

Restile®

THE ORIGINAL FULLBODY TILE

RESTILE CERAMICS LIMITED

28th Annual Report 2013-14

BOARD OF DIRECTORS

Shri. Nalinkant Amratlal Rathod	-	Chairman
Shri. Tribhuvan Simh Rathod	-	Managing Director
Shri. K.Rajendra Prasad	-	Independent Director - Nominee APIDC
Shri. Seetharaman TR	-	Independent Director
Shri. Ramachandran N.S	-	Independent Director
Shri. G.Padmanabhan	-	Independent Director
Shri. N Gopala Krishnan	-	Independent Director
Shri. N S Mani	-	Independent Director
Smt. Bharathi Rathod	-	Director

SHAREHOLDERS' INFORMATION

Annual General Meeting Venue	Monday, September 29, 2014 Registered office at Malkapur Village, Hatnoora Mandal, Narsapur Taluk, Medak District-502 296, Andhra Pradesh
Auditors	M/s.M.S.Krishnaswami & Rajan Chartered Accountants GB, Anand Apartments, JP Avenue, Dr.Radhakrishnan Road, 6th Street, Chennai -600 004.
Bankers	State Bank of India a) Industrial Finance Branch, Somajiguda, Hyderabad - 500 082 b) Sanga Reddy Branch, Sanga Reddy, Medak – 502 001
Registered Office & Factory Location	Malkapur Village, Hatnoora Mandal, Narsapur Taluk, Medak District-502 296 Andhra Pradesh www.restile.com
CIN	L26931TG1986PLC006480
Book Closure Date	25th , Sept 2014 to 29th Sept, 2014 (Both days inclusive)
Listing	Bombay Stock Exchange Ltd,
ISIN NO	INE298E01022
Stock Code	515085
Evoting dates	23rd September 2014 to 25th September 2014
Registrars & Share Transfer Agents	M/s. Cameo Corporate Services Ltd, Subramanian Building"1, Club House Road, Chennai 600 002. Telephone No: 044-28460390.

NOTICE TO MEMBERS

NOTICE is hereby given that the 28th Annual General Meeting of the Members of the Company will be held at 11.30 am on Monday, September 29, 2014 at Malkapur Village, Hatnoora Mandal, Narsapur Taluk, and Medak District-502 296 to transact the following business:

1. To receive, consider and adopt the Audited Statement of Profit and Loss for the year ended March 31, 2014 and Balance sheet as at that date, and Cash flow statement for the year ended March 31, 2014, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint a Director in place of Shri. Nalinkant Amratlal Rathod (DIN: 00272129) who retires by rotation and is eligible for reappointment.
3. To appoint a Director in place of Shri.Tribhuvan Simh Rathod (DIN: 01996833) who retires by rotation and is eligible for reappointment.
4. To appoint a director in place of Mr. Gopalachari Padmanabhan (DIN: 00101432), who retires by rotation, and being eligible, seeks re-appointment as Director liable to retire by Rotation.
5. To appoint a director in place of Mr. Tenkasi Ramanarayanan Seetharaman (DIN: 02385221), who retires by rotation, and being eligible, seeks re-appointment as Director liable to retire by rotation.
6. Appointment of Mrs Bharathi Rathod a Woman Director – Promoter Category - Retirement by Rotation.

To Consider and if thought fit, to pass the following resolution with or with out Modification as ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Sections 149(1) (a) second proviso and 152 and any other applicable provisions of the Companies Act, 2013 (“the Act”) and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV of the Act and Clause 49 of the Listing agreement, Mrs. Bharathi Rathod (holding DIN:02587701) who was appointed as an Additional Director by the Board of Directors under Section 161 of the Act with effect from August 12, 2014 and holds office up to the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member propos-ing her candidature for the office of Director, be and is hereby appointed as an Director retiring by Rotation.

RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 197 and any other applicable provisions of the Act and the rules made the reunder (any statutory modification(s) or re-enactment thereof for the time being in force), Mrs Bharathi Rathod be paid such fees and remuneration and profit related commission as the Board may approve from time to time and subject to such limits, prescribed or as may be prescribed from time to time.”

7. To appoint Auditors and fix their remuneration.

In this connection, to consider and if thought fit, to pass the following as an Ordinary Resolution;

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed there under, as amended from time to time, M/s. M.S.Krishnaswami & Rajan, Chartered Accountants (Firm Registration NO.01554S) be and is hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company, at such remuneration plus service tax, out-of-pocket, travelling expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

RESTILE CERAMICS LIMITED

Special Business:

8. Authority to borrow in excess of the paid up capital and reserves;

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution pursuant to the Companies Act, 2013 (the "Act")

"RESOLVED THAT in supersession of the earlier resolution passed by the Members of the Company in the previous Annual General Meeting, the Board of Directors of the company be and is hereby authorized in accordance with the provisions of Sec.180(1)(c) and other applicable provisions if any, of the Companies Act, 2013, for the creation of such mortgages, charges and hypothecations, on all movable and immovable properties of the company, both present and future, and borrow upto an amount not exceeding Rs.15 Crores (fifteen crores).

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalize and execute such documents as may be required and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary proper or desirable in the best interest of the Company."

9. Appointment of Mr.Nandula Srinivasa Rao Ramachandran as non Rotational independent director

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

"RESOLVED THAT pursuant to the provisions of Sections.149,150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr.Nandula Srinivasa Rao Ramachandran (DIN:00089348), a non-executive director of the Company, who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a term of five years effect from September 29, 2014 to September 28, 2019."

10. Appointment of Mr.Narayanan Subramanian as non Rotational independent director

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

"RESOLVED THAT pursuant to the provisions of Sections.149,150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr.Narayanan Subramanian (DIN:02577983), a non-executive director of the Company, who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a term of five years effect from September 29, 2014 to September 28, 2019."

11. Appointment of Mr.Narayanan Gopalakrishnan as non Rotational independent director

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

"RESOLVED THAT pursuant to the provisions of Sections.149,150,152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s)

RESTILE CERAMICS LIMITED

or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act,2013, Mr.Narayan Gopalakrishnan (DIN:03015270), a non-executive director of the Company, who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a term of five years effect from September 29, 2014 to September 28, 2019.”

12. Appointment of Mr.Rajendra Prasad Kandikattu as non Rotational Independent director

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

“RESOLVED THAT pursuant to the provisions of Sections.149,150,152 and any other applicable provisions of the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act,2013, Mr.Rajendra Prasad Kandkattu (DIN:00101432), a Nominee Director of the Company, who is eligible for appointment, be and is hereby appointed as an Independent Nominee Director of the Company with effect from September 29, 2014 to September 28, 2019.”

13. Appointment of Mr.Tribhuvan Simh Rathod as a Director liable to retire by rotation also and as a Managing Director

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

“RESOLVED THAT pursuant to the provisions of Section.152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Tribhuvan Simh Rathod (DIN: 01996833), director of the Company who is eligible for appointment be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation.

“RESOLVED FURTHER THAT pursuant to the provisions of Sections 196,197, 203 and any other applicable provisions of the Companies Act,2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with schedule V to the Companies Act,2013 (Corresponding to Sec.198,269,309 and any other applicable provisions of the company read with schedule V to the Companies Act,2013), the consent of the Company, be and is hereby accorded to the appointment of Mr.Tribhuvan Simh Rathod (holding Din:01996833) as Managing Director of the Company for a period of 2 years effective from 12.8.2014, with remuneration on the terms and conditions of appointment as contained in the draft agreement, and the Board of Directors be and is hereby authorized to alter and vary such terms of appointment and remuneration so as not to exceed the limits specified in Schedule V to the Companies Act,2013 as may be agreed to by the Board of Directors and Mr.Tribhuvan Simh Rathod.

The Material Terms of appointment and remuneration contained in the draft agreement are given below;

Salary: Rs.2, 50,000/- per month

Perquisites:

- a. Housing: The expenditure incurred by the Company on hiring accommodation for the Managing Director shall be subject to a ceiling of 15% of Salary.

RESTILE CERAMICS LIMITED

In case of accommodation for Managing Director is provided by the Company, the expenditure incurred by the Company on hiring accommodation will be subject to a ceiling of 15% (fifteen percent) of the salary of Managing Director.

- b. Medical Reimbursement: Expenses incurred for the Managing Director and family, subject to a ceiling of one month's salary in a year or three month's salary in a block of 3 years.
- c. Leave Travel Concession: For the Managing Director and his family consisting of spouse, dependent children, and dependent parents once in a year incurred in accordance with the rules specified by the Company.
- d. Personal Accident Insurance: Premium not exceeding Rs.10000/p.a.
- e. Club Fees: Fees of clubs subject to a maximum of two clubs. This will not include admission and life membership fees.

Other Perquisites:

1. Contribution towards Provident Fund and Superannuation Fund/Pension Fund to the extent either these singly or put together are not taxable under the Income Tax Act, 1961 and encashment of leave at the end of the tenure will not be included in the computation of the ceiling on remuneration.
2. Gratuity payable in accordance with the rules of the company will not be included in the computation of ceiling on remuneration.
3. Provision of Car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance call on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.
4. Earned/Privilege Leave on full pay and allowance as per rules of the Company. Leave accumulated but not availed during his tenure may be allowed for encashed as per rules of the Company.

Minimum Remuneration:

Notwithstanding anything herein contained, where in any financial year during the period of his office as a Whole time Director, the Company has no profits or its profits are inadequate, the Company may, subject to the requisite approvals, pay Mr.Tribhuvan Simh Rathod, remuneration by way of salary, allowances, perquisites not exceeding the maximum limits laid down in Section II of Schedule V to the Companies Act, 2013 (corresponding to Para I of Section II of Part II of schedule XIII to the Companies Act,1956), as may be agreed to by the Board of Directors and Mr.Tribhuvan Simh Rathod.

Other Terms:

Mr.Tribhuvan Simh Rathod, subject to the superintendence, control and direction of the Board of Directors, manage and conduct the business and affairs of the Company. He shall not be paid any sitting fee for attending meetings of the Board or Committee thereof.

The appointment can be terminated by Mr.Tribhuvan Simh Rathod or the Company, by one party giving to the other 3(three) calendar months' notice in writing or by payment of a sum equivalent to remuneration for the notice period or part thereof in case of shorter notice or on such other terms as may be mutually agreed.

The period of office of Mr.Tribhuvan Simh Rathod shall be liable to determination by retirement of directors by rotation. If Mr.Tribhuvan Simh Rathod is re-appointed as a director, immediately on retirement by

RESTILE CERAMICS LIMITED

rotation he shall continue to hold office of Managing Director and such reappointment as director shall not be deemed to constitute break in his appointment as a Managing Director.

By Order of the Board of Directors

Place: Chennai
Date: August 12, 2014

Nalinkant Amratlal Rathod
Chairman

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxy in order to be effective must be received by the company at its registered office not less than 48 hours before the commencement of the meeting.
3. Members/proxies are requested to bring their copies of Annual Report and the attendance slip duly filled in for attending the meeting. Copies of the Annual Reports will not be provided at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from September 25th, 2014 to September 29,2014 (inclusive of both days).
5. Members are requested to notify any change in their addresses to the Company's Share and Depository Transfer Agents. Members are also requested to intimate their email to the company's share and depository.
6. Members holding shares in physical form are requested to convert their holdings into Demat. The Company's Id with CDS (I) L and NSDL is INE298E01022. The Company's Registrar and Share Transfer Agents are M/S.CAMEO CORPORATE SERVICES LIMITED, "SubramanianBuilding"1, Club House Road, Chennai 600 002.
7. Members desiring any information as regards accounts are requested to write to the Company at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
8. Copies of Annual Report are being sent by electronic mode only to all the members whose email address are registered with Company/Depository participant for communication purposes unless any member requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2014 are being sent by the permitted mode.
9. The shares of the Company are listed with Mumbai Stock Exchange. The Listing Fee for the year 2014-2015 has been paid to Stock Exchange.
10. Brief resume of the Directors seeking reappointment and other details as stipulated under clause 49 of the Listing Agreement, are provided as part of the report on Corporate Governance.
11. Shareholders holding shares in physical form are invited to contribute to the cause of Green Initiative by registering their e-mail ID, by submitting the E- COMMUNICATION REGISTRATION FORM inserted in the Annual Report.
12. Voting through Electronic Means:

RESTILE CERAMICS LIMITED

In compliance with provisions of Sec.108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014, the Company s pleased to inform you a facility to exercise your voting right at the Annual General Meeting by electronic means (eVoting) and the business may be transacted through e-voting Services provided by Central Depository Services Ltd (CDSL).

