00105837) was appointed as an Additional Non-Executive Director of the Company by the Board of Directors on October 11, 2023 and her appointment was regularized by the members at Extraordinary General Meeting held on January 10, 2024.
- c. Mr. Srinivasulu Naidu, Non-executive Director of the Company tendered his resignation w.e.f., May 26, 2023
- d. Mr. Gopal Krishna Yalamanchili, Non-executive Independent Director of the Company tendered his resignation w.e.f., May 26, 2023
- e. Mr. Narasimham Mangavally, Company Secretary and Compliance Officer of the Company tendered his resignation w.e.f., May 01, 2023
- f. Ms. Neha Bung was appointed as the Company Secretary and Compliance Officer of the Company w.e.f., May 01, 2023.
- g. Ms. Neha Bung, Company Secretary and Compliance Officer of the Company tendered her resignation w.e.f., October 11, 2023
- h. Mr. Anji Reddy Devarapalli was appointed as the Company Secretary and Compliance Officer of the Company w.e.f., October 11, 2023.

The Directors and Key Managerial Personnel of the Company as on March 31, 2024 were as follows:

<b>S. No.</b>	<b>Name of the Director/ KMP</b>	<b>Designation</b>
<b>i.</b>	Dr. Naraiah Naidu Gudar	Executive Chairman
<b>ii.</b>	Mr. Narala Satyendra Prasad	Managing Director and CFO
<b>iii.</b>	Mrs. Radhika Prasad Narala	Non-Executive Director
<b>iv.</b>	Mr. Ramkumar Srinivasan	Independent Director
<b>v.</b>	Mr. Gopala Krishna	Independent Director

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	Yalamanchili	
<b>vi.</b>	Mrs. Vijaya Lakshmi Yalamanchili	Independent Director
<b>vii.</b>	Mr. Anji Reddy Devarapalli	Company Secretary and Compliance Officer

In accordance with the provisions of the Act, Dr. Naraiah Naidu Gudar, (DIN: 00105597) Whole-time Director & chairman of the Company retires by rotation at the ensuing AGM and being eligible offers himself for re-appointment.

The disclosures required pursuant to Regulation 36 of the SEBI Listing Regulations and the Secretarial Standards on General Meeting ('SS-2') are given in the Notice of this AGM, forming part of the Annual Report.

The Directors and Key Managerial Personnel of the Company as on the date of this report are as follows:

<b>S. No.</b>	<b>Name of the Director/ KMP</b>	<b>Designation</b>
<b>i.</b>	Dr. Naraiah Naidu Gudar	Executive Chairman
<b>ii.</b>	Mr. Narala Satyendra Prasad	Managing Director and CFO
<b>iii.</b>	Mr. Ramkumar Srinivasan	Independent Director
<b>iv.</b>	Mrs. Vijaya Lakshmi Yalamanchili	Independent Director
<b>v.</b>	Mr. Vasantha Rayudu Garapati	Independent Director
<b>vi.</b>	Mrs. Radhika Prasad Narala	Non-Executive Director
<b>vii.</b>	Mr. Anji Reddy Devarapalli	Company Secretary and Compliance Officer

## **BOARD MEETINGS**

The Board of Directors met Eleven (11) times during the Financial Year from 1<sup>st</sup> April 2023 to 31<sup>st</sup> March 2024. The dates on which the meetings were held are 01/05/2023, 26/05/2023, 04/08/2023, 22/08/2023, 02/09/2023, 21/09/2023, 11/10/2023, 09/11/2023, 18/12/2023, 05/02/2024 and 20/03/2024.

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The intervening gap between the Meetings was within the period of 120 (One Hundred and Twenty) days as prescribed under the Companies Act, 2013.

The number of meetings attended by the Directors during the Financial Year 2023-24 is as follows:

<b>S. No.</b>	<b>Date of Board Meeting</b>	<b>No. of Directors entitled to attend</b>	<b>No. of Directors who attended</b>	<b>% of their Attendance</b>
1.	01/05/2023	6	6	100
2.	26/05/2023	6	4	66.67
3.	04/08/2023	4	4	100
4.	22/08/2023	4	4	100
5.	02/09/2023	5	5	100
6.	21/09/2023	5	5	100
7.	11/10/2023	5	5	100
8.	09/11/2023	6	6	100
9.	18/12/2023	6	4	66.67
10.	05/02/2024	6	6	100
11.	20/03/2024	6	6	100

**A STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR**

During the period under review, 1 (one) Independent Director was appointed on the Board of Directors of the Company. The Independent Director had registered himself with IICA, Data Bank.

The Board of Directors have evaluated the Independent Director appointed during the year 2023-24 and opined that the integrity, expertise and experience (including proficiency) of the Independent Director is satisfactory.

**DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS**

The Company has received declarations from Mr. Vasantha Rayudu Garapati, Mrs. Vijaya Lakshmi Yalamanchili and Mr. Ramkumar Srinivasan, Independent Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub- Section (6)

of Section 149 of the Companies Act, 2013 and Regulations 16(1)(b) and 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### **FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS**

In compliance with the requirement of Listing Regulations, the Company has put in place a familiarization programme for the Independent Directors to familiarize them with their role, rights and responsibility as Directors, the working of the Company, nature of the industry in which the Company operates, business model etc. The same is available on the website of the Company i.e., [www.regencyceramics.in](http://www.regencyceramics.in).

### **BOARD EVALUATION**

The Board of Directors has carried out an annual evaluation of its own performance, Board Committees, the Individual Directors, the Chairman of the Company etc. pursuant to the provisions of the Companies Act, 2013 read with the Rules framed thereunder and SEBI (LODR) Regulations.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors. The parameters include attendance of Directors at Board and Committee meetings, integrity, credibility, expertise and trustworthiness of Directors, Board's monitoring of various compliances, laying down and effective implementation of various policies, level of engagement and contribution of the Directors, safeguarding the interest of all stakeholders etc. The performance evaluation of each Independent Director was carried out by the Board.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee Members on the basis of criteria such as the composition of committees, effectiveness of committee meetings, etc.

In a separate meeting of Independent Directors, performance of the Directors, the Board as a whole and the Chairman of the Company was evaluated, taking into account the views of Executive Directors and Non-Executive Directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of individual Directors on the basis of criteria such as the contribution of the Individual Director to the Board and Committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

As an outcome of the above exercise, it was noted that the Directors come from different backgrounds, varied administrative, financial, legal and corporate experience. They bring together a good blend of knowledge, relevant skills, experience and have provided sound

advice. The Board has functioned as a cohesive body and has ensured compliance with legal, regulatory and good governance norms. It was also noted that the Committees of the Board are functioning well and satisfaction was expressed on the performance of Independent Directors and the Executive Directors of the Company.

### **POLICY ON DIRECTOR'S APPOINTMENT AND REMUNERATION AND OTHER DETAILS**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration pursuant to Section 178(3) of the Companies Act, 2013. The details of the same forming part of the Company's Nomination and Remuneration Policy is placed on the website of the Company i.e. <https://www.regencyceramics.in/policies/>.

The requisite information pursuant to Section 178(4) of the Act is given in the Corporate Governance Report which forms part of the Annual Report.

### **NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES**

Your Company has laid down well-defined criteria for making payment to Non-Executive Directors of the Company. The details of the same are available at the Company's website i.e., <https://www.regencyceramics.in/policies/>.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 134(3)(c) and 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, your board of Directors to the best of their knowledge and ability confirm that:

- a) in the preparation of the annual accounts for the Financial Year ended March 31, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2024 and of the loss of the Company for the Financial Year under review;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors laid down internal financial controls for the Company and such internal financial controls are adequate and operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

### **INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

As no dividend was declared from the Financial Year 2004-05 no amount has been transferred to IEPF.

### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES AND HIGHLIGHTS OF THEIR PERFORMANCE AND THEIR CONTRIBUTION TO THE OVERALL PERFORMANCE OF THE COMPANY DURING THE PERIOD UNDER REVIEW**

During the year under review, the Company does not have any subsidiaries, joint ventures or associate companies.

### **EXTRACT OF ANNUAL RETURN**

Pursuant to Section 92 (3) of the Companies Act, 2013 a copy of the Annual Return for the Financial Year ended March 31, 2024 shall be placed on the website of the Company i.e., <https://www.regencyceramics.in/annual-returns/>. The same can be accessed post completion of 40<sup>th</sup> Annual General Meeting scheduled to be held on September 30, 2024.

### **AUDITORS**

#### **A. STATUTORY AUDITOR**

M/s. K S Rao & Co. Chartered Accountants, Hyderabad (Firm Registration No. 003109S ) were appointed as Statutory Auditor of the Company, for a term of 5 (five) consecutive years, at the 38<sup>th</sup> Annual General Meeting held on September 30, 2022, to hold the office till the conclusion of 43<sup>rd</sup> Annual General Meeting of the Company.

The Auditor's Report for the Financial Year 2023-24 on the Financial Statements forms part of this Annual Report.

## **B. SECRETARIAL AUDITOR**

Pursuant to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Kasat & Associates, Company Secretaries were appointed as Secretarial Auditor for the Financial Year 2023-24. The Secretarial Audit Report submitted by M/s Kasat & Associates, Company Secretaries is enclosed as Annexure to this report.

### **DETAILS IN RESPECT OF FRAUD REPORTED BY AUDITOR**

There have been no instances of fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013 and the Rules framed there under either to the Company or to the Central Government.

### **EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS**

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made are as under:

#### **A. STATUTORY AUDITOR'S REPORT**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2024 and has noted the reservation, qualification or adverse remarks made by them. The Explanations or comments by the Board on qualifications made by the Statutory Auditor are as under:

<b>S. No.</b>	<b>Audit Qualifications</b>	<b>Board's Reply to the qualifications made by Statutory Auditor</b>
1.	Reply to Audit Qualification 1	The Company suffered extensive damage to the Buildings, Plant & Machinery and other assets situated at its factory in Yanam due to unprecedented violence that occurred on January 27, 2012. Stocks of Finished Goods, Raw Materials, Stores and Spares, stocks-in-process and other inventories were largely damaged / looted. The Company declared lock-out of the Plant from January 31, 2012.  The Company has refurbished one of its production



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		lines and all associated miscellaneous fixed assets. Some of the production lines installed prior to year 2000 suffered extensive damage and the OEMs expressed their inability to provide spares or repair / refurbish those equipment's. Hence, 6 production lines have been scrapped and the amount received on sale of scrap has been accounted in the books of accounts. The corresponding amounts in the book value and accumulated depreciation have been reduced to that extent.
2.	Reply to Audit Qualification 2	<p>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.</p> <p>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 into residential plots, development of land, lying 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.</p>
3.	Reply to Audit Qualification 3	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 after commencement of business
4.	Reply to Audit Qualification 4	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

5.	Reply to Audit Qualification 5	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
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## **B. SECRETARIAL AUDIT REPORT**

The Board has duly reviewed the Secretarial Auditor's Report for the year ended March 31, 2024 and has noted the qualification made by them. The Explanations or comments by the Board on qualifications made by the Secretarial Auditor are as under:

S. No.	Audit Qualifications	Board's Reply to the qualifications made by Secretarial Auditor
1.	Reply to Audit Qualification 1	The Promoters of the Company are in the process of dematerializing their shareholding.
2.	Reply to Audit Qualification 2	There are no outstanding MSME dues pertaining to financial year 2023-24. Hence Filing of MSME half yearly returns with MCA will not be applicable.
3.	Reply to Audit Qualification 3	The Company is coordinating with Ms. P Narayanamma, for obtaining her correct PAN details.

## **INTERNAL AUDITOR**

In compliance with the provisions of section 138(1) of the Companies Act, 2013 and Rule 13 of the Companies (Accounts) Rules, 2014, M/s. Brahmayya & Co, Chartered Accountants were appointed as the Internal Auditor of the Company for the Financial Year 2023-2024.

## **MAINTENANCE OF COST RECORDS AND COST AUDIT**

Maintenance of cost records and requirement of cost audit as prescribed under sub-section (1) of Section 148 of the Companies Act, 2013, are not applicable for the business activities carried out by the Company.

## **BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT (BRSR)**

The Business Responsibility and Sustainability Report as stipulated under Regulation 34 (2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to your Company and hence it does not form a part of this Report.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given loans, guarantees or made any investments that are covered under Section 186 during the year under review.

## **RELATED PARTY TRANSACTIONS**

All related party transactions entered during the financial year were in the ordinary course of the business of the Company and were on an arm's length basis. There were no materially significant related party transactions entered by the Company during the year with the Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interest of the Company. However, disclosure in Form AOC-2 is annexed herewith as Annexure - E.

The policy on Related Party Transactions as approved by the Audit Committee and the Board of Directors is hosted on the website of the Company and the link for the same is: <https://www.regencyceramics.in/policies/>

## **DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

Information on conservation of Energy, Technology absorption, Foreign Exchange earnings and outgo required to be disclosed under Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 are as follows:

<b>S. No.</b>	<b>Conservation of Energy</b>	
<b>(A)</b>	(i) the steps taken or impact on conservation of energy	The operations of your Company are not energy intensive; however adequate measures have been taken to reduce energy consumption.
	(ii) the steps taken by the Company for utilising alternate sources of energy.	All efforts are made to use more natural lights in office premises to optimise the consumption of energy
	(iii) the capital investment on energy conservation equipment.	NIL
	<b>Technology Absorption</b>	
	(i) the efforts made towards technology absorption;	Not Applicable

(B)	(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	Not Applicable	
	(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year);  a) the details of technology imported;  b) the year of import;  c) whether the technology been fully absorbed; if not fully absorbed, areas where absorption has not taken place, and the reasons thereof;	Not Applicable	
	(iv) the expenditure incurred on Research and Development	Not Applicable	
(C)	<b>Foreign Exchange Earnings and Outgo</b>		
	<b>Particulars</b>	<b>(in Rupees)</b>	
		<b>2023-24</b>	<b>2022-23</b>
	Foreign Exchange Outflow	1,11,08,685	2,68,290
	Foreign Exchange Inflow	Nil	Nil

## CONSTITUTION OF COMMITTEES

### AUDIT COMMITTEE

The Audit Committee of the Company is duly constituted as per Section 177 of the Companies Act, 2013 and is in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Composition and scope of Audit Committee is provided in the Corporate Governance report annexed herewith.

## **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee is duly constituted as per Section 178 of the Companies Act, 2013 and is in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Composition and scope of Nomination & Remuneration Committee is provided in the Corporate Governance report annexed herewith.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee is duly constituted as per Section 178 of the Companies Act, 2013 and is in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015. Composition and scope of Stakeholders Relationship Committee is provided under the Corporate Governance report annexed herewith.

## **RISK MANAGEMENT POLICY**

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

## **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and the rules framed there under and pursuant to the applicable provision of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, the Company has established a mechanism through which all stake holders can report the suspected frauds and genuine grievances to the appropriate authority. The Whistle blower policy which has been approved by the Board of Directors of the Company has been hosted on the website of the Company viz <https://www.regencyceramics.in/policies/>. During the year under review the Company has not received any complaint(s) under the said policy.

## **INTERNAL FINANCIAL CONTROLS AND THEIR ADEQUACY**

The Company has in place adequate internal financial controls commensurate with the size, scale and complexity of its operations. The Company has policies and procedures in place for ensuring proper and efficient conduct of its business, the safeguarding of its assets, the prevention and detection of frauds, the accuracy and completeness of the accounting records and the timely preparation of reliable financial information.

## **CORPORATE SOCIAL RESPONSIBILITY**

The provisions w.r.t., Corporate Social Responsibility (CSR) are not applicable to the Company. Therefore, the Company has not constituted CSR committee during the Financial Year 2023-24 nor has developed and implemented a CSR Policy.

## **SIGNIFICANT & MATERIAL ORDERS PASSED BY COURTS, REGULATORS AND TRIBUNALS**

There are no significant and material orders passed by the regulators, courts and tribunals that would impact the going concern status of the Company and its future operations.

## **CORPORATE GOVERNANCE**

Pursuant to the provisions of Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance has been incorporated in the Annual Report for the information of the members of the Company. A certificate from the Secretarial Auditors of the Company regarding compliance with the conditions of Corporate Governance as stipulated under the said Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also forms part of this Annual Report.

## **MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

The Management Discussion and Analysis Report highlighting the industry structure and developments, opportunities and threats, future outlook, risks and concerns etc. is furnished separately and forms part of this report.

## **SECRETARIAL STANDARDS**

The Company has duly complied with the applicable Secretarial Standards, i.e., SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively.

## **LISTING WITH STOCK EXCHANGES**

The Company confirms that it has paid the Annual Listing Fees for the Financial Year 2023-24 to BSE Limited as well as National Stock Exchange of India Limited where the Company's Shares are listed.

## **POLICIES**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website (<https://www.regencyceramics.in/policies/>). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

## **ENVIRONMENT AND HUMAN RESOURCE DEVELOPMENT**

Your Company always believes in keeping the environment pollution free and is fully committed to its social responsibility. The Company has been taking utmost care in complying with all pollution control measures from time to time strictly as per the directions of the Government.

We would like to place on record our appreciation for the efforts made by the management and the keen interest shown by the Employees of your Company in this regard.

Your Company treats its “human resources” as one of its most important assets.

