

Hyderabad, May 30, 2026

<p>To, BSE Ltd, PhirozeJeejeebhoy 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</p>	<p>To, The National Stock Exchange of India Limited, Exchange Plaza, BandraKurla Complex, Bandra (East), Mumbai: 400051 Tel: 022-26598235/36/452 Fax: 022-26598237/38 Email: cmlist@nse.co.in Symbol: REGENCERAM</p>
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Subject: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended (“ SEBI Listing Regulations ”) – Outcome of Board Meeting.

Reference: ISIN- INE277C01012.

Dear Sir/Madam,

We wish to inform you that the Board of Directors of Regency Ceramics Limited (‘the Company’) at its meeting held today on May 30, 2026, has inter alia, considered and approved the following matters:

1. Appointment of Internal Auditor for the Financial Year 2026-27.

The Board of Directors of the Company, based on the recommendation of the Audit Committee, approved the appointment of **M/s. Brahmayya & Co., Practicing Chartered Accountants Firm, as the Internal Auditor of the Company** for the Financial Year 2026-27 pursuant to the provisions of Section 138 of the Companies Act, 2013 read with the applicable rules framed thereunder.

The disclosures as required under Regulation 30 of the SEBI Listing Regulations read with SEBI Circular no. SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023, in connection with the appointment of Secretarial Auditor and Internal Auditor, are provided respectively in ‘Annexure I

2. Approval of Audited Financial Results for Financial Year ended March 31, 2026

The Board considered and approved the Standalone Audited Financial Results of the Company for the Quarter and Financial Year ended March 31, 2026.

Pursuant to Regulation 33 of the SEBI Listing Regulations, a copy of the following are being enclosed herewith:

- Audited Standalone Financial Results;
- Audit Report issued by the Statutory Auditors of the Company on the aforesaid financial results; and
- Impact of Audit Qualifications along with management responses.

Further, pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended and the Company's Code of Conduct to regulate, monitor and report trading by designated persons and immediate relatives of Designated Persons ("Code), the Trading Window for trading in the Securities of the Company has been closed from Wednesday, April 01, 2026 and will remain closed till 48 hours after the announcement of the financial results of the Company for all Designated Persons and immediate relatives of Designated Persons covered under the Code of the Company.

The above information is also being made available on the website of the Company at <https://www.regencyceramics.in>.

The Meeting of the Board of Directors commenced at 02:30 p.m. (IST) and concluded at 03:35 p.m. (IST).

This is for your information and necessary records.

Yours faithfully,
For Regency Ceramics Limited

Satyendra Prasad Narala
Managing Director & CFO
DIN: 014103

Annexure – I

S. No	particulars	Details
1.	Reason for change viz., appointment, resignation, re-appointment removal, death or otherwise	Re-appointment
2.	Date of appointment /cessation (as applicable) & terms of appointment	May 30, 2026 M/s. Brahmayya & Co., Practicing Chartered Accountants Firm has been Re-appointed as the Internal Auditor of the Company to conduct the internal Audit for the FY 2026-2027.
3.	Brief profile (in case of appointment);	M/s. Brahmayya & Co., is a firm of Chartered Accountants, based at Hyderabad, having an experienced team of professionals equipped with modern infrastructure and providing par excellence service to its esteemed clients. M/s. Brahmayya & Co., has a rich experience in areas of Accounts and Audit including audit of internal control systems. M/s. Brahmayya & Co., has accorded consent to act as the Internal Auditor of the Company and is qualified and eligible for appointment in accordance with the requirements of the Companies Act, 2013.
4.	Disclosure of relationships between directors (in case of appointment of a director)-	Not Applicable

Regency Ceramics Limited

STATEMENT OF AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31st March 2026

(Rs. in lakhs)

