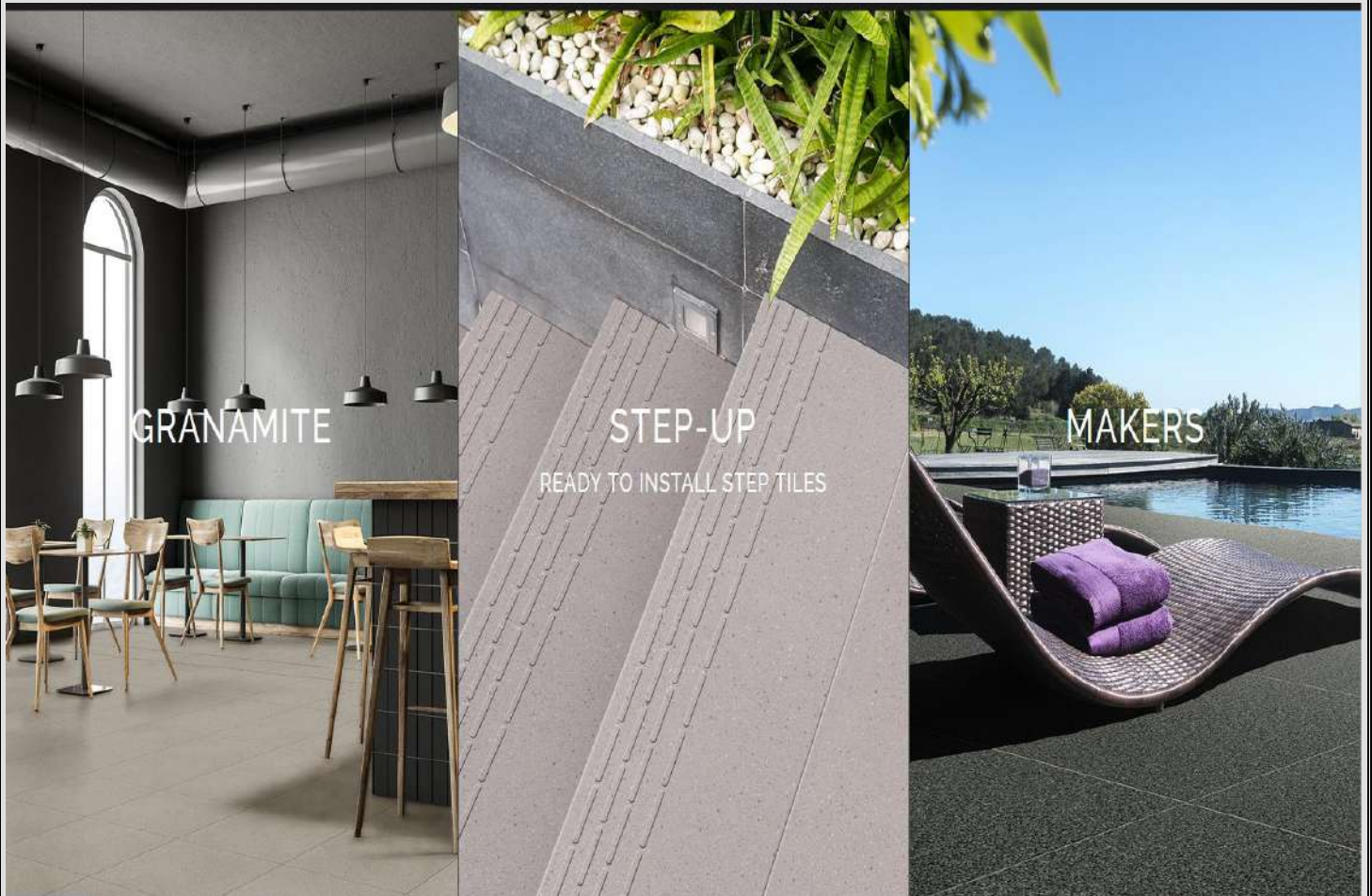




# RESTILE CERAMICS LIMITED

38<sup>th</sup> ANNUAL REPORT 2023-2024



GRANAMITE

STEP-UP

READY TO INSTALL STEP TILES

MAKERS

## RESTILE CERAMICS LIMITED

Annual Report 2023-24

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### BOARD OF DIRECTOR AND KMP'S