## **INDUSTRIAL RELATIONS**

Since the Company is in the process of reviving its operations, there are very few employees in the Company and the Company maintains a cordial relationship with them.

## **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The provision relating to constitution of Internal Complaints Committee is not applicable to the Company

The following is a summary of sexual harassment complaints received and disposed off during the year 2023-24:

- No. of complaints received: - NIL
- No. of complaints disposed off: - NIL

## **PARTICULARS OF EMPLOYEES**

Details in respect of the remuneration paid to the employees as required under Section 197 (12) of the Companies Act, 2013, read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time forms part of this report. The Annual Report and accounts are being sent to the shareholders excluding the aforesaid exhibits. Shareholders interested in obtaining this information may access the same from the Company's website.

The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is given in Annexure-D and forms part of this Report.

During the year none of the employees is drawing a remuneration of Rs.1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month as per the limits specified under the Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **CODE OF CONDUCT FOR THE PREVENTION OF INSIDER TRADING**

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirements of the SEBI (Prohibition of Insider Trading) Regulation, 2015. The Insider Trading Policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with shares of the Company, as well as the consequences of violation. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and to maintain the highest ethical standards of dealing in Company securities.

The Insider Trading Policy of the Company covering code of practices and procedures for fair disclosure of unpublished price sensitive information and code of conduct for the prevention of insider trading, is available on our website <https://www.regencyceramics.in/policies/>.

## **DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)**

There is no proceeding pending under the Insolvency and Bankruptcy Code, 2016



**DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF**

During the period under review, there was no instance of onetime settlement with any Bank or Financial Institution.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY, HAVING OCCURRED SINCE THE END OF THE YEAR AND TILL THE DATE OF THE REPORT**

There have been no material changes and commitments affecting the financial position of your Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the Report.

**SUSPENSION OF TRADING**

The shares of the Company have been listed and traded on the BSE Limited and NSE. The securities of Company have not been suspended from trading on BSE Limited and NSE as on March 31, 2024

**DETAILS OF REVISION OF FINANCIAL STATEMENT OR THE REPORT**

During the period under review, there was no revision of financial statement or the Report

**EVENT BASED DISCLOSURES**

During the year under review, the Company has not taken up any of the following activities:

1. Disclosure on purchase by Company or giving of loans by it for purchase of its shares : Not applicable
2. Buy back shares : Not applicable
3. Preferential Allotment of Shares : Not applicable

**CEO/ CFO CERTIFICATION**

The Managing Director cum CEO and CFO certification of the Financial Statements for the year 2023-2024 is annexed to this Annual Report.

**ACKNOWLEDGEMENTS**

Your Directors wish to place on record their appreciation of the contribution made by the all concerns at all levels for the operations of the Company. Your Directors also wish to place on record their appreciation of business constituents and shareholders of the Company for their continued support for the Company.

**BY ORDER OF THE BOARD**  
*for Regency Ceramics Limited*

Place: Hyderabad  
Date: September 05, 2024

Dr. Naraiah Naidu Gudar  
Executive Chairman  
DIN: 00105597

Narala Satyendra Prasad  
Managing Director&CFO  
DIN:01410333

**ANNEXURE-D**

The details of remuneration during the year 2023-2024 as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 are as follows:

<b>Name of the Director</b>	<b>Title</b>	<b>% increase of remuneration in 2023-24 as compared to 2022-23</b>	<b>Ratio of remuneration of each Director to MRE</b>
Dr. Naraiah Naidu Gudaru	Executive Chairman	Not Applicable	Not Applicable
Mr. Narala Satyendra Prasad	Managing Director	Nil	8.5 times
Mrs. Narala Radhika Prasad	Non-Executive Director	Not Applicable	Not Applicable
Mr. Ramkumar Srinivasan	Independent Director	Not Applicable	Not Applicable
Mrs. Vijaya Lakshmi Yalamanchili	Independent Director	Not Applicable	Not Applicable
Mr. Vasantha Rayudu Garapati	Independent Director	Not Applicable	Not Applicable

*MRE: Median Remuneration of Employees*

The Percentage change in Remuneration of Key Managerial Personnel (other than executive Directors) during the Financial Year 2023-24:

<b>Name of the KMP</b>	<b>Title</b>	<b>% increase of remuneration in 2023-24 as compared to 2022-23</b>
Mr. Narasimham Mangavally (*)	Company Secretary	Not Applicable
Ms. Neha Bung (#)	Company Secretary	Not Applicable
Mr. Anji Reddy Devarapalli (##)	Company Secretary	Not Applicable

*(\*) Resigned w.e.f 01.05.2023, (#) Resigned w.e.f 11.10.2023, (##) Appointed w.e.f 11.10.2023*

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Percentage increase/ decrease in the median remuneration of the employees in the Financial Year – 42%

3. Total employees on the rolls of the Company as on March 31, 2024 –39 (Thirty Nine)
4. a. Average percentile increase made in the salaries of the employees other than the managerial remuneration – No increase
  - b. Its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration- Not Applicable, since there was no increase in the managerial remuneration paid during the Financial Year 2023-24.
5. Explanation on relationship between average increase in remuneration and Company performance:

The average increase in employee remuneration effected during the Financial Year 2023-24 was Nil. The Company in general has not undertaken any increment/performance appraisal during the previous Financial Year 2023-24.

6. Affirmation that the remuneration is as per the remuneration policy of the Company.

The Company is in Compliance with its remuneration policy.

7. Information under Section 197(12) of the Companies Act, 2013 read with the rule 5(2) Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of Directors Report for the year ended March 31, 2024 –

Names of Employees Employed throughout the Financial Year and in receipt of remuneration aggregating Rs. 1,02,00,000/- (Rupees One Crore and Two Lakh) or more:-
--

Name of the Employee	Designation	Remuneration (in Rs.)	Qualification	Experience (years)	Date of Commencement of Employment	Age	Last employment held before joining the Company	% of equity shares held in the Company
Nil								

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Names of Employees Employed throughout the Financial Year and in receipt of remuneration for a part of that year, at a rate which, in the aggregate, was not less than Rs. 8,50,000/- Per Month:-

Name of the Employee	Designation	Remuneration (in Rs.)	Qualification	Experience (years)	Date of Commencement of Employment	Age	Last employment held before joining the Company	% of equity shares held in the Company
Nil								

8. If employed throughout the Financial Year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company – Nil

ANNEXURE – E

FORM NO. AOC – 2

**(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)**

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at Arm's length basis.

S. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NIL
2.	Nature of contracts/arrangements/transaction	
3.	Duration of the contracts/ arrangements/ transaction	
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	
5.	Justification for entering into such contracts or arrangements or transactions'	
6.	Date of approval by the Board	
7.	Amount paid as advances, if any	
8.	Date on which the ordinary resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at Arm's length basis.

S. No.	Particulars	Details
1.	Name (s) of the related party & nature of relationship	NIL
2.	Nature of contracts/arrangements/transaction	
3.	Duration of the contracts/ arrangements/ transaction	
4.	Salient terms of the contracts or arrangements or transaction including the value, if any	
5.	Date of approval by the Board	
6.	Amount paid as advances, if any	

**BY ORDER OF THE BOARD**  
*for Regency Ceramics Limited*

Place: Hyderabad

Date: September 05, 2024

Dr. Naraiah Naidu Gudar

Executive Chairman

DIN: 00105597

Narala Satyendra Prasad

Managing Director & CFO

DIN:01410333

**ANNEXURE-F**

**DECLARATION ON CODE OF CONDUCT FOR THE FINANCIAL  
YEAR 2023-24**

(Pursuant to Part D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
Regency Ceramics Limited

I, Narala Satyendra Prasad, Managing Director of Regency Ceramics Limited do hereby declare and confirm that:

The Company has adopted a Code of Conduct for its employees including the Managing Director and Executive Directors.

In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

The Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended March 31, 2024.

**BY ORDER OF THE BOARD**  
*for Regency Ceramics Limited*

**Place: Hyderabad**  
**Date: September 05, 2024**

**Sd/-**  
**Narala Satyendra Prasad**  
**Managing Director & CFO**  
**(DIN: 01410333)**

**ANNEXURE - G**

**REPORT ON CORPORATE GOVERNANCE**

In compliance with Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, ('Listing Regulations') the Company sets forth the report on the Corporate Governance on the matters as mentioned in the said schedule and practices followed by the Company.

**COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

The Company's philosophy on Corporate Governance is backed by Principles of Concern, Commitment, Ethics, Excellence and Learning in all its acts and relationships with Stakeholders, Clients, Associates and Community at large. This philosophy revolves around fair and transparent governance and disclosure practices in line with the principles of Good Corporate Governance. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the Senior Management, Employees, etc. The Company believes that good Corporate Governance is a continuous process and strives to improve the Corporate Governance practices to meet shareholder's expectations.

**BOARD OF DIRECTORS**

The Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage.

**Composition of the Board**

The Company is managed and controlled through a professional body of Board of Directors which comprises of an optimum combination of Executive, Non-Executive and Independent Directors. The Composition and Category of Directors as on March 31, 2024 is:

<b>Category</b>	<b>No. of Directors</b>
Promoter Directors	3
Promoter Non-Executive Director	1
Non-Executive Independent Directors	3
<b>Total</b>	<b>6</b>



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The composition of the Board is in conformity with Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**Attendance of each director at the Board Meetings held during the Financial Year 2023-24 and at the last Annual General Meeting.**

<b>Name of the Director</b>	<b>Category</b>	<b>Meetings held during the year</b>	<b>Meetings Entitled to attend</b>	<b>Meetings attended</b>	<b>Attendance at Last AGM</b>
Dr. Naraiah Naidu Gudaru DIN: 00105597	Promoter, Executive Director	11	11	11	Present
Mr. Narala Satyendra Prasad DIN: 01410333	Promoter, Executive Director	11	11	10	Present
Mrs. Narala Radhika Prasad DIN: 00105837	Non- Executive Non- Independent Director	11	4	3	Not Applicable
Mrs. Vijaya Lakshmi Yalamanchili DIN: 02210385	Non- Executive Independent Director	11	11	8	Present
Mr. Vasantha Rayudu Garapati DIN: 10286287	Non- Executive Independent Director	11	7	6	Absent
Mr. Ramkumar Srinivasan DIN: 02059639	Non- Executive Independent Director	11	11	10	Present
Mr. Gopala Krishna Yalamanchili	Non- Executive Independent	11	2	1	Not Applicable

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Name of the Director	Category	Meetings held during the year	Meetings Entitled to attend	Meetings attended	Attendance at Last AGM
DIN: 02210405	Director				
Mr. Sreenivasulu Naidu DIN: 00106038	Non-Executive Non-Independent Director	11	2	1	Not Applicable

**Number of other Boards/Board Committees in which the Directors are either Member or Chairman as at March 31, 2024**

Name of the Director	No of Directorships in other Companies <sup>(1)</sup>		No. of Committee positions in other public companies <sup>(2)</sup>		Directorships in other listed entities (Category of Directorship)
	Chairman	Director	Chairman	Member	
Dr. Naraiah Naidu Gudar	---	3	---	1	Nil
Mr. Narala Satyendra Prasad	---	4	---	1	Nil
Mr. Ramkumar Srinivasan	---	---	2	---	Nil
Mrs. Vijaya Lakshmi Yalamanchili	---	5	---	2	Nil
Mr. Vasantha Rayudu Garapati		--			Nil
Ms. Narala Radhika Prasad		10			Nil

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- (1) Excludes directorship in the Company, Foreign Companies and Section 8 Companies  
(2) Pertains to membership/chairpersonships of the Audit Committee and Stakeholders' Relationship Committee of other Indian public companies as per Regulation 26(1)(b) of the SEBI Listing Regulations.

**Number of Board Meetings held and dates on which they were held during the year 2023-24**

Quarter	No. of Meetings	Dates on which held
April – June 2023	2	01.05.2023 26.05.2023
July – September 2023	4	04.08.2023 22.08.2023 02.09.2023 21.09.2023
October – December 2023	3	11.10.2023 09.11.2023 18.12.2023
January – March 2024	2	05.02.2024 20.03.2024
<b>Total</b>	<b>11</b>	

**Disclosure of Relationships Between Directors Inter-Se**

Dr. Naraiah Naidu Gudar, Executive Chairman, Mrs. Narala Radhika Prasad, Non-executive Director and Mr. Narala Satyendra Prasad, Managing Director & CFO, are relatives. Other than them, none of the Directors are related to any other Directors.

**Shares held by Non-Executive / Independent Directors as on March 31, 2024**

Ms. Narala Radhika Prasad, Non-executive Director of the Company holds 48,19,586 shares of the Company as on March 31, 2024.

No Independent Directors of the Company hold any equity share of the Company as on 31st March, 2024.

None of the Independent Directors of the Company is serving as an Independent Director in more than seven listed companies.

Further, no Independent Directors of the Company hold positions of Whole-Time Director / Managing Director in another listed company.

**Skills/ expertise/ competence of the Board of Directors**

The Board comprises of qualified members who bring the required skills, expertise and competence on the following matrix which allows the Company to carry its business efficiently.

- Governance and Board Services (1)
- Business Understanding (2)
- Risk/Legal/Regulatory Compliance (3)
- Information Technology/Accounting/ Financial Experience (4)
- Industry/ Sector Knowledge (5)
- Strategy development and implementation (6)

Name of the Director	(1)	(2)	(3)	(4)	(5)	(6)
Dr. Naraiah Naidu Gudar	✓	✓	✓		✓	✓
Mr. Narala Satyendra Prasad	✓	✓		✓	✓	✓
Mrs. Narala Radhika Prasad	✓	✓	✓		✓	
Mr. Vasantha Rayudu Garapati	✓		✓	✓	✓	
Mr. Ramkumar Srinivasan	✓	✓			✓	
Mrs. Vijaya Lakshmi Yalamanchili	✓		✓		✓	

**DISCLOSURE ON INDEPENDENT DIRECTORS**

We confirm that the Independent Directors of the Company fulfill the conditions specified in these regulations and are independent of the Management.

**Independent Directors' Meeting**

A meeting of the Independent Directors was held on 05/02/2024 which was attended by all the Independent Directors. The Independent Directors have evaluated the performance of the Non-Independent Directors, the Board as a whole and the Chairman of the Board. The Board was briefed on the deliberations made at the Independent Directors Meeting.

### **Familiarization Program for Independent Directors**

Independent Directors are familiarized about the Company's operations and businesses. Interaction with the key executives of the Company is also facilitated. Detailed presentations on important policies of the Company are also made to the directors.

Direct meetings with the Chairman are further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarization programme held in FY 2023-24 are also disclosed on the Company's website at <https://www.regencyceramics.in/policies/>.

### **INFORMATION SUPPLIED TO THE BOARD:**

The Board has complete access to all information of the Company and is regularly provided detailed information as a part of the agenda papers or is tabled therein. The following information is provided to the Board as a part of the agenda papers:

- Annual and Quarterly financial statements for the Company and the Accounting Policy
- Minutes of the meetings of the Audit Committee and other Committees of the Board
- Plans to revive the business of the Company.
- Information on recruitment and remuneration of senior officers just below the level of Board, including the appointment or removal of Chief Financial Officer and Company Secretary, whenever required
- Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company, if any
- Significant labour problems and their proposed solutions, whenever necessary
- Any significant development in human resources / industrial relations including long-term wage agreement, major voluntary retirement scheme, etc.
- Material non-compliance of any regulatory, statutory nature or listing requirements and shareholders service.
- Review of compliance status under various laws applicable to the Company
- Related Party Transactions, if they are not at arm's length and in the ordinary course of business
- All other matters required to be placed before the Board for its review / information / approval under the statutes, including SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **AUDIT COMMITTEE**

The Audit Committee presently comprises of 2 Non-Executive Independent Directors and 1 Executive Director. All members of the Audit Committee have the requisite qualifications. The Chairman of the Committee attended the AGM held on September 30, 2023 to answer the shareholders queries.

### **Brief Description of Terms of Reference**

The terms of reference of the Audit Committee encompasses the requirements of Section 177 of Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Regulations, 2015 and, inter alia, includes

1. Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statement reflects a true and fair position and that sufficient and credible information is disclosed.
2. Recommending the appointment and removal of statutory auditors and internal auditors and fixation of their audit fees and approval for payment of any other services.
3. Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
4. Reviewing the financial statement and draft audit report, including quarterly/half yearly financial information.
5. Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
  - i) Any changes in accounting policies and practices.
  - ii) Major accounting entries based on exercises of judgment by the management.
  - iii) Qualifications in draft audit report.
  - iv) Significant adjustment arises out of audit.
  - v) The going concern assumption.
  - vi) Compliance with Accounting Standards, Stock Exchange and legal requirement concerning financial statements.
  - vii) view and approval of Related Party Transactions.
6. Reviewing the Company's Financial and Risk Management's Policies.
7. Disclosure of contingent liabilities.
8. Reviewing with management, external and internal auditors, the adequacy of Internal Control Systems.
9. Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its

execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

10. Discussion with internal auditors of any significant findings and follow-up thereon.
11. Reviewing the findings of any internal investigations by the internal auditors into the matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
12. Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
13. Reviewing compliances as regards the Company's Whistle Blower Policy.
14. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
15. Approval of any subsequent modification of transactions of the listed entity with related parties.
16. Scrutiny of inter-corporate loans and investments.
17. Valuation of undertakings or assets of the listed entity, whenever it is necessary.
18. Evaluation of internal financial controls and risk management systems
19. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
20. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

The Audit Committee shall mandatorily review the following information:

- i. Management discussion and analysis of financial condition and results of operations;
- ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
- iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
- iv. Internal audit reports relating to internal control weaknesses;
- v. The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Audit Committee.

