



Regency Ceramics Limited

REF/RCL/SEC/2019

Date: 14th February, 2019

1. National Stock Exchange of India Ltd
Exchange Plaza, Bandra Kurla
Complex, Bandra (E),
MUMBAI - 400 051

2. Corporate Relationship Department
BSE Limited, 25th Floor
Phiroze Jeejeebhoy Towers
Dalal Street, MUMBAI- 400 001.

Dear Sir / Madam,

Sub : Outcome of the Board Meeting.

Ref : Regulations 33 & 30(4) of the SEBI(LODR) Regulations, 2015.

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We wish to inform you that the Company had in their meeting held, today i.e. on February 14, 2019 at the registered office of the Company, inter alia considered and approved the :

1. *Un-audited Financial Results for the quarter ended 31st December, 2018 reviewed by the Audit Committee and the Limited Review of the same has been carried out by the Statutory Auditors of the company. A Copy of the Un-Audited Financial Results along with the Limited Review Report on the Un-Audited Financial Results is enclosed as per Regulations 33 & 30(4) of the SEBI (LODR) Regulations, 2015.*
2. *Took note of the appointment of Sri Y. Gopala Krishna, Independent Director with effect from 14th February, 2019.*
3. *Took note of the resignation tendered by Sri D. Chandrasekhar Babu, Director with effect from 14th February, 2019.*
4. *Took note of the reappointment of Dr G N Naidu, Chairman and Managing Director for a period of 5 years with effect from February 9, 2019.*

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

UN AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER 2018

S.No	Particulars	(Rs. in lakhs except for share data)					
		Quarter ended			Nine Months Ended		Year ended
		31-12-2018	30-09-2018	31-12-2017	31-12-2018	31-12-2017	31-03-2018
		(Un Audited)					(Audited)
I	Revenue from Operations	0.00	0.00	0.00	0.00	0.00	0.00
II	Other Income	0.72	0.75	4.85	6.36	6.95	7.08
III	Total income (I + II)	0.72	0.75	4.85	6.36	6.95	7.08
IV	Expenses						
	(a) Cost of Materials consumed	0.00	0.00	0.00	0.00	0.00	0.00
	(b) Purchase of stock-in-trade	0.00	0.00	0.00	0.00	0.00	0.00
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.00	0.00	0.00	0.00	0.00	0.00
	(d) Employee benefits expense	6.73	10.75	7.26	35.65	57.55	81.13
	(e) Finance Cost	5.29	4.16	1.10	9.70	22.08	36.84
	(f) Depreciation and amortisation expense	113.98	113.98	116.92	341.94	351.75	468.67
	(g) Other expenses	3.92	7.53	16.14	28.01	49.79	118.72
	Total Expenses	129.92	136.42	141.42	415.30	481.17	705.36
V	Loss before Tax(III-IV)	(129.20)	(135.67)	(136.57)	(408.94)	(474.22)	(698.28)
VI	Exceptional Items	65.74	0.00	0.00	65.74	0.00	1031.40
VII	Tax expense	0.00	0.00	0.00	0.00	0.00	0.00
VIII	(Loss) / Profit for the period	(63.46)	(135.67)	(136.57)	(343.20)	(474.22)	333.12
IX	Other comprehensive income						
	Items that will not be re classified to profit or loss - (net of taxes)	0.00	0.00	0.00	0.00	0.00	0.00
	Other comprehensive income	0.00	0.00	0.00	0.00	0.00	0.00
X	Total comprehensive income	(63.46)	(135.67)	(136.57)	(343.20)	(474.22)	333.12
XI	Paid-up equity share capital	2644.16	2644.16	2644.16	2644.16	2644.16	2644.16
	Basic and Diluted EPS after extraordinary items (Face value of Rs.10/- each)	(0.02)	(0.05)	(0.05)	(0.13)	(0.18)	0.13

Notes:

1. 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 items of SEBI(Listing Obligations and Disclosure Requirments) Regulations,2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016.

2. The above results have been audited by the audit committee and approved by the board at their meeting held on 14th February, 2019. The statutory auditors of the company have carried out limited review of the results for the period ended December 31, 2018.

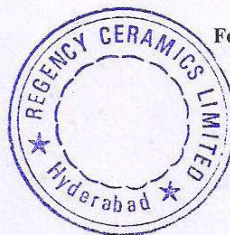
3. The above results were prepared without considering the effect of the loss / damage to Buildings, Plant & Machinery and other assets of the company.

