

Date : 31st January 2017

To,
The Manager
Department of Corporate Services
The Bombay Stock Exchange Ltd
1st Floor, P J Towers
Dalal Street,
Mumbai - 400 001

Dear Sir

Sub : Outcome of the Board Meeting - Submission of Un-Audited financial results for the quarter ended 31st December 2016- Reg.

Ref : Scrip Code: 515085, Compliance of Reg 33 of SEBI (LODR) Regulations

We would like to inform you that the Board of Directors at their meeting held today have amongst other items, considered & approved the un-audited financial results for the Quarter & Nine Months ended 31st December 2016, as recommended by the Audit Committee. A copy of the same is attached herewith.

Also find the enclosed Limited Review Report for the same issued by the Statutory Auditor of the Company.

The above submission is in compliance of Regulation 33 of SEBI Listing Regulations 2015.

Thanking you,

Yours faithfully
For **Restile Ceramics Limited**

Managing Director
Encl: a/a



Restile Ceramics Limited

Malkapur Village, Hantoora Mandal, (Via) Ismail Khan Pet, Medak District - 502 296, Andhra Pradesh, India.
CIN: L26931TG1986PLC006480

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INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

**TO THE BOARD OF DIRECTORS OF
RESTILE CERAMICS LIMITED**

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of **Restile Ceramics Limited** ("the Company") for the Quarter and nine months ended December 31, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement is the responsibility of the Company's Management and approved by the Board of Directors. It has been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standard 25 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.

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

3. Basis for Qualified Conclusion

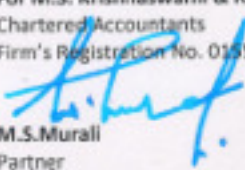
(i) The Company has generated negative operating cash flows, incurred substantial operating losses and significant deterioration in value of assets used to generate cash flows all of which indicate existence of material uncertainty in the company's ability to continue as a going concern for a reasonable period of time. The attached Statement does not include any adjustments that might result had the above uncertainties been known.

(ii) The Company has not recognised possible impairment in value of building and plant and equipment as detailed in Note 4 of the Statement as required by the Accounting standard 28- Impairment of Assets. Independent valuation in financial year 2010-2011 had indicated impairment in value of building Rs.522.17 lakhs and in value of plant and equipment of Rs.119.87lakhs. However, in view of depreciation being charged over estimated useful life, the aforesaid amount needs to be recomputed. As such the effect of possible impairment on the results of the Quarter and six months ended September 30, 2016 is not ascertainable.

4. Qualified Conclusion

Based on our review conducted as stated above, except for the adjustments to the Statement as mentioned in Para 3 stated above on the Unaudited Financial Results, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M.S. Krishnaswami & Rajan
Chartered Accountants
Firm's Registration No. 012545


M.S. Murali
Partner
Membership No. 26453



January 31, 2017
Chennai

RESTILE CERAMICS LIMITED

Regd. Office : Malkapur Village, Narsapur Taluq, Medak Dist. Telangana

CIN:- L26931TG1986PLC006480; Email: restile@accountsare.com; website: www.restile.com