### **Composition, Meetings & Attendance**

During the year under review, the Committee met 8 (Eight) times. The meetings were held on the following dates: 01.05.2023, 26.05.2023, 04.08.2023, 02.09.2023, 09.11.2023, 18.12.2023, 05.02.2024 and 20.03.2024.

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Name	Designation	Category	Number of meetings during the year 2023-24		
			Held	Entitled to attend	Attended
Mr. Gopala Krishna Yalamanchili (*)	Chairman	Independent, Non-Executive	8	2	2
Mr. Ramkumar Srinivasan (#)	Chairman	Independent, Non-Executive	8	6	6
Mr. Narala Satyendra Prasad (#)	Member	Executive Director	8	6	5
Ms. Vijaya Lakshmi Yalamanchili	Member	Independent, Non-Executive	8	8	8
Mr. Sreenivasulu Naidu (*)	Member	Non-Executive Director	8	2	1

(\*) Resigned with effect from 26.05.2023

(#) Appointed with effect from 26.05.2023

### **NOMINATION AND REMUNERATION COMMITTEE**

The Committee's composition is in compliance with the provisions of section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations. The Chairman of the Committee attended the AGM held on 30<sup>th</sup> September, 2023 to answer the shareholders queries.

The terms of reference of the Nomination and Remuneration committee constituted in terms of Section 178 of Companies Act, 2013 and as per Regulation 19 of SEBI (LODR) Regulations, 2015 are as under:

#### **Brief Description of Terms of Reference**

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
  - a. To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
  - b. To bring out objectivity in determining the remuneration package while



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striking abalance between the interest of the Company and the Shareholders.

- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director’s performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.
- Devising a policy on the Board of Directors.
- Recommend to the board, all remuneration, in whatever form, payable to senior management.

**Composition, Meetings & Attendance**

During the year under review, the Committee met 5 (Five) time. The meetings were held on 01.05.2023, 04.08.2023, 02.09.2023, 11.10.2023 and 18.12.2023.

Name	Designation	Category	Number of meetings during the year 2023-24		
			Held	Entitled to attend	Attended
Mr. Gopala Krishna Yalamanchili (*)	Chairman	Independent, Non-Executive	5	1	1
Mr. Ramkumar Srinivasan (#)	Chairman	Independent, Non-Executive	5	4	4
Mr. Sreenivasulu Naidu (*)	Member	Non-Independent, Non-Executive	5	1	1
Mrs. Vijaya Lakshmi Yalamanchili	Member	Independent, Non-Executive	5	5	5

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Name	Designation	Category	Number of meetings during the year 2023-24		
			Held	Entitled to attend	Attended
Mr. Vasantha Rayudu Garapati (#)	Member	Independent, Non-Executive	5	2	2

(\*) Resigned with effect from 26.05.2023

(#) Appointed with effect from 26.05.2023

### Remuneration Policy

The Company's remuneration policy is driven by the success and performance of the individual employee and the Company. Through its compensation programme, the Company endeavors to attract, retain, develop and motivate a high-performance workforce. The Company follows a compensation mix of fixed pay, benefits and performance based variable pay. Individual performance pay is determined by business performance and the performance of the individuals measured through the annual appraisal process. The details of the same forming part of the Company's Nomination and Remuneration Policy is placed on the website of the Company i.e. <https://www.regencyceramics.in/policies/>.

#### Details of remuneration to the Directors

Directors are not paid any sitting fees for any Board / Committee meetings attended by them.

#### Performance Evaluation Criteria for Independent Directors

The performance evaluation criterion for Independent Directors is determined by the Nomination and Remuneration Committee. An indicative list of factors that were evaluated include participation in meetings and contribution by Directors, commitment, effective deployment of knowledge and skills, effective management of relationship with stakeholders, integrity and maintenance of confidentiality, independence of behavior and judgment.

#### Remuneration of Directors:

The details of remuneration paid to Executive Directors during the year ended 31st March 2024 are as under:

*(Rs. in Lakhs)*

Name of the Directors	Fixed Component		Performance Linked Incentive	Total
	Salary	Perquisites & other Benefits	Commission	
Mr. Narala Satyendra Prasad	48	Nil	Nil	48

Presently, the Company does not have a scheme for grant of stock options to any Directors. As per the contract entered into with the Executive Directors, there is a notice period of three months and there is no severance fee to be paid to the Executive Directors.

#### **Performance Evaluation Criteria for Directors including Independent Directors**

The Nomination and Remuneration Committee has devised a criteria for evaluation of the performance of the Directors. The said criteria provides certain parameters like attendance, acquaintance with business, communication inter se between board members, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, benchmarks established by globalpeers etc., which is in compliance with applicable laws, regulations and guidelines.

#### **Performance Evaluation Criteria for Directors**

Your Company has laid down well-defined criteria for making payment to Non-Executive Directors of the Company. The details of the same are available at the Company's website i.e., <https://www.regencyceramics.in/policies/>.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Company has a Stakeholders Relationship Committee (SRC) of Directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices/annual reports, etc. During the Financial Year ended March 31, 2024, 1 (one) Stakeholders Relationship Committee Meeting was held on 20.03.2024.

**Composition and Attendance for Meetings**

Name	Designation	Category	Number of meetings during the year 2023-2024	
			Held	Attended
Mr. Ramkumar Srinivasan	Chairman	Independent, Non- Executive	1	1
Mr. Naraiah Naidu Gudaru	Member	Executive Director	1	1
Ms. Vijaya Lakshmi Yalamanchili	Member	Independent, Non- Executive	1	1

The Chairman of the Committee attended the AGM held on September 30, 2023.

**Name, Designation and Address of Compliance Officer as on March 31, 2024.**

S. No.	Name of the Compliance Officer	Designation	Address
1.	Mr. Anji Reddy Devarapalli	Company Secretary	Flat No. 402, Palla Enclave, Shalivahana Nagar, Near Brilliant, IIT, Dilsukhnagar, Hyderabad-500060, Telangana, India

**Details of Complaints/Requests Received, Resolved and Pending During the Year 2023- 2024**

S. No.	Description	Received	Resolved	Pending
1.	Non receipt of Share Certificates	Nil	Nil	Nil
2.	Non receipt of Annual Reports	Nil	Nil	Nil
3.	Non receipt of Dividend	Nil	Nil	Nil
4.	Regarding Sub-Division/ Consolidation	Nil	Nil	Nil
5.	Complaints received from SEBI	Nil	Nil	Nil
<b>Total</b>		<b>Nil</b>	<b>Nil</b>	<b>Nil</b>

## GENERAL BODY MEETINGS

The date, time and venue of the Annual General Meetings held during preceding three years and the special resolution(s) passed thereat, are as follows:

Financial Year	Date	Time	Venue	Special Resolution Passed
2022-23	30 <sup>th</sup> September, 2023	10.30 A.M	<p>The meeting was held through Video-conferencing/ Other Audio-Visual Means.</p> <p>The deemed venue of the Meeting was the Registered Office of the Company i.e., 4th Floor, Dwaraka Summit, Plot No.83, Survey No. 43 to 46 &amp; 48, Kavuri Hills, Guttalabegumpet, Serilingampally Mandal Jubilee Hills, Shaikpet Hyderabad – 500033</p>	<ol style="list-style-type: none"> <li>1. Re-Designation of Dr. G.N. Naidu as executive Chairman of the Company.</li> <li>2. Re-Designation of Mr. Satyendra Prasad Narala as a Managing Director.</li> <li>3. Appointment of G. Vasantha Rayudu as a Non- executive Independent Director</li> <li>4. Approval of Material related party transactions between the Company and Dr. G.N.Naidu</li> <li>5. Approval of Material related party transactions between the Company and Mr. Satyendra Prasad Narala</li> <li>6. Approval of Material related party transactions between the Company and Promoters.</li> <li>7. Approval of borrowing limits of the Company</li> </ol>

Financial Year	Date	Time	Venue	Special Resolution Passed
				8. To sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company.
2021-2022	30 <sup>th</sup> September, 2022	10.30 A.M	<p>The meeting was held through Video-Conferencing/ Other Audio-Visual Means.</p> <p>The deemed venue of the Meeting was the Registered Office of the Company i.e., Plot No.89/A, Aishwarya, 1<sup>st</sup> Floor, Street No.8. SagarSociety, Road No.2, Banjara Hills, Hyderabad - 500034, Telangana</p>	--
2020-2021	30 <sup>th</sup> September, 2021	11.00 A.M	<p>The meeting was held through Video-Conferencing/ Other Audio-Visual Means.</p> <p>The deemed venue of the Meeting was the Registered Office of the Company i.e., Plot No.89/A, Aishwarya, 1<sup>st</sup> Floor, Street No.8. SagarSociety, Road No.2, Banjara Hills,</p>	1. Re-appointment of Mrs. Vijaya Lakshmi Yalamanchili (DIN: 02210385) as an Independent Director

Financial Year	Date	Time	Venue	Special Resolution Passed
			Hyderabad - 500034, Telangana	

### **Extraordinary General Meeting / Postal ballot**

During the F.Y 2023-24, the Company had held an Extraordinary General Meeting on January 10, 2024

- Whether any special resolution passed last year through postal ballot: No special resolution was passed during the Financial Year 2023-24 through postal ballot.
- Person who conduct the postal ballot exercise- Not applicable
- Whether any Special Resolution is proposed to be passed through a Postal ballot: No special resolution is proposed to be passed through a Postal ballot.

### **Senior Management :**

As on March 31, 2024, details of Senior Management of the Company are as under:

<b>Name</b>	<b>Designation</b>
Mr. Mohan Rao K	Chief operating Officer
Mr. Gautam Sikdar	Vice president-Sales& Marketing

there are no changes in the senior management since close of the previous financial year.

### **DISCLOSURES**

#### **Materially Significant Related Party Transactions**

During the year under review, the Company had not entered into any materially significant transactions with any related party. During the year, the Company had not entered into any other contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arm's length basis.

The Company's policy on related party transactions and dealing with related party transactions is put up on the website of the Company and can be accessed at [www.regencyceramics.in](http://www.regencyceramics.in).

**DETAILS OF NON-COMPLIANCE BY THE LISTED ENTITY, PENALTIES, AND STRICTURES IMPOSED ON THE LISTED ENTITY BY STOCK EXCHANGE(S) OR THE BOARD OR ANY STATUTORY AUTHORITY, ON ANY MATTER RELATED TO CAPITAL MARKETS, DURING THE LAST THREE YEARS**

Following are SOP fines levied by exchanges for noncompliance with SEBI(LODR) Regulations, 2015

<b>S.No</b>	<b>Name of Exchange</b>	<b>SOP fine levied</b>
1	BSE	1,15,640/-
2	NSE	17,70,982/-

**VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The Company has adopted the whistle blower policy and has established necessary vigil mechanism as defined under Regulation 22 of the SEBI Listing Regulations for the Directors and Employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethical policy. The policy provides for adequate safeguards against victimisation of employees who avail of the mechanism. During the year under review, no personnel was denied access to the Audit Committee.

**COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS**

The Company has complied with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 shall be made in the section on corporate governance of the annual report.

**COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES**

Company is not carrying on any Commodity Business and has also not undertaken any hedging activities, hence same are not applicable to the Company

**SUBSIDIARY COMPANIES**

The Company does not have any subsidiaries. Hence policy for determinizing material subsidiaries is not applicable.

**UTILISATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONS PLACEMENT**

During the year under review the Company has not raised any funds through preferential allotment or qualified institutions placement.



## **WEBSITE DISCLOSURES**

The website contents of the company as required under Regulation 46 of SEBI (LODR) Regulation 2015 are being updated.

## **REPORTING OF INTERNAL AUDITORS**

The Internal Auditor of the Company reports to the Audit Committee. The Company has submitted quarterly compliance report on Corporate Governance with the Stock Exchanges, in accordance with the requirements of Regulation 27 (2)(a) of the Listing Regulations.

## **ACCOUNTING TREATMENT**

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standard (Ind AS), notified under the Companies (Indian Accounting Standard) Rules, 2015 and the relevant provisions of Companies Act, 2013. The Financial statements have been prepared on accrual basis under the historical cost convention

## **DETAILS OF COMPLIANCE WITH MANDATORY REQUIREMENTS AND ADOPTION OF THE NON-MANDATORY REQUIREMENTS**

The Company has complied with all the mandatory requirements and regulations as applicable to the Company of the Stock Exchanges, SEBI and other statutory regulatory authorities.

## **DETAILS OF RECOMMENDATION OF ANY COMMITTEE OF THE BOARD WHICH IS NOT ACCEPTED BY THE BOARD.**

The Board of Directors accepted all the recommendation(s) of the Committees of the Board during the Financial Year ended March 31, 2024.

## **DETAILS OF TOTAL FEES FOR ALL SERVICES PAID BY THE LISTED ENTITY AND ITS SUBSIDIARIES, ON A CONSOLIDATED BASIS, TO THE STATUTORY AUDITOR AND ALL ENTITIES IN THE NETWORK FIRM/ NETWORK ENTITY OF WHICH THE STATUTORY AUDITOR IS A PART.**

<b>Particulars</b>	<b>FY 2023-24</b>
Audit Fees	Rs. 1,18,000(including of GST)

## **Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition &

Redressal) Act, 2013. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The provision relating to constitution of Internal Complaints Committee is not applicable to the Company

The following is a summary of sexual harassment complaints received and disposed off during the year 2023-24:

No. of complaints received	: NIL
No. of complaints disposed off	: NIL
No. of complaints pending	: NIL

**DISCLOSURE BY LISTED ENTITY AND ITS SUBSIDIARIES OF ‘LOANS AND ADVANCES IN THE NATURE OF LOANS TO FIRMS/COMPANIES IN WHICH DIRECTORS ARE INTERESTED BY NAME AND AMOUNT**

There were no loans or advances given to firms/companies in which the Directors are interested.

**CODE OF CONDUCT**

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

**COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS**

The Company has complied with all the mandatory requirements of Compliance with Corporate Governance requirements specified in Regulation 17-27 and clauses (b) to (i) of Sub- regulation(2) of Regulation 46 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**DISCLOSURES PERTAINING TO NON-EXECUTIVE DIRECTORS**

**Shareholding of Non-Executive Directors**

The shareholding of the Non –Executive Directors in the Company as on March 31, 2024 is as under:

S. No.	Name of the Director	Shares held
1.	Mr. Ramkumar Srinivasan	0
2.	Mr. Gopala Krishna Yalamanchili	0
3.	Mrs. Vijaya Lakshmi Yalamanchili	0
4.	Ms. Narala Radhika Prasad	48,19,586

### **PECUNIARY TRANSACTIONS WITH NON-EXECUTIVE DIRECTORS**

There were no pecuniary transactions with any of the Non-Executive Directors.

### **CERTIFICATE FROM PRACTICING COMPANY SECRETARY**

As required under Clause C Para 10 (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificate from PCS that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of the Company is annexed to this report.

### **DECLARATION BY CHIEF EXECUTIVE OFFICER**

As required under Clause D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the declaration issued by the Chief Executive officer is provided in is annexed to this report .

### **CERTIFICATE ON CORPORATE GOVERNANCE**

As required under Clause E of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certificate regarding compliance of corporate governance is given as an annexure to the Report.

### **DISCLOSURE ON RELATED PARTY TRANSACTIONS**

There are no significant related party transactions with the Company's Promoters, Directors, the Management or relatives that may have potential conflict with the interest of the Company at large. Related party transactions have been disclosed in Notes to the Annual Accounts. The Company has framed a Policy on Related Party Transactions and the same is available on website of the Company at <http://www.regencyceramics.in>.

<b>S. No.</b>	<b>In the accounts of</b>	<b>Amounts at the year end and the maximum amount of loans/ advances/ Investments outstanding during the year.</b>
1	Holding Company	Nil
2	Subsidiary	Nil

## **COMPLIANCE WITH ACCOUNTING STANDARDS**

In the preparation of the financial statements, the Company has followed the Accounting Standards notified pursuant to the relevant provision of the Companies Act, 2013 read with applicable Accounting Standards, issued by the Ministry of Corporate Affairs. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

## **MEANS OF COMMUNICATION**

### **Quarterly results and filings**

The approved financial results are filed with the Stock Exchanges and are published in Financial Express (in English Language), a national daily English newspaper having nationwide circulation and in Nava telangana (in Telugu Language), a regional newspaper having wide circulation in the state of Telangana. The financial results of the Company are provided on the Company's website [www.regencyceramics.in](http://www.regencyceramics.in) and are also available on the websites of BSE Limited and National Stock Exchange of India Limited viz [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).

All periodical compliance filings like the quarterly results, corporate governance report, shareholding pattern, quarterly compliances, and other corporate communication are made electronically in the BSE Listing Centre, NSE digital exchange portal and NSE Electronic Application Processing System (NEAPS) and are also put on the Company's website.