The procedure and instruction for e-voting are as under:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins from 9 am to 6 pm on 23rd September 2014 and ends on 25th -September 2014. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number is 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will thendirectly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they

RESTILE CERAMICS LIMITED

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.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create 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 should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - 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.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

13. The e-voting commences on 23rd Sept 2014 and ends on 25th Sept 2014

By Order of the Board of Directors

Place: Chennai
Date: August 12, 2014

Nalinkant Amratlal Rathod
Chairman

RESTILE CERAMICS LIMITED

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 forming part the 28th Annual General Meeting of the Company

Item No.4

Mr. Gopalachari Padmanabhan and, is Director retiring by rotation at the ensuing AGM under the provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Gopalachari Padmanabhan being eligible, offer themselves for re-appointment.

The Company has received from Mr. Gopalachari Padmanabhan consent in writing to act as director liable to retire by Rotation.

Except Mr. Padmanabhan being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No.5

Mr. Tenkasi Ramanarayanan Seetharaman is Directors retiring by rotation at the ensuing AGM under the provisions of the Companies Act, 1956. In terms of Section 149 and other applicable provisions of the Companies Act, 2013 Mr. Tenkasi Ramanarayanan Seetharaman being eligible, offer themselves for re-appointment.

The Company has received from Mr. Tenkasi Ramanarayanan Seetharaman consent in writing to act as director liable to retire by Rotation, except Mr. Tenkasi Ramanarayanan Seetharaman being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Item No.6

The Board of Directors of the Company appointed Mrs Bharathi Rathod as an Additional Director with effect from August 12, 2014. Pursuant to the provisions of Section 161 of the Act, Mrs Bharathi Rathod will hold the office of a Director up to the date of the forthcoming Annual General Meeting. The Company has received a notice in writing from a member under the provisions of Section 160 of the Act, proposing the candidature of Mrs Bharathi Rathod for the office of Director.

Mrs Bharathi Rathod is a BA graduate having vast experience.

Mrs Bharathi Rathod is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director of the Company.

In the opinion of the Board, Mrs Bharathi Rathod fulfils the conditions specified in Section 152 of the Act and rules made thereunder for her appointment as Director in promoter category, subject to retire by rotation.

RESTILE CERAMICS LIMITED

An Ordinary Resolution in terms as set out in Item No. 7 of the accompanying Notice is placed before the members in the Meeting for approval.

Except Mrs Bharathi Rathod, being an appointee and Mr Tribuvan Simh Rathod and Mr Nalinkanth Rathod none of the Directors or KMP of the Company or their relatives are concerned or interested, financial or otherwise, in this Resolution. This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No.8

As per the existing limits, the Board of Directors have powers to create charge on the movable and immovable assets of the company upto an amount of Rs.15.00 crores(Rupees Fifteen Crores only) in favor of lending financial institutions / Bankers etc. in terms of section 180(1) (c.) of the companies Act 2013.

The Directors recommends the resolution for members' approval as Special Resolution.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

Item No.9

Mr.Nandula Srinivasa Rao Ramachandran (holding DIN: 00089348), is a Non-Executive Independent Director of the Company. He joined the Board of Directors in 30th August, 2008. He does not hold directorship in any company. He does not hold by himself or any other person on beneficial basis, any shares in the Company. Mr Ramachandran is having vast experience.

Mr.Ramachandran retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Sec.149 and any other applicable provisions of the Companies Act,2013 Mr Ramachandran being eligible and offering himself for reappointment, is proposed to be appointed as an Independent Director for a term of five years up to 28th September,2019. A Notice has been received from a member proposing Mr. Ramachandran as a candidate for the office of the Director of the Company.

In the opinion of the Board, Mr. Ramachandran fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Ramachandran as an Independent Director. Accordingly the Board recommends the resolution in relation to appointment of Mr Ramachandran as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Ramachandran being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No: 10

Mr.Narayanan Subramanian (holding DIN: 02577983), is a Non-Executive Independent Director of the Company. He joined the Board of Directors in 30th January, 2010. He is a director in Trans Medica India Ltd and

RESTILE CERAMICS LIMITED

Sujatha Bio Tech Ltd. He does not hold by himself or any other person on beneficial basis, any shares in the Company. Mr.Narayanan Subramanian is having vast experience.

Mr. Narayanan Subramanian retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Sec.149 and any other applicable provisions of the Companies Act,2013 Mr. Narayanan Subramanian being eligible and offering himself for reappointment, is proposed to be appointed as an Independent Director for a term of five years up to 28th September,2019. A Notice has been received from a member proposing Mr. Narayanan Subramanian as a candidate for the office of the Director of the Company.

In the opinion of the Board, Mr. Narayanan Subramanian fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Narayanan Subramanian as an Independent Director. Accordingly the Board recommends the resolution in relation to appointment of Mr Narayanan Subramanian as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Narayanan Subramanian being an appointee and his brother Mr. N. Gopala Krishnan, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

This Explanatory Statement may also be regarded as a disclosure under Clause 49. Of the Listing Agreement with the Stock Exchange.

Item No: 11

Mr.Narayanan Gopalakrishnan (holding DIN: 03015270), is a Non-Executive Independent Director of the Company. He joined the Board of Directors in 30th January, 2010. He does not hold directorship in any other company. He does not hold by himself or any other person on beneficial basis, any shares in the Company. Mr.Narayanan Gopalakrishnan is having vast experience.

Mr. Narayanan Gopalakrishnan retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956. In terms of Sec.149 and any other applicable provisions of the Companies Act,2013 Mr. Narayanan Gopalakrishnan being eligible and offering himself for reappointment, is proposed to be appointed as an Independent Director for a term of five years up to 28th September, 2019.

A Notice has been received from a member proposing Mr. Narayanan Gopalakrishnan as a candidate for the office of the Director of the Company.

In the opinion of the Board, Mr. Narayanan Gopalakrishnan fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr.Narayanan Gopalakrishnan as an Independent Director. Accordingly the Board recommends the resolution in relation to appointment of Mr.Narayanan Gopalakrishnan as an Independent Director, for the approval by the shareholders of the Company.

RESTILE CERAMICS LIMITED

Except Mr. Narayanan Gopalakrishnan being an appointee and his brother Mr. N. Narayanan subramanian, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

Item No.12

The Board of Directors has co-opted Mr.K Rajendra Prasad as Nominee director on behalf of APIDC w.e.f 29th September 2014 pursuant to section 161 of the Companies Act, 2013. His term of office shall not be liable to determination by retirement of directors by rotation.

Mr.Prasad is having over 30 years experience in the field of Finance.

In the opinion of the Board, Mr. Prasad fulfills the conditions specified in the Companies Act, 2013 and rules made there under for his appointment as an Independent Director of the Company and is independent of the management. The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Prasad as an Independent Director. Accordingly the Board recommends the resolution in relation to appointment of Mr. Prasad as an Independent Director, for the approval by the shareholders of the Company.

Except Mr. Prasad being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

This Explanatory Statement may also be regarded as a disclosure under Clause 49. Of the Listing Agreement with the Stock Exchange.

Item No: 13

The existing tenure of Mr. Tribhuvan Simh Rathod, Managing Director, will be expiring on 31.03.2015. The Board of Directors at their meeting held on 12th August, 2014 appointed Tribhuvan Simh Rathod as a Managing Director whose period of office is liable to determination of directors retire by rotation and as a Managing Director for a period of two years commencing from 12th August, 2014. A notice has been received from a member to this effect.

Mr.Tribhuvan Simh Rathod is Chartered Accountant having vast experience. He holds directorships in Atreya Finance Pvt Ltd, Bell Granito Ceramica Ltd.

Considering the efforts and time devoted by Mr. Tribhuvan Simh Rathod and his long and rich experience in the industry approval of the members is sought for the re appointment and fixation of remuneration of Mr. Tribhuvan Simh Rathod, Managing Director as set out in the resolution. The Remuneration and terms of appointment was approved by remuneration committee.

Except Mr.Tribhuvan Simh Rathod being an appointee and his brother Mr. Nalinkanth Amritalal Rathod none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution.

RESTILE CERAMICS LIMITED

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

By Order of the Board of Directors

Place: Chennai
Date: August 12, 2014

Nalinkant Amratlal Rathod
Chairman

DIRECTORS' REPORT

To the Members:

The Directors are pleased to present the 28th Annual Report of the Company together with its Audited State-ment of Profit & Loss for the year ended March 31, 2014 and the Balance Sheet as on that date.

1. Financial Results

Particulars	Rs.Lakhs	
	2013-14	2012-13
Gross Sales	467.76	405.45
Other Income	7.38	20.94
EBITDA	(591.28)	(398.73)
Interest and Financial charges	109.85	105.04
Depreciation	573.48	574.03
Profit/(Loss) before taxes	(1274.61)	(1077.80)
Amortization	-	-
Profit / (Loss) before tax	(1274.61)	(1077.80)
Provision for taxes	-	-
Profit / (Loss) carried to Balance Sheet	(1274.61)	(1077.80)

2. Company Performance

The Operational performance of the Company is discussed in detail under Management Analysis and Discussion Report

3. Fixed Deposits:

The Company has not accepted any fixed deposits from the public.

4. Listing

The Equity share of your company is listed at Bombay Stock Exchange Limited (BSE). The Listing fees to the stock exchange and custodian fees of NSDL and CDSL have been paid by the Company for the financial year 2014-15

5. Directors:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the company, Mr. Tribhuvan Simh Rathod and Mr. Nalinkant A Rathod, Directors, retire by rotation and are being eligible have offered themselves for reappointment.

The company has received declarations from all the independent Directors of the company conforming that they meet the criteria of independence as prescribed both under sub section (6) of section 149 of the Companies Act 2013 and under clause 49 of the listing agreement with the stock Exchanges.

6. Directors' Responsibility Statement:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors of the Company state:-

- a. that in the preparation of the accounts for the financial year ended 31st March 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- b. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2014 and of the loss of the Company for that period.
- c. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d. that the Directors have prepared the accounts for the financial year ended 31st March 2014 on a going concern basis.

7. Auditors and Audit Report

M/s M.S Krishnaswami & Rajan, Chartered Accountants, Chennai, Statutory Auditors of the Company, hold office till the conclusion of the forthcoming AGM and is eligible for re-appointment. Pursuant to the provisions of Sec.139 of the Companies Act, 2013 and the rules framed there-under, it is proposed to re-appoint M/s. Krishnaswami & Rajan, Chartered Accountants, (Firm Registration No.01554S) as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

Your company has received intimation to the effect that, proposed re-appointment, if made would be within the prescribed limit under Section 141 of the Companies Act 1956 and also in compliance with the requirements of the Listing Agreement regarding Peer Review. They have also confirmed their willingness to accept office, if re-appointed. The Board and Audit Committee recommend the re-appointment of M/s M.S Krishnaswami & Rajan, Chartered Accountants, Chennai, (FRN.01554S) as Statutory Auditors to hold office till conclusion of next Annual General Meeting.

RESTILE CERAMICS LIMITED

The Members are requested to grant approval for the re-appointment of M.S Krishnaswami & Rajan, Chartered Accountants, Chennai (FRN.01544S) as Statutory Auditors of the Company to hold office until the conclusion of the next Annual General Meeting of the Company and authorize the Board of Directors to fix their remuneration.

Regarding the qualifications/comments of Auditors in their report, the Directors wish to state:

- (i) In order to make the Company's business viable, the company has drawn plans to merge two associate companies (Atreya Finance Pvt Ltd, and Bell Granito Ceramica Ltd) with the Company. For this purpose a modified draft rehabilitation scheme has been submitted to BIFR for approval.
- (ii) the company had during the finalization of rehabilitation scheme by BIFR in 2002, effected a capital reduction aggregating Rs 754.44 lakhs and since that date the same has been held as a reserve primarily to finalize the impairment in fixed assets and for adjustment. Consequently and in terms of the BIFR Scheme, the Company would with the approval of BIFR adjust the identified impairment in fixed assets against the reserves earmarked for this purpose. The non-recognition of the impairment loss in the statement of Profit and Loss as required by Accounting Standard 28 should be viewed in the light of requirements of the BIFR Scheme.
- (iii) As part of the merger plans and restructuring of operations, a separation scheme for workers at factory was announced in the last quarter of the financial year 2014 and all the workers at the factory have opted to separate under the said scheme. All dues to the aforesaid separating employees have been fully settled. Details of staff/executives continuing in employment as required for actuarial valuation could not be obtained and therefore the management has estimated the liability for gratuity and compensated absences at the year end.
- (iv) Steps are being initiated to update the fixed asset register
- (v) Inventories could not be physically verified by the management at the year-end due to unforeseen circumstances. However our bankers have appointed stock auditor what has verified physical inventory during the year and no major differences have been observed between our books and physical stocks.
- (vi) Action is being initiated for completion of arrears of Statutory dues including provident fund, ESI, TDS, TCS, sales tax, professional tax, etc.
- (vii) The Company has negotiated with the bank as regards continuation of the working Capital loan and it is hopeful of getting the bank's approval for the same.
- (viii) The creation of charge in respect of the deep discount bonds will be completed expeditiously

8. Particulars of Employees and Industrial Relations:

The Information as required under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is NIL.