Mr. Nalinkant Amratlal Rathod	:	Non-Executive Director, Chairman
Mr. Nalandula Ramachandran Srinivasarao	:	Non-Executive -Independent Director
Mr. Mani (Narayanan Subramanian)	:	Non-Executive -Independent Director
Mr. Tenkasi Ramanarayanan Seetharaman	:	Non-Executive -Independent Director
Mr. Gopalachari Padmanabhan	:	Non-Executive -Independent Director
Mr. Yash Kaushik Shah	:	Non-Executive -Independent Director
Mrs. Bharati Nalin Rathod	:	Non-Executive, Woman Director
Mrs. Shruti Rathod	:	Non-Executive Director (Resigned w.e.f. August 06, 2024)
Mr. Rajendra Prasad Kandikattu	:	Non-Executive - Nominee Director (Vacated his office w.e.f. April 01, 2024)
Mr. Balachandran Vishwanathan Kasi	:	Additional, Non-Executive-Independent Director (Appointed w.e.f. August 07, 2024)
Mr. Rakesh Madanlal Bhatia	:	Additional, Non-Executive-Independent Director (Appointed w.e.f. August 07, 2024)
Ms. Hasmita Taunk	:	Additional, Non-Executive, Woman Director (Appointed w.e.f. August 07, 2024)
Mr. Viren Rathod	:	Managing Director
Mr. Tribhuvan Simh Rathod	:	Chief Financial Officer
Ms. Palak Kumari	:	Company Secretary & Compliance Officer

**CIN:** L26931GJ1986PLC102350

### STATUTORY AUDITORS

M/s. R. Sundararajan & Associates,  
Chartered Accountants

### REGISTERED OFFICE

204, Sakar Complex, Opp. ABS Tower,  
Vaccine Crossing, Old Padra Road,  
Vadodara, Gujarat 390015

### INTERNAL AUDITORS

M/s. R K Doshi & Co LLP,  
Chartered Accountants

**CORPORATE OFFICE**

2B, Devadaya Apartments, #67,  
Gandhi Nagar, 1st Main Road  
Adyar, Chennai, Tamil Nadu 600020.  
Email Id: restile@accountscare.com  
Website: www.restile.com

**SECRETARIAL AUDITOR**

M/s. Mitesh J. Shah & Associates,  
Practicing Company Secretary

**BANKERS**

State Bank of India

**FACTORY ADDRESS**

Malkapur Village, Hatnoora Mandal,  
Narsapur Taluk, Medak District-  
502296, Telangana.

**REGISTRAR AND SHARE TRANSFER AGENTS**

M/s. Cameo Corporate Services Limited  
Subramanian Building, No. 1, Club House Road,  
Chennai – 600002. Telephone No: 044-  
40020700

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<b>38<sup>th</sup> Annual General Meeting</b>	
Day & Date	Thursday, September 12, 2024
Time	12:00 Noon
Venue	Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")

## NOTICE OF 38<sup>TH</sup> ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT THE THIRTY EIGHTH (38TH) ANNUAL GENERAL MEETING (“AGM”) OF MEMBERS OF RESTILE CERAMICS LIMITED WILL BE HELD THROUGH VIDEO CONFERENCING (“VC”) / OTHER AUDIO VISUAL MEANS (“OAVM”) ON THURSDAY, SEPTEMBER 12, 2024 AT 12:00 NOON (IST) TO TRANSACT THE FOLLOWING BUSINESSES:**

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### **ORDINARY BUSINESS:**

- 1.** To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2024 together with the Reports of the Board of Directors and Auditors thereon.
- 2.** To consider and approve appointment of Mr. Nalinkant Amratlal Rathod (DIN: 00272129) who retires by rotation and being eligible, offers himself for re-appointment.
- 3.** To appoint M/s. M. S. Krishnaswami & Rajan, Chartered Accountants, (Firm Registration No. 01554S), as Statutory Auditors of the Company.