### **Whether it also displays official news releases:**

Official press releases/ news is sent to the Stock Exchange i.e., BSE Limited and National stock exchange, where the shares of your Company were listed and the same are hosted on the website of your Company.

### **Presentations to institutional investors / analysts**

There were no presentations made to the investors/analysts during the year under review.

### **Website**

The Company's website ([www.regencyceramics.in](http://www.regencyceramics.in)) contains comprehensive information about the Company, its business and operations. A separate dedicated section 'Investor Desk' is available which gives information on shareholding pattern, financial results and other relevant information of interest to the investors. The Company's annual report is also available in downloadable form on the Company's website.

### **SEBI Complaints Redressal System (SCORES)**

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The Company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

### **Risk Management**

Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. Audit Committee and the Board has put in place internal control systems and processes to optimize the risk mitigation measures for review by the audit Committee and approval by the Board. The executive management is guided from time to time by the Board to improve the risk mitigation measures and initiate timely action

### **Internal Financial Controls**

The Company has laid down policies and procedures to be adopted for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records, and timely preparation of reliable financial information. An independent audit committee of the Board reviews the adequacy of internal controls.

### **Management Discussion and Analysis Report**

The Management Discussion and Analysis Report is attached and forms part of the Annual Report.

### **Measures for Prevention of Insider Trading**

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2016, the Company framed a Code of Conduct for Prevention of Insider Trading and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information for its Directors and designated employees. The code lays down guidelines, which mandates the Directors and designated employees on the procedures to be followed and disclosures to be made while dealing with the shares of the Company and also appraises the consequences for the violations. Details of the code for prevention of insider trading is available at the Company's website viz [www.regencyceramics.in](http://www.regencyceramics.in).

**GENERAL SHAREHOLDERS INFORMATION**

●	Company Registration Details	The Company is registered in the State of Telangana, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L26914TG1983PLC004249.
●	Date	30 <sup>th</sup> September, 2024
●	Time	11:00 A.M
●	Venue of AGM	Through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”)
●	Financial Calendar	1 <sup>st</sup> April to 31 <sup>st</sup> March.
●	Tentative Schedule for considering Financial Results:	
	For the Quarter ending June, 2024	on or before 14 <sup>th</sup> August 2024
	For the Quarter ending September, 2024	on or before 14 <sup>th</sup> November 2024
	For the Quarter ending December, 2024	on or before 14 <sup>th</sup> February 2025
	For the Quarter/year ending March, 2025	on or before 30 <sup>th</sup> May 2025
●	Date of Book Closure	23.09.2024 to 30.09.2024 (both days inclusive)
●	Listing on Stock Exchanges	BSE Limited; National Stock Exchange of India Limited
●	Scrip Code/Symbol	BSE: 515018; NSE: REGENCERAM
●	ISIN Number for NSDL & CDSL	INE277C01012
●	Payment of annual listing fees to stock exchanges	Listing Fees as applicable have been paid.
●	Share Transfer System	All the transfers received are processed and approved by the Registrar and Transfer Agents and same is reviewed by the Stakeholders Relationship Committee.
●	Address for correspondence	To be addressed to: Venture Capital & Corporate Investments Private Limited AURUM”, DOOR No.4-50/P-II/57/4F & 5F, PLOT No.57, 4th & 5th FLOORS, JAYABHERI ENCLAVE PHASE – II

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		GACHIBOWLI, HYDERABAD – 500 032
•	Dematerialisation of shares and Liquidity	As on March 31, 2024, 2,48,52,512 Equity Shares representing 93.1 % of shareholding have been dematerialised. The balance 15,89,074 Equity Shares representing 6.1% were in Physical form.
•	Outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments, conversion date and likely impact on equity	As on March 31, 2024, there were no outstanding GDRs/ ADRs/ Warrants or any Convertible Instruments of the Company.
•	Commodity price Risk or foreign exchange risk and hedging activities;	Not Applicable
•	Plant Location	Behind Bus Stand, Yanam-533464 (Union Territory of Puducherry)
•	Investor Correspondence/ Query on Annual Report etc.,	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

**REGISTRARS & TRANSFER AGENTS**

Venture Capital & Corporate Investments Private Limited  
 “AURUM”, D No.4-50/P-II/57/4F & 5F, 4th & 5th Floors, Plot No.57,  
 Jayabheri Enclave Phase – II, Gachibowli, Serilingampally,  
 Hyderabad – 500032, Ranga Reddy District, Telangana, India  
 Ph. No. 040-23818475, 23818476, 23868023  
 SEBI Registration No. INR000001203  
 Email Id: info@vccilindia.com, Website: [www.vcciplindia.com](http://www.vcciplindia.com)

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**Details of all credit ratings obtained by the Company along with any revisions thereto during year 2023-24, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad:**

During the year 2023-24, the Company has not issued any debt instruments or fixed deposit programme/scheme and no proposal of mobilization of fund by the Company. Thus, the Company has not obtained Creditrating for the above said purpose.

**Details of information disclosed under Clause 5A of Paragraph A of Part A of Schedule III of the Listing Regulations:** Not Applicable.

**MARKET PRICE DATA**

Monthly High/Low of market price of the Company's shares traded on BSE Limited and National Stock Exchange of India Limited.

Month	National Stock Exchange Limited		BSE Limited	
	High	Low	High	Low
April 2023	30.45	18.50	30.05	18.50
May 2023	28.90	28.80	29.16	23.65
June 2023	31.75	24.50	31.97	23.72
July 2023	29.80	24.2	30.00	25.40
August 2023	31.00	22.15	31.45	22.59
September 2023	30.35	27.95	31.21	28.60
October 2023	47.80	28.85	47.70	31.21
November 2023	45.05	33.30	47.15	34.74
December 2023	42.50	35.55	44.20	35.55
January 2024	50.95	36.50	50.93	35.65
February 2024	40.50	32.45	42.00	32.10
March 2024	36.00	25.60	40.22	31.16

**SHAREHOLDING PATTERN AS ON MARCH 31, 2024**

Category	Number of Shares held	Percentage of Shareholding
Promoters	1,60,21,125	60.59
Promoters Body Corporate	---	---
Mutual funds / UTI	2,000	0.01



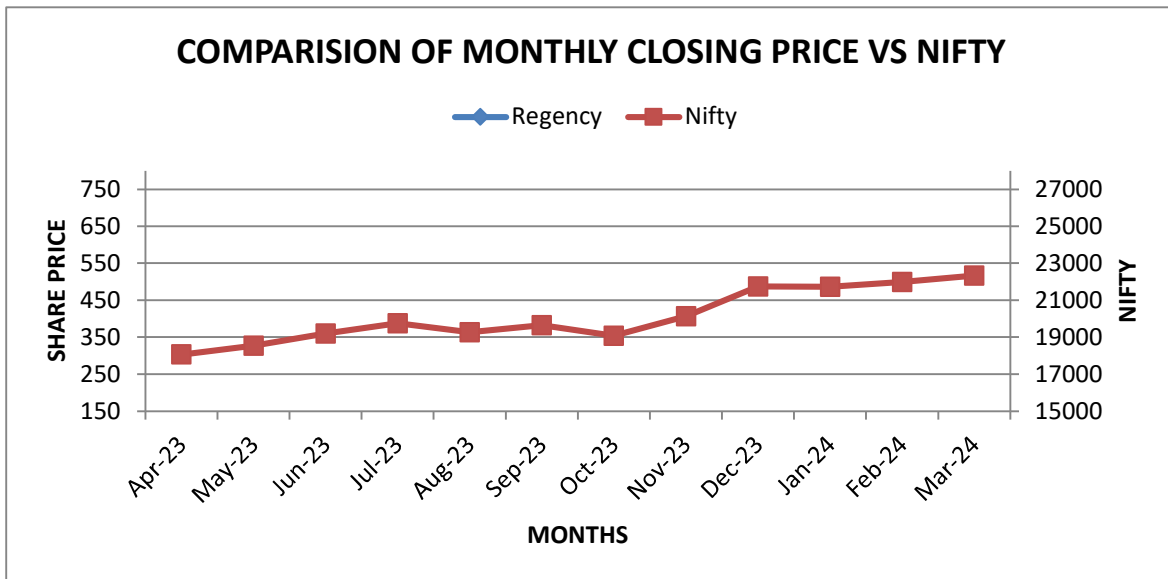
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Financial Institutions /Banks	3,34,800	1.27
Foreign Institutional Investors	---	---
Venture Capital Funds	---	---
Bodies Corporate	39,63,005	14.98
Foreign Bodies Corporate	---	---
Retail individuals/NRIs/Trusts /others	61,20,656	23.15
<b>Total</b>	<b>2,64,41,586</b>	<b>100.00</b>

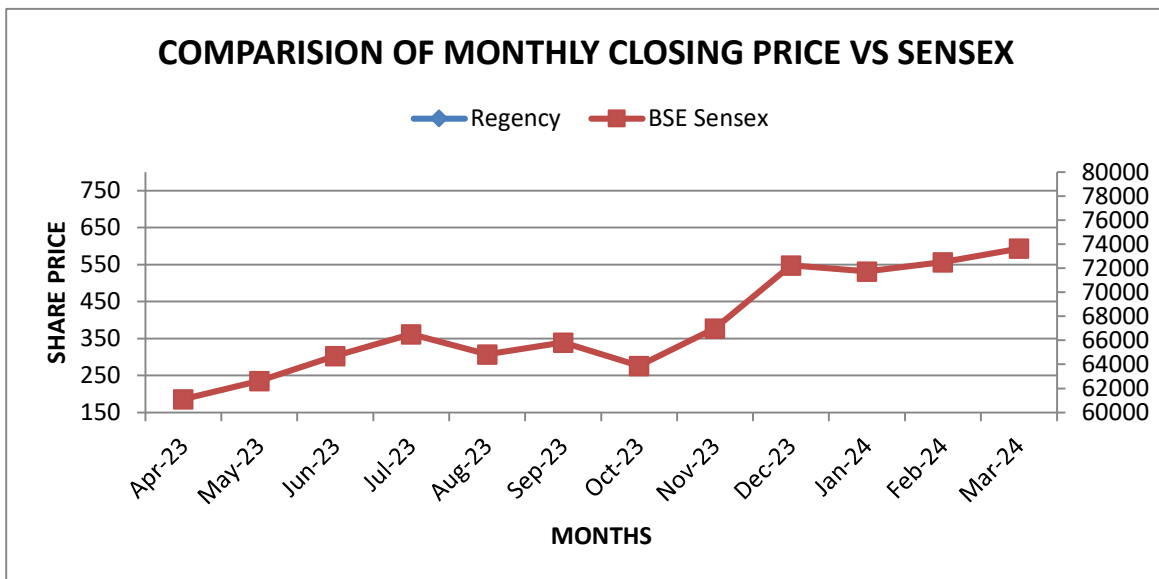
**Distribution of Shareholding as on 31.03.2024**

Shares	No. of Shareholders		No. of Shares	
	Total	% of shareholders	Total	% of share capital
Upto - 500	13063	91.86	1661836	6.28
501 - 1000	628	4.42	501723	1.90
1001 - 2000	282	1.98	428749	1.62
2001 - 3000	77	0.54	195662	0.74
3001 - 4000	33	0.23	117497	0.44
4001 - 5000	24	0.17	112164	0.42
5001 - 10000	52	0.37	394034	1.49
10001 and above	61	0.43	23029921	87.10
	14,220	100.00	26441586	100.00

**Share Price Performance:  
Comparison with NSE Nifty**



**Comparison with BSE Sensex**



**DEMATERIALIZATION & LIQUIDITY OF SHARES**

Trading in Company’s shares is permitted only in dematerialized form for all investors. The ISIN allotted to the Company’s scrip is INE277C01012. Investors are therefore advised to open a Demat account with a Depository Participant of their choice to trade in dematerialized form.

Particulars	No. of Shares	% Share Capital
NSDL	18366369	69.46
CDSL	6486143	24.53
Physical	1589074	6.01
<b>Total</b>	<b>2,64,41,586</b>	<b>100.00</b>

**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/  
UNCLAIMED SUSPENSE ACCOUNT:**

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the Company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
Nil	Nil	Nil	Nil

Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.

**GREEN INITIATIVE FOR PAPERLESS COMMUNICATIONS**

The Ministry of Corporate Affairs (“MCA”) has taken a “Green Initiative in Corporate Governance” by allowing paperless compliances by Companies through electronic mode. In accordance with the recent circular bearing no.17/2011 and 18/2011 dated April 21, 2011 and April 29, 2011 issued by the Ministry of Corporate Affairs, Companies can now send various notices/documents to their shareholders through electronic mode to the registered e-mail addresses of the shareholders. This is a golden opportunity for every shareholder of the Company to contribute to the Corporate Social Responsibility initiative of the Company.

This move by the Ministry is a welcome move, since it will benefit the society at large through reduction in paper consumption and contribution towards a greener environment. Additionally, it will avoid loss in postal transit, save time, energy and costs.

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By Understanding the underlying theme of the above circulars, to support this green initiative of the Government in full measure, the Company is sending the documents like notice convening general meetings, financial statements, Directors reports, auditor's report etc to the email address registered with the depositories by the shareholders holding shares in electronic form and for shareholders holding shares in physical form, the physical copy to the address registered with the Registrar and Share transfer Agents of the Company.

In this regard, we request shareholders who have not registered their email addresses, so far to register their email addresses, in respect of electronic holding with depository through their concerned depository participants and Members who hold shares in physical form are requested to send the required details to the Registrar and Share Transfer Agent, Venture Capital & Corporate Investments Private Limited.

**CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT**

The code has been circulated to all the members of the Board and Senior Management and the compliance of the same has been affirmed by them. A Declaration signed by the Managing Director is furnished here under as Annexure. A copy of the Code of Conduct applicable for the Board and Senior Management has been placed on the Website of the Company.

**BY ORDER OF THE BOARD**  
*for Regency Ceramics Limited*

Place: Hyderabad  
Date: September 05, 2024

Dr. Naraiah Naidu Gudar  
Executive Chairman  
DIN: 00105597

Narala Satyendra Prasad  
Managing Director & CFO  
DIN:01410333

**ANNEXURE-H**  
**CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Members of,  
**Regency Ceramics Limited**  
89/A, Aishwarya, Street No.8, Sagar  
Society,  
1<sup>st</sup> Floor, Road No.2,  
Banjara Hills,Hyderabad -  
500034, Telangana, India.

We have examined the compliance of conditions of Corporate Governance by **Regency Ceramics Limited** (“Company”), for the Financial Year ended on March 31, 2024, as stipulated in Regulation 17 to 27 and clause (b) to (i) of Regulation 46(2) and para C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the relevant records and the explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended March 31, 2024.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

*for Kasat & Associates*  
**Company Secretaries**

**Sd/-**  
**Anand C. kasat**  
**Membership No.: A11175**  
**CoP No.: 17420**

**Hyderabad, August 14, 2024**  
**Place: Hyderabad**  
**UDIN:F011175F000976744**

**ANNEXURE -I**  
**FORM MR-3**

**SECRETARIAL AUDIT REPORT**

(Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration of Managerial  
Personnel) Rules, 2014

**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024**

To,  
The Members,  
**Regency Ceramics Limited,**

Registered Office: 4th Floor, Dwaraka Summit, Plot No.83,  
Survey No. 43 to 46 & 48, Kavuri Hills,  
Guttalabegumpet, Serilingampally Mandal,  
Jubilee Hills, Shaikpet  
Hyderabad – 500033,  
Telangana, India

I/We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Regency Ceramics Limited** (hereinafter called the “**Company**”). Secretarial Audit was conducted in a manner that provided ~~me~~/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing ~~my~~/our opinion thereon.

Based on ~~my~~/our verification of the Company’s books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I/we hereby report that in ~~my~~/our opinion, the Company has, during the audit period covering the Financial Year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I/We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Financial Year ended on March 31, 2024 according to the provisions of:

1. The Companies Act, 2013 (the “Act”) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 (“SCRA”) and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; ***Not applicable to the Company during the Audit period***
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (“SEBI Act”):
  - a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; ***Not applicable to the Company during the Audit period***
  - e. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; ***Not applicable to the Company during the Audit period***
  - f. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; ***Not applicable to the Company during the Audit period***
  - g. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; ***Not applicable to the Company during the Audit period***

i. The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; *Not applicable to the Company during the Audit period*

6. Other laws applicable to the Company as per the representations made by the Management.

¶We have also examined compliance with the applicable clauses of the following:

- i. SS-1 Secretarial Standard on meetings of the Board of Directors and SS-2 Secretarial Standard on General Meetings, issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

S. No.	Compliance Requirement (Sections/rules/regulations/circulars/guidelines including specific clause)	Deviations
1.	Pursuant to Regulation 31(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015- The listed entity shall ensure that hundred percent of shareholding of promoter(s) and promoter group is in dematerialized form and the same is maintained on a continuous basis in the manner as specified by the Board.	Out of 100% shareholding, only 87.24% shareholding of Promoter and Promoter Group is held in dematerialized form.
2.	Form MSME is required to be filed half yearly by every company giving the complete details of amount which is outstanding for more than 45 days from the date acceptance or deemed acceptance of goods or services, towards any enterprise which is micro, small or medium in nature.	The Company has not filed MSME forms /returns during the Financial year 2023-24.
3.	Circular no. SEBI/HO/ISD/ISD/CIR/P/2020/168, dated September 09, 2020, issued by Securities and Exchange Board of India-Annexure-A, point no-2 Listed company shall provide the information including PAN number of	The Company has not provided the correct PAN of Ms. P Narayanamma, member of Promoter Group of the Company on the CDSL Issuer Centre



Promoter(s) including member(s) of the promoter group, designated _____ person(s) and director(s) as per PIT Regulations to the designated depository in the format and manner prescribed by the Depositories.	as part of System Driven Disclosure.
--	--------------------------------------

¶We further report that:

- a) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice is given to all the Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven (7) days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- c) As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were carried out unanimously.