9. Energy conservation, Technology Absorption and Foreign Exchange Earnings and Outgo

Particulars pursuant to the provisions of section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 are given in the Annexure to this Directors report.

RESTILE CERAMICS LIMITED

10. Corporate Governance Report, Management discussion & Analysis Report

As required by Clause 49 of the Listing Agreement with the Stock Exchange the report on Management Discussion and Analysis, Corporate Governance together with the Auditors' Certificate on the compliance of Corporate Governance thereon are attached and form part of the Annual Report.

11. Companies Act, 2013

The Companies Act, 2013 has become effective from April 1, 2014 and the rules relating to the Act were made effective subsequently. As per the notification of the Ministry of Corporate Affairs regarding the applicability of companies Act, 1956 in respect of Financial statements, Boards' Report relating to period earlier than 1st April, 2014, the Board's Report and the financial statements of the Company were prepared as per the Companies Act, 1956.

12. Information for Shareholders:

Additional information pertaining to shareholders like Equity History, Shareholding Pattern, Price Movement in Stock Exchange, Corporate communication etc, is provided in this Annual Report.

13. Acknowledgement

Your Directors place on record their deep appreciation of the continued co-operation and support extended by financial institutions, bankers, suppliers, dealers, C & F Agents, customers, employees and various State and Central Government Agencies. The Directors also take this opportunity to thank the shareholders for their continued confidence reposed in the Management of the Company.

For and on behalf of the Board of Directors

Place: Chennai
Date: 12th August, 2014

Tribhuvan Simh Rathod
Managing Director

ANNEXURE TO THE DIRECTORS REPORT

Information under Section 217(1) (e) of the Companies Act 1956 read with the Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988 and forming part of Directors Report.

A. Energy Conservation:-

Power:

The Company is continuously putting efforts to conserve energy consumption. During the year the dependence on DG Power has been minimized.

Fuel:

During the year, the processing cycle time was brought down leading to saving in LPG consumption.

RESTILE CERAMICS LIMITED

FORM A (As per Rule 2)

Form for Disclosure of Particulars with Respect to Conservation of Energy

	2013-14	2012-13
ELECTRICITY		
Purchase Units (KWH)	479160	760735
Total Amount (Rs.in Lakhs)	67.17	64.27
Average Rate per unit (Rs./Kwh)	14.01	8.45
LPG		
Quantity (Tonnes)	119.52	126.72
Total cost (Rs.Lakhs)	78.75	90.42
Average rate (Rs.Lakhs/Tonne)	0.66	0.71

CONSUMPTION PER UNIT (Sq.Mtr) OF PRODUCTION

	2013-14	2012-13
Electricity (Kwh)	8.51	13.88
LPG (Tonnes)	0.0021	0.0023

FORM B (As per Rule 2)

B. Disclosure of Particulars with Respect to Technology Absorption, Research and Development New Development:

New Raw materials:

Continuous trials have been made and new/alternate raw materials have been introduced to improve the green strength and maturity of the body leading to higher production yield and lower cost.

During the year 2013-14 special emphasis and thrust has been given in the areas of cost reduction, quality improvement & new product development.

Cost Reduction: As a part of cost reduction drive the R&D has done the following activities.

- Introduction of new chemicals to reduce Green & Dry tiles losses.
- Introduction of special grades Raw Materials and New sources of better quality materials to improve the brightness & clarity of the body.
- Introduction of Special Bonding agent.

Quality improvement:

- Improved sorting methods and system to get higher yields and better quality.
- Introduction of ISO 9000 Quality Management System is under progress to reduce the losses and improve the working system.

All the above efforts have led to improved efficiencies, and production of consistent quality products.

RESTILE CERAMICS LIMITED

To carry out the R&D activity to reduce energy consumption and to lower cost of production.

C. Foreign Exchange Earnings and Outgo:	2013-14 (Rs in lakhs)	2012 - 13 (Rs in lakhs)
Foreign Exchange Earnings:	Nil	Nil
Foreign Exchange out go:	Nil	Nil

By Order of the Board of Directors

Place: Chennai
Date: 12th August, 2014

Tribhuvan Simh Rathod
Managing Director

Certification by Managing Director and Chief Financial Officer to the Board

We Tribhuvan Simh Rathod, Managing Director and V V Chennulu, Chief Financial Officer certify that;

1. We have reviewed the financial statements for the year and that to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements present a true and fair view of the state of affairs of the company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing Generally Accepted Accounting Principles including Accounting Standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept overall responsibility for establishing and monitoring the company's internal control system for financial reporting and evaluating its effectiveness. The Statutory Auditors reports significant issues to the Audit Committee of the Board. The Statutory Auditors and audit committee are apprised of any corrective action taken or proposed to be taken with regard to significant deficiencies and material weaknesses.
4. We have indicated to the Auditors and to the Audit Committee:
 - a) Significant changes if any in internal control over financial reporting during the year;
 - b) Significant changes if any in accounting policies during the year;
 - c) Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting. However, there was no such instance

Place: Chennai
Date: 12th August 2014

V V Chennulu
Chief Financial Officer

Tribhuvan Simh Rathod
Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

Annexure to the Directors Report

The Indian Economy in 2013–14 continued with great struggle amidst the volatile economy. The expectation of the recovery of economy in the second half of year did not materialize, and resulted in the merger industrial growth. The increasing global uncertainties, depreciation in value of rupee and high level of inflation dominated the economic scene during the year.

Restile Ceramics Ltd, pioneer in vitrified tiles and in the business of flooring tiles since 1986 holds excellent reputation in the Industry as high quality producer, employs the best practices and highest quality stand-ards in the industry and works constantly on quality up-gradation. The company is known for introducing innovative product range in frequent intervals.

Management Discussion and Analysis of Operating Results and Financial

Performance: Results of operations for the year ended March 31, 2014

Sales: Net Sales clocked for the year were Rs420.92. Lacs as against Rs.363.19 Lacs for the previous year and other income for the year stands at Rs 7.38 Lacs as against Rs. 20.94 Lacs for the previous year.

Production: Production during the year was 56,331 Sq. mtrs.

Expenditure: There has been increase in other expenditures (other than expenses classified under Exceptional items) in the year 2013–14 compared to previous year. Out of Total Expenditure Cost of Materials consumed were Rs. 115.09 Lacs compared to Rs. 27.20 Lacs in the previous year. Movement in Inventories account for Rs. 211.79Lacs in current year as against Rs.158.20 Lacs in previous Year. Employee Benefits, Depreciation, other Expenses and exceptional Items account for Rs.1, 266.19 Lakhs as against and 171.47 Lakhs in the previous year. There is also recognition of Rs.6.77 Lacs towards Bad and Doubtful debts writ-ten off.

Interest and Financial charges: An amount of Rs.109.85 Lacs was incurred towards Interest and Financial Charges in the year 2013-14 against Rs.105.04 Lacs in the previous year.

Net Loss: The Company recorded a net loss of Rs.1274.61 Lacs during the year on account of decrease in production and decrease in average selling prices.

Internal Control Systems and their adequacy:

Internal controls and its effectiveness are being reviewed periodically. The company has adequate internal controls and Management reviews periodically to the changed requirements.

Opportunities:

Production was stopped as the proposed restructuring entails certain high end products and discontinuance of existing range. Consequently, management has taken steps to clear major portion of old range of products at lower cost.

Threats:

Since the vitrified market enjoys consistent growth and assured returns, companies in the organized and unorganized sector are expected to come up with the latest technology, which may result in pressure on

RESTILE CERAMICS LIMITED

the realizations. However the uniqueness of our product will help us in garnering the Project and industrial tiles sector which help in overcoming the completion.

Risks and Concerns:

The company specific risks remain by and large the same as enumerated last year. The Company is consuming LPG which is a petroleum product for firing the tiles. The prices of petroleum products depend upon international market and subject to volatility. Some of the competitors who have the facilities of natural gas, tax incentives etc. are dominating the market. There may be a threat from some of the larger capacity play-ers, who have varied range of products, effects and colors to dominate market presence.

Outlook:

The company during the year 2013-14 has initiated action to merge other 2 companies Atreya finance pvt ltd and Bell granito ceramic ltd into the company. Draft Merger scheme has been submitted to BIFR for their approval. This merger will help in achieving profitability and will increase the value of shares.

Human Resources and Industrial Relations:

During the year as part of restructuring of operations majority of employees have been settled under separation scheme. However the relationships with employee have been fairly cordial.

Cautionary Statement:

Statements in the management discussion and analysis describing the Company's objectives, projections, estimates, expectations may be 'forward looking statements' within the applicable securities laws and regulations. These statements are based on certain assumptions and expectations of future events over which the Company exercise no control, neither guarantees nor warrant that the same will be realized by the Company. Actual results could differ materially from those expressed or implied. Significant factors that could make a significant difference to the Company's operations include domestic and international economic conditions affecting demand, supply, market prices, input component costs and availability, changes in government regulations and tax laws and other statutes.

ANNEXURE TO THE DIRECTORS REPORT

CORPORATE GOVERNANCE REPORT

In compliance with Clause 49 of the Listing Agreement with Stock Exchanges the Company submits the report on the matters mentioned in the said Clause and practice followed by the Company:

Corporate Governance gives much emphasis on internal system encompassing policies, processes and people which serves the needs of Shareholders and stakeholders, by directing and controlling management activities with good business objectivity, accountability and integrity. Sound Corporate Governance is mainly reliant on external marketplace commitment and legislation, healthy board culture which safeguards policies and processes.

The Company attaches much importance to good Corporate Governance and the code of governance as formulated by the Stock Exchange/SEBI and other authorities.

It is the endeavor of the Board of Directors that the Company is governed so as to maximize the benefits for all Shareholders and stakeholders and others. The Company has been implementing the clauses of Corporate Governance as amended from time to time.

RESTILE CERAMICS LIMITED

Board of Directors:

The Board of Directors of the company shall have optimum combination of Executive and Non- Executive directors.

As on 31st March 2014, the Company has Eight (8) Directors with a Non-Executive chairman. Of the Eight Directors, Seven (7) are Non-Executive Directors with Six (6) of them being independent Directors, one (1) Nominee Director.

The non-executive directors possess rich and varied experience in different facets of corporate functioning. They play active role in the meetings of the Board. The Board formulates policy decisions so as to lead and control the Company.

During the year under review, eight (8) meetings of the Board of Directors were held. The time gap between any two Board Meetings has not exceeded four months.

CORPORATE GOVERNANCE REPORT

The Names and Categories of the Directors on the Board, their attendance at Board Meetings held during the Financial Year 2013-14 and at the last Annual General Meeting, and also the number of Directorships and Committee positions held by them in other public limited companies as on March 31, 2014 are given below:

Name	Category	Number of Board Meetings attended	Whether attended AGM held on 10.08.2013	No. of Directorships in other Companies	No. of committee Positions held in other Companies	
					Chairman	Member
Nalinkant Amratlal Rathod	Promoter Chairman & Non Executive Director	5	No	9	-	-
Tribhuvan Simh Rathod	Promoter Managing Director	8	Yes	1	-	-
K.Rajendra Prasad (APIDC-Nominee)	Nominee Director (APIDC)	1	No	8	-	-
N.S.Ramachandran	Independent Non Executive-Director	5	Yes	-	-	-
Seetaraman T.R	Independent Non Executive-Director	8	No	-	-	-
G Padmanabhan	Independent Non Executive Director	8	No	-	-	-

RESTILE CERAMICS LIMITED

Name	Category	Number of Board Meetings attended	Whether attended AGM held on 10.08.2013	No. of Directorships in other Companies	No. of committee Positions held in other Companies	
					Chairman	Member
N S Mani	Independent Non Executive Director	8	Yes	1	-	
N Gopala Krishnan	Independent Non Executive Director	6	Yes	-		

CORPORATE GOVERNANCE REPORT

Eight (8) Board Meetings were held during the year 2013-2014 and the gap between 2 meetings did not exceed 4 months. The dates on which, the Board Meetings were held are 30th May 2013, 11th August 2013, 12th November 2013 and 9th January 2014, 10th February 2014, 16th February 2014, 23rd February 2014, 3rd March 2014.

Apart from receiving the sitting fees, Independent Non-Executive Directors do not have any other material pecuniary relationship or transactions with the Company, its promoters or its Management, which in the opinion of the Board may affect the independent judgment of the Director.

Necessary information as specified in Annexure 1A to Clause 49 of the Listing Agreement has been placed before the Board of Directors for their consideration.