S.No	Particulars	Quarter Ended			Year Ended	Year Ended
		31.03.2026 (Audited)	31.12.2025 (Unaudited)	31.03.2025 (Audited)	31.03.2026 (Audited)	31.03.2025 (Audited)
I	INCOME					
	Revenue from Operations	1,126.44	1,152.23	701.99	3,826.78	1,314.70
	Other Income	42.02	19.98	1,154.75	259.30	1,262.10
	Total income	1,168.46	1,172.21	1,856.74	4,086.08	2,576.80
II	EXPENSES					
	Cost of Materials Consumed	872.75	838.17	1,347.32	2,978.24	2,096.67
	Purchases of Traded Goods or Stock in Trade	34.26	53.55	150.04	368.55	339.61
	Changes in Inventories of Stock in Trade, Work in Progress and Finished Goods	618.91	(296.59)	(1,001.21)	(120.71)	(1,617.17)
	Employee Benefits Expenses	113.18	98.95	162.19	398.91	448.08
	Finance Cost	14.78	15.51	16.23	61.19	32.95
	Depreciation and amortisation Expense	100.21	97.78	98.04	392.45	405.34
	Other Expenses	663.77	881.10	650.73	2,540.52	1,359.13
	Total	2,417.86	1,688.47	1,423.34	6,619.15	3,064.61
III	Profit / (Loss) before Exceptional Items and Tax	(1,249.40)	(516.26)	433.40	(2,533.07)	(487.81)
IV	Exceptional Items	-	-	-	-	-
V	Profit/ (Loss) before tax	(1,249.40)	(516.26)	433.40	(2,533.07)	(487.81)
VI	Tax expense					
	- Current Tax	-	-	-	-	-
	- Earlier Years Tax (Refer Note 12)	(0.00)	-	(712.82)	(148.59)	(712.82)
	- Deferred Tax	-	-	-	-	-
VII	Profit/ (Loss) after tax	(1,249.40)	(516.26)	1,146.22	(2,384.48)	225.01
VIII	Other comprehensive income					
	Items that will not be re classified to profit or loss-	-	-	-	-	-
	Other comprehensive income	-	-	-	-	-
	Total comprehensive income	-	-	-	-	-
IX	Paid-up equity share capital	2,644.16	2,644.16	2,644.16	2,644.16	2,644.16
X	Earning per Share (of Rs.10 each)					
	Basic & Diluted	(4.73)	(1.95)	4.33	(9.02)	0.85

For Regency Ceramics Limited




 Narala Satyendra Prasad
 Managing Director & CFO
 DIN:01410333

 Place : Hyderabad
 Date: 30-05-2026

REGENCY CERAMICS LIMITED
Audited Balance Sheet as at 31st March 2026

(Rs.in Lakhs)

Particulars	As at 31.03.2026 (Audited)	As at 31-Mar-25 (Audited)
I. ASSETS		
1.Non-Current Assets		
a) Property, Plant and Equipment	1,677.10	1,989.71
b) Financial Assets		
i) Investments	5.21	4.85
ii) Financial Assets	742.39	738.37
c) Other non-current assets	180.36	147.55
Total Non-Current Assets	2,605.06	2,880.48
2.Current Assets		
a) Financial Assets		
i) Trade receivables	1,920.50	1,267.60
ii) Cash and cash equivalents	123.17	69.12
ii) Other Bank Balances	-	-
iv) Other Financial Assets	659.93	658.22
b) Other current assets	3,915.86	2,523.68
c) Current tax assets (Net)	37.83	45.71
d) Inventories	2,794.63	2,412.49
Total Current Assets	9,451.92	6,976.82
Total	12,056.98	9,857.30
II. EQUITY AND LIABILITIES		
1.Shareholder's Funds		
a) Share Capital	2,644.16	2,644.16
b) Other Equity	(11,038.04)	(8,653.58)
Total Equity	(8,393.88)	(6,009.42)
2. Non- Current Liabilities		
a) Long Term Borrowings	10,393.40	7,052.57
b) Long Term Provisions	145.30	145.30
Total Non-Current Liabilities	10,538.70	7,197.87
3.Current Liabilities		
a) Financial Liabilities		
i) Borrowings from Bank	524.16	679.27
ii) Trade payables		
Dues to Micro and small enterprises	141.84	141.84
Dues to Creditors other than micro and small enterprises	4,685.52	4,173.76
iii) Other Financial Liabilities	1,748.55	1,400.79
b) Other current liabilities	2,812.09	2,273.19
Total Current Liabilities	9,912.16	8,668.85
Total	12,056.98	9,857.30