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

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s. M. S. Krishnaswami & Rajan, Chartered Accountants (Firm Registration No. 01554S), be and is hereby appointed as Statutory Auditors of the Company, in place of M/s. R. Sundararajan & Associates, Chartered Accountants (Firm registration No. 008282S), who have completed their term of five financial years in accordance with the provisions of section 139 of the Companies Act, 2013 and not seeking re-appointment, to hold office for a term of five financial years from the conclusion of this 38th Annual General Meeting (“AGM”) till the conclusion of the 43rd Annual General Meeting of the Company to be held in the year 2029, at such remuneration and terms and conditions mentioned in the Explanatory Statement;

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above resolution, the Board of Directors of the Company (hereinafter referred to as ‘Board’, which term shall be deemed to include any Committee constituted by the Board or any person(s) authorised by the Board/ Committee in this regard) or Company Secretary be and are hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to implementation of the aforesaid resolution including but not limited to determination of roles and responsibilities/ scope of work of the Statutory Auditors, negotiating, finalising, amending, signing, delivering, executing, the terms of appointment including alteration in the terms and conditions of remuneration arising out of increase in scope of work, amendment in Accounting Standards or regulations and such other

requirements resulting in the change in scope of work, etc. and necessary filings with appropriate authorities without being required to seek any further consent or approval of the members of the Company.”

**SPECIAL BUSINESS:**

**4. Approval for material related party transactions.**

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

“**RESOLVED THAT** pursuant to the provisions of section 188 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) (including any amendment, modification, variation or re-enactment to any of the foregoing), and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, and also pursuant to the consent of the Audit Committee and the Board of Directors vide resolutions passed at their respective meetings, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee of the Board), to approve all the material related party transactions (including any modifications, alterations or amendments thereto) to be entered into by the Company during F.Y. 2024-25 and onwards in the ordinary course of business and on arm’s length basis with related Party/ies and / or with a person in whom any of the director of the Company is interested within the meaning of the Act and SEBI Listing Regulations, as per below framework:

<b>Name of the related party</b>	<b>Nature and duration of the transaction</b>	<b>Maximum amount</b>	<b>Other terms and conditions if any</b>
Bell Granito Ceramica Limited	Purchase of Vitrified Tiles for F.Y. 2024-2025	Not exceeding Rs. 500 Lakhs	Purchase price fixed at List price approved for customer less 5%.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board / any Committee thereof be and is hereby authorized to agree, make, accept and finalize all such terms, condition(s), modification(s) and alteration(s) as it may deem fit within the aforesaid limits and the Board / any Committee thereof is also hereby authorized to resolve and settle all questions, difficulties or doubts that may arise with regard to such payment and to finalize and execute all agreements, documents and writings and to do all acts, deeds and things in this connection and incidental as the Board / Committee in its absolute discretion may deem fit without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have been given approval thereto expressly by the authority of this resolution.”

**5. Authorisation to borrow money in excess of the Paid Up Share Capital and Reserves of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and 180(1)(c) of the Companies Act, 2013 and other applicable provisions if any, of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force), the consent of the members of the Company be and is hereby accorded to borrow from time to time all such sums of money as may deem requisite for the purpose of the business of the Company provided that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) upto a limit of Rs. 50 Crores (Rupees Fifty Crores only) in excess of the aggregate of the paid up share capital and free reserves;

**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 in the best interest of the Company."

**6. Re-appointment of Mr. Yash Kaushik Shah (DIN: 02155636) as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to provisions of Sections 149, 152 of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other provisions as may be applicable, including any statutory modification or re-enactment thereof for the time being in force and on recommendations of the Nomination and Remuneration Committee and that of the Board, Mr. Yash Kaushik Shah (DIN : 02155636), who was appointed as an Independent Director of the Company by the members for a term of 5 consecutive years i.e. up to the conclusion of this 38<sup>th</sup> Annual General Meeting (AGM) who being eligible for re-appointment for a second term and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature to the office of Director of the Company, be and is hereby reappointed as an Independent Director of the Company, to hold office from the conclusion of this AGM until the conclusion of 43<sup>rd</sup> AGM to be held in the year 2029 and whose office shall not be liable to retire by rotation;

**RESOLVED FURTHER THAT** any of the Board of Directors and / or Company Secretary be and is hereby authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds, matters and things, as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in

order to give effect to this resolution or otherwise considered by them in the best interest of the Company.”

