



Regency Ceramics Limited

REF/RCL/SEC/2019

Date : 14th August, 2019

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

Dear Sir/Madam,

Sub: Outcome of Board meeting held on 14.08.2019

Ref: BSE Scrip Code 515018, NSE: REGENCERAM

With reference to the subject cited, this is to inform the Exchange that the meeting of the Board of Directors of Regency Ceramics Limited held on **Wednesday, 14th August, 2019** at 2:00 p.m. at the registered office of the company the following were considered and approved:

1. Un-Audited financial results along with Limited Review Report for the quarter ended 30.06.2019. (Enclosed)
2. 35th Annual General Meeting of the Shareholders will be held on Monday, 30th day of September, 2019 at 12:00 noon at Corporate office of the Company situated at Plot No.89/A, Aishwarya, 1st Floor, Sagar Society, Road No.2, Banjara Hills, Hyderabad - 500 034.
3. Closure of the Register of Members and Share Transfer Books from Saturday, the 21st September, 2019 to Monday, 30th September, 2019 (both days inclusive).
4. E- Voting Period begins on 27.09.2019 from 9.00 a.m. and ends on 5.00 p.m. of 29.09.2019.
5. Noting of appointment of Ms. Neha Kankariyaas, Company Secretary and Compliance officer with effect from 01.08.2019.

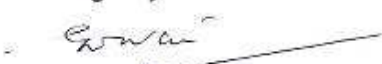
The meeting concluded at 2.30 p.m.

This is for the information and records of the Exchange, please.

Thanking you.

Yours faithfully,

For Regency Ceramics Limited


Dr G N Naidu

Chairman and Managing Director

DIN: 00105597

Encl: as above



Regency Ceramics Limited

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE 2019

(Rs. in lakhs except for share data)

S.No	Particulars	Quarter ended		Year ended	
		30.06.2019	31.03.2019	30.06.2018	31.03.2019
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
I	Revenue from Operations	0.00	0.00	0.00	0.00
II	Other Income	0.96	19.16	4.89	91.26
III	Total income (I + II)	0.96	19.16	4.89	91.26
IV	Expenses				
	(a) Cost of Materials consumed	0.00	0.00	0.00	0.00
	(b) Purchase of stock-in-trade	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
	(d) Employee benefits expense	0.00	7.86	18.17	43.51
	(e) Finance Cost	0.00	0.00	0.25	9.26
	(f) Depreciation and amortisation expense	112.14	113.99	113.98	455.93
	(g) Other expenses	2.08	71.49	16.56	99.94
	Total Expenses	114.22	193.34	148.96	608.64
V	Profit / (Loss) before Tax(III-IV)	(113.26)	(174.18)	(144.07)	(517.38)
VI	Tax expense	0.00	0.00	0.00	0.00
VII	Profit / (Loss) for the period	(113.26)	(174.18)	(144.07)	(517.38)
VIII	Other comprehensive income				
	Items that will not be re classified to profit or loss-(net of taxes)	-	-	-	-
	Other comprehensive income	-	-	-	-
IX	Total comprehensive income (VII + VIII)	-	-	-	-
X	Paid-up equity share capital	2644.16	2644.16	2644.16	2644.16
	Basic and Diluted EPS after extraordinary items (Face value of Rs.10/- each)	(0.43)	(0.66)	(0.54)	(1.96)

Notes:

- 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 Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 05, 2016.
- The above results have been reviewed by the audit committee and approved by the board at their meeting held on 14th August, 2019. The statutory auditors of the company have carried out limited review of the results for the period ended June 30, 2019.
- The above results were prepared without considering the effect of the loss / damage to Buildings, Plant & Machinery and other assets of the company.
- 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 Ind AS-19 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. The company contesting the same. 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.93.00 lakhs for first quarter of 2019-20 and Rs.2065.89 Lakhs upto 30.06.2019 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. And the matter is in progress.
- 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.

for REGENCY CERAMCIS LIMITED



Place : Hyderabad
Date : 14.08.2019

Dr. G.N. Naidu

Dr. G.N.Naidu
Chairman and Managing Director

**Limited Review Report – Financials 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 ended 30th June, 2019 (the "statement") being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

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

We conducted our review 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 Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free from material misstatements. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

1. Manufacturing operations of the company were stopped due to riots, strike and malicious damage at factory since 27.01.2012. The condition of the fixed assets, raw materials, stores and spares and its present realizable value could not be estimated, not insured and disclosed at book value after providing depreciation on Fixed Assets on account of efflux of time.
2. During the period from 01.04.2012 to 30.06.2019, 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-19 "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.93.00 Lakhs for the current quarter and Rs.2065.89 Lakhs up to 30.06.2019 debited by one bank was not provided in the books as the company is disputing the same.
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 : 14.08.2019



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

(V VENKATESWARA RAO)
Partner

Membership No. 219209

UDIN: 19219209 AAAA B4 2856