¶We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

¶We further report that, during the audit period, there were no specific events/actions in pursuance of the above referred laws, rules, regulations, guidelines, standard etc. having a major bearing on the Company's affairs.

*for* **Kasat & Associates**  
**Company Secretaries**

**Sd/-**  
**Anand C. kasat**  
**Membership No.: A11175**  
**CoP No.: 17420**

**UDIN: F011175F00097667**  
**Hyderabad, August 14, 2024**

*\*This report is to be read with our letter of even date which is annexed as "Annexure-1" and forms an integral part of this report*

**ANNEXURE-1**

To,  
The Members,  
**Regency Ceramics Limited,**  
Registered Office: 4<sup>th</sup> Floor, Dwaraka Summit, Plot No.83,  
Survey No. 43 to 46 & 48, Kavuri Hills,  
Guttalabegumpet, Serilingampally Mandal,  
Jubilee Hills, Shaikpet  
Hyderabad – 500033,  
Telangana, India

**Our report of even date is to be read along with this letter.**

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the corrections and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

*for* **Kasat & Associates**

**Company Secretaries**

**Sd/-**

**Anand C. kasat**

**Membership No.: A11175**

**CoP No.: 17420**

**Hyderabad, August 14, 2024**

**ANNEXURE-J**

**CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

(Pursuant to Clause 10 of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of Regency Ceramics Limited, I hereby certify that:

On the basis of the written representations/declarations received from the Directors and taken on record by the Board of Directors, as on March 31, 2024, none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/Ministry of Corporate Affairs or any such statutory authority.

*for* **Kast & Associates**  
**Company Secretaries**

**Sd/-**  
**Anand C. kasat**  
**Membership No.: A11175**  
**CoP No.: 17420**

**Hyderabad, August 14, 2024**  
**Place: Hyderabad**

**UDIN: F011175F000976777**

## **ANNEXURE-K**

### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

#### **GLOBAL ECONOMIC OVERVIEW**

Even as India's outlook remains bright, global economic prospects for 2024-25 have been weighed down by the combination of a unique set of challenges.. Multi-decadal high inflation numbers have compelled central banks across the globe to tighten financial conditions - after a decade of easy monetary policy, the Japanese Central Bank has begun tightening and interest rates are rising. There are concerns of the pace of growth of the US tech industry. The conflicts in various parts of the world has had a major impact. Hence, global growth is forecasted to grow around 3.2 % in 2024 and 2025. as per IMF's World Economic Outlook, April 2024.

#### **INDIAN ECONOMIC OVERVIEW**

India took a big economic leap this leap year: The country ended fiscal year 2023-24 with a big bang, surpassing all market estimates of GDP, with 8.15% year-over-year growth. For three consecutive years, India's economy has exceeded growth expectations (averaging 8.3% annual growth over this period) despite global uncertainties, driven by strong domestic demand and continuous government efforts toward reforms and capital expenditure.

Optimism prevails, as per a survey by a leader in consultancy services, which shows high confidence among industry leaders in India's continued robust growth. With prevalent signs of the rural economy rebounding, strong growth in manufacturing, robust bank balance sheets and credit growth, and stronger exports in services and high-value manufacturing, there is confidence that India's underlying potential will help it outpace growth in the rest of the world.

The survey points to a significant shift toward increased spending on luxury and premium goods and services. This trend is expected to be amplified with the growing middle-income class. While urban households collectively outspent their rural counterparts over the past decade, the latter has quickly caught up in spending on discretionary durable goods (including automobiles and electric and electronic goods) as well as services. There is a broad-based shift in the composition of consumption toward more non-food items, reflecting changing lifestyles and preferences that are here to stay.

## **INDUSTRY STRUCTURE AND DEVELOPMENTS**

The ceramic tiles industry in India is growing exponentially post-COVID, due to the recovery in demand. The country is one of the fastest-growing ceramic tile marketplaces globally, driven by factors such as the booming real estate sector, government policies supporting housing growth, and rising disposable income leading to a desire for beautification of spaces. The recent budget increased investment in PMAY for an additional 10 million houses and Government schemes to buy or build homes for the middle class are also anticipated to provide a further boost to the real estate market, thereby influencing the ceramic sector. The implementation of RERA has made the real estate sector more transparent, that has helped the growth of the sector. A surge in remodeling activities is expected to enhance product demand in the residential segment of the Indian ceramic tiles market.

India's ceramic tile production is expected to continue its upward trajectory, reaching a volume of more than 3.7 billion square meters by 2026, maintaining a steady year-on-year growth rate of nearly 8%. For the foreseeable future, the majority of this production (about 70%) is likely to be absorbed by domestic demand, indicating a strong domestic market. However, exports have reduced and this has created a big impact on domestic prices resulting lower margins for the producers.

Going forward, the Indian ceramic industry is poised to become the world's largest ceramic producer in coming years. The sector has already established itself as a major global player in the ceramic tile market, second only to China in terms of manufacturing, consumption, and export. This expansion is being driven by India's expanding urbanization and construction activity, leading to a surge in demand for various types of tiles, particularly glazed vitrified tiles. These tiles are popular among customers because they are incredibly durable and have a visually attractive appearance. The development of glazed vitrified and full body vitrified tiles has provided a tremendous impetus to the industry, with vitrified tiles often hailed as the 'tiles of the future'.

## **FUTURE OUT LOOK**

The low per capita consumption of tiles, rapid urbanization, increasing disposable income of nuclear families, untapped rural market and stable replacement demand shall continue to augur well for the Indian tile industry.

## **COMPANY OUTLOOK**

Your company is optimistic of its revival and is confident about its prospects in the coming years. The positive feedback about the products and increasing distribution infrastructure

will be further strengthened in the current financial year. The brand “REGENCY” still represents Quality and Service – and the customers of your company are welcoming the return of Regency to the market. The Company hopes to present a vastly improved financial performance in 2024-25.

### **HUMAN RESOURCES AND INDUSTRIAL RELATIONS**

Your Company believes that human resource is the most important asset of the organization and lays importance on competence and commitment of human capital for its growth.

As the Company is in the process of reviving and strengthening its operations, it has hired a strong senior and middle management team to helm its sales and production capabilities.. An enabling environment that fosters continuous learning and innovation remains a key focus area of your company.

### **BUSINESS REVIEW AND FINANCIAL PERFORMANCE**

During the year under review, the Company has earned revenue through sale of goods and have made significant efforts towards reviving and refurbishment of the Plant and is optimistic of commencing the production this year. There are several teething issues that are being resolved in a determined manner.

### **THREATS, RISKS AND CONCERNS**

Alongside the multiple opportunities, the building material sector in India, particularly the ceramic industry and bathware sector, faces a range of challenges as well. These challenges include competition from the unorganized sector, which poses a threat to the organized players. Additionally, the sector faces unstable input costs, which can negatively impact profitability. Furthermore, there are macroeconomic volatilities, including currency fluctuations, that can affect the sector. Also, environmental regulations and changing consumer preferences pose a threat to the sector. With the rising awareness of environmental issues, consumers are displaying an escalating preference for eco-friendly building materials, which could lead to a shift in demand away from traditional materials. Supply chain disruptions, due to global unrest, can also have a negative impact on the sector. To overcome these challenges and remain resilient in the future, the sector should demonstrate innovation, proactively seek alternative fuel sources, diversify revenue streams. In order to maintain a strong position in the coming years, the industry must also possess flexibility and adaptability to navigate evolving economic circumstances. Likewise, it is crucial for the Company to possess the agility and foresight to effectively address present and future challenges.

### **OPPORTUNITIES**

The coming year presents a plethora of opportunities for the tiles and bathware market

which is set to benefit the Company as well as the industry. One potential factor, boosting the prospect, is the reduction of supply chain disruptions, translating into lower freight costs and increased profitability. Moreover, reduced natural gas prices led to lower manufacturing costs, boosting the market competitiveness of products.

The Government's focus on infrastructure development through rising capital expenditure will serve as a catalyst for private players to augment their own capital expenditure. Further, rising awareness towards sustainability and sustainable products is set to drive the demand for eco-friendly building materials. This will provide vast opportunities to capitalize on. Additionally, new technologies such as 3D printing may result in the development of new products and more efficient manufacturing methods. Moreover, rapid urbanization in India will continue to uplift demand for residential and commercial constructions, resulting in increased demand for building materials. These variables, if combined with macroeconomic factors, set in motion a huge development potential in India's building material business in 2024, 2025 and beyond..

#### **INTERNAL CONTROL SYSTEM AND ADEQUACY**

The Company has a robust and effective internal control mechanism in place, one that is commensurate with the size, nature and complexities of its business. Internal control mechanism, which is benchmarked with evolving best practices at regular intervals, ensures Company's adherences to all applicable regulations in letter and spirit. It also protects Company's various assets from unauthorised use while also ensuring accuracy of financial reporting.

The internal audit is entrusted to an independent Chartered Accountants firm, M/s. Brahmayya and Co, Chartered Accountants. The Audit Committee periodically reviews the efficacy of control mechanism, offering improvement suggestions, as and when required. Internal control on financial reporting is attested by the Company's statutory auditors.

#### **DETAILS OF SIGNIFICANT CHANGES IN KEY RATIOS**

During the period under review, there was no significant change in the key ratios, since the Company is still in the process of reviving its operations.

## **INDEPENDENT AUDITORS REPORT**

### **To the Members of REGENCY CERAMICS LIMITED**

#### **Report on the Audit of the Financial Statements**

#### **Qualified Opinion**

We have audited the accompanying financial statements of **REGENCY CERAMICS LIMITED** (“the company”), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the material accounting policies and other explanatory information (herein after referred to as “the financial statements”)

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of our observations stated in “Basis for Qualified Opinion” section below, the accompanying financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the Loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### **Basis for Qualified Opinion**

1. *Financial statements were prepared without considering the effect of the loss / damage to Buildings, Plant & Machinery and other assets of the company. The condition of the fixed assets & its realizable value could not be estimated post declaration of lock out of the plant on 31.01.2012. The Fixed Assets are disclosed at book value after providing depreciation on account of efflux of time*
2. *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 with Ind AS-19 “Employee Benefits”. 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 31.03.2024.*
3. *Confirmation of balances was not obtained from Debtors, Creditors, loans and advances and other current assets.*
4. *The company did not provide the interest on Unsecured loans received from Directors and Body Corporates. 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.*
5. *The company has not provided the liability towards interest and penalties payable on account of statutory dues.*

In view of the above, the liability of the company in this regard could not be ascertained. Consequently, we are unable to comment about the impact of the same on the loss for the year, income tax and shareholder’s funds.



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We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the *Auditors responsibility for the Audit of Financial Statements* 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 (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the financial statements.

**Material Uncertainty Related to Going Concern**

We draw attention to note no. 1 to the financial statements regarding the preparation of the financial statements on a going concern basis, despite erosion of the net worth. However, the accompanying financial have been prepared on “Going Concern” basis for the reasons stated in the said note. The business activities of the Company have been initiated resulting in revenue and consequent cash flows. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Except for the matters described in the Basis for Qualified Opinion section and Material Uncertainty Related to Going Concern section, we have determined that there are no other key audit matters to communicate in our report.

**Information Other than the Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company’s Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS)

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prescribed under Section 133 of the Act read with relevant rules issued there under and other accounting principles generally accepted in India. 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is 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 Responsibility for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 financial statements, 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 financial controls 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 on whether the Company has adequate internal financial controls 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 made by management.
- Conclude on the appropriateness of management's 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 Company's ability to continue as a going concern. 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up

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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 financial statements, including the disclosures, and whether the financial statements 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

- 1) As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
- 2) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and, except for the matters described in the Basis for qualified opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit,
  - b) Except for the effects of the matters described in the Basis for qualified opinion paragraph above, in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.,
  - c) the balance sheet, the statement of profit and loss including other comprehensive income, statement of changes in equity and the cash flow statement dealt with by this Report are in agreement with the books of account,
  - d) Except for the effects of the matters described in the basis for qualified opinion paragraph, in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - e) The matters described in Basis for Qualified Opinion and Material Uncertainty Relation to Going Concern above, in our opinion, may have an adverse effect on the functioning of the Company.

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- f) On the basis of written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act,
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion section and paragraph 2(b) above on reporting under section 143(3)(b) of the Act.
- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, we couldn't evaluate as Company didn't have any manufacturing activity only had insignificant trading operations during the year under review.
- i) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, no managerial remuneration was paid to any director during the year. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
- j) With respect to the other matters to be included in the Auditor's report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29 to the financial statements;
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv.
    - a. The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b. The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any

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manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- c. Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.
  - v. The Company had not declared or paid any dividend during the year under Report.
  - vi. Based on our examination, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. The audit trail feature has been operated throughout the year for all transactions recorded in the accounting software. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with.
- ; proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 01, 2023, reporting under Rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

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

Place : Hyderabad  
Date : 30.05.2024

**(V.VENKATESWARA RAO)**  
Partner  
Membership No. 231388  
**UDIN: 24219209BKATRV1930**

**Annexure - A to the Auditor's Report:**

The Annexure referred to in Para 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date, to the members of REGENCY CERAMICS LIMITED, for the year ended March 31,2024.,

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - a. (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.  
(B) The Company does not have any intangible assets. Therefore, the provisions of paragraph 3(i)(a) (B) of the Order is not applicable.
  - b. As explained to us, the management could not verify physically the fixed assets situated at Yanam, due to riots, strike and malicious damage.
  - c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than Properties where the company is the lessee, and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.
  - d. The company did not revalue its Property, Plant and Equipment (including right of use assets) during the year. Accordingly, para 3 (i)(d) of the Order is not applicable.
  - e. There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder
- ii.
  - a. The Company does not have any inventory as on Balance Sheet date. Therefore, the provisions of paragraph 3 (ii) (a) of the Order is not applicable to the Company.
  - b. The Company did not obtain any working capital limits during the year. Therefore, the provisions of paragraph 3 (ii) (b) of the Order is not applicable to the Company.
- iii. The company has not granted any loans to companies, firms, Limited Liability Partnerships or any other parties. Therefore, the provisions of Clauses {a} to {f} of sub para {iii} of Para 3 of the said Order are not applicable for the year under report:
- iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under sections 185 and 186. Therefore, the provisions of clause 3(iv) of the said order not applicable to the Company

**Regency Ceramics Limited**  
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- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. During the year, there is no production and its related activity in the factory and as such, cost records pursuant to sub-section (1) of section 148 of the Companies Act, 2013 have not been maintained.
- vii. a. According to the records, the company is not regular in depositing undisputed statutory dues including Goods and service tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and all other material statutory dues with the appropriate authorities. However, the extent of arrears of outstanding statutory dues as at March 31, 2024 for a period more than six months from the date they became payable are as below.

<b>Name of the Statute</b>	<b>Nature of the dues</b>	<b>Amount (Rs. in Lakhs)</b>	<b>Period to which the amount relates</b>	<b>Due Date</b>	<b>Date of Payment</b>
CST Act, 1956	Central Sales Tax	33.27	2011-12	Nov-2011	Not yet paid
VAT Act, 2005	VAT	222.71	2011-13	Sept-2011	Partially Paid
Central Excise & Service Tax Act, 1994	Service Tax	42.39	2011-13	Oct-2011	Not yet paid
Professional Tax	Professional tax	4.62	2011-12	Various dates	Not yet paid
Vat Pondicherry and others	VAT	10.82	2011-12	Various dates	Not yet Paid

- b. According to the records of the Company and the information and explanations given to us, there were no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, except the following.