**7. Appointment of Mr. Balachandran Vishwanathan Kasi (DIN: 01943195) as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to provisions of Sections 149, 152 of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other provisions as may be applicable, including any statutory modification or re-enactment thereof for the time being in force and on recommendations of the Nomination and Remuneration Committee and that of the Board, Mr. Balachandran Vishwanathan Kasi (DIN: 01943195), who meets the criteria for independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and in respect of whom the Company has received a notice in writing under Section 160 of Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years from August 07, 2024 to August 06, 2029, and that he shall not be liable to retire by rotation;

**RESOLVED FURTHER THAT** any of the Board of Directors and / or Company Secretary be and is hereby authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds, matters and things, as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company.”

**8. Appointment of Mr. Rakesh Madanlal Bhatia (DIN: 00008192) as an Independent Director of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution**:

“**RESOLVED THAT** pursuant to provisions of Sections 149, 152 of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other provisions as may be applicable, including any statutory modification or re-enactment thereof for the time being in force and on recommendations of the Nomination and Remuneration Committee and that of the Board, Mr. Rakesh Madanlal Bhatia (DIN: 00008192), who meets the criteria for independence under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations, and in respect of whom the Company has received a notice in writing under Section 160 of Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of 5 (Five) consecutive years from August 07, 2024 to August 06, 2029, and that he shall not be liable to retire by rotation;

**RESOLVED FURTHER THAT** any of the Board of Directors and / or Company Secretary be and is hereby authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds, matters and things, as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company.”

**9. Appointment of Ms. Hasmita Taunk (DIN: 10728070) as a Director of the Company.**

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

“**RESOLVED THAT** pursuant to provisions of Sections 149, 152 of the Companies Act, 2013, and the Companies (Appointment and Qualification of Directors) Rules, 2014, read with Schedule IV to the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other provisions as may be applicable, including any statutory modification or re-enactment thereof for the time being in force and on recommendations of the Nomination and Remuneration Committee and that of the Board and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature to the office of Director of the Company, consent of the Members be and is hereby accorded for appointment of Ms. Hasmita Taunk (DIN: 10728070) as a Non-executive, Non Independent Women Director on the Board, liable to retire by rotation;

**RESOLVED FURTHER THAT** any of the Board of Directors and / or Company Secretary be and is hereby authorized to file necessary returns/forms to the Registrar of Companies and to do all such acts, deeds, matters and things, as in their absolute discretion they may consider necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to this resolution or otherwise considered by them in the best interest of the Company.”

**10. To approve the continuation of Directorship of Mr. Nalinkant Amratlal Rathod (DIN: 00272129) who will attain age of Seventy Five (75) years on May 12, 2025.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as **Special Resolution:**

“**RESOLVED THAT** pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), other applicable provisions, if any, of the Companies Act, 2013 and the applicable Rules made thereunder, including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force, approval of the Members of the Company be and is hereby accorded for continuation of Directorship of Mr. Nalinkant Amratlal Rathod (DIN: 00272129), to continue to be a Non-Executive Director of the Company, who shall liable to retire by rotation, notwithstanding he is attaining the age of Seventy Five (75) years on May 12, 2025;



**RESOLVED FURTHER THAT** the Board of Directors of the Company or any Key Managerial Personnel of the Company for the time being are hereby severally authorised to do all acts, deeds, matters or things and take such steps as may be necessary, expedient or desirable to give effect to this Resolution.”