Place: Hyderabad
Date: 30.05.2026



For Regency Ceramics Limited


Narala Satyendra Prasad
Managing Director & CFO
DIN:01410333

REGENCY CERAMICS LIMITED
Cash Flow Statement for the Period Ended 31st Mar 2026

		(Rs. in Lakhs)	
	Particulars	Year ended 31 Mar 2026 (Audited)	Year ended 31 Mar 2025 (Audited)
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit/(Loss) before Tax	(2,533.07)	(487.81)
	Adjustments for :		
	Depreciation	392.45	405.34
	Interest (net)	(222.85)	(1,010.46)
	Credit Balances written off	-	(139.20)
	Gain on Fair valuation of Investments through Profit or Loss	(1.20)	0.84
	Loss on sale of assets	-	(30.39)
	Operating Loss before working capital changes	(2,364.67)	(1,261.68)
	Working capital adjustments:		
	Current Assets (Trade and other receivables)	(2,456.67)	(3,516.29)
	Non Current Liabilities	383.79	-
	Other Current Liabilities	347.76	771.31
	Trade Payables	511.77	1,962.55
	Cash used in operations (gross)	(3,578.02)	(2,044.11)
	Direct Taxes (Paid)/ Refund Received	148.59	698.12
	Net cash used in operations (A)	(3,429.43)	(1,345.99)
B	Cash Flow From Investing Activities		
	Purchase of Assets (Including Capital Advances)	(79.84)	(244.40)
	Proceeds from sale of Plant & Machinery	-	134.71
	(Increase)/Decrease in Investments	(0.36)	183.14
	Movement in Other Bank Balances - Non Current	-	(1.32)
	Interest Received	222.85	1,010.46
	Net Cash generated from Investing Activities (B)	142.65	1,082.59
C	Cash Flow From Financing Activities		
	Loans from Directors	3,340.83	313.00
	Net Cash generated from Financing Activities (C)	3,340.83	313.00
	Net Increase/(Decrease) in Cash and Cash Equivalents(A+B+C)	54.05	49.60
	Cash and Cash equivalents as at 01.04.2025 (Opening Balance)	69.12	19.52
	Cash and Cash equivalents as at 31.03.2026 (Closing Balance)	123.17	69.11

Place: Hyderabad
Date: 30.05.2026



For Regency Ceramics Limited


Nārāla Satyendra Prasad
Managing Director & CFO
DIN:01410333

Statement of Audited Financial Results for Three Months and Year Ended 31st March 2026.

Notes to Financial Results

1. 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. A Memorandum of Settlement was signed on 24.10.2019 at Puducherry under Section 12 (3) of the Industrial Disputes Act, 1947. As per the MOU, the management had agreed to provide house sites at Yanam to all the displaced workers of the company. The development of land, laying of roads, etc is completed. After the actual allotment of plots to eligible workers, necessary entries will be made in the books of accounts.
2. The company recorded a Net Loss of Rs. 1,249.39 Lakhs during Q4 FY2026 and Rs. 2,384.47 Lakhs for the year ended 31.03.2026. The accumulated loss as on 31.03.2026 is Rs. 12,908.87 Lakhs, resulting in erosion of net worth. The business activities of the company have been initiated resulting in revenue and consequent cash flows. The company had refurbished one manufacturing line in the plant and is ready to recommence the plant operations in Yanam. In addition, the company has entered into an exclusive manufacturing arrangement to produce glazed vitrified tiles at a facility in Andhra Pradesh and the operations are ongoing for the last 18 months. In view of the above, the financial statements have been prepared by the company on a "going concern" basis.
3. These financial results have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2025 as modified by Circular No. CIR/CFD IFAC/62/2016 dated July 05, 2016.
4. The above results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 30th May 2026. These results have been subjected to Statutory Audit.
5. The company has refurbished one line in the plant to recommence the operations in Yanam. Part of the Fixed Assets have been refurbished and some of the Fixed Assets have been scrapped & sold and shown in the financial statements.