4. The unprecedented industrial violence on 27.01.12 resulted in deaths of personnel and destruction of buildings and equipment in the factory. Consequent to this, a lock-out was declared at the factory from 31.01.2012. The Salary, Wages and other benefits to factory employees were not considered as provisional liability and not taken in the books under "No Work - No Pay" principle pending orders / judgment of the Industrial Tribunal.

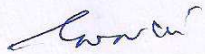


5. Gratuity Provision as per AS-15 and Leave Encashment were not provided in the books due to loss of employee records in the factory during the incident.
6. The condition of the fixed assets, raw materials, stores, spares and its present realisable value could not be estimated and not insured.
7. Depreciation on fixed assets calculated as per provisions of Companies Act, 2013 has been provided in the normal course due to efflux of time without considering the effect of loss / damage.
8. The lenders of the company had taken symbolic possession of the properties in exercise of powers conferred under section 13(4) of the SARFAESI Act and filed an application under section 19 of the Recovery of Debts due to Banks and Financial Institutions Act, 1993 in the Debts Recovery Tribunal, Hyderabad for recovery of their dues. Four banks sanctioned revised OTS package for settlement of their dues and the company paid entire OTS amount. Satisfaction of charges were filed with ROC in respect of one lender. While the company is awaiting revised OTS sanction from another Bank based on the decision taken by consortium, the bank filed the petition before the Hon'ble NCLT, Hyderabad bench under section 7 of the Insolvency and Bankruptcy Code, 2016. In view of the above, the Long Term Borrowings are considered as current maturities of long term borrowings and shown under Other Current Liabilities.
9. The interest on Term Loans and working capital loans was not provided in respect of four banks where the company paid the entire OTS amount and obtained No Dues Certificate. The Interest on Term Loans amounting to Rs.87.27 lakhs for the third quarter 2018-19 and Rs.1884.22 Lakhs upto 31.12.2018 debited by Corporation bank in the current year was not provided in the books as the company is disputing the same.
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. The claim made in respect of loss/damage to its properties during the incident on 27.01.2012 was not settled by the Insurance company on reinstatement/ replacement basis and as such, the company invoked arbitration clause as per the policy terms.
12. Segment reporting is not applicable, since the entire operations of the company related to one segment. i.e. Manufacturing of Ceramic Tiles in terms of Ind AS 108 on operating segments.
13. Previous period/year figures have been regrouped or rearranged wherever necessary to confirm to current year classification.

Place : Hyderabad
Date : 14.02.2019



For REGENCY CERAMICS LIMITED


Dr. G.N.Naidu
Chairman and Managing Director

**Limited Review Report - Financial Results****To the Board of Directors of Regency Ceramics Limited**

We have reviewed the accompanying statement of unaudited financial results of **REGENCY CERAMICS LIMITED** ("the Company") for the quarter and nine months ended 31st December, 2018 (the "statement") being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No.CIR/CFD/FAC/62/2016 dated July 5, 2016.

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting", prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of interim Financial Information performed by the independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and an analytical procedure applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

1. Manufacturing operations of the company were stopped due to riots, strike and malicious damage at factory since 27.01.2012. The condition of the fixed assets, raw materials, stores and spares and its present realizable value could not be estimated, not insured and disclosed at book value after providing depreciation on Fixed Assets on account of efflux of time.
2. During the period from 01.04.2012 to 31.12.2018, the company has provided the provisional liability towards salary, wages and other benefits to its factory employee's upto 30.09.2012. Further, the company has not provided for its liability towards Gratuity and leave encashment in accordance to AS-15 "Employee Benefits". The company could not compute the liability in the absence of complete records.
3. There are no confirmatory letters in respect of Debtors, Creditors, loans and advances and other current assets.
4. The company did not provide the interest on secured loans in respect of four lenders where the account were settled under OTS. An amount of Rs.87.27 Lakhs for the current quarter and Rs.1884.22 Lakhs up to 31.12.2018 debited by one bank was not provided in the books as the company is disputing the same.





K.S. Rao & Co.

CHARTERED ACCOUNTANTS

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.**

Place : Hyderabad
Date : 14.02.2019

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



M. N. Prasad
(M. Naga Prasadu)

Partner
Membership No. 231388