

REF/RCL/SEC/2014

Date: 12th February 2014

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

Dear Sir / Madam,

Sub: Outcome of the Board Meeting Un-audited Financial Results & Limited Review Report

Ref: Clause 41 of the Listing Agreement

The Board of Directors in its meeting, held on Wednesday the 12th February 2014:

1. Approved the Un-Audited Financial Results (provisional) for the third quarter ended 31st December 2013 reviewed by the Audit Committee and the Limited review of the same has been carried out by the Statutory Auditors of the Company. A Copy of the Un-Audited Financial Results along with the Limited Review Report on the Un-Audited Financial Results is enclosed in compliance with Clause 41 of the Listing Agreement.
2. Took note of the appointment of Sri G. Narayanareddy, Independent Director with effect from 12th February, 2014.
3. Took note of the resignation tendered by Smt Bindu G Naidu, Director with effect from 12th February, 2014.
4. The Board has accepted the resignation letters submitted in the meeting by Sri P.J.V. Sarma and Sri T Ramesh Chandra Bose, independent Directors, under "any other business" with the permission of the chair.

The above is for your information and record. Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully
For REGENCY CERAMICS LIMITED
Authorized signatory

Encl: a/a

Regency Ceramics Limited

UNAUDITED FINANCIAL RESULTS (Provisional) FOR THE QUARTER ENDED 31ST DEC 2013

Part I						
(Rs. in lakhs)						
Statement of Standalone Unaudited Financial Results for the Quarter Ended 31/12/2013						
Particulars	3 months ended 31/12/2013	Preceding 3 months ended 30/09/2013	Corresponding 3 months ended in the previous year 31/12/2012	Year to date figures for current period ended 31.12.2013	Year to date figures for the previous period ended 31.12.2012	Previous year ended 31/03/2013
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Income from Operations						
(a) Net Sales/Income from Operations (Net of excise duty)	0.00	0.00	160.76	3.12	529.81	581.50
(b) Other Operating Income	0.00	0.00	0.00	0.00	0.00	0.00
Total income from Operations (net)	0.00	0.00	160.76	3.12	529.81	581.50
2. Expenses						
(a) Cost of Materials consumed	0.00	0.00	0.00	0.00	0.00	0.00
(b) Purchase of stock-in-trade	0.00	0.00	31.99	0.00	75.80	75.80
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.00	0.00	87.92	53.01	313.47	351.60
(d) Employee benefits expense	23.43	57.86	49.54	135.49	823.10	908.84
(e) Depreciation and amortisation expense	233.53	225.43	221.40	692.49	694.57	942.11
(f) Power & Fuel	0.00	0.00	0.00	0.00	46.80	51.82
(g) Other expenses	42.72	37.14	64.64	109.94	328.60	389.65
Total Expenses	299.67	320.43	455.49	990.93	2282.34	2719.82
3. Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(299.67)	(320.43)	(294.73)	(987.81)	(1752.53)	(2138.33)
4. Other Income	25.46	202.37	8.77	235.11	86.66	277.27
5. Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(274.21)	(118.06)	(285.95)	(752.70)	(1665.87)	(1861.06)
6. Finance Costs	44.09	66.77	64.85	152.77	247.23	187.36
7. Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 + 6)	(318.30)	(184.83)	(350.81)	(905.47)	(1913.10)	(2048.42)
8. Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
9. Profit / (Loss) from ordinary activities before tax (7 + 8)	(318.30)	(184.83)	(350.81)	(905.47)	(1913.10)	(2048.42)
10. Tax expense	0.00	0.00	0.00	0.00	0.00	0.00
11. Net Profit / (Loss) from ordinary activities after tax (9 + 10)	(318.30)	(184.83)	(350.81)	(905.47)	(1913.10)	(2048.42)
12. Extraordinary items	0.00	0.00	0.00	0.00	0.00	0.00
13. Net Profit / (Loss) for the period (11 + 12)	(318.30)	(184.83)	(350.81)	(905.47)	(1913.10)	(2048.42)
14. Share of Profit / (loss) of associates	0.00	0.00	0.00	0.00	0.00	0.00
15. Minority Interest	0.00	0.00	0.00	0.00	0.00	0.00
16. Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 + 14 + 15)	(318.30)	(184.83)	(350.81)	(905.47)	(1913.10)	(2048.42)
17. Paid-up equity share capital (Face Value of the Share Rs.10/-)	2644.16	2644.16	2644.16	2644.16	2644.16	2644.16
18. Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	-	-	-	-	-	-
19.i Earnings Per Share (before extraordinary items) (of Rs.10/- each) (not annualised):						
(a) Basic	(1.20)	(0.70)	(1.33)	(3.42)	(7.24)	(7.75)
(b) Diluted	(1.20)	(0.70)	(1.33)	(3.42)	(7.24)	(7.75)
19.ii Earnings Per Share (after extraordinary items) (of Rs.10/- each) (not annualised):						
(a) Basic	(1.20)	(0.70)	(1.33)	(3.42)	(7.24)	(7.75)
(b) Diluted	(1.20)	(0.70)	(1.33)	(3.42)	(7.24)	(7.75)