Committees of the Board:

The Committees constituted by the Board of Directors of the Company are as under:

a. Audit Committee

1. The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchange and oversees the accounting and financial reporting process of the company, recommending the appointment and remuneration of the statutory auditors and the safeguards employed by them.
2. The Audit Committee comprises of five members, consisting of Independent Non-Executive Directors. All the members of the Committee have the relevant experience in the field of finance and accounting.
3. Chairman of the Audit Committee is an Independent Director and he was present for the Annual General Meeting held on 10.08.2013.
4. Audit Committee meetings are attended by invitation, by the Statutory Auditors, Managing Director and Finance head of the Company.

RESTILE CERAMICS LIMITED

Meeting of Audit Committee:

The Audit Committee met five times during the financial year 2013-2014. The attendance record of the Audit Committee members is given below:

Name of the Member	No. of Meetings held	Attended
Shri.T.R.Seetaraman	5	5
Shri N.S.Ramachandran – Chairman	5	4
Shri.G.Padmanabhan	5	5
Shri N Gopala Krishnan	5	4
Shri N S Mani	5	5

Role of the Audit Committee

The role of Audit Committee includes the following:

Review financial statements, internal controls and accounting policies. The quarterly financial results are placed before the audit committee for its review, suggestions and recommendations, before submitting the same to the Board for approval.

The committee also tracks the implementation of its guidelines/suggestions through review of action taken reports. A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the committee apart from details of material individual transactions with the related parties.

Remuneration Committee:

The Remuneration Committee is constituted as per the requirements of the Listing Agreement and in terms of provisions of the Companies Act, 1956.

The committee comprises of Sri N S Ramachandran, Sri.T R Seetharaman, and Sri.G Padmanabhan all non executive Independent Directors. Sri. N S Ramachandran is the Chairman of the Committee.

During the year there were no changes in the terms and conditions with regard to remuneration payable to Executive Directors and hence no meeting was conducted.

The broad terms of reference of the remuneration committee are to approve/recommend to the Board the salary (including annual increments) perquisites and commission including

Remuneration policy:

The Company while deciding the remuneration package of the management takes into consideration the employment scenario, remuneration package of the industry, financial performance of the company and talents of the appointee. The Non Executive Independent directors are not paid any remuneration for attending Board/committee meetings other than sitting fees.

RESTILE CERAMICS LIMITED

Remuneration of Directors:

The non-executive directors do not receive any remuneration from the Company. They are paid Sitting fee for attending the meetings of the Board and Committee Meetings. There is no pecuniary relationship or transactions between non-executive Directors and the Company.

Remuneration to Mr. Tribhuvan Simh Rathod, Managing Director	Rs.Lacs
Salary and Perquisites	30.00

The Company has no scheme for Stock option. There is no separate provision for payment of severance fees to the Managing Director.

Shareholders'/ Investors' Grievance committee:

The Shareholders'/Investors' Grievance Committee has the required powers to carry out the handling of shareholders'/investors' grievances. The Board had delegated the authority to approve transfer of shares to Shareholders'/ Investors' Grievance Committee.

- i. The Chairman of the Committee Sri. N S Ramachandran is an independent non-executive Director
- ii. The composition of the Committee consists of non executive independent directors Shri.N.S.Ramachandran, Shri.T.R.Seetaraman, and Shri G. Padmanabhan.
- iii. The Committee met 12 times during the year.
- iv. Sri.N Srinivasan is the Compliance officer.

The meetings of the Committee are held at frequent intervals to approve transfers, transmissions, issue of duplicate shares and resolving investors' grievances, etc.

During the year one investor grievance has been received and subsequently it is solved. The company has replied through the DP agent in respect of complaint received in the earlier year. The minutes of the Share Transfer and Investors' Grievances Committee meetings are placed before the Board for its noting on a regular basis.

Details of General Body Meetings:

Location, date and time of the Annual General Meetings held during the last 3 years are given below:

Year	Location	Date of AGM	Day	Time
2011	Registered Office the Company at Malkapur Village, Hatnoora Mandal, Narsapur Taluq, Medak Dist, A.P	September 24, 2011	Saturday	11.30 a.m
2012	Registered Office the Company at Malkapur Village, Hatnoora Mandal, Narsapur Taluq, Medak Dist, A.P	September 21, 2012	Friday	11.30 a.m
2013	Registered Office the Company at Malkapur Village, Hatnoora Mandal, Narsapur Taluq, Medak Dist, A.P	August 10, 2013	Saturday	12.00 p.m

There were no resolutions in the last AGM that were put through postal ballot. There was one special resolution passed during last AGM relating to re-appointment of Managing Director.

Risk Assessment and Minimization Procedure:-

The Company has laid down procedures to inform Board of Directors about the Risk assessment and minimization procedures. These Procedures are reviewed by the Board of Directors periodically.

The Board of Directors of the Company is continuously briefed, by the Chairman and Managing Directors, with the developments and performance of the Company so as to enable them to monitor the same at regular intervals. Reports on risk assessment and minimization process and new initiatives proposed by the Company are also presented to them for suggestions and up gradation.

Disclosures

a. Related Party Transactions

Details of materially significant related party transactions are listed in Note No.26.10 of Notes to Financial Statements annexed. There were no transactions during the year with related parties that were prejudicial to the interests of the Company.

b. Compliances made by the Company

The Company has continued to comply with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years; no penalties, strictures have been imposed on the Company by the Stock Exchanges, SEBI and other statutory authorities related to the above.

c. Communication to Shareholders

The quarterly and Annual Results are being published in the Business Standard and Andhra Bhoomi OR Financial Express and Andhra Prabha. Quarterly and Annual Financial Results of the Company are furnished to the Stock Exchange as per the requirements of the Listing Agreement.

d. Code of Conduct

The Restile Code of Conduct as adopted by the Board of Directors, is applicable to the Directors, both executive and non-executive and Senior Management team comprising of members of Management one level below the Executive Directors, including all functional heads.

A declaration by Managing Director affirming the compliance of the Code of Conduct of Board Members and senior management executives is also annexed separately at the end of this report.

e. Whistle Blower Policy

The Company promotes a favorable environment for employees to have an open access to the Audit Committee, respective Functional Heads, Head- HRD, Managing Director as well as Non-Executive Chairman so as to ensure ethical and fair conduct of the business of the Company and that no personnel has been denied access to the Audit Committee.

Share capital Audit

In keeping with the requirements of SEBI and Stock Exchange, a qualified Practicing Company Secretary carried out Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital.

The Reconciliation of share capital Audit Report placed before the Board of Directors on a quarterly basis is also sent to the Stock Exchanges where the company's shares are listed confirms that the total issued/ paid-up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares with NSDL and CDSL.

RESTILE CERAMICS LIMITED

General Shareholder Information

Annual General Meeting	Date	September 29, 2014
	Time	11.30 a.m.
	Venue	Registered Office of the Company at Malkapur Village, Hatnoora Mandal, Narsapur Taluq, Medak Dist, A.P.
Company's Financial Year		1st April, 2013 to 31st March 2014.
Date of Book Closure		25th September to 29th September 2014 (Inclusive of both days)
Listing on Stock Exchange		Bombay Stock Exchange Ltd
e-voting dates		23rd September to 25th September 2014
ISIN No		INE298E01022
Stock Code		515085
Registrar and Share Transfer Agent		M/s. Cameo Corporate Services Ltd, "Subramanian Building" 1, Club House Road, Chennai 600 002.

Dematerialization of Shares:

The Company's shares are traded compulsorily in dematerialized form. In this connection, the Company has already entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the Company's ID is INE 298E01022.

The members are requested to dematerialize their physical holding in view of various advantages of holding the shares in dematerialized form. As on 31st March 2014, 97673148 shares are under dematerialization, representing 99.38% of the paid up capital

Distribution of shareholding as on 31st March, 2014:

Holding of number of Shares or Debentures	Share/Debenture (Holders)		Shares/Debentures (Amount)	
	Number	%	Rs.	%
1 - 5000	23282	98.8703	7506390	0.7637
5001 - 10000	113	0.4798	870550	0.0885
10001 - 20000	63	0.2675	896100	0.0911
20001 - 30000	27	0.1146	666570	0.0678
30001 - 40000	11	0.0467	394890	0.0401
40001 - 50000	8	0.0339	362540	0.0368
50001 - 100000	13	0.0552	892610	0.0908
100001 - Above	31	0.1316	971202740	98.8207
Total	23548	100	982792390	100

RESTILE CERAMICS LIMITED

a) Market Price Movement: The details of monthly high and low market price of equity shares at the stock exchange, Mumbai are as given below:

Month	Highest (Rs.)	Lowest (Rs.)	Month	Highest (Rs.)	Lowest (Rs.)
April '13	4.45	4.45	October'13	3.80	3.80
May'13	-	-	November'13	3.99	3.99
June'13	-	-	December'13	4.18	3.99
July'13	4.23	4.23	January'14	5.95	4.00
August'13	-	-	February'14	5.94	5.00
September'13	4.02	3.83	March'14	5.15	4.53

Equity shares are not traded in the month of May, June & august 2013.

SHAREHOLDING PATTERN AS ON 31ST MARCH 2014

Sl no	Category	No. of shares	% of shareholding
1	Promoters	71115908	72.36
2	Mutual funds and UTI	19300	0.02
3	Banks, Financial Institution, Insurance companies	40	0
4	Private Corporate Bodies	649349	0.66
5	Indian Public	7843555	7.98
6	NRIs/OCBs	16741177	17.03
7	Clearing Members	160	0
	Foreign Bodies	1909750	1.94
	Total	98279239	100

Outstanding ADRs/GDRs/Warrants or any convertible instruments, conversion date and likely impact on equity: Not Applicable

Details of Shares of the Company held by the Directors as on March 31, 2014 are as below:

Name	Designation	No. of Shares
Nalinkant Amratlal Rathod	Non Executive Chairman	8126383
Tribhuvan Simh Rathod	Managing Director	Nil
N S Ramachandran	Non Executive Director	Nil
G Padmanabhan	Non Executive Director	Nil
T R Seetharaman	Non Executive Director	Nil
N Subramanian	Non Executive Director	Nil
N Gopala Krishnan	Non Executive Director	Nil
K Rajendra Prasad	Nominee Director	Nil

RESTILE CERAMICS LIMITED

Nomination Facility for Shareholding

Shareholders holding shares in physical form and desirous of making a nomination in respect of their shareholding in the company as permitted under section 109A of the Companies Act, 1956 are requested to submit to the company the prescribed form 2B for this purpose.

Company's Policy on prevention of Insider Trading

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, the company had framed a Code of Conduct for prevention of Insider trading. The code is applicable to all such employees of the company who are expected to have access to the unpublished price sensitive information relating to the company and the same is being implemented as a self regulatory mechanism.

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting of the Company (Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange):

Name of the Director	Qualification	Expertise in specific functional areas	Age	List of Companies in which outside Directorships held as on 31.03.2014	Chairman/ Member of the Committees of the Board of other Companies in which he is a Director as on 31st March, 2014
Mr.G. Padmanabhan	Chartered Accountant	He has vast experience and expertise in the fields of Finance and Accounting.	68	Nil	Nil
Mr. Nalinkant Amratlal rathod	Chartered Accountant	He has vast experience and expertise in the fields of Finance and Accounting.	64	9	Nil
Tribhuvan Simh Rathod	Chartered Accountant	He has vast experience and expertise in the fields of Finance and Accounting	65	2	Nil
T.R. Seetharaman	Chartered Accountant	He has vast experience and expertise in the fields of Finance and Accounting	57	Nil	Nil
N.S. Ramachandran	Chartered Accountant	He has vast experience and expertise in the fields of Finance and Accounting	63	Nil	Nil

RESTILE CERAMICS LIMITED

N. Gopala krishnan	B.E	He has vast experience and expertise in the fields of technical and operations.	74	Nil	Nil
N.S. Mani	B.E	He has vast experience and expertise in the fields of Finance and Accounting	72	Nil	Nil
K. Rajendra prasad	B.E	He has vast experience in various companies as director .	57	8	Nil

Disclosures

Mr. Nalinkant Rathod, Tribhuvan Rathod who are seeking Re-appointment are the relatives. Apart from this there are no relationships between any other Directors seeking Re-appointment as stipulated in Clause 49 (IV (G) (ia) of the Listing agreement.