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31/12/2016

	Particulars	Rs. Lakhs					
		Three Months ended			Nine Months ended		Year ended
		31.12.2016 Unaudited	30.09.2016 Unaudited	31.12.2015 Unaudited	31.12.2016 Unaudited	31.12.2015 Unaudited	31.03.2016 Audited
1.	Income from Operations						
(a)	Net Sales / Income from operations (net of Excise Duty)	2.42	2.81	37.42	12.97	252.28	307.85
(b)	Other Operating Income	-	-	4.48	3.27	5.60	8.61
	Total Income from operations(Net)	2.42	2.81	41.90	16.24	257.88	316.46
2.	Expenses						
(a)	Cost of Materials consumed	-	0.44	47.94	10.10	238.37	284.79
(b)	Purchase of Stock in Trade	0.11	0.05	0.01	0.18	0.58	0.75
(c)	Changes in inventories of finished goods, work in progress and stock-in-trade	3.24	2.31	1.46	13.22	17.67	34.51
(d)	Employee benefits expense	10.17	13.41	19.22	41.83	55.76	71.23
(e)	Depreciation and amortisation expenses	172.63	172.63	196.33	517.89	589.01	785.35
(g)	Power and Fuel	4.24	-	2.82	6.72	9.28	12.12
(h)	Commission/Rent (Refer Note 3)	-	-	(69.31)	-	4.16	-
(i)	Rates & Taxes	1.17	7.08	10.19	8.25	35.62	39.30
(j)	Professional fees	1.82	3.59	1.92	5.41	12.04	13.77
(k)	Vehicles expenses	1.16	1.56	0.44	2.72	2.88	3.39
(l)	Other Expenses	4.68	1.03	1.94	5.71	18.37	24.48
	Total Expenses	199.22	202.10	212.96	612.03	983.74	1,269.69
3.	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	(196.80)	(199.29)	(171.06)	(595.79)	(725.86)	(953.23)
4.	Other Income	0.88	(0.16)	0.52	0.99	23.76	20.76
5.	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(195.92)	(199.45)	(170.54)	(594.80)	(702.10)	(932.47)
6.	Finance Costs	1.49	1.60	7.42	3.09	24.90	26.86
7.	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(197.41)	(201.05)	(177.96)	(597.89)	(727.00)	(959.33)
8.	Exceptional items (Refer Note 2)	15.57	20.10	16.60	35.67	37.56	44.27
9.	Profit/(Loss) from ordinary activities before tax (7+8)	(212.98)	(221.15)	(194.56)	(633.56)	(764.56)	(1,003.60)
10.	Tax expense - Current Year						
	- Prior year	-	-	-	-	-	3.12
	- Deferred Tax	-	-	-	-	-	-
13.	Net profit/(Loss) for the period (11-12)	(212.98)	(221.15)	(194.56)	(633.56)	(764.56)	(1,006.72)
14.	Paid-up equity share capital (Face value per share Rs.10)	9,827.92	9,827.92	9,827.92	9,827.92	9,827.92	9,827.92
15.	Reserves excluding Revaluation reserve	-	-	-	-	-	(9,161.22)
16.	Basic and Diluted earnings per Share (EPS) (Rs.)	(0.22)	(0.23)	(0.20)	(0.64)	(0.78)	(1.02)



Notes :						
1	The above Financial Results were reviewed by the Audit Committee and then approved by the Board of Directors at the meeting held on 31st January 2017					
2	Exceptional item comprise:					
	31.12.2016	30.09.2016	31.12.2015	31.12.2016	31.12.2015	31.03.2016
	Disputed Sales tax	15.57	16.37	16.60	31.94	37.56
	Penalty/Interest	-	3.73	-	3.73	-
3	Rent/Commission for the quarter ended June 30, 2015 comprised amount relating to prior year which was reversed in the nine months ended December 31, 2015 upon negotiation with the party.					
4	The Auditors had qualified the financial statements for the year ended March 31, 2016 regarding adoption of Going Concern principles in drawing up the financial statements for the said year, non-recognition of possible impairment in value of Building and Plant and Machinery. The issue of negative operating cash flows and incurrance of operating losses over the years highlighted by Auditors are being addressed through proposed restructuring of operations and merger with another company which is pending approval of BIFR/National Company Law Tribunal (NCLT). Under the rehabilitation scheme sanctioned by BIFR in 2002, a reserve of Rs.754.44 Lakhs had been created (upon capital reduction) towards adjustment of identified impairment in value of fixed assets. Steps have been initiated to adjust the impairment in value against the reserve with the approval of BIFR/NCLT.					
5	Accrual of Deferred tax asset has been restricted to quantum of deferred tax liability and comprises timing difference on account of unabsorbed depreciation.					
6	The Company's primary segment is identified as business segment based on nature of Products, risks, returns and the internal business reporting system. The Company is operating in only a single business segment viz.vitrified tiles. Sales include Feldspar, a raw material used in vitrified tiles for the periods upto June 30, 2016.					
7	Cost of Materials consumed for the Year ended March 31, 2016 includes of Rs 11.95 Lakhs relating to prior years.					
8	The Company has reclassified/ regrouped/amended the figures for the previous periods wherever necessary					
Place : Chennai Date : January 31, 2017			For and on behalf of the Board of Directors Tribhuvan Simh Rathod Managing Director			