6. Financial Statements were prepared without considering the effect of the Impairment in the value of Property Plant and Equipment of the Company. Depreciation on Fixed Assets calculated as per provisions of Companies Act, 2013 has been provided in the normal course due to efflux of time after reducing the scrapped assets.
7. Gratuity Provision as per Ind AS-19 and Leave Encashment were not provided in the books due to loss of employee records in the factory during the incident. Subsequent to the Lock-out of the Company from 31.01.2012, the Company has not provided the liability towards Salary, wages and other benefits to the Factory Employees.
8. The Confirmation of Balances from Old Debtors, Creditors, Loans and Advances and Others receivables is still awaited from respective parties.
9. The interest on Unsecured Loans received from Directors and Body Corporates have not been provided in the books. Also interest in respect of dues payable to Micro, Small and Medium Enterprises suppliers for a period exceeding 15 days have not been provided.
10. The Liability provision for Interest and Penalties payable on account of Statutory Dues were not provided in the books expecting waiver in the current situation.
11. As on 31.03.2026, the Company has certain long pending Trade Receivables and advances aggregating to Rs.2,419.65 Lakhs, for more than 3 years as envisaged in the period of Limitation as per the provisions of The Limitation Act, 1969.
12. The Company has certain long pending Trade payables aggregating to Rs.2320.49 lakhs for more than three years.
13. The Valuation of Inventories are in the process of reconciliation for the Financial Year ending 31.03.2026. As such the Reconciliation and Valuation of Inventories is entrusted to M/s.Tirupathi Associates, they are expected to give the final reports at the earliest.
14. The Hon'ble Arbitral Tribunal has pronounced an award in March 2022 in favour of the company as the claim for loss/damage to Company's property was not settled by the Insurance Company on replacement / reinstatement value basis. 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. The Principal District Judge in his orders has largely confirmed the Arbitral Award for Rs. 133.30 crores + interest. The company has filed subsequent applications in the PDJ court as well as a caveat in the Madras High Court.
15. The company received a total income tax refund of Rs. 315.92 Lakhs pertaining to AY 2000-01. This refund includes Rs. 167.32 Lakhs as interest on refund. Accordingly, Rs. 148.59 Lakhs has been recorded as reversal of earlier year taxes and Rs. 167.32 Lakhs as other income.



16. Regency Ceramics Limited does not have any Subsidiaries / Associates / Joint Venture Companies as on 31st March 2026. Hence, consolidated financial statements are not applicable.
17. Segment reporting is not applicable since the entire operations of the company are related to one segment. i.e. Manufacturing of Ceramic Tiles in terms of IND AS 108 on operating segments.
18. Previous period/year figures have been regrouped or rearranged wherever necessary to confirm to current year classification.

For REGENCY CERAMICS LIMITED



Narala Satyendra Prasad
Managing Director & CFO
DIN: 01410333
30 May 2026



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

To
Board of Directors of **REGENCY CERAMICS LIMITED.**

Report on the audit of the Financial Results

Qualified Opinion

We have audited the accompanying statement of quarterly and year to date financial results of **REGENCY CERAMICS LIMITED** (the "Company") for the quarter and the year ended March 31, 2026 ("Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matter described in the Basis for qualified opinion section of our report, the financial results:

- i. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards and other accounting principles generally accepted in India of the net profit or loss and other comprehensive income and other financial information for the quarter and year ended March 31, 2026.