The Company has complied with all mandatory requirements as detailed above and also adopted the non-mandatory requirements as detailed below:

Compliance with Non-Mandatory Requirements:

1. The Board: A separate Office is not maintained for the Non-Executive Chairman of the Company. The Composition of the Board of Directors, Committees of the Board are in line with the provisions of the Listing Agreement, the Companies Act, 1956 and other applicable laws.
2. Remuneration Committee: The Board has setup a remuneration committee to determine on their behalf and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Managing Director.
3. Shareholders' Rights: The Financial performance of the Company on quarterly basis including a summary of significant events are published in English and local Telugu Newspaper. Hence, these information are not sent to each household of shareholders individually.
4. Audit Qualifications: The Company endeavors to adopt best practices to ensure regime of unqualified financial statements.
5. Mechanism for evaluating non-executive Board Members: Non-Executive Directors performance is evaluated by Chairman under authority from Board.

Our manufacturing unit is located at:

Malkapur Village, Hatnoora Mandal, Narsapur Taluq, Medak Dist, A.P

Our address for Correspondence:

M/s. Cameo Corporate Services Ltd.,
Subramanian Building 1, Club House Road, Chennai 600 002.

RESTILE CERAMICS LIMITED

Declaration by the Managing Director Under Clause 49 of the Listing Agreement Regarding Adherence to the Code of Conduct

I hereby declare that all the Board members and Senior Management Personnel have affirmed compliance with the code of conduct adopted by the Company and have submitted declarations in this behalf for the year ended 31st March, 2014

Date: 12th August, 2014
Place: Chennai

Tribhuvan Simh Rathod
Managing Director

Certificate on Corporate Governance by Managing Director Under Clause 49 of the Listing Agreement:

I, Tribhuvan Simh Rathod, Managing Director of the Company, hereby certify that:

- a. I have reviewed the Financial Statements for the year 2013-14 prepared and to the best of my 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 the existing accounting standards, applicable laws and regulations except as indicated elsewhere;
- b. to the best of my knowledge and belief, no transactions have been entered into by the company which are fraudulent, illegal or violative of the Company's code of conduct.
- c. I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors, audit committee, deficiencies in the design or operation of internal controls, if any of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d. I have indicated to the Auditors and Audit Committee;
 - i) Significant changes in internal control during the year
 - ii) Significant changes in Accounting Policies during the year and that the same have been Disclosed in the notes to the financial statements; and
 - iii) Instances of significant fraud of which I have become aware and involvement therein if any, of the Management or employee having a significant role in the company's Internal control system over Financial reporting. However during the year there are no such instances.

Date: August 12, 2014
Place: Chennai

Tribhuvan Simh Rathod
Managing Director

RESTILE CERAMICS LIMITED

Auditors' Certificate on Compliance with the Conditions of Corporate Governance Under Clause 49 of the Listing Agreement with the Stock Exchange

To the Members of Restile Ceramics Limited

We have examined the compliance by Restile Ceramics Limited (the Company) with the conditions of Corporate Governance for the year ended March 31, 2014 as stipulated in clause 49 of the listing agreement of the said company with a stock exchange in India, with the relevant records and documents maintained by the Company and furnished to us and the report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of Corporate Governance is the responsibility of the Company's management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in clause 49 of the Listing Agreement) issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the said compliance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We certify, based on the aforesaid examination and according to the information and explanations given to us that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

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

For M.S. Krishnaswami & Rajan
Chartered Accountants
Registration No: 01554S

Place: Chennai
Date: 12th August, 2014

M.S. Murali
Partner
Membership No.26453

INDEPENDENT AUDITOR'S REPORT

To the Members of Restile Ceramics Limited

Report on the Financial Statements

We have audited the accompanying financial statements of RESTILE CERAMICS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 th September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control . An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Qualified Opinion

- (a) *The Company has generated negative operating cash flows, incurred substantial operating losses, significant deterioration in value of assets used to generate cash flows and its loans from bank have been recalled by lender all of which indicate existence of material uncertainty in the Company's ability to continue as a going concern for a reasonable period of time. The attached financial statements do not include any adjustments that might result had the above uncertainties been known.*

- (b) *The Company's building and plant and equipment are carried in the Balance Sheet at Rs.967.18 lakhs and Rs.5951.24 lakhs respectively. Management has not recognized estimated impairment in value of building (Rs.522.17 lakhs) and in value of plant and equipment (Rs.119.87 lakhs) in the Statement of Profit and Loss as required by Accounting Standard 28 – Impairment of Assets referred to in subsection (3C) of Section 211 of the Act. The Company's records indicate that had management stated the value of building and plant and machinery after considering the impairment loss mentioned above, the net loss would have increased by Rs.642.04 lakhs and share holders fund would have reduced by Rs.642.04 lakhs.*
- (c) *The liability for employee gratuity as on March 31, 2014 has been determined on the basis of Payment of gratuity Act, 1972 and the liability for leave encashment has been provided on actual basis instead of on actuarial basis as per mandatory Accounting standard 15 "Employee Benefits". The effects of non compliance of the Accounting standard 15 on the financial statement is not quantifiable*

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *except for the effect of the matters described in the Basis for qualified opinion paragraph*, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a state-ment on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) *except for the matters described in the Basis of Qualified Opinion paragraph*, in our opinion, the Bal-ance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate affairs in respect of section 133 of the Companies Act, 2013.

RESTILE CERAMICS LIMITED

- e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Act.

For M.S.Krishnaswami & Rajan
Chartered Accountants
Firm Regn. No. 01554S

Place: Chennai
Date: May 24, 2014

M.S.Murali-Partner
Membership No. : 26453

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

Re: Restile Ceramics Limited

Referred to in paragraph 8 under Report On Other Legal and Regulatory Requirements section of our report of even date

In our opinion and on the basis of such checks as we considered appropriate, and according to the information and explanations given to us, the nature of the Company's business/ activities/ results during the year are such that clauses (vi), (xiii), (xiv), (xviii), and (xx) of paragraph 4 of the Order are not applicable to the Company. Further, in respect of other clauses, on the basis of such checks as we considered appropriate, we report that

1. (i) the Company is maintaining records showing particulars including quantitative details and situation of fixed assets. *The same, however, needs to be updated.*
(ii) the fixed assets are being physically verified under a phased programme of verification, which, in our opinion, is reasonable having regard to the nature and value of its assets, and no material discrepancies have been noticed on such verification carried out during the year in terms of the phased programme.
(iii) the Company has not disposed off any of its fixed assets during the year and therefore our comment on whether the going concern has been affected by such disposal does not arise.
2. (i) *inventories have not been physically verified during the year by the management.*
(ii) *the question of our commenting on procedures of the said physical verification of the inventory followed by the management therefore does not arise.*
(iii) the Company is maintaining records of its inventories. *Inventories have not been physically verified during the year by the management. The question of our commenting on the material discrepancies noticed on physical verification and whether the same have been properly dealt with the books of account does not arise.*
3. (a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under section 301 of the Act. Consequently, the provisions of Clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

RESTILE CERAMICS LIMITED

- (b) The Company has taken interest free, unsecured loans from two companies listed in the register maintained under Sec.301 aggregating to Rs.240.65 lakhs during the year and the year end balance of such loans is Rs.238.15 lakhs. The other terms and conditions of the said loan are not prejudicial to the interests of the Company.
4. There is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets, payments for expenses and for sale of goods and services. On the basis of our examination of the books and records of the company, we have neither come across nor have been informed, of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. In our opinion and to the best of our knowledge and belief the contracts or arrangements referred to in section 301 of the Act which need to be entered in the register maintained under the said section have been so entered. The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. *The Company did not have an internal audit system during the financial year.*
7. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1) (d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- 8.
- (i) *The Company has not been regular in depositing undisputed provident fund, employees' state insurance, income tax, sales tax, service tax, excise duty and cess with the appropriate authorities during the year. The arrears of such dues outstanding as at March 31,2014 for a period of more than six months from the date they became payable are – Employees' state insurance Rs.3.00 lakhs, Tax collected/deducted at source Rs.3 lakhs, Sales Tax 20.88 lakhs, Property tax Rs.2.50 lakhs and Professional tax Rs.2.95 lakhs. We are informed that the delays were caused by unavoidable circumstances.*
- (ii) there are no dues of income tax, wealth-tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute. Sales Tax dues not deposited on account of disputes are as under
- | Name of the Statute | Nature of the dues | Forum where Dispute is Pending | Year to which the demand relates | Amount of Tax Demanded (Rs. Lakhs) |
|---------------------|--------------------|----------------------------------|----------------------------------|------------------------------------|
| Sales Tax | APVAT | Before High court Andhra Pradesh | 2009-10 | 12.74 |
9. The Company has accumulated losses as at March 31, 2014 and has incurred cash losses in the financial year ended on that date and in the immediately preceding financial year.
10. As per information and explanation given to us, *the bank has called upon the Company on February 28, 2014 to pay back the entire working capital loan of Rs. 500 lakhs and close the account immediately.*
11. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

RESTILE CERAMICS LIMITED

12. The company does not given any guaranty for loan taken by others.
13. Based on our audit procedures and as per information and explanations given to us we report that the Company has not raised any term loans during the year.
14. In our opinion and according to the information and explanations given to us and on an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used for long-term investment.
15. The Company has not issued any debentures during the year and hence the question of creating a charge in respect thereof does not arise. *The creation of charge in respect of Deep Discount Bonds issued in an earlier year and outstanding is in progress.*
16. According to the information and explanation given to us and based on the audit procedures performed, we report that no fraud of material significance on or by the Company has been noticed or reported during the year, nor we have been informed of such an occurrence by the management.

For M.S.Krishnaswami & Rajan
Chartered Accountants
Firm Regn. No. 01554S

Place: Chennai
Date: May 24, 2014

M.S.Murali-*Partner*
Membership No. : 26453

—

|

—

|

BALANCE SHEET AS AT 31 MARCH, 2014

Particulars	Note	As at 31 March, 2014	As at 31 March, 2013
		Rs in Lakhs	Rs in Lakhs
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share capital	1	9,827.92	9,827.92
(b) Reserves and surplus	2	(7,059.50)	(5,784.89)
		2,768.42	4,043.03
Non-Current Liabilities			
(a) Long-term borrowings	3	1,730.83	1,730.83
(b) Deferred tax liabilities (net)	4	-	-
(c) Other long-term liabilities	5	112.31	99.79
(d) Long-term provisions	6	11.24	32.31
		1,854.38	1,862.93
Current Liabilities			
(a) Short-term borrowings	7	771.97	530.36
(b) Trade payables	8	1,420.64	1,379.37
(c) Other current liabilities	9	793.81	522.88
(d) Short-term provisions	10	40.20	34.96
		3,026.62	2,467.57
		7,649.42	8,373.53
ASSETS			
Non-Current Assets			
(a) Fixed assets			
(i) Tangible assets	11	6,474.14	7,047.61
(ii) Capital work-in-progress		196.14	196.14
		6,670.28	7,243.75
(b) Long-term Investments	12	-	-
(c) Long-term loans and advances	13	161.37	106.60
		6,831.65	7,350.35
	TOTAL		

RESTILE CERAMICS LIMITED

Particulars	Note	As at 31 March, 2014	As at 31 March, 2013
Current Assets			
(a) Inventories	14	528.31	746.14
(b) Trade receivables	15	58.04	95.63
(c) Cash and cash equivalents	16	5.38	10.52
(d) Short-term loans and advances	17	226.04	165.80
(e) Other current assets	18	-	5.09
		817.77	1,023.18
TOTAL		7,649.42	8,373.53

Statement on Significant Accounting Policies and accompanying notes are an integral part of the Financial Statements

As per our Report attached

For and on behalf of the Board

For M.S. KRISHNASWAMI & RAJAN
Chartered Accountants
Firm Registration No.01554S

TRIBHUVAN SIMH RATHOD
Managing Director

T R SEETHARAMAN
Director

M S MURALI
Partner
Membership No.26453
Place: Chennai
Date: May 24, 2014

V.V.CHENNULU
Chief Financial Officer

RESTILE CERAMICS LIMITED

Statement of Profit and Loss for the year ended 31 March, 2014

Particulars	Note	For the year ended	For the year ended
		31 March, 2014	31 March, 2013
		Rs in lakhs	Rs in lakhs
INCOME			
Continuing Operations			
Revenue from operations - Sale of Vitrified Ceramic Tiles		467.76	405.45
Less: Excise duty		46.84	42.26
Revenue from operations -- 1		420.92	363.19
Other income -- 2	19	7.38	20.94
Total revenue (1 + 2) -- 3		428.30	384.13
EXPENSES			
(a) Cost of materials consumed	20	115.09	27.20
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	211.79	158.20
(c) Employee benefits expense	22	265.08	271.11
(d) Finance costs	23	109.85	105.04
(e) Depreciation and amortisation expense	24	573.48	574.03
(f) Other expenses	25	273.54	295.62
Total Expenses -- 4		1,548.83	1,431.20
Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		(1,120.53)	(1,047.07)
Exceptional items	26.8	154.08	30.73
Profit / (Loss) before extraordinary items and tax (5 + 6)		(1,274.61)	(1,077.80)
Extraordinary items		-	-
Profit / (Loss) before tax (7 + 8)		(1,274.61)	(1,077.80)
Tax expense:			
(a) Current tax expense		-	-
(b) Deferred tax		-	-
Profit / (Loss) from continuing operations (9 + 10)		(1,274.61)	(1,077.80)