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<b>Name of the Statute</b>	<b>Nature of dues</b>	<b>Amount (Rs. in Lakhs)</b>	<b>Period which amount relates to</b>	<b>Forum where dispute is pending</b>
Central Excise & Service Tax Act, 1994	Excise Duty	39.99	2011-12	CESTAT, Chennai
Income Tax Act, 1961	Income Tax	90.98	2004-2005	Income Tax Appellate Tribunal
The Pondicherry Municipality Act, 1973	Municipal Tax	185.94	1998-2024	Yanam Municipality

- viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- ix. a. According to the information and explanations given to us, the Company has not defaulted in repayment of loans or in the payment of interest thereon to any lender as on Balance Sheet date.
- b. According to the information and explanations given to us including representation received from the Management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared as willful defaulter by any bank or financial institution or other lender.
- c. The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under clause 3 (ix)(c) of the Order is not applicable.
- d. The Company has not raised funds on short term basis during the year. Hence, reporting under clause 3(ix)(d) of the Order is not applicable.
- e. the Company does not have subsidiaries, associates or joint ventures. Hence Para 3 (ix) (e) the above mentioned Order is not applicable;
- f. the company does not have subsidiaries, associates or joint ventures. Hence Para 3 (ix) ( f) of the above mentioned Order is not applicable



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- x. a. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, para 3 (x)(a) of the Order is not applicable.
- b. The Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Hence, reporting under para 3(x)(b) of the order doesn't arise.
- xi. a. No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b. No report under section 143(12) of the Act has been filed with the Central Government for the period covered by our audit.
- c. According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. a. In our opinion, the company has an adequate internal audit system commensurate with the size and nature of its business;
- b. We have considered the reports of the Internal Auditors for the period under audit.;
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with its Directors or persons connected with them. Therefore, the provision of clause 3(xv) of the Order is not applicable;
- xvi. a. In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, para 3(xvi) (a) of the Order is not applicable.
- b. The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, para 3 (xvi)(b) of the Order is not applicable.
- c. The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Hence Para 3(xvi) (c) of the said Order is not applicable.

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- d. The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, para 3(xvi) (d) of the said Order is not applicable.
- xvii. The company has incurred cash losses amounting to Rs. 564.73 lakhs only during the current financial year and had not incurred cash losses during the immediately preceding financial year.
- xviii. There is no resignation of statutory auditors of the Company during the year.
- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, as stated in para “Material Uncertainty Related to Going Concern” read with Note no. 1 of the financial statements. We state that material uncertainty exists as on the date of the audit report, so we are unable comment whether the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date and we further state that our reporting is based on the facts up to the date of the audit report.
- xx. The Company is not obliged to spend amounts for CSR activities since the Company does not fall in the category of Companies mentioned in section 135 of the Companies Act. Hence the paras 3(xx) (a) and (b) of the said Order not applicable.
- xxi. The Company does not have subsidiaries, associates or joint ventures. Hence para 3 {xxi} of the above said Order with regard to qualifications or adverse remarks in CARO reports of the companies included in the consolidated financial statements, is not applicable.

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

Place : Hyderabad  
Date : 30.05.2024

**(V.VENKATESWARA RAO)**  
Partner  
Membership No. 219209  
**UDIN: 24219209BKATRV1930**

**Regency Ceramics Limited**  
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**REGENCY CERAMICS LIMITED**  
**Balance Sheet as at 31st March,2024**

(Rs.in Lakhs)

Particulars	Note No	As at 31.03.2024	As at 31.03.2023
<b>I. ASSETS</b>			
1.Non-Current Assets			
a) Property,Plant and Equipment	2	2,306.68	1,992.16
b) Financial Assets			
i) Investments	3	188.83	1,373.44
ii) Financial Assets	4	737.05	17.05
c) Other non-current assets		95.84	-
Total Non-Current Assets		3,328.40	3,382.65
2.Current Assets			
a) Financial Assets			
i) Trade receivables	5	917.27	797.43
ii) Cash and cash equivalents	6	19.52	32.61
ii) Other Bank Balances		3.09	
iv) Other Financial Assets	7	454.59	425.74
b) Other current assets	8	2,099.07	1,871.58
c) Current tax assets (Net)	9	31.01	29.94
Total Current Assets		3,524.55	3,157.32
<b>TOTAL</b>		<b>6,852.95</b>	<b>6,539.96</b>
<b>II. EQUITY AND LIABILITIES</b>			
1.Shareholder's Funds			
a) Share Capital	10	2,644.16	2,644.16
b) Other Equity	11	(8,878.58)	(7,897.90)
Total Equity		(6,234.42)	(5,253.74)
2. Non- Current Liabilities			
a) Long Term Borrowings	12	6,739.57	5,755.76
b) Long Term Provisions	13	145.30	145.30
Total Non-Current Liabilites		6,884.87	5,901.06
3.Current Liabilities			
a) Financial Liabilities			
i) Trade payables	14		
Dues to Micro and small enterprises		141.84	141.84
Dues to Creditors other than micro and small enterprises		2,478.73	2,333.23
ii) Other Financial Liabilites	15	1,212.46	1,100.27
b) Other current liabilities	16	2,369.47	2,317.30
		6,202.50	5,892.64
<b>TOTAL</b>		<b>6,852.95</b>	<b>6,539.96</b>
		-	-

As per our report of even date.  
For K.S.Rao & Co  
Chartered Accountants  
Firm Registration No.003109S

Dr.Naraiah Naidu Gudar  
Executive Chairman  
DIN:00105597

Narala Satyendra Prasad  
Managing Director & CFO  
DIN:01410333

V Venkateswara Rao  
Partner  
Membership No:-219209

Anji Reddy Devarpally  
Company Secretary and Compliance Officer  
Membership No.A57611

Place : Hyderabad  
Date : 30.05.2024

**Regency Ceramics Limited**  
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**REGENCY CERAMICS LIMITED**

**Statement of Profit and loss for the year ended 31.03.2024**

(Rs. In Lakhs)

	Particulars	Note No.	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
I.	<b>INCOME</b>			
	(I) Revenue from operations	17	215.88	4.08
	(II) Other Income	18	139.71	336.39
	Total Income (I) + (II)		<b>355.59</b>	<b>340.47</b>
II	<b>EXPENSES</b>			
	Purchase of Traded Goods		192.16	3.65
	Employee benefits expense	19	333.56	32.22
	Finance costs	20	0.38	0.65
	Depreciation and amortization expense	2	415.95	428.30
	Other expenses	21	351.21	176.59
	Total Expenses		<b>1,293.26</b>	<b>641.41</b>
III.	<b>Profit/(Loss) before Exceptional Items and Tax</b>		(937.68)	(300.94)
IV.	Exceptional Item		(43.00)	(1,263.34)
	Profit/(Loss) before tax		(980.68)	(1,564.28)
V	Tax Expense			
	-Current Tax			
	-Deferred Tax		-	-
VI.	<b>Profit/ (Loss) after tax</b>		(980.68)	(1,564.28)
VII	<b>Earnings per equity share</b>			
	- Basic & Diluted		(3.71)	(5.92)
	- Diluted		(3.71)	(5.92)

As per our report of even date.  
For K.S.Rao & Co  
Chartered Accountants  
Firm Registration No.0031095

Dr.Naraiah Naidu Gudar  
Executive Chairman  
DIN:00105597

Narala Satyendra Prasad  
Managing Director & CFO  
DIN:01410333

V Venkateswara Rao  
Partner  
Membership No:-219209

Anji Reddy Devarpally  
Company Secretary and Compliance Officer  
Membership No.A57611

Place : Hyderabad  
Date : 30.05.2024

**Regency Ceramics Limited**  
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**REGENCY CERAMICS LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March,2024**

PARTICULARS	(Rs in.Lakhs)	
	Year ended 31 March, 2024	Year ended 31 March, 2023
	(Audited)	

**A. CASH FLOW FROM OPERATING ACTIVITIES**

Net Profit/(Loss) before Tax	(980.68)	(1564.28)
Adjustments for:		
Depreciation	415.95	428.30
Interest(net)	(2.40)	(24.89)
Credit Balances written off	-	(290.16)
Gain on Fair valuation of Investments through Profit or Loss	-71.86	(16.82)
Exceptional Item	-	1263.34
Live Stock Written off	-	30.73
Profit on sale of Asset	(61.69)	<b>(0.25)</b>
<b>Operating Loss before working capital changes</b>	<b>(700.68)</b>	<b>(174.03)</b>
Adjustments for:		
Current Assets(Trade and other receivables)	(380.34)	264.82
Non Current Liabilities		0.00
Other Current Liabilities	164.36	1,215.68
Trade Payables	145.50	24.01
<b>Cash generated from Operations</b>	<b>(771.16)</b>	<b>1330.48</b>

**B CASH FLOW FROM INVESTING ACTIVITIES**

Purchase of Assets (Including Capital Advances)	(881.05)	(17.22)
Proceeds from sale of Plant & Machinery	116.43	0.25
(Increase)/Decrease in Investments	1256.48	(1338.06)
Movement in Other Bank Balances - Non Current	(720.00)	0.00
Interest Received	2.40	24.89
<b>Cash generated from Investing Activities</b>	<b>(225.74)</b>	<b>(1330.14)</b>

**C CASH FLOW FROM FINANCING ACTIVITIES**

Loans from Directors	983.81	20.20
<b>Cash generated from Financing Activities</b>	<b>983.81</b>	<b>20.20</b>

<b>Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)</b>	<b>(13.09)</b>	20.54
Cash and Cash equivalents as at 01.04.2023 (Opening Balance)	<b>32.61</b>	12.07
Cash and Cash equivalents as at 31.03.2024 (Closing Balance)	<b>19.52</b>	<b>32.61</b>

As per our report of even date.

For K.S.Rao & Co

Chartered Accountants

Firm Registration No.003109S

Dr.Naraiah Naidu Gudar

Chairman

DIN:00105597

Narala Satyendra Prasad

Managing Director

DIN:01410333

V Venkateswara Rao

Partner

Membership No:-219209

Anji Reddy Devarpally

Company Secretary and Compliance Officer

Membership No.A57611

Place : Hyderabad

Date : 30.05.2024

**Regency Ceramics Limited**  
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**Statement of Changes in Equity for the year ended 31st March 2024**

**A. Equity Share Capital**

Particulars	As at	
	31.03.2024	31.03.2023
At the beginning of the year	2644.16	2644.16
Changes in equity share capital during the year	-	-
At the end of the year	2,644.16	2,644.16

**B. Other Equity**

Particulars	Reserves and Surplus				Total
	Capital Reserve	Securities Premium	General Reserve	Surplus in Statement of Profit and Loss	
Balance as at 01st April 2022	0.86	329.61	1540.35	(8,204.44)	(6,333.62)
Profit/(Loss) for the period				(1,564.28)	(1,564.28)
Other Comprehensive Income					
Balance as at 31st March 2023	0.86	329.61	1540.35	(9,768.72)	(7,897.90)
Profit/(Loss) for the period				(980.68)	(980.68)
Other Comprehensive Income					
Balance as at 31st March 2024	0.86	329.61	1540.35	(10,749.40)	(8,878.58)

Notes:

**Nature & Purpose of Reserves**

**(a) Capital Reserve**

The Company recognises profit and loss on purchase, sale, issue or cancellation of the Company's own equity instruments to capital reserve.

**(b) Securities premium**

The amount received in excess of face value of the equity shares is recognised in securities premium. This reserve is utilised in accordance with the provisions of the Act.

**(c) General reserve**

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. This reserve is freely available for use by the Company.

**(d) Surplus in Statement of Profit and Loss**

Surplus in Statement of Profit and Loss represents the profits/(Losses) that the Company has earned till date, less any transfers to general reserve, dividends or other distribution to shareholders.

As per our report of even date.

For K.S.Rao & Co

Chartered Accountants

Firm Registration No.003109S

Dr.Naraiah Naidu Gudar    N. Satyendra Prasad  
Executive Chairman        Managing Director & CFO  
DIN:00105597

V Venkateswara Rao

Partner

Membership No:-219209

Anji Reddy Devarpally  
Company Secretary and Compliance Officer  
Membership No.A57611

Place : Hyderabad

Date : 30.05.2024

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**1. CORPORATE INFORMATION**

Regency Ceramics Limited is a public limited listed Company incorporated on 18<sup>th</sup> November, 1983. The Company is engaged in the manufacture and outsourced manufacture of ceramic floor and wall tiles suitable for domestic and international markets. The Company has introduced several designs of glazed vitrified tiles, parking tiles and heavy-duty tiles for high traffic areas. The Company is operating from its Registered cum Corporate office in Hyderabad and operates through various dealer network across the country. The Plant is located at Yanam, Union Territory of Puducherry.

The Company has recorded a Net Loss of Rs.980.68 lakhs for the year 2023-24 and has accumulated Loss of Rs.10749.40 Lakhs as on 31.03.2024 resulting in erosion of the net worth. The business activities of the Company have been initiated resulting in revenue and consequent cash flows. The Company is in the process of refurbishing and reinstating the Plant and Equipment to recommence its own production.

A memorandum of settlement had been entered under Section 12 (3) of the Industrial Disputes Act, 1947 between the Company and the Regency Ceramics Staff and Workers Union. As per the MOU, the management has commenced works and it is expected that all conditions will be fulfilled in this financial year.

The insurance claim preferred in respect of Loss/damage to Company's Plant and Equipment, Finished Goods and Raw Materials during labour unrest on 27.01.2012 had been referred to arbitration. The Hon'ble Arbitral Tribunal had pronounced an unanimous award in favour of the Company. However, the Insurance Company had filed a 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.15.17 Crores including interest of Rs.24.89 Lakhs was received in January, 2023. Out of the said amount, Rs.2.76 crores (claims accepted on Inventories) was adjusted against the claim receivable and the balance is shown in current liabilities since the same is to be utilized for the reinstatement/ replacement of assets destroyed.

In view of the above, the financial statements have been prepared by the Company on a "going concern" basis.

## **MATERIAL ACCOUNTING POLICIES AND KEY ACCOUNTING ESTIMATES AND JUDGEMENTS.**

### **1.A Material Accounting Policies:**

#### **1.1) Basis of Preparation of Financial Statements**

##### **a. Compliance with Ind AS**

The Financial Statements comply in all material aspects with Indian Accounting Standards (“Ind AS”) notified under Section 133 of the Companies Act, 2013 (“the Act”), and relevant rules issued thereunder and the relevant provisions of the Act. In accordance with proviso to Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting Standards.

##### **b. Historical Cost Convention**

These Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain financial assets and Financial Liabilities that are measured at fair values at the end of each reporting period, as stated in the accounting policies set out below. The accounting policies have been applied constantly over all the periods presented in these financial statements.

The Financial Statements are presented in INR which is also the Company’s functional currency, and all values are rounded to the nearest Lakhs (INR 00,000), except when otherwise indicated.

#### **1.2) Use of Estimates**

The preparation of Financial Statements in conformity with the Indian Generally Accepted Accounting Principles (GAAP) requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of the financial statements and reported amount of income and expenses during the period. Actual figures may differ from these estimates. Any revision to the accounting estimates is recognized prospectively in current and future periods.

#### **Key Assumptions**

##### **1.3) Plant and Equipment-Tangible Assets:**

- i. Plant and Equipment are stated at historical cost less accumulated depreciation. Cost directly attributable to acquisition are capitalized until the Plant and Equipment are ready to for use, as intended by the management.
- ii. Subsequent expenditure relating to Plant and Equipment are capitalized only when it is probable that the future economic benefits associated with them will flow to the Company and the cost of the expenditure can be measured reliably. Repairs and Maintenance costs are recognized in the statement of Profit and Loss when they are incurred.
- iii. Depreciation on Plant and Equipment has been provided under Straight Line Method over the useful life of assets estimated by the management which is in line with terms prescribed



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in Schedule II of the Companies Act-2013 except the assets costing Rs.5000 or less on which depreciation is charged @ 100% in the year of acquisition. Depreciation for assets purchased /sold during the period is proportionately charged. Depreciation methods, useful lives & residual values are reviewed periodically.

The management estimates the useful life of the assets as follows:

Plant and Equipment (Process)	:	25years
Plant and Equipment (Others)	:	15 years
Buildings (Factory Buildings)	:	30 years
Buildings (other than Factory Buildings)	:	60 years

- iv. Transition to Ind AS: On transition to Ind AS, the Company has selected to continue with the carrying value of all of its Plant and Equipment recognised as at April 1, 2016 measured as per the previous GAAP and use that carrying values as deemed cost of the Plant and Equipment.

**1.4) Inventory:**

Inventories are valued at the lower of Cost or Net Realizable Value. The cost is determined on Weighted Average basis. Cost of finished goods and work-in-process include all costs of purchases, conversion costs and other costs incurred in bringing the inventories to their present location and condition. Stores and Packing Materials are valued at cost on weighted average basis.

**1.5) Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and financial liability or equity instrument of another entity.

**A. Financial Assets:**

**Initial recognition and measurement**

All financial instruments are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit & Loss account transaction costs that are attributable to the acquisition of the financial asset, purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place are recognized on the trade date i.e. the date that the Company commits to purchase or sell the asset.

**Subsequent Measurement**

For the purpose of subsequent measurement, financial assets are classified and measured at:

- i. Amortized Cost
- ii. Fair Value Through Profit and Loss (FVTPL)
- iii. Fair Value Through Other Comprehensive Income (FVTOCI)

**Financial Asset measured at Amortized Cost**

Financial Assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal

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amount outstanding are measured at amortized cost using effective interest rate (EIR) method. The EIR amortization is recognized as finance income in the Statement of Profit & Loss.

The Company, while applying above criteria has classified all the financial assets (except investments in equity shares) at Amortized Cost.

**Financial Assets at Fair Value Through Profit and Loss (FVTPL)**

Financial Assets are measured at fair value through Profit & Loss if it does not meet the criteria for classification as measured at Amortized Cost or at FVTOCI. All fair value changes are recognized in the Statement of Profit & Loss.