Basis for Qualified Opinion

1. *Financial statements were prepared without considering the effect of the Impairment in the value of Property Plant and Equipment of the Company.*
2. *Subsequent to the Lock-out of the Company from Date: 31.01.2012, 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 on the profit or loss of the company for the year and on the current liabilities as at 31.03.2026.*
3. *In the absence of proper information regarding the Debtors, Creditor, Loans and Advances and Other receivables the company could not obtain confirmation from the Respective parties.*



4. *As on 31.03.2026, the Company has certain long pending Trade Receivables and advances as aggregating to Rs.2,419.65 Lakhs, of which the period of Limitation is already expired as per the provisions of The Limitation Act, 1969. In the absence of sufficient evidence to demonstrate the recoverability, we are unable to comment on the recoverability of the above amount and consequential effect on Financial Statements.*
5. *The Company has certain long pending Trade payables aggregating to Rs.2,320.49 lakhs. In the absence of sufficient evidence to demonstrate the liability, we are unable to comment the liability of the above amount and consequential effect on Financial Statements.*
6. *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 15 days.*
7. *The company has not provided liability towards interest and penalties payable on account of old statutory dues.*
8. *On verification of Inventory records, we are unable to comment on the accuracy of valuation of Inventories and considered the values given by the Management.*

Consequent to the above, Profit for the year ended is overstated and Liabilities as on 31st March, 2026 was understated and Shareholders funds are overstated to this extent.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013 (the Act). Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Results" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 of the Financial Results which states that the company has accumulated losses of Rs. (12,908.87 Lakhs) as on 31.03.2026. The company is in the process of settlement with agitating workers. The company is in the process of refurbishing the plant to recommence the plant operations. The Financial Results have been prepared on a going concern. Our opinion is not modified in respect of this matter.

Management's Responsibilities for the Financial Results

The statement has been prepared on the basis of the annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of the statement that give a true and fair view of the net Profit and other comprehensive income and other financial information in accordance with the applicable accounting standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and



other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 the statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the statement as a whole is 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 the statement.

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 statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report.



However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the statement, including the disclosures, and whether the statement represents the underlying transactions and events in a manner that achieves fair presentation.

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

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

Other Matter

The Statement includes the financial results for the quarter ended March 31, 2026 and Quarter ended March 31st, 2025 are the balancing figures between the Audited Financial figures in respect of the full financial years and unaudited published figures upto third quarter of the relevant financial years which were subjected to limited review by us, as required under the Listing Regulations.

PLACE: HYDERABAD
DATE: 30.05.2026

**For K.S.RAO & CO.,
Chartered Accountants
FRN NO.03109S**



(C.VENKATESHWARA RAO)
Partner
M.No.219844
UDIN: 26219844LYUXAD9447

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

Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2026
[See Regulation 33 / 52 of the SEBI (LODR) (Amendment) Regulations, 2016]
(Rs. In Lakhs)

S. No	Particulars	Audited Figures (as reported before adjusting for qualifications)	Adjusted Figures (audited figures after adjusting for qualifications)
I. 1.	Turnover / Total income	4,086.08	4,086.08
2.	Total Expenditure	6,619.14	6,619.14
3.	Net Profit/(Loss)	(2,533.06)	(2,533.06)
4.	Earnings Per Share	(9.02)	(9.02)
5.	Total Assets	9,451.92	9,451.92
6.	Total Liabilities	20,450.86	20,450.86
7.	Net Worth	(8,393.88)	(8,393.88)
8.	Exceptional (loss)	0	0
9.	Any other financial item(s) (as felt appropriate by the management)	Not Applicable	Not Applicable