RESTILE CERAMICS LIMITED

Particulars	Note	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		Rs in lakhs	Rs in lakhs
DISCONTINUING OPERATIONS			
Profit / (Loss) from discontinuing operations (before and after tax)		-	-
TOTAL OPERATIONS			
Profit / (Loss) for the year (11 + 12)		(1,274.61)	(1,077.80)
Earnings per share (of Rs.10/- each) before and after Extraordinary item			
- Basic and Diluted from Continuing and Total operations.	26.12	(1.30)	(1.10)

Statement on Significant Accounting Policies and accompanying notes are an integral part of the Financial Statements

As per our Report attached

For and on behalf of the Board

For M.S. KRISHNASWAMI & RAJAN
Chartered Accountants
Firm Registration No.01554S

TRIBHUVAN SIMH RATHOD
Managing Director

T R SEETHARAMAN
Director

M S MURALI
Partner
Membership No.26453
Place: Chennai
Date: May 24, 2014

V.V.CHENNULU
Chief Financial Officer

RESTILE CERAMICS LIMITED

Cash Flow Statement for the year 2013-14

Particulars	As at 31st March, 2014		As at 31st March, 2013
	Rs in lakhs	Rs in lakhs	Rs in lakhs
A. Cash flow from operating activities			
Profit / (Loss) before tax		(1,274.61)	(1,077.80)
<i>Adjustments for:</i>			
Depreciation and amortisation	573.48		574.03
Finance costs	109.85		105.04
Unrealised exchange loss/(gain)	(1.34)		(0.95)
Unclaimed balances written back	(6.04)		-
Interest (income)	-		(5.79)
Provision for Bad trade receivables written back on recovery	(1.81)		-
Provision for Bad trade receivables	6.77	680.91	4.88
Operating profit / (loss) before working capital changes		(593.70)	(400.59)
<i>Changes in working capital:</i>			
<i>Adjustments for (increase) / decrease in operating assets:</i>			
Inventories	217.83		167.29
Trade receivables	33.97		41.09
Short-term loans and advances	(60.24)		(108.16)
Long-term loans and advances	(54.77)		18.16
Other current assets	5.09		(1.48)
	141.88		116.90
<i>Adjustments for increase / (decrease) in operating liabilities:</i>			
Trade payables	47.31		337.44
Other current liabilities	270.92		47.58
Other long-term liabilities	12.52		(0.24)
Short-term provisions	5.24		7.99
Long-term provisions	(21.07)		(25.11)
	314.92	456.80	367.66
Cash generated from operations		(136.90)	83.97
Net cash flow from / (used in) operating activities (A)		(136.90)	83.97

RESTILE CERAMICS LIMITED

Particulars	As at 31st March, 2014		As at 31st March, 2013
	Rs in lakhs	Rs in lakhs	Rs in lakhs
B. Cash flow from investing activities			
Capital expenditure on fixed assets	-		-
Proceeds from sale of fixed assets	-		-
Interest received	-		5.79
Net cash flow from / (used in) investing activities (B)		-	5.79
C. Cash flow from financing activities			
Proceeds from short term borrowings	240.65		16.00
Repayment of short term borrowings	(2.50)		
Interest payments	(109.85)		(105.04)
Net cash flow from / (used in) financing activities (C)		128.30	(89.04)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(8.60)	0.72
Cash and cash equivalents at the beginning of the year		(503.84)	(504.56)
Cash and cash equivalents at the end of the year		(512.44)	(503.84)
		8.60	(0.72)

Statement on Significant Accounting Policies and accompanying notes are an integral part of the Financial Statements

As per our Report attached

For and on behalf of the Board

For M.S. KRISHNASWAMI & RAJAN
Chartered Accountants
Firm Registration No.01554S

TRIBHUVAN SIMH RATHOD
Managing Director

T R SEETHARAMAN
Director

M S MURALI
Partner
Membership No.26453
Place: Chennai
Date: May 24, 2014

V.V.CHENNULU
Chief Financial Officer

RESTILE CERAMICS LIMITED

Notes forming part of the Financial Statements

Note 1: Share capital

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
(a) Authorised 100,000,000 (2013:100,000,000) Equity shares of Rs.10 each with voting rights	10000.00	10000.00
(b) Issued 98,279,239 (2013:98,279,239) Equity shares of Rs.10 each with voting rights	9827.92	9827.92
(c) Subscribed and fully paid up 98,279,239 (2013:98,279,239) Equity shares of Rs.10 each with voting rights	9827.92	9827.92
Total	9827.92	9827.92

1.1 Reconciliation of the number of Equity Shares and amount outstanding at the beginning and at the end of the reporting period.

Particulars	As at 31 March, 2014		As at 31 March, 2013	
	No of Equity Shares	Amount	No of Equity Shares	Amount
Balance at the Beginning	98,279,239	9827.92	98,279,239	9827.92
Balance at the end	98,279,239	9827.92	98,279,239	9827.92

1.2 Shareholders holding more than 5% of the Total Share Capital.

Name of the Shareholder	No of Equity Shares of Rs.10 each held	
	2014	2013
1. Mr. Nalinkant Amratlal Rathod	8,126,383	8,126,383
2. Solomed Pte Ltd	62,596,302	62,596,302
3. Capital Carriers Ltd	11,689,671	11,689,671

1.3 The Equity Shareholders are entitled to receive dividends as and when declared, a right to vote in proportion to holding etc and their rights, preferences and restrictions are governed by terms of their issue and the provisions of the Companies Act,1956.

Note 2: Reserves and surplus

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
(a) Capital Reserve		
Opening balance	33.37	33.37
Add: Additions during the year		
Less: Utilised / transferred during the year		
Closing balance	33.37	33.37
(b) Central Subsidy from Government of India		
Opening balance	12.75	12.75
Add: Additions during the year		
Less: Utilised during the year		
Closing balance	12.75	12.75
(c) Capital Reduction Reserve		
Opening balance	754.44	754.44
Add: Additions / transfers during the year		
Less: Utilisations / transfers during the year		
Closing balance	754.44	754.44
(d) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	(6585.45)	(5507.65)
Add: Profit / (Loss) for the year	(1274.61)	(1077.80)
Closing balance	(7,860.06)	(6,585.45)
Total	(7,059.50)	(5,784.89)

2.1 Capital Reserve represents amounts transferred upon cessation of liability under one time settlement in earlier years.

2.2 Capital Reduction Reserve arose out of reduction in Equity Share Capital effected in Financial Year 2002-03 in terms of the order of the Board for Industrial and Financial Reconstruction (BIFR) dated Decem-ber 18,2002.

Note 3: Long-term borrowings

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
Secured		
Deep Discount Bonds	1730.83	1730.83
Total	1,730.83	1,730.83

3.1: 537,527 Deep Discount Bonds of Rs.1000/- each were issued to Atreya Finance Pvt Ltd on March 30, 2009 at a discounted price of Rs.322. The said Bonds mature on March 31,2019 but both the parties have options to redeem/encash the same at an earlier date at predetermined discount rate or at a price to be agreed upon at the time of conversion after due written notice to the other party. Subsequent to the end of the previous year, the terms of these bonds have been renegotiated with the incremental price payable from a negotiated date after March 31,2015 instead of April 1,2010 as initially agreed upon. Since the bonds are redeemable at the issue price up to the said negotiated date no discount is recognised in the financial statements up to that date.

3.2 : The Deep Discount Bonds are to be secured by all movable and immovable assets of the Company other than current assets hypothecated to working capital bankers and 3rd floor premises in Varun Towers, Begumpet. The charge is under creation.

Note 4: Deferred tax Liabilities(net)

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs.	Rs.
Composition of net deferred tax liability		
Deferred tax liabilities		
- Depreciation	686.98	652.26
	686.98	652.26
Deferred tax assets		
- Unabsorbed depreciation	686.98	652.26
	686.98	652.26
	-	-

4.1 In the light of the Company having an history of recent losses, accrual of deferred tax asset is restricted to timing differences on account of unabsorbed depreciation, the reversal of which will result in sufficient income as laid down in para 18 of Accounting Standard 22 "Accounting for Taxes on Income.

Note 5: Other long-term liabilities

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
(a) Trade Payables (including Acceptance)		
(i) Micro, small and Medium Enterprises (Refer Note. 26.13)	-	-
(ii) Others	-	-
(b) Others:		
(a) Trade / security deposits received from dealers	112.31	99.79
Total	112.31	99.79

Note 6: Long-term provisions

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
Provision for employee benefits:		
(i) Compensated absences	11.24	4.05
(ii) Gratuity	-	28.26
Total	11.24	32.31

6.1 Details of Long-term Provisions

Particulars	Opening	Addition/ (Deletion)	Closing
(i) Compensated Absences	4.05	7.19	11.24
(ii) Gratuity	28.26	(28.26)	-

Note 7: Short-term borrowings

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
Loans repayable on demand		
-From banks		
Secured	508.89	512.01
Unsecured	8.93	2.35
	517.82	514.36
Interest free borrowings from related party-unsecured		
- From Managing Director	16.00	16.00
others	238.15	0.00
	254.15	16.00
Total	771.97	530.36

7.1 Details of security for the secured short-term borrowings:

Particulars	Nature of security	As at 31 March, 2014	As at 31 March, 2013
		Rs in lakhs	Rs in lakhs
Loans repayable on demand from banks:			
Cash Credit -State Bank of India	Secured by all hypothecation of Stocks,Stores,spares and consumables, Receivables and equitable Mortgage of 3rd Floor Premises in Varun Towers Begumpet.	508.89	512.01
Total - from banks		508.89	512.01

7.2 Unsecured borrowing from bank represents temporary overdraft facility.

7.3 The Loans from Banks carry interest of Prime Lending Rate(PLR) plus a rate of interest applicable to the Company based norms,which varies depending upon "credit rating" by the lender and external agency.

RESTILE CERAMICS LIMITED

Notes forming part of the Financial Statements

Note 8: Trade payables

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
Trade payables (including Acceptances)		
(i) Micro, Small and Medium enterprises [Refer Note. 26.13]	-	-
(ii) Others	1420.64	1379.37
Total	1420.64	1379.37

Note 9: Other current liabilities

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
(a) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	135.03	267.99
(b) Payables on purchase of fixed assets	9.16	9.16
(c) Advances from customers	448.92	54.24
(d) Dues to employees	175.83	177.09
(e) Others	24.87	14.40
Total	793.81	522.88

Note 10: Short-term provisions

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
(a) Provision for employee benefits:		
(i) Compensated absences	26.97	27.93
(ii) Gratuity	13.23	7.03
Total	40.20	34.96

10.1 Details of Short-term Provisions

Particulars	Opening	Addition/ (Deletion)	Closing
(i) Compensated Absences	27.93	(0.96)	26.97
(ii) Gratuity	7.03	6.20	13.23

Note 11: Fixed assets

Sl. No.	Tangible assets	Gross block			Accumulated depreciation and impairment				Written Down Value		
		"Balance as at 1 April, 2013"	Additions/ Adjustments	Disposals	"Balance as at 31 March, 2014"	Balance as at 1 April, 2013	Depreciation / amortisation expense for the year	Eliminated on disposal of assets/ adjustments	Balance as at 31 March, 2014	Balance as at 31 March, 2014	Balance as at 31 March, 2013
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
1	(a) Land Freehold	65.11	-	-	65.11	-	-	-	-	65.11	65.11
2	(b) Buildings Own use	1,243.53	-	-	1,243.53	276.35	40.69	-	317.04	926.49	967.18
3	(c) Plant and Equipment Owned	10,004.31	-	-	10,004.31	4,053.06	518.55	-	4,571.61	5,432.70	5,951.24
4	(d) Furniture and Fixtures Owned	68.27	-	-	68.27	39.65	4.32	-	43.97	24.30	28.62
5	(e) Vehicles Owned	42.12	-	-	42.12	28.86	4.00	-	32.86	9.26	13.26
6	(f) Office equipment Owned	75.49	-	-	75.49	53.29	5.92	-	59.21	16.28	22.20
7	(h) Others Owned	4.40	-	-	4.40	4.40	-	-	4.40	-	-
	Total	11,503.23	-	-	11,503.23	4,455.61	573.48	-	5,029.09	6,474.14	7,047.61
	Previous year	11,503.23	-	-	11,503.23	3,881.58	574.03	-	4,455.61	7,047.61	7,621.65

RESTILE CERAMICS LIMITED

Notes forming part of the Financial Statements

Note 12: Long -Term Investments

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
Trade - Investment in Unquoted equity shares of subsidiary 9,900 (As at 31 March, 2012: 9,900) shares of Rs.10 each fully paid up in Restile Marketing Private Ltd	-	-
Less: Provision for diminution in value of Investments	-	-
Total	-	-

12.1 Procedures relating to windingup of Restile Marketing Private Ltd under Sec.560 of the Companies Act,1956 has been complied with Accordingly consolidated financial statements and details under section 212 of the Act, are not furnished.