Regency Ceramics Limited

Regd Office : 5-8-356, N.N. House, Chirag Ali Lane, Abids, Hyderabad- 500 001, A.P., INDIA

Phone : +91-40-23204555, Fax: +91-40-23201159, E-mail : info@regencytiles.com, Website: www.regencytiles.com

Factory : Yanam-533 464, Phone:+91-884 2321 001/002/501/502, Fax: +91-884 2321200, Email : rclyanam@regencytiles.com

Part II						
Information for the Quarter and Year Ended 31/12/2013						
Particulars	3 months ended 31/12/2013	Preceding 3 months ended 30/09/2013	Corresponding 3 months ended in the previous year 31/12/2012	Year to date figures for current period ended 31.12.2013	Year to date figures for the previous period ended 31.12.2012	Previous year ended 31/03/2013
A PARTICULARS OF SHAREHOLDING						
1. Public Shareholding						
- Number of Shares	11012277	11012277	11281554	11012277	11281554	11222041
- Percentage of shareholding	41.65%	41.65%	42.67%	41.65%	42.67%	42.44%
2. Promoters and Promoter Group Shareholding						
a) Pledged/ Encumbered						
- Number of Shares	4880659	4880659	4880659	4880659	4880659	4880659
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	31.63%	31.63%	32.19%	31.63%	32.19%	32.07%
- Percentage of shares (as a % of the total share capital of the company)	18.46%	18.46%	18.46%	18.46%	18.46%	18.46%
b) Non-Encumbered						
- Number of Shares	10548650	10548650	10279373	10548650	10279373	10336886
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	68.37%	68.37%	67.81%	68.37%	67.81%	67.93%
- Percentage of shares (as a % of the total share capital of the company)	39.89%	39.89%	39.88%	39.89%	38.88%	39.10%

Particulars	3 months ended 31/12/2013
B INVESTOR COMPLAINTS	
Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed of during the quarter	Nil
Remaining unresolved at the end of the quarter	Nil

Notes:

- The above un-audited results were prepared without considering the effect of the loss / damage to Buildings, Plant & Machinery and other assets of the company and the same were reviewed by the Audit Committee and approved by the Board of Directors on 12.02.2014. The limited review of the same has been carried out by the Statutory Auditors of the Company.
- The unprecedented industrial violence on 27.1.12 resulted in deaths of personnel and destruction of buildings and equipment in the factory. Consequent to this, a lock-out was declared at the factory from 31.01.2012. As the company is not liable for payment under "No Work - No Pay" principle, the Salary, Wages and other benefits to employees for the Quarter are not considered as provisional liability and not taken in the books under employee benefits expense.
- Gratuity Provision as per AS-15 and Leave Encashment were not provided in the books due to loss of employee records in the factory during the incident.
- The condition of the fixed assets and realisable value has been estimated with the help of original equipment manufacturers and Italian refurbishing technical team. The actual loss / damage was crystallised and the claim made with the Insurance Company.
- Depreciation on Buildings, Plant & Machinery and other assets has been provided in the normal course due to efflux of time without considering the effect of loss / damage.
- The lenders of the company opted for settlement of dues interest free under an OTS as a compromise and advised the company to pay with in the stipulated period. The company paid 29% of the settlement amount and requested the lenders for extension of time.
- The company has not provided the interest liability to the extent of Rs.857.09 lakhs in the books as the same was not debited by the Banks in line with Banks' Statement of account as on 31.12.2013
- The company received Demand Notices from State Bank of India, State Bank of Bikaner and Jaipur, Corporation Bank under Section 13(2) of SARFAESI Act recalling the entire loan amount with in 60 days.
- An Application in Form - A has been filed by the company to BIFR under section 15(1) of SICA on 30.11.2013
- 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.
- Segment wise reporting is not applicable as the Company is dealing with single product.
- Re-grouping of figures has been done wherever necessary.

On behalf of the Board of Directors
For REGENCY CERAMICS LIMITED

Dr.G.N.Naidu

Chairman and Managing Director

Place: Hyderabad
Date: 12.02.2014



CHARTERED ACCOUNTANTS

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

**REVIEW REPORT ON THE FINANCIAL RESULTS OF REGENCY CERAMICS LIMITED,
FOR THE QUARTER AND NINE MONTHS ENDING 31st DECEMBER, 2013 TO BE
SUBMITTED TO THE STOCK EXCHANGES.**

We have reviewed the accompanying statement of unaudited financial results of **REGENCY CERAMICS LIMITED**, N.N.House, Chirag Ali Lane, Hyderabad – 500 001, A.P, for the quarter and nine months ended 31st DECEMBER, 2013 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2400, engagements to Review Financial Statements issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

1. Manufacturing operations of the company were stopped due to riots, strike and malicious damage at factory since 27.01.2012. The condition of the fixed assets and the realizable value could not be estimated. The machinery and building were disclosed at book value after providing depreciation on account of efflux of time.
2. During the period from 01.04.2012 to 31.12.2013, the company has provided the provisional liability towards salary, wages and other benefits to its factory employees upto 30.09.2012 in the absence of complete records pending judgment of the industrial Tribunal. Further, the company has not provided for its liability towards Gratuity and leave encashment in accordance to AS-15 "Employee Benefits". The company could not compute the liability in the absence of complete records.
3. There are no confirmatory letters in respect of Debtors, Creditors, loans and advances and other current assets.





Brahmayya & Co.,

CHARTERED ACCOUNTANTS

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

4. During the period 01.04.2012 to 31.12.2013, the company has not provided interest on term loans, working capital loans to the extent of Rs. 1971.32 Lacs. We were informed by the company that the lenders opted for settlement of dues under OTS as a compromise and agreed the settlement amount to 60% of the outstanding as on the cut-off date of 8th December 2012. The last date for payment of entire settlement amount is lapsed and the Banks issued a demand notice recalling the entire loan amount with interest together with incidental expenses, costs, charges, etc. During the period, the company has treated the Long term Borrowings from banks under "Current Maturities of Long term Borrowings".
5. The company has not provided the liability towards interest and penalties payable on account of statutory dues and we were informed by the company that the statutory authorities shall waive the same in view of the unprecedented incident.

Based on our review conducted as above, **we are unable to comment on the financial statements due to non-availability of information/damages suffered by the Company due to fire and violence by the workers at the manufacturing facility situated at Yanam.**

for BRAHMAYYA & CO.
Chartered Accountants
Firms' Registration Number: 000513S


(K.S.RAO)

Partner

Membership Number: 015850



Place : Hyderabad
Date : 12th February, 2014