II. Audit Qualification (each audit qualification separately):

Audit Qualification. I: -

- a. Details of Audit Qualification: *Financial statements were prepared without considering the effect of the Impairment in the value of Property Plant and Equipment of the Company.*
- b. Type of Audit Qualification: Qualified opinion
- c. Frequency of Audit Qualification: Repetitive /since 2014
- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
- e. For Audit Qualification(s) where the impact is not quantified by the auditor:
 - i. Management's estimation on the impact of audit qualification: *Not determinable*
 - ii. If management is unable to estimate the impact, reasons for the same:

The Company 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 lines and all associated miscellaneous fixed assets. Some of the production lines installed prior to year 2000 suffered extensive

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damage and the OEMs expressed their inability to provide spares or repair / refurbish those equipment's. The delay in insurance settlement is the prime reason for inability of the company to bring back the equipment fit for production. Hence, out of 10 production lines, 6 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

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

Audit Qualification. II: -

- a. Details of Audit Qualification: *Subsequent to the Lock-out of the Company from Date: 31.01.2012, 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 on the profit or loss of the company for the year and on the current liabilities as at 31.03.2026.*
- b. Type of Audit Qualification: Qualified opinion
- c. Frequency of Audit Qualification: Repetitive /since 2013
- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
- e. For Audit Qualification(s) where the impact is not quantified by the auditor:
 - i. Management's estimation on the impact of audit qualification: *Not determinable*
 - ii. If management is unable to estimate the impact, reasons for the same:

After series of negotiations with the workers union, Memorandum of settlement was arrived on 24.10.2019 at Puducherry under Section 12 (3) of the Industrial Disputes Act, 1947 before the Commissioner of Labour -cum- Chief Conciliation Officer, U T of Puducherry between the Company and the Regency Ceramics Staff and Workers Union. As per the MOU, the management has agreed to provide house sites at Yanam to all the displaced workers of the Company in three categories as proposed by the union.

In this connection, two stretches of land owned by ancillary units to the extent of about 25.35 Acres was registered on 18.10.2019 in favour of the union through settlement deeds. The conversion of agricultural land into residential plots, development of land, laying of roads, and other associated infrastructure is completed. The actual allotment of plots to the correct beneficiary is yet to be done, and necessary entries will be made in the books of accounts after the allotment.

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

Audit Qualification. III: -

- a. Details of Audit Qualification: *In the absence of proper information regarding the Debtors, Creditor, Loans and Advances and Other receivables the company could not obtain confirmation from the Respective parties.*
- b. Type of Audit Qualification: Qualified opinion
- c. Frequency of Audit Qualification: First time during the Financial year 2025-26.
- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
- e. For Audit Qualification(s) where the impact is not quantified by the auditor:

- i. Management's estimation on the impact of audit qualification: *Not determinable*
- ii. If management is unable to estimate the impact, reasons for the same:

The Management cannot estimate the impact as the exact quantification of these will be known only when the operations start at Yanam and these debtors and creditors are approached after commencement of operations at Yanam factory unit.

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

Audit Qualification. IV: -

- a. Details of Audit Qualification: *As on 31.03.2026, the Company has certain long pending Trade Receivables and advances as aggregating to Rs.2419.65 Lakhs, of which the period of Limitation is already expired as per the provisions of The Limitation Act, 1969. In the absence of sufficient evidence to demonstrate the recoverability, we are unable to comment on the recoverability of the above amount and consequential effect on Financial Statements*
- b. Type of Audit Qualification: Qualified opinion
- c. Frequency of Audit Qualification: First time during the Financial year 2025-26
- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
- e. For Audit Qualification(s) where the impact is not quantified by the auditor:
 - i. Management's estimation on the impact of audit qualification: *Not determinable*
 - ii. If management is unable to estimate the impact, reasons for the same:

The Management has taken due note of the qualification and confirms that a detailed review of the said balances shall be undertaken in FY 2026-27. Based on the outcome of such review, the irrecoverable amounts shall be written off in accordance with the applicable Accounting Standards and the Company's accounting policies. Adequate monitoring controls shall also be put in place to prevent recurrence of similar situations going forward.