Note 13: Long-term loans and advances

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
Security deposits (including Electricity Deposit) Unsecured, considered good	161.37	106.60
Total	161.37	106.60

Note 14: Inventories

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
(a) Raw materials	73.99	64.86
(b) Work-in-progress	29.17	44.41
(c) Finished goods	264.78	476.50
(d) Stores and spares	160.37	160.37
Total	528.31	746.14

RESTILE CERAMICS LIMITED

Notes forming part of the Financial Statements

Note 15: Trade receivables

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	44.28	22.28
Doubtful *	6.77	35.08
	51.05	57.36
Less: Provision for doubtful trade receivables *	6.77	35.08
	44.28	22.28
Other Trade receivables		
Unsecured, considered good	13.76	73.35
Total	58.04	95.63

* Net of Rs.33.28 Lakhs adjusted against Provision made thereof

Note 16: Cash and cash equivalents

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
(a) Cash on hand	1.26	0.90
(b) Balances with banks		
(i) In current accounts	4.12	1.77
(ii) In deposit accounts	-	7.85
Total	5.38	10.52

Note 17: Short-term loans and advances

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
(a) Loans and advances to employees Unsecured, considered good	2.97	0.13
(b) Prepaid Expenses	0.40	0.20
(c) Balances with government authorities Unsecured, considered good		
(i) CENVAT credit receivable	126.83	123.78
(ii) Service Tax credit receivable	42.66	3.24
	169.49	127.02
(d) Refund of income tax recoverable	18.25	18.21
(e) Others Unsecured, considered good - Advance to suppliers	34.93	20.24
Total	226.04	165.80

Note 18: Other current assets

Particulars	As at 31 March, 2014	As at 31 March, 2013
	Rs in lakhs	Rs in lakhs
Interest accrued on deposits	-	5.09
Total	-	5.09

Note 19: Other income

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Rs in lakhs	Rs in lakhs
(a) Interest income	-	5.79
(b) Net gain on foreign currency transactions and translation	1.34	0.95
(c) Unclaimed balances written back	6.04	14.20
Total	7.38	20.94

RESTILE CERAMICS LIMITED

Notes forming part of the Financial Statements

19.1 Interest income comprises:

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Rs in lakhs	Rs in lakhs
Interest from banks on deposits	-	1.28
Other interest	-	4.51
Total	-	5.79

Note 20: Cost of Raw Materials consumed

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Rs in lakhs	Rs in lakhs
Opening stock	225.23	235.24
Add: Purchases	124.22	17.19
	349.45	252.43
Less: Closing stock	234.36	225.23
Cost of material consumed	115.09	27.20

20.1 Cost of Rawmaterials consumed comprise;

Sl.No.	Particulars	UOM	2014		2013	
			Quantity	Value Rs Lacs	Quantity	Value Rs Lacs
(i)	Ball Clay/Fledspar etc.	Tonnes	1240.410	9.46	709.240	19.48
(ii)	Zirconium sillicate/colour	Tonnes	0.140	10.43	0.980	5.47
(iii)	Ceramic Mixture	Tonnes	2106.370	95.20	0.000	-
(iv)	Others	Tonnes				2.25
				115.09		27.20

20.2 Of the above consumption indigenous items constitute 100% (2013: 100%)

Note 21: Changes in inventories of finished goods and work-in-progress

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Rs in lakhs	Rs in lakhs
Inventories at the end of the year:		
Finished goods	264.78	476.50
Work-in-progress	29.17	44.41
	293.95	520.91
Inventories at the beginning of the year:		
Finished goods	476.50	668.02
Work-in-progress	44.41	10.17
	520.91	678.19
Excise duty on Movement in Finished goods	(15.17)	(0.92)
Net (increase) / decrease	211.79	158.20

Note 22: Employee benefits expense

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Rs in lakhs	Rs in lakhs
Salaries, Wages and Bonus	216.96	234.61
Contributions to provident and other funds	36.64	29.69
Staff welfare expenses	11.48	6.81
Total	265.08	271.11

23.1 Salaries, Wages and Bonus is net of recoupment of Expenses of Rs.NIL (2013 Rs.66.89 Lakhs) from Bell Granito Ceramica Ltd (BGCL) under an arrangement for manufacture and sale of goods by BGCL under the Company's brand.

Note 23: Finance costs

Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Rs in lakhs	Rs in lakhs
Interest Expense On:		
(i) Working Capital	90.43	97.02
(ii) Others	15.10	5.68
Others - Bank Charges	4.32	2.34
Total	109.85	105.04

Note 24: Depreciation and Amortisation Expense

Tangible assets	For the year ended 31 March, 2014	For the year ended 31 March, 2013
	Rs in lakhs	Rs in lakhs
(a) Buildings		
Own use	40.69	40.69
(b) Plant and Equipment		
Owned	518.55	518.55
(c) Furniture and Fixtures		
Owned	4.32	4.32
(d) Vehicles		
Owned	4.00	3.17
Taken under finance lease		0.83
(e) Office equipment		
Owned	5.92	6.47
Total	573.48	574.03

Note 25: Other expenses

Particulars	For the year ended	For the year ended
	31 March, 2014	31 March, 2013
	Rs in lakhs	Rs in lakhs
Consumption of stores and spare parts	11.43	8.73
Consumption of packing materials	7.04	4.78
Raw Material Procurement Expenses	32.18	0.00
Power and fuel	178.92	159.55
Rent	2.17	20.31
Repairs and maintenance - Buildings	-	4.49
Repairs and maintenance - Machinery	1.28	1.16
Repairs and maintenance - Others	2.25	5.67
Insurance	1.36	1.56
Rates and taxes	15.44	9.43
Rates and taxes - provision written back	(28.84)	0.00
Communication	2.30	8.32
Travelling and conveyance	2.48	14.65
Freight and forwarding	6.63	3.86
Sales commission	1.15	2.27
Sales discount	2.45	3.14
Business promotion	1.33	11.22
Legal and professional	6.77	6.69
Payments to auditors	4.00	4.00
Provision for Bad trade receivables written back on recovery	(1.81)	0.00
Provision for Bad trade receivables	6.77	4.88
Directors Sitting Fees	3.14	1.84
Vehicle expenses	5.44	4.86
Security Charges	0.01	5.24
Electricity charges	0.41	1.80
Miscellaneous expenses	9.24	7.17
Total	273.54	295.62

25.1 Amortization of Expenses Comprise;

Sl No	Particulars	2014	2013
1.	Capital Issue Expenses	-	27.34
2.	Brand Building Expenses	-	22.91

25.2 Payments to the auditors comprises :

Particulars	For the year ended 31 March,	For the year ended 31 March,
	2014	2013
	Rs	Rs
a. Towards Statutory Audit	3.50	3.50
b. Towards Tax Audit	0.50	0.50
Total	4.00	4.00

Note 26:

		31.03.2014	31.03.2013
		Rs. In	Rs. In
		Lakhs	Lakhs
26.1	Value of Imports (CIF)	-	-
26.2	Expenditure in foreign currency	-	-
26.3	Earnings in foreign exchange	-	-
26.4	There were no remittances of dividend in foreign currencies to non-resident shareholders	-	-
26.5	Capital commitments (net of advances) not provided for	Nil	Nil
26.6	Contingent liabilities		
	a) Guarantees	-	-
	b) Claims (net) against the company not acknowledged as - debts - Sales tax	Nil	197.13
	c) A case has been filed against the Company in 1997 regarding alleged sale and lease back of certain fixed assets belonging to the company. The Company has disputed the veracity of the sale and lease back arrangement particularly since there was no evidence of appropriate approvals on behalf of the Company. The case is pending adjudication before the High Court and consequently, the said Company books assets continue in possession of and properly reflected in the account. The outflow in respect of the above is not practicable to ascertain in view of the uncertainties involved.		
26.7	Going concern Assumption The Company has incurred recurring losses and is engaged in intermittent operations during the year. However, the financial statements have been pre-pared on a going concern on the basis of management plans to restructure operations to ensure viability of future operations in ensuing year. This would be in a manner as would enable the company to settle its obligations as and when they fall due.		

26.8

a) Defined benefit plans - As per Actuarial valuation on March 31, 2013	Gratuity				Compensated-Leave absences			
	2014	2013	2012	2011	2014	2013	2012	2011
A. Expense recognised in the statement of Profit and Loss Account for the year ended March 31, 2014								
1 Current service cost	NA	4.28	9.25	13.79		3.03	17.09	11.73
2 Interest cost		2.87	4.93	3.86		1.22	0.89	0.61
3 past service cost(Vested benefits)		-	-	1.94		-		
4 Net actuarial (gain) / loss recognised during the year		3.36	(28.24)	(6.28)		(10.36)	(8.46)	(8.85)
Past service cost								
5 Total expense		10.51	(14.06)	13.32		(6.11)	9.52	3.49
B. Actual return on plan assets	NA							
1 Expected return on plan assets				-		-	-	-
2 Actuarial gain/ (loss) on plan assets		(3.36)	-	-		(10.36)	-	-
3 Actual return on plan assets				-		-	-	-
C. Net Asset/ (Liability) recognised in the Balance Sheet	NA							
1 Present value of the obligation		35.29	40.77	61.67		(5.01)	(16.64)	11.10
2 Fair value of plan assets		-	-	-		-	-	-
3 Funded status [surplus/ (deficit)]		-	-	-		-	-	-
4 Net Asset/ (Liability) recognised in the Balance Sheet		(35.29)	(40.77)	(61.67)		(5.01)	(16.64)	(11.10)
D. Change in Present value of the Obligation during the year	NA							
1 Present value of obligation as at beginning of the year		40.77	61.67	48.35		16.64	11.10	7.62
2 Current service cost		4.28	9.25	13.79		3.03	17.09	11.73
3 Interest cost		2.87	4.93	3.86		1.22	0.89	0.61
4 Benefits paid		(15.99)	(6.84)	-		(5.52)	(3.98)	
5 Past service cost(vested benefits)			-	1.94		-		

6 Actuarial (gain) / loss on obligation		3.36	(28.24)	(6.28)	(10.36)	(8.46)	(8.85)
7 Present value of obligation as at end of the year		35.29	40.77	61.67	5.01	16.64	11.10
E. Change in Assets during the year	NA						
1 Fair value of plan assets as at beginning of the year		-	-	-	-	-	-
2 Expected return on plan assets		-	-	-	-	-	-
3 Contributions		(15.99)	-	-	5.52	-	-
4 Benefits paid		(15.99)	-	-	(5.52)	-	-
5 Actuarial gain / (loss) on plan assets		-	-	-	-	-	-
6 Fair value of plan assets as at end of the year		-	-	-	-	-	-
F. Experience adjustments in	NA						
1 Plan liabilities - loss / (gain)						3.28	
2 Plan assets - (loss) / gain							
3 Experience gain/(loss) on obligation		3.36	(17.65)	(6.28)	10.36	-	(8.85)
G. Major categories of plan assets as a percentage of total plan	NA	Unfunded	Unfunded	Unfunded	Unfunded	Unfunded	Unfunded
H. Actuarial Assumptions	NA	2013	2012	2011	2013	2012	2011
Discount rate		8.00%	8.75%	8.00%	8.00%	8.75%	8.00%
Salary escalation		3.00%	6.00%	8.00%	3.00%	6.00%	8.00%
a) The estimates of future salary increases by the actuary have reckoned inflation, seniority, promotion and other relevant factors.							
b) In the current year all the workers have opted for severance of their employment and their dues settled. Details of staff/executives continuing in employment required by the actuarial valuer could not be furnished and therefor the Company has estimated the said liability for recognition in the financial statements.							