**Financial Assets Measured at Fair Value Through Other Comprehensive Income**

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at Fair Value Through Other Comprehensive Income. Fair value movements are recognized in the Other Comprehensive Income (OCI). Interest income measured using the EIR method and impairment Losses, if any are recognized in the Statement of Profit and Loss. On de-recognition, cumulative gain or Loss previously recognized in OCI is reclassified from the equity to other income in the Statement of Profit and Loss.

**De-recognition of Financial Assets**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the contractual rights to receive the cash flows from the asset.

**Impairment of Financial Assets**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment Loss on the debt instruments, that are measured at amortized cost e.g., loans, debt securities, deposits, trade receivables and bank balance. Expected Credit Loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive.

The management uses a provision matrix to determine the impairment Loss on the portfolio of trade and other receivables. The provision matrix is based on its historically observed Expected Credit Loss rates over the expected life of the trade receivables and is adjusted for forward-looking estimates.

Expected Credit Loss allowance or reversal recognized during the period is recognized as income or expense, as the case may be, in the Statement of Profit and Loss. In case of Balance Sheet, it is shown as reduction from the specific financial asset.

**B. Financial Liabilities.**

**Initial Recognition and Measurement**

Financial Liabilities are recognized initially at fair value plus any transaction cost that are attributable to the acquisition of the financial liability except Financial Liabilities at FVTPL that are measured at fair value.

### **Subsequent Measurement**

Financial Liabilities are subsequently measured at amortized cost using the EIR method. Financial Liabilities carried at Fair Value Through Profit and Loss. Gain or Losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

The Company does not designate any Financial Liability at Fair Value Through Profit and Loss.

### **Financial Liabilities at Amortized cost**

Amortized cost for Financial Liabilities represents amount at which Financial Liability is measured at initial recognition minus the principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between the initial amount and the maturity amount.

All the Financial Liabilities of the Company are subsequently measured at Amortized Cost using the Effective Interest method.

### **De recognition of Financial Liabilities**

A Financial Liability shall be derecognized when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expires.

### **1.6) Foreign Currency Transactions**

The functional and presentation currency of the Company is Indian Rupee. Transactions in foreign currency are accounted for at the exchange rate prevailing on the transaction date. Gains/ Losses arising on settlement as also on translation of monetary items are recognised in the Statement of Profit and Loss.

### **1.7) Borrowing Costs**

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other Borrowing Costs are recognized as an expense in the period in which they are incurred.

### **1.8) Revenue Recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured regardless of when the payment is made. The specific recognition criteria described below must also be met before revenue is recognized.

#### **a. Sale of Products**

Revenue from the sale of Products is recognised when significant risks and rewards of ownership have been transferred to the customer, the Company no longer retain continuing managerial involvement to the degree usually associated with ownership nor has effective control over the Products sold, which is mainly upon delivery, the amount of revenue can be measured reliably and recovery of the consideration that will be derived in the sale of Products.

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Revenue from Sale of Products excludes amounts collected on behalf of third parties i.e GST and Sales tax. Sale of Products in respect of export sales are recognized as and when the shipment of products has taken place.

**b. Recognition of Export benefits**

Export benefits entitlements in respect of Incentive Schemes including Duty Drawback, Merchandise Export Incentive Scheme (MEIS), FMS and FPS of the Government of India are recognized in the year in which Export Sales are accounted for.

**c. Interest Income**

Interest on deposits with Government Departments and Financial Institutions are recognized in Statement of Profit and Loss when the right to receive/receivable during the period.

**1.9) Dividend Distribution**

Dividends paid (including income tax thereon) is recognized in the period in which the interim dividends are approved by the Board of Directors, or in respect of the final dividend when approved by shareholders.

**1.10) Employee Benefits:**

**• Defined Contribution Plan**

Employer's Contribution to Provident Fund/Employee State Insurance which is in the nature of defined Contribution Scheme is expensed off when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the fund.

**• Defined Benefit Plan**

**a. Gratuity**

Gratuity liability is in the nature of defined benefit obligation. Such liability is provided only for employees who have completed 5 years of continuous service as per the provisions of the Payment of Gratuity Act, 1972.

**b. Compensated absences**

Compensated absences which are in the nature of defined benefit obligation are provided for based on number of leaves outstanding as on Balance Sheet date according to the policy of the Company.

**1.11) Provisions, Contingent Liabilities and Contingent Assets:**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes on accounts. Contingent Assets are neither recognized nor disclosed in the Financial Statements.

### **1.12) Income Taxes**

Income Tax expense comprises current tax and deferred tax charge or credit. The current tax is determined as the amount of tax payable in respect of the estimated taxable income of the period. The deferred tax charge or credit is recognised using prevailing enacted or substantively enacted tax rates. Where there are unabsorbed depreciation or carry forward Losses, deferred tax asset is recognised only if there is virtual certainty of realisation of such assets. Other deferred tax assets are recognised only to the extent there is reasonable certainty of realisation in future. Deferred tax assets are reviewed at each Balance Sheet date based on the developments during the year and available case laws, to reassess realisation/liabilities.

MAT Credit is recognized as an asset only when and to the extent there is convincing evidence that the Company will pay normal Income Tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) Credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Profit and Loss account and shown as MAT Credit Entitlement. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

### **1.13) Earnings Per Share**

The Company presents basic and diluted Earnings Per Share (“EPS”) data for its ordinary shares. Basic EPS is calculated by dividing the Profit or Loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the Profit or Loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which includes all stock options granted to employees.

### **1.14) Cash Flow Statement**

Cash Flows are reported using the Indirect Method. Whereby Profit for the period is adjusted for effects of transactions of a non-cash nature, any deferrals are accruals of past or future Operating cash receipts or payments and item of income or expenses associated with Investing or Financing cash flows. The cash flows from Operating, Investing and Financing activities of the Company are segregated.

### **1.15) Segment Reporting**

Segment Reporting is not applicable since the entire operations of the Company are related to one segment i.e. manufacturing of ceramics tiles in terms of Ind AS 108 on operating segments.

### **1.16) Exceptional Items**

Exceptional items refer to items of Income or Expenses within the Statement of Profit and Loss from ordinary activities which are non-recurring and are of each size, nature or incidence that their separate disclosure is considered necessary to explain the performance of the Company.

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**1.17) Recent Accounting Pronouncements and Adoption**

The Company applied for the first time these amendments of Ind AS 8 , Ind AS 1 and Ind AS 12 and there is no material impact on financials.

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

**1.18) Events after Reporting date**

Where events occurring after the Balance Sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the Financial Statements. Otherwise, events after the Balance Sheet date of material size or nature are only disclosed.

**1.19) Critical Accounting Estimates and Judgments**

The preparation of Financial Statements is in conformity with generally Accepted Accounting Principles that require management to make estimates and assumptions that affect the reported amounts of Assets and Liabilities and disclosure of contingent liabilities at the date of the Financial Statements and the result of operations during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. Revisions in accounting estimates are recognized prospectively.

The areas involving critical estimates or judgments are –

- Estimates of Useful life of Plant and Equipment and Intangibles
- Measurement of Defined Benefit Obligation
- Recognition of Deferred Taxes
- Estimation of Impairment

**Estimation of Provisions and Contingent Liabilities**

REGENCY CERAMICS LIMITED  
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 2 :  
PROPERTY, PLANT AND EQUIPMENTS

Rs in Lakhs

S.No.	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		COST AS AT 01.04.2023	ADDITIONS DURING THE YEAR	SALES/ ADJUSTMENTS DURING THE YEAR	COST AS AT 31.03.2024	UPTO 01.04.2023	FOR THE YEAR	ON SALES/ ADJUSTMENTS	UPTO 31.03.2024	AS AT 31.03.2024	AS AT 31.03.2023
1	LAND	63.36	0.00	0.00	63.36	-	-	0.00	-	63.36	63.36
2	BUILDINGS	1836.83	0.00	0.00	1836.83	1418.36	57.70	0.00	1476.07	360.76	418.47
3	PLANT & MACHINERY	18347.34	0.39	2187.99	16159.74	16855.92	347.87	2133.25	15070.53	1089.21	1491.42
4	OFFICE EQUIPMENT & COMPUTERS	462.05	11.90	0.00	473.95	455.54	4.40	0.00	459.94	14.01	6.51
5	FURNITURE & FIXTURES	69.76	0.95	0.00	70.72	69.59	0.09	0.00	69.67	1.03	0.17
6	VEHICLES	73.14	18.58	0.00	91.72	60.89	1.97	0.00	62.85	28.85	12.24
7	Capital WIP	0.00	698.45	0.00	698.45	0.00	0.00	0.00	0.00	698.45	0.00
8	INTANGIBLE	0.00	54.93	0.00	54.93	-	3.93	-	-	51.00	0.00
	ERP SOFTWARE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	<b>TOTAL</b>	<b>20852.47</b>	<b>785.21</b>	<b>2187.99</b>	<b>19449.69</b>	<b>18860.31</b>	<b>415.95</b>	<b>2133.25</b>	<b>17143.01</b>	<b>2306.68</b>	<b>1992.16</b>
	PREVIOUS YEAR	20870.01	0.00	0.00	20852.47	18442.96	428.30	0.00	18860.31	1992.16	2427.05

\*NOTE:  
a) The company suffered extensive damage to the assets situated at Factory, Yanam due to unprecedented violence occurred on 27th January,2012 and declared lock-out of the Plant from 31st January, 2012. The financial results for the year ended 31st March 2023 were prepared without considering loss/damage to Plant & Machinery, Buildings and other assets of the company in the books. Depreciation has been provided in the normal course due to the efflux of time as per the provisions of the Companies Act,2013.

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**Note 3**

**Non-current Investments (Non-Trade)**

Particulars	No of shares	Rs in Lakhs	
		31.03.2024	31.03.2023
<b>Un-Quoted (At Amortised Cost)</b>			
<b>Un Quoted:</b> i).National Savings Certificates and Indira Vikas Patras(Deposited with Sales Tax Department)		0.42	0.42
<b>Quoted</b>			
<b>Investment in Equity Shares - Fair Value through Profit or Loss</b>			
Equity shares Rs.10 each in IFCI Ltd, (Market value Rs.39.70)	10,000	3.97	0.98
<b>Investment in Mutual Funds - Fair Value through Profit or Loss</b>			
Investment in Mutual Funds		184.43	1,372.04
<b>Total</b>		<b>188.83</b>	<b>1,373.44</b>

**Note 4**

**Other Non-current Financial Assets**

Particulars	31.03.2024	31.03.2023
A. Security deposits (unsecured considered good)		
Electricity Deposits	17.05	17.05
B. Bank deposits with more than 12 months maturity	720.00	0.00
<b>Total</b>	<b>737.05</b>	<b>17.05</b>

**Other Non-current Assets**

Particulars	31.03.2024	31.03.2023
Advance for Purchase of Capital Assets	95.84	0.00
<b>Total</b>	<b>95.84</b>	<b>-</b>

**Note 5**

**Trade receivables**

(Rs.in Lakhs)

Particulars	31.03.2024	31.03.2023
A. Secured	-	-
B. Unsecured		
i. Considered good	119.84	0.00
ii. Significant increase in credit risk	797.43	797.43
iii. Credit Impaired	28.68	28.68
Less: Provision for Doubtful Debts	28.68	28.68
<b>Total</b>	<b>917.27</b>	<b>797.43</b>

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As on 31 March 2024:

₹ in Lakhs

Particulars	Outstanding for following period from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	-	-	119.84	-	-	-	-	119.84
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	797.43	797.43
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	28.68	28.68
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>119.84</b>	-	-	-	<b>826.12</b>	<b>945.95</b>
Less: Provision for doubtful debts							28.68	28.68
<b>Net Trade Receivables</b>			<b>119.84</b>				<b>797.44</b>	<b>917.27</b>

As on 31 March 2023:

₹ in Lakhs

Particulars	Outstanding for following period from due date of payment							Total
	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables - Considered good	-	-	-	-	-	-	-	-
(ii) Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	797.43	797.43
(iii) Undisputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	28.68	28.68
(iv) Disputed Trade Receivables - Considered Good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - Credit Impaired	-	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-	<b>826.11</b>	<b>826.11</b>
Less: Provision for doubtful debts							28.68	28.68
<b>Net Trade Receivables</b>							<b>797.43</b>	<b>797.43</b>

**Note 6**

**Cash and Cash Equivalents**

(Rs.in Lakhs)

Particulars	31.03.2024	31.03.2023
Cash in hand	9.34	8.62
In Current Accounts	10.17	23.99
<b>Total</b>	<b>19.52</b>	<b>32.61</b>

**Note 6**

**Other Bank Balances**

(Rs.in Lakhs)

Particulars	31.03.2024	31.03.2023
Fixed deposits with banks with balance maturity less than 12 months	3.09	0.00
<b>Total</b>	<b>3.09</b>	<b>0.00</b>



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**Note 7**

**Other Financial Assets**

(Rs.in Lakhs)

Particulars	31.03.2024	31.03.2023
i) Claims Receivable	337.99	338.34
ii) Advances to Staff & Workers	10.80	11.36
iii) Deposits Recoverable	87.16	57.40
iv) Interest accrued on Deposits and Investments	18.63	18.63
<b>Total</b>	<b>454.59</b>	<b>425.74</b>

**Note 8**

**Other Current Assets**

Particulars	31.03.2024	31.03.2023
i) Advance for purchase, other advances	1716.05	1674.80
ii) Balance with Govt. Departments	196.78	196.78
iii) GST Appeal	10.66	0.00
iv) GST Credit	169.20	0.00
v) Prepaid Insurance	6.38	0.00
<b>Total</b>	<b>2099.07</b>	<b>1871.58</b>

**Note 9**

**Current Tax Assets (Net)**

Particulars	31.03.2024	31.03.2023
Income Tax Assets (Net of Provision)	31.01	29.94
<b>Total</b>	<b>31.01</b>	<b>29.94</b>

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS					
<b>NOTE 10 : SHARE CAPITAL</b>					
<b>Particulars</b>	<b>As at 31.03.2024</b>		<b>As at 31.03.2023</b>		
	<b>No. of shares</b>	<b>Rs in Lakh</b>	<b>No. of shares</b>	<b>Rs in Lakh</b>	
<b>Authorised</b>					
Equity Shares of Rs.10/- each	3,00,00,000	3,000.00	3,00,00,000	3,000.00	
<b>Total</b>	<b>3,00,00,000</b>	<b>3,000.00</b>	<b>3,00,00,000</b>	<b>3,000.00</b>	
<b>Issued</b>					
Equity Shares of Rs.10/- each	2,65,08,586	2,650.86	2,65,08,586	2,650.86	
<b>Total</b>	<b>2,65,08,586</b>	<b>2,650.86</b>	<b>2,65,08,586</b>	<b>2,650.86</b>	
<b>Subscribed and Paid up</b>					
Equity Shares of Rs.10/- each					
Fully paid up	2,64,41,586	2,644.16	2,64,41,586	2,644.16	
<b>Total</b>	<b>2,64,41,586</b>	<b>2,644.16</b>	<b>2,64,41,586</b>	<b>2,644.16</b>	
<b>Reconciliation of outstanding number of shares</b>					
<b>Particulars</b>	<b>As at 31.03.2024</b>		<b>As at 31.03.2023</b>		
	<b>No. of shares</b>	<b>Rs in Lakh</b>	<b>No. of shares</b>	<b>Rs in Lakh</b>	
Shares Outstanding at the beginning of the year	2,64,41,586	2,644.16	2,64,41,586	2,644.16	
Shares Issued during the year					
Shares redeemed / bought back during the year					
<b>Shares outstanding at the end of the year</b>	<b>2,64,41,586</b>	<b>2,644.16</b>	<b>2,64,41,586</b>	<b>2,644.16</b>	
<b>Share holding more than 5%</b>					
<b>Particulars</b>	<b>AS AT 31.03.2024</b>		<b>AS AT 31.03.2023</b>		
<b>NAME OF THE SHAREHOLDER</b>	<b>SHARES HELD</b>	<b>%</b>	<b>SHARES HELD</b>	<b>%</b>	
G N Naidu	72,75,183	27.51	72,75,183	27.51	
Radhika Naidu	48,19,586	18.23	48,19,586	18.23	
Bindu G Naidu	24,18,750	9.15	24,18,750	9.15	
Regency Transport carriers Limited	33,14,470	12.54	33,14,470	12.54	
Shares held by promoters of the Company					
<b>Promoter's Name</b>	<b>FY 2023-24</b>		<b>FY 2022-23</b>		<b>% Change during the year</b>
	<b>No. of Shares</b>	<b>% total Shares</b>	<b>No. of Shares</b>	<b>% total Shares</b>	
G.N. Naidu	72,75,183	27.51	72,75,183	27.51	-
Radhika Naidu	48,19,586	18.23	48,19,586	18.23	-
Bindu G Naidu	24,18,750	9.15	24,18,750	9.15	-
Sarojini Gudar	1214206	4.59	1214206	4.59	-
Venkatesulu Naidu G	132850	0.5	132850	0.5	-
N Satyendra Prasad	130550	0.49	130550	0.49	-
Doraswamy Naidu	20000	0.08	20000	0.08	-
P. Narayanamma	10000	0.04	10000	0.04	-

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**NOTE 11: RESERVES AND SURPLUS**

(Rs. In Lakhs)

	31.03.2024	31.03.2023
<b>a) Capital Reserve</b>		
At the commencement of the year	0.86	0.86
Closing Balance	0.86	0.86
Other Reserves		
<b>b) General Reserve</b>		
At the commencement of the year	1540.35	1540.35
Closing Balance	1540.35	1540.35
<b>c) Share Premium</b>		
At the commencement of the year	329.61	329.61
Closing Balance	329.61	329.61
<b>d) Surplus</b>		
At the commencement of the year	(9,768.72)	(8,204.44)
Closing Balance	(980.68)	(1,564.28)
	(10,749.40)	(9,768.72)
Total (a+b+c+d)	(8,878.58)	(7,897.90)

**Note 12**

**Non-Current Liabilities-Financial Liabilities-Borrowings**

(Rs in Lakhs)

Particulars	31.03.2024	31.03.2023
<b>Secured</b>		
Loans from Body Corporate & Others	<b>30.00</b>	30.00
<b>Unsecured</b>		
Loans from Directors		
- Dr. G.N. Naidu	<b>5,739.37</b>	5,547.56
- N. Satyendra Prasad	<b>470.20</b>	178.20
- Radhika Prasad Narala	<b>500.00</b>	-
<b>Total</b>	<b>6,739.57</b>	5,755.76

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**Note 13**

**Long Term Provisions**

(Rs in Lakhs)

Particulars	31.03.2024	31.03.2023
Gratuity	134.43	134.43
Leave Encashment	10.86	10.86
<b>Total</b>	<b>145.30</b>	<b>145.30</b>

Gratuity Provision as per Ind AS-19 and Leave Encashment were not applicable in view of the Memorandum of Settlement duly signed by both the Management and the Union.