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

Audit Qualification. V: -

- a. Details of Audit Qualification: *The Company has certain long pending Trade payables aggregating to Rs.2,320.49 lakhs. In the absence of sufficient evidence to demonstrate the liability, we are unable to comment the liability of the above amount and consequential effect on Financial Statements.*
- b. Type of Audit Qualification: Qualified opinion
- c. Frequency of Audit Qualification: Repetitive / since 2013
- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
- e. For Audit Qualification(s) where the impact is not quantified by the auditor:
 - i. Management's estimation on the impact of audit qualification: *Not determinable*
 - ii. If management is unable to estimate the impact, reasons for the same:

The Management has taken due note of the qualification and confirms that a detailed review of the said balances shall be undertaken in FY 2026-27. Based on the outcome of such review, the amounts which are no longer payable shall be written back to the Statement of Profit & Loss in accordance with the applicable Accounting Standards and

the Company's accounting policies. Adequate monitoring controls shall also be put in place to ensure timely identification and settlement or write-back of such balances going forward

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

Audit Qualification. VI: -

- a. Details of Audit Qualification: *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 15 days.*
- b. Type of Audit Qualification: Qualified opinion
- c. Frequency of Audit Qualification: Repetitive / since 2013
- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
- e. For Audit Qualification(s) where the impact is not quantified by the auditor:
 - i. Management's estimation on the impact of audit qualification: *Not determinable*
 - ii. If management is unable to estimate the impact, reasons for the same:

The Management 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 mutual discussions with the suppliers and same shall be placed in the Board of Directors meeting of the Company. Further, it may be noted that the outstanding dues payable to MSME vendors pertain to transactions undertaken prior to the financial year 2012-13 and have remained outstanding since then.

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

Audit Qualification. VII: -

- a. Details of Audit Qualification *The company has not provided liability towards interest and penalties payable on account of old statutory dues.*
- b. Type of Audit Qualification: Qualified opinion
- c. Frequency of Audit Qualification: Repetitive / since 2013
- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
- e. For Audit Qualification(s) where the impact is not quantified by the auditor:
 - i. Management's estimation on the impact of audit qualification: *Not determinable*
 - ii. If management is unable to estimate the impact, reasons for the same:

The Company is of opinion that the statutory authorities shall waive the interest and penalties in view of the unprecedented incident.

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

Audit Qualification. VIII: -

- a. Details of Audit Qualification *On verification of Inventory records, we are unable to comment on the accuracy of valuation of Inventories and considered the values given by the Management.*
- b. Type of Audit Qualification: Qualified opinion
- c. Frequency of Audit Qualification: Repetitive/Since financial year 2024-25



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- d. For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:
- e. For Audit Qualification(s) where the impact is not quantified by the auditor:
 - i. Management's estimation on the impact of audit qualification: *Not determinable*
 - ii. If management is unable to estimate the impact, reasons for the same:

The Company maintains inventory records through a software system, and physical stock records are updated on an ongoing basis. As part of the year-end closing process, a comprehensive Stock Audit covering Raw Materials, Stores & Spares, Packing Materials, and Finished Goods was conducted during 14th May 2026 to 23rd May 2026 by M/s. Tirupathi Associates, an independent firm entrusted with this exercise.

The valuation and reconciliation of inventories has since been completed based on the findings of the said Stock Audit, and the Management is satisfied that the inventory values as reported in the Financial Statements are fairly stated in accordance with the applicable Accounting Standards.

The Management assures that going forward, the inventory reconciliation process shall be strengthened to ensure timely completion well before the finalization of Financial Statements.

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

III. Signatories:

- CEO/Managing Director



- CFO




- Audit Committee Chairman



- Statutory Auditor

C. Venkateshwarlu



Place: Hyderabad
Date: 30.05.2026