RESTILE CERAMICS LIMITED

		31.03.2014	31.03.2013
		Rs. In Lakhs	Rs. In Lakhs
26.9	<p>Segment Information</p> <p>The Company's primary segment is identified as business segment based on nature of product, risks, returns and the internal business reporting system. The Company is operating in only a single business segment viz. vitrified tiles.</p>		
26.10	<p>Related party disclosure</p> <p>A. Related Party Relationship</p> <p>a) Associate Companies</p> <p>1 Sologuard Medical Devices (P) Limited</p> <p>2 Athreya Finance Pvt Ltd</p> <p>3 Bell Granito Ceramica Limited</p> <p>b) Key Management Personnel</p> <p>Mr. Tribhuvan Simh Rathod - Managing Director</p> <p>B. Related Party transactions and outstanding balances:</p> <p>(i) Associate Companies</p> <p>I Bell Granito Ceramica Ltd</p> <p>a) Purchase of Raw Materials</p> <p>b) Sale of Raw materials</p> <p>c) Sales of Machinery spares</p> <p>d) Advance/current account - Net increase/(decrease)</p> <p>e) Short-term loan taken</p> <p>f) Advance/current Account -Balance</p> <p>g) Short-term loan - Balance</p> <p><u>II Sologuard Medical devices Pvt Ltd</u></p> <p>a) Short-term loan taken</p> <p>b) Short-term loan repaid</p> <p>c) Short-term loan - Balance</p> <p><u>III Athreya finance Pvt Ltd</u></p> <p>Deep Discount Bond outstanding</p> <p>(ii) Key management Personnel</p> <p>Mr. Tribhuvan Simh Rathod</p>	<p>137.90</p> <p>31.21</p> <p>5.16</p> <p>310.32</p> <p>234.65</p> <p>1645.53</p> <p>234.65</p> <p>6.00</p> <p>2.50</p> <p>3.50</p> <p>1730.83</p>	<p>0.01</p> <p>-</p> <p>-</p> <p>488.49</p> <p>-</p> <p>1166.10</p> <p>-</p> <p>6.00</p> <p>6.00</p> <p>-</p> <p>1730.83</p>

RESTILE CERAMICS LIMITED

	a) Salary	30.00	30.00
	b) Salary Payable	33.60	35.37
	c) Short-term Loan-Balance	16.00	16.00
26.11	Basic and Diluted earnings per share		
	Profit after taxation as per Statement of profit and loss	(1,274.61)	(1077.80)
	Weighted average number of equity shares outstanding	98279239	98279239
	Par value of equity share Rs.	10	10
	Basic and Diluted earnings per share Rs.	(1.30)	(1.10)
26.12	The circularisation of balances of customers/suppliers is in progress		
26.13	The Company has not received any information from "Suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any relating to the amounts unpaid as at the end of the year together with interest paid/payable under the Act have not been furnished.		
26.14	Previous year's figures have been regrouped / reclassified/amended wherever necessary to correspond with the current year's classification.		

Statement on Significant Accounting Policies and accompanying notes are an integral part of the Financial Statements

As per our Report attached

For M.S.KRISHNASWAMI & RAJAN
Chartered Accountants
Firm Registration No.01554S

For and on behalf of the Board

TRIBHUVAN SIMH RATHOD
Managing Director

T R SEETHARAMAN
Director

M S MURALI
Partner
Membership No.26453
Place : Chennai
Date : May 24, 2014

V. V. CHENNULU
Chief Financial Officer

STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

1. Basis of accounting and preparation of financial statements

1.1 The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956 read with section 133 of the companies Act 2013. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

1.2 All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the revised schedule VI to the Companies Act, 1956. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has determined its operating cycle as twelve months for the purpose of current - noncurrent classification of assets and liabilities.

2. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

3. Tangible Fixed assets and depreciation

Cost of all assets, where the cost exceeds Rs. 10,000 and the estimated useful life is two years or more, is capitalized. Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. Cost of fixed assets is net of eligible credits under Cenvat / Vat Scheme. Expenditure directly related and incidental to construction are capitalized up to the date of attainment of commercial production. Interest and other related costs, including amortized cost of borrowings attributable only to qualifying assets are capitalized as part of the cost of the respective assets. Expenses incurred on major refurbishment extending the life of Plant and Machinery has been capitalized to the respective Asset. Capital work-in-progress is carried at cost, comprising direct cost, related incidental expenses and attributable interest.

Assets are depreciated on straight line basis, over their estimated useful lives or lives derived from the rates prescribed in Schedule XIV to the Companies Act, 1956, whichever is lower and in the manner described in Schedule XIV to the Companies Act, 1956.

Assets subject to impairment, on the asset's revised carrying amount, over its remaining useful life.

4. Investments

Non-current investments are stated at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of the investment, if any.

5. Inventories

Inventories are valued at lower of cost and net realisable value; cost being ascertained on the following basis:

Stores, spares, consumable tools, and raw materials: on weighted average cost basis.

Work-in-progress, finished goods: under absorption costing method with the cost of incomplete Work at the end of the year, being estimated.

Cost includes taxes and duties and is net of eligible credits under Cenvat / Vat Schemes.

Obsolete / slow moving inventories are adequately provided for.

6. Foreign currency transactions and derivatives

Foreign currency transactions are recorded at the rates prevailing on the date of the transaction. Monetary assets and liabilities in foreign currency are translated at closing rate. Exchange differences arising on settlement or translation of monetary items are recognized as income or expense in the Statement of Profit and Loss .

7. Amortization of deferred expenditure

Expenditure incurred on raising capital and other preliminary expenses are amortised over a period of five years. All identifiable amounts spent on Brand Building resulting in long term benefits are amortized over the period the benefit is expected to endure.

8. Revenue recognition

Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the despatch of goods to customers. Sales include excise duty but exclude sales tax and value added tax.

9. Research and Development Costs

Expenditure on research is charged to revenue as incurred. Product development costs, including on new variants of existing products are recognised as Intangible assets and amortised.

10 Employee benefits

- (a) Short term employee benefit obligations are estimated and provided for.
- (b) Post employment benefits and other long term employee benefits

Defined contribution plans:

Company's contribution to provident fund, employee state insurance and other funds are determined under the relevant schemes and / or statute and charged to revenue.

Defined benefit plans and compensated absences:

Company's liability towards gratuity, other retirement benefits and compensated absences are determined at each balance sheet date using the projected unit credit method, and the gains and losses are recognised in revenue.

11. Deferred tax

- (a) Deferred tax is recognized on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversing in one or more subsequent periods.
- (b) Deferred tax assets on unabsorbed depreciation and carry forward of losses are recognized only to the extent there is a virtual certainty of its realization.

12. Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

Statement on Significant Accounting Policies and accompanying notes are an integral part of the Financial Statements

As per our Report attached

For and on behalf of the Board

For M.S. KRISHNASWAMI & RAJAN
Chartered Accountants
Firm Registration No.01554S

TRIBHUVAN SIMH RATHOD
Managing Director

T R SEETHARAMAN
Director

M S MURALI
Partner
Membership No.26453
Place: Chennai
Date: May 24, 2014

V V CHENNULU
Chief Financial Officer



RESTILE CERAMICS LIMITED

RESTILE CERAMICS LIMITED

Registered office: Malkapur Village, Hatnoora mandal, Narsapur Taluk, Medak Dist- 503 296, Telangana CIN:
L26931TG1986PLC006480, Email:restile@accountscare.com Tel: 91+8458-288772

ATTENDENCE SLIP

I/We hereby record my/our presence at the 28th Annual general meeting of the company on Monday, September 29th, 2014 at 11.30 am at Malkapur Village, Hatnoora Mandal, Narsapur Taluk, Medak Dist – 502296.

Folio No/DPID – Client ID : _____

Full Name of the Shareholder in Block Letters : _____

No of Shares Held : _____

Name of Proxy (if any) in Block Letters : _____

Signature of the Shareholder(s)

Note:

1. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip/Proxy form as the case may be to the meeting and handover at the entrance duly signed.
2. Electronic copy of the Annual Report 2013-14 and notice of the Annual general meeting (AGM) along with Attendance Slip and Proxy form is being sent to all the members whose email address is registered with the Company/Depository participant unless any member has requested for hard copy of the same. Members receiving electronic copy and attending AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report as 2013-14 and notice of the Annual general meeting (AGM) along with Attendance Slip and Proxy form is being sent in the permitted mode(s) to all the members whose email is not registered (or) have requested for a hard copy.

RESTILE CERAMICS LIMITED

Registered office: Malkapur Village, Hatnoora mandal, Narsapur Taluq, Medak Dist- 503 296, Telangana CIN:
L26931TG1986PLC006480, Email:restile@accountscare.com Tel: 91+8458-288772

Form No. MGT-11
PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and -Administration) Rules, 2014]

Name of the Member(s): _____
Registered address: _____

E-mail ID: _____ Folio No./DPID and Client ID: _____

I/We, being the Member(s) of _____ shares of the above named Company, hereby appoint

1. Name: _____ E-mail ID: _____
Address: _____

Signature: , or failing him/her

2. Name: _____ E-mail ID: _____
Address: _____

Signature:

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 28th Annual General Meeting of the Company, to be held on Monday, the 29th day of September, 2014 at 11.30 A.M. at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Reso. No.	Description	For*	Against*
1.	Adoption of Annual Accounts and Reports thereon for the financial year ended 31st March, 2014		
2.	To appoint a Director in place of Shri. Nalinkant Amratlal Rathod who retires by rotation and is eligible for re-appointment	<input type="checkbox"/>	<input type="checkbox"/>
3.	To appoint a Director in place of Shri. Tribhuvan Simh Rathod who retires by rotation and is eligible for re-appointment	<input type="checkbox"/>	<input type="checkbox"/>
4.	To re- appoint statutory Auditors of the company and to fix their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
5.	Authority to borrow in excess of the paid up capital and reserves	<input type="checkbox"/>	<input type="checkbox"/>
6.	Appointment of Shri N S Ramachandran as Non Rotational Independent Director	<input type="checkbox"/>	<input type="checkbox"/>
7.	Appointment of Shri Narayanan Subramanian as Non Rotational Independent Director	<input type="checkbox"/>	<input type="checkbox"/>
8.	Appointment of Shri Narayanan Gopalakrishnan as Non Rotational Independent Director	<input type="checkbox"/>	<input type="checkbox"/>
9.	Appointment of Shri Rajendra Prasad as Nominee Director	<input type="checkbox"/>	<input type="checkbox"/>
10.	Re Appointment of Shri Tribhuvan Simh Rathod as Managing Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>
11.	Appointment of Shri G Padmanabhan as Rotational Independent Director	<input type="checkbox"/>	<input type="checkbox"/>
12.	Appointment of Shri T R Seetharaman as Rotational Independent Director	<input type="checkbox"/>	<input type="checkbox"/>
13.	Appointment of Mrs Bharathi Rathod a Woman Director – Promoter Category-Retirement by Rotation	<input type="checkbox"/>	<input type="checkbox"/>

Signed this _____ day of _____ 2014.

Signature _____

Affix
Revenue
Stamp

Notes:

- Please put a 'X' in the Box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member
- This form of Proxy, to be effective, should be deposited at the Registered Office of the Company Malkapur Village, Hatnoora mandal, Narsapur Taluk, Medak District – 502 296, Telangana not later than FORTY-EIGHT HOURS before the commencement of the aforesaid meeting.



Dear Shareholder,

Sub: Green Initiative in Corporate Governance

The Ministry of Corporate Affairs has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by companies through electronics made. In accordance with the recent circular No.17/2011 dated 21.04.2011 and circular No 18/2011 dated 29.04.2011 issued by the Ministry, Companies can now send various notices and documents including annual report, to its shareholders through electronic mode to the registered e-mail addresses of shareholders. It is a welcome move for the society at large as this will reduce paper consumption to great extent and allow share holders to contribute towards a Greener Environment. This is a golden opportunity for every shareholder of Res-tile Ceramics Limited to contribute to the corporate Social Responsibility initiative of the Company.

We therefore invite all our shareholders to contribute to the cause by filling up the form given below and send it back to our registry, Cameo Corporate Services Ltd.

Let's be part of this 'Green Initiative'

Please note that as a member of the company you will be entitled to receive all such communication in physical form, upon request.

E COMMUNICATION REGISTRATION FORM

(In items of circular no.17/2011 dated 21.04.2011 issued by the Ministry of Corporate Affairs)

Folio No. /DPID &Client ID :

Name of 1st Registered Holder :

Name of joint Holder(s) :

Registered Address :

E mail ID (to be registered) :

I/we share holder(s) of Restile Ceramics Limited agree to receive Communication from the Company in electronic mode. Please Register my above e-mail id for sending communication through e- mail.

Date:.....

Signature.....

Note:

Shareholder(s) are requested to keep the company informed as and when there is any change in the e-mail address.

Registrars & Share Transfer Agents

M/s. Cameo Corporate Services Ltd,
"Subramanian Building"
1, Club House Road, Chennai 600 002.

All Correspondence may be addressed to them

If undelivered Please return to:

Restile®

THE ORIGINAL FULLBODY TILE

RESTILE CERAMICS LTD

1-10-177, VARUN TOWERS, 5TH FLOOR,
OPP.HYDERABAD PUBLIC SCHOOL,
BEGUMPET, HYDERABAD – 500 016