**Note 14**

**Trade Payables**

(Rs in Lakhs)

Particulars	31.03.2024	31.03.2023
Trade Payables		
- Due to Micro, Small and Medium Enterprises	141.84	141.84
- Others	2,478.73	2,333.24
<b>Total</b>	<b>2,620.56</b>	<b>2,475.07</b>

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**Trade Payable ageing schedule:**

As on 31 March 2024:

₹ Lakhs

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	141.84	141.84
(ii) Others	-	-	157.74	-	-	2,320.99	2,478.73
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
<b>Total</b>	-	-	<b>157.74</b>	-	-	<b>2,462.83</b>	<b>2,620.56</b>

As on 31 March 2023

₹ Lakhs

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	141.84	141.84
(ii) Others	-	-	-	-	-	2,333.23	2,333.23
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	<b>2,475.07</b>	<b>2,475.07</b>

Disclosures required by the Micro Small and Medium Enterprises Development (MSMED) Act, 2006 are as under:

(a) (i) The Principal amount remaining Unpaid at the end of the year	<b>141.84</b>	<b>0.00</b>	<b>0.00</b>
(ii) Interest due on principal remaining unpaid at the end of the year		-	-
(b) (i) The delayed payments of principal amount paid beyond the appointed date during the year		-	-
(ii) Interest actually paid under Section 16 of the MSMED Act.		-	-
© Normal Interest due and payable during the year, for all the delayed payments as per the agreed terms		-	-
(d) Total Interest accrued during the year and remaining unpaid		-	-

The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company.

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**Note 15**

**Other Financial Liabilities**

(Rs in Lakhs)

Particulars	31.03.2024	31.03.2023
i) Employee benefit liabilities	994.20	973.36
ii) Payable for Capital Goods	12.63	12.63
iii) Capital Creditors	87.72	-
iv) Other Payables	117.91	114.28
<b>Total</b>	<b>1,212.46</b>	<b>1,100.27</b>

**Note 16**

**Other Current Liabilities**

(Rs in Lakhs)

Particulars	31.03.2024	31.03.2023
Statutory Liabilities	373.31	450.63
Advance from Customers	378.53	313.78
Insurance Claim Received against replacement of Asset	1215.68	1215.68
Trade Deposit from Dealers	401.96	337.21
<b>Total</b>	<b>2,369.47</b>	<b>2,317.30</b>

\* The liability towards Interest and Penalties payable on account of Statutory Dues were not provided in the books expecting waiver in the current situation.

**Note: 17**

**Revenue from operations**

(Rs.in Lakhs)

Particulars	31.03.2024	31.03.2023
Domestic Sale	215.88	4.08
Export Sale	0.00	0.00
<b>Total</b>	<b>215.88</b>	<b>4.08</b>

**Note 18**

**Other Income**

Particulars	31.03.2024	31.03.2023
Interest Received	2.40	24.89
Credit Balances/Excess provisions Written back	-	290.16
Profit on Sale of Assets	61.69	0.25

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Rent received	3.64	4.09
Miscellaneous Income	0.12	
Gain on Fair valuation of Investments through Profit or Loss	71.86	16.99
<b>Total</b>	<b>139.71</b>	<b>336.39</b>

**Note 19**

**Employee benefits expense**

Particulars	31.03.2024	31.03.2023
Salaries, Wages, bonus and Other benefits	333.55	32.22
Workmen and Staff Welfare Expenses	0.01	0.00
<b>Total</b>	<b>333.56</b>	<b>32.22</b>

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, UT 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.

**Note 20**

**Finance Cost**

Particulars	31.03.2024	31.03.2023
Interest	-	-
Bank Charges	0.38	0.64

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<b>Total</b>	<b>0.38</b>	0.64
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**Note 21**

**Other Expenses**

(Rs.in Lakhs)

Particulars	31.03.2024	31.03.2023
Rent	32.11	5.65
Repairs and Maintenance	2.27	3.18
Repairs and Maintenance -Others	0.68	1.55
Rates and Taxes	10.63	17.77
Insurance	1.73	0.04
Printing and Stationery	0.70	0.12
Postage and Courier Expenses	0.67	0.03
Travelling and Conveyance	37.21	21.71
Vehicle Maintenance	0.41	0.50
Payments to auditors- Fee	1.00	1.18
- certification charges	0.00	0.03
Legal and Professional Charges	79.67	90.02
General Expenses	53.68	3.11
Others Written Off	0.00	30.73
Advertisement and selling expenses	47.48	0.80
Security Services	14.34	0.00
Telephone & Internet Expenses	0.66	0.00
Office Maintenance	6.41	0.00
Branding & Promotional Expenses	39.29	0.00
Computer Peripherals, Accessories & Maintenance	5.55	0.00
Electricity Charges	4.01	0.00
Recruitment Charges	6.77	0.00
Donations	0.10	0.00
Software Implementation & Maintenance	5.85	0.00
Fair Value Loss	0.00	0.16
<b>Total</b>	<b>351.21</b>	176.59

**Note 22**

**Earnings per share**

Basic and Diluted EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.



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The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	Year ended 31st March, 2024	Year ended 31st March, 2023
Net Profit/(Loss) attributable to the equity shareholders (A)	(980.68)	(1564.28)
Weighted average number of equity shares outstanding during the year (B)	26441586	26441586
Face value of equity shares (Rs.)	10.00	10.00
Basic/Diluted earnings per share (Rs.) (A/B)	-3.71	(5.92)

**Note 23**

**Financial Risk Management**

The Company's activities expose it to Market Risk, Credit Risk and Liquidity Risk. Company's overall risk management focuses the unpredictability of financial markets and seeks to minimize potential adverse effects on the financial performance.

**i. Market Risk**

Market Risk is the risk of Loss of future earnings, fair values or future cash flows that may result from a change in the price of a Financial Instrument. The value of a Financial Instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices and other market changes that affect Market Risk sensitive instruments. Market Risk is attributable to all market risk sensitive Financial Instruments including investments and deposits, foreign currency receivables, payables and borrowings.

**ii. Foreign Currency Risk**

Foreign Currency Risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to change in foreign currency rates. The Company's exposure to the risk of changes in foreign exchange rates is negligible.

The Company did not enter into any derivative instruments for trading or speculative purposes.

**iii. Interest Rate Risk**

Interest Rate Risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market rates relates primarily to the Company's Short-term borrowing. The Company constantly monitors the credit markets and re-balances its financing strategies to achieve an optimal maturity profile and financing cost.

**iv. Credit Risk**

Credit Risk arises when a customer or counterparty does not meet its obligations under a financial instrument or custom contract, leading to a Financial Loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing/investing activities, including deposits with banks. The Company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. The Company receives payments regularly from its customers and hence the Company has no significant credit risk.

**v. Liquidity Risk**

Liquidity Risk is defined as the risk that the Company will not be able to settle or meet obligations on time or at a reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts based on expected cash flows.

**Note 24**

**Capital Management**

The Company's objectives when managing capital are to

- i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders.
- ii) Maintain an optimal capital structure to reduce the cost of capital consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

**Gearing Ratio**

Particulars	(Rs. In lakhs)	
	As at	
	31 <sup>st</sup> March, 2024	31 <sup>st</sup> March, 2023
a) Debt Obligations	6739.57	5755.76
b) Cash and cash equivalents	19.52	32.61
c) Net Debt (a-b)	6720.05	5723.15
d) Total Equity	(6234.42)	(5253.74)
e) Net debt/Equity ratio (c/d)	NA	NA

**Note 25**

**Factory Status**

The Company suffered extensive damage to the Buildings, Plant & Machinery and other assets situated at Factory, Yanam due to unprecedented violence, occurred on January 27, 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 January 31, 2012.

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

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depreciation without considering 5% residual value on account of efflux of time. The Company has started the process of estimating the condition of the existing fixed assets & its realizable value. As such, the machinery & buildings have not been insured.

**Note 26**

**Status with lenders**

The Company has paid entire OTS amount and thereafter, all the lenders have filed Satisfaction of Memo in the DRT and Satisfaction of Charge with ROC.

**Note 27**

Exceptional Loss for FY 2023-24 of Rs. 43 Lakhs is on account of Penalties imposed by BSE

**Note 28**

**Status of Insurance**

The claim in respect of Loss/damage to Company's Plant and Equipment, Finished Goods and Raw Materials during labour unrest on 27.01.2012 was not settled by the Insurance Company on reinstatement/ replacement basis. Thereafter, the Company invoked arbitration clause as per the terms of Policy. The Hon'ble Arbitral Tribunal had pronounced an unanimous award in favour of the Company. The Insurance Company had 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.15.17 Crores including interest of Rs.24.89 Lakhs was received in January, 2023. Out of the said amount, Rs.2.76 crores (claims accepted on Inventories) was adjusted against the claim receivable and the balance is shown in current liabilities since the same is to be utilized for the reinstatement/ replacement of assets damaged / destroyed.

**Note 29**

**Contingent Liabilities and Commitments (to the extent not provided for)**

Contingent liabilities-		
Particulars	As at 31.03.2024	As at 31.03.2023
	(Rs. in lakhs)	(Rs. in lakhs)
Demand from Customs & Central Excise (Excise Duty), disputed by the Company, pending in appeal before CESTAT, Chennai	39.99	39.99
Demand from Yanam Municipality (Property Tax- With retrospective effect) disputed by the Company -pending with commissioner, Yanam Municipality	185.94	75.79
Dispute demand under Income Tax	90.98	90.98

**Note 30**

**Confirmation of Balances**

The Company could not obtain confirmation of balances in respect of Sundry Debtors & Sundry Creditors, loans and advances, other current assets and other liabilities.

**Note 31**

**Fair Value Measurement Hierarchy**

The following table provide analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into level 1 to 3 as described below.

**Level 1 –Quoted Prices in an Active Market**

Level 1 hierarchy includes financial instruments measured using quoted prices. This included listed equity instruments, traded bonds, ETFs and mutual funds that have quoted prices. The fair value of all equity instruments (including bonds) which are traded in the Stock Exchanges is valued using the closing price as at the reporting period.

**Level 2 –Valuation Techniques with Observable Inputs.**

The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and really as little as possible and entity-specific estimates if all significant in put required to fail value an instrument are observable, the instrument is included in level 2.

**Level 3 –Valuation Techniques with Significant unobservable inputs.**

This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor are they based on available market data. The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy as at March 31, 2024

(Rs. in lakhs)

Particulars	Fair Value Hierarchy (Level)	As at March 31, 2024	As at March 31, 2023
<b>Financial Assets measured at FVTPL</b>			
Investments	1	1,88.43	1,373.02
Investments	2	0.42	0.42
<b>Financial Asset Measured at Amortized Cost</b>			
Margin Money Deposits	3	17.05	17.05
Other Financial Assets	3	454.59	425.74

**Note 32**

There are no remittances in foreign currency on account of Dividend during the year 2023-24.

**Note 33**

Balance of some of the debtors, creditors & loans and advances are subject to confirmation/reconciliation.

**Note 34**

**Segment Reporting**

Segment Reporting is not applicable since the entire operations of the Company are related to one segment i.e. manufacturing of ceramics tiles in terms of Ind AS 108 on operating segments.

**Note 35**

**Deffered Tax**

Particulars	Current Year (Rs. in lakhs)	Previous year (Rs. in lakhs)
Composition of Net Deferred Tax Asset/(Liability):		
Components of Deferred Tax:		
Deferred Tax Assets:		
Loss as per Income Tax Act	668.16	1238.29
Provision for doubtful debts	-	---
	<b>668.16</b>	<b>1238.29</b>
Deferred Tax Liability:		
Depreciation	415.95	428.30
Deferred Tax (Liability)/Asset (Net)	<b>252.21</b>	<b>809.99</b>

Note: The Company has not recognized deferred tax asset as a matter of prudence.

**Note 36.**

**Related Party Disclosures**

**Key Management Personnel**

Dr. G.N. Naidu

Sri. N.Satyendra Prasad

Sri. Anji Reddy Deverapalli

**Relation**

Chairman & Managing Director

Whole Time Director(CFO)

Company Secretary and Compliance officer

I. Transaction with Key Managerial Personnel

Nature of Transaction: Un-Secured Loan	Current Year	Previous Year	Receivable / (Payable) as on 31.03.2024	Receivable / (Payable) as on 31.03.2023
Dr. G.N.Naidu	191.80	20.00	(5739.36)	(5,547.56)
N. Satyendra Prasad	292.00	0.20	(470.20)	(178.20)
Radhika Prasad Narala	500.00		(500.00)	-

II. Transaction with Related parties of Key Managerial Personnel (Repayable on demand)

<b>Name of the Party and Nature of transaction</b>	<b>Current Year</b>	<b>Previous Year</b>	<b>Receivable / (Payable) as on 31.03.2024</b>	<b>Receivable / (Payable) as on 31.03.2023</b>
Regency Educational Society Advances Returned	-	9.20	(334.28)	(334.28)

**Note 37**

**Disclosure in accordance with Ind AS 19 On Employee Benefits**

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 into residential plots, development of land, lying of roads, allotment of plots, etc. is in progress.

Gratuity Provision as per Ind AS-19 and Leave Encashment were not applicable in view of the Memorandum of settlement duly signed by both the Management and the Union.

Provisions for gratuity if any required under The Payment of Gratuity Act shall be provided for and paid as and when liability arises.

**Note 38**

**Additional Regulatory Information**

**Financial Ratios:**

As there were no operations during the current year and previous year, key financial ratios have been disclosed to the extent applicable

Ratio	Numerator	Denominator	FY 2024	FY 2023	% Variance
a) Current ratio (in Times)	Current Assets	Current Liabilities	0.57	0.53	(0.04)
b) Debt-Equity Ratio (in times)	Debt	Equity	---	---	---
c) Debt Service Coverage ratio (in times)	Earnings Available	Interest + Principal	---	---	---
d) Return on Equity Ratio (in %)	PAT	Average Equity	---	---	---
e) Inventory turnover ratio (in times)	Net Sales	Average inventory	---	---	---
f) Trade Receivables turnover ratio (in times)	Net Sales	Average Trade receivable	----	---	---
g) Trade payables Turnover ratio (in times)	Operating expenses	Average trade Payables	---	---	---
h) Net capital turnover ratio (in times)	Net Sales	Net Working capital	---	---	---
i) Net Profit ratio (in %)	Net Sales PAT	Net Sales	---	---	---

**Notes 39: Additional information**

- a) There are no transactions with struck off companies under section 248 or 560
- b) No charges or satisfaction is yet to be registered with Registrar of Companies beyond the statutory period.
- c) The Company has complied with the no. of layers prescribed u/s 2(87) read with the applicable Rules
- d) There is no Scheme of Arrangements that has been approved in terms of sections 230 to 237
- e) The Company has not advanced /loaned/invested or received funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified

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in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- f) There are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- g) The provisions with respect to Corporate Social Responsibility are not applicable to the Company, as the Company does not fall within the purview of the section 135 of the Companies Act, 2013 and Rules made thereunder.
- h) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

**Note 40.** Previous year figures have been regrouped /reclassified wherever necessary to suit the current year's layout.

As per our report of even date.  
For K.S.Rao & Co  
Chartered Accountants  
Firm Registration No.003109S

Sd/-

Dr.Naraiah Naidu Gudarū  
Executive Chairman  
DIN:00105597

Sd/-

Narala Satyendra Prasad  
Managing Director & CFO  
DIN:01410333

Sd/-

V Venkateshwara Rao  
Partner  
Membership No:-219209

Sd/-

Anji Reddy Deverapalli  
Company Secretary and Compliance Officer  
Membership No.A57611

Place : Hyderabad  
Date : 30.05.2024