**By order of the Board of Directors  
of Restile Ceramics Limited**

**Sd/-**

**Viren Rathod**

**Managing Director**

**DIN: 03407158**

**Date: August 07, 2024**

**Place: Chennai**

## NOTES:

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 (“Act”), as amended, read with the relevant rules made thereunder, the Secretarial Standard No. 2 (“SS-2”) on General Meetings issued by the Institute of Company Secretaries of India, setting out the material facts and reasons, in respect of Item No. 3, 4, 5, 6, 7, 8, 9 and 10 of this Notice is annexed herewith. An Additional Information, pursuant to Regulation 36 (3) of SEBI Listing Regulations, 2015 and SS-2 issued, in respect of appointment/re-appointment of Director(s) at the 38th Annual General Meeting (“AGM”) is also annexed herewith.
2. In accordance with the Ministry of Corporate Affairs, Government of India vide Circular no. 09/2023 dated 25 September, 2023, Circular no. 10/2022 dated December 28, 2022, Circular no. 02/2022 dated May 05, 2022, Circular no. 21/2021 dated 14 December, 2021, Circular No. 02/2021 dated 13 January, 2021, Circular No. 14/2020 dated 08 April, 2020, Circular No. 17/2020 dated 13 April, 2020 and Circular No. 20/2020 dated 05 May, 2020 issued by the Ministry of Corporate Affairs (collectively referred to as ‘MCA Circulars’), and Securities and Exchange Board of India vide its Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/4 dated January 05, 2023, SEBI/HO/CFD/CMD2/CIR/P/2022/62, dated May 13, 2022, SEBI/HO/CFD/CMD2/CIR/P/2021/11, dated January 15, 2021 and SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 (collectively referred to as “SEBI Circulars”), electronic copies of the Annual Report for the Financial Year (“FY”) 2023-24 and AGM Notice inter-alia indicating the process and manner of e-Voting along with instructions to attend the AGM through video-conferencing / other audio-visual means (VC/OAVM) are being sent by e-mail to those Members and to all other persons so entitled whose e-mail IDs have been made available to the Company / Registrar and Transfer Agent (“RTA”) i.e. Cameo Corporate Services Limited or with Depository Participants (“DP”) unless the Member has specifically requested for a hard copy of the Annual Report. Members may note that the Annual Report for the F.Y. 2023-24 and the AGM Notice will also be available on the Company’s website at <https://www.restile.com/investor-corner/> and on the website of BSE Limited at [www.bseindia.com](http://www.bseindia.com). The Notice is also available on the website of the service provider engaged by the Company viz. Central Depository Services (India) Limited (“CDSL”) at <https://www.evotingindia.com>.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
4. Corporate Members are required to send a duly certified copy of their Board Resolution authorising their representatives to attend the AGM by email to [mitesh@mishah.com](mailto:mitesh@mishah.com) with a copy marked to [evoting@cDSL.co.in](mailto:evoting@cDSL.co.in).

5. In case of joint holders, only such joint holder who is first in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM, provided the votes are not already cast by remote e-Voting by the first holder.
6. Members seeking any information with regard to the accounts or any matter to be placed at the AGM are requested to submit their questions in advance from their registered email address mentioning their name, DP ID and Client ID/folio number, PAN, mobile number via email at [cs@restile.com](mailto:cs@restile.com) and [restile@accountscare.com](mailto:restile@accountscare.com). The same will be replied by the Company suitably.
7. The Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum for the AGM under Section 103 of the Companies Act, 2013.

The venue of the AGM shall be deemed to be the Registered Office of the Company at 204, Sakar Complex, Opposite ABS Tower, Vaccine Crossing, Old Padra Road, Vadodara – 390015, Gujarat, India.

8. The Members desiring to inspect the documents referred to in this Notice and other statutory registers are requested to send an email to [cs@restile.com](mailto:cs@restile.com) with a copy marked to [restile@accountscare.com](mailto:restile@accountscare.com) mentioning their name, folio no. / client ID and DP ID, and the documents they wish to inspect, with a self-attested copy of their PAN card. An extract of such documents would be sent to the Members on their registered email address.
9. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
10. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, members are advised to dematerialize the shares held by them in physical form. Members can contact the Company or RTA, for assistance in this regard.
11. The Securities and Exchange Board of India has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form who have not done so are requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to RTA.
12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a member desires to opt out or cancel the earlier nomination and record a fresh nomination, he/she may submit the same in Form ISR-3 or SH-14 as the case may be. The said forms can be downloaded from the Company's website [www.restile.com](http://www.restile.com). Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to RTA in case the shares are

held in physical form.

14. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and SS-2 issued by the Institute of Company Secretaries of India, the Company is providing remote e-Voting facility to all its Members to enable them to cast their vote on the matters listed in the Notice by electronic means and business may be transacted through the e-Voting services. For this purpose, the Company has engaged services of CDSL for providing e-Voting services.

- Remote e-Voting facility will be available from 10.00 a.m. on Monday, September 09, 2024 and ends at 05:00 p.m. on Wednesday, September 11, 2024, after which the facility will be disabled by CDSL and remote e-Voting shall not be allowed beyond the said date and time. During this period Members of the Company, holding shares in dematerialised form, as on the cut-off date i.e. Thursday, September 05, 2024 may cast their vote electronically.
- Instructions for e-Voting are given at point no. 17.
- The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e. Thursday, September 05, 2024.

The facility for voting, through electronic voting system shall also be made available at the AGM for Members who have not already cast their vote prior to the AGM by remote e-Voting.

15. The Members, who have cast their vote prior to the AGM by remote e-Voting may also attend the AGM but shall not be entitled to vote again at the meeting. Once a vote is cast by a Member, he shall not be allowed to alter it subsequently.

16. **Procedure for registration of email address:** It is clarified that for permanent registration of email address, the members are requested to register their e-mail address by contacting their respective Depository Participants and register their e-mail Id and mobile number in demat account, as per the process advised by the Depository Participants.

17. **Instructions for Voting through electronic means ('e-Voting'):**

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on September 09, 2024 at 10:00 a.m. and ends on September 11, 2024 at 05:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 05, 2024 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit cdsi website www.cdslindia.com and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user</li> </ol>

	<p>will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at cdsi website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number maintained with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting</p>

	service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be re-directed to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.**

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
  - 4) Next enter the Image Verification as displayed and Click on Login.

- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participants are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is also be 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.\
- (ix) Click on the EVSN for the Restile Ceramics Limited on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.



- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.
  - a) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - c) After receiving the login details 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.
  - d) The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - e) It is Mandatory that, 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.
  - f) Alternatively, Non-Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [restile@accountscare.com](mailto:restile@accountscare.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**B. Login method for shareholders attending the AGM through VC/OAVM & e-voting during meeting are as under:**

- (i) The procedure for attending meeting & e-Voting on the day of the AGM/ EGM is same as the instructions mentioned above for e-voting.

- (ii) The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- (iii) Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM/EGM.
- (iv) Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
- (v) Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (vi) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (vii) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@restile.com and restile@accountscare.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at cs@restile.com and restile@accountscare.com. These queries will be replied to by the company suitably by email.
- (viii) Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- (ix) Only those shareholders, who are present in the AGM/EGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the EGM/AGM.
- (x) If any Votes are cast by the shareholders through the e-voting available during the EGM/AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**Process for those shareholders whose email/mobile no. are not registered with the Company/depositories.**

- (i) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), Aadhar (self-attested scanned copy of Aadhar Card) by email to Company/RTA email id.
- (ii) For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participants (DP).
- (iii) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participants (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call toll free no. 1800 21 09911.

**18. Instruction for e-Voting during the AGM**

The members present, who have not casted their vote on resolutions through remote e-Voting can cast their vote through e-Voting during the AGM by following the instruction as mentioned above. The e-Voting facility will be enabled during the AGM on September 12, 2024 at 12:00 Noon till the conclusion of the AGM.

19. Any person, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date i.e. September 05, 2024, may follow steps mentioned in the Notice of the AGM under "Access to CDSL e-Voting system. However, if he/she is already registered with CDSL for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.
20. The Board of Directors of the Company has appointed Mr. Mitesh Shah, proprietor of M/s. Mitesh J. Shah & Associates, Practicing Company Secretary, Mumbai, to act as the Scrutiniser to scrutinise the e-Voting process in a fair and transparent manner.
21. The Scrutinisers shall submit a consolidated report of the total votes cast in favour or against, if any, on each of the resolutions set out in this Notice, not later than forty eight hours from the conclusion of the AGM to the Chairman. The result of the voting will be announced within three days after the conclusion of the AGM at the Company's website at [www.restile.com](http://www.restile.com).

**By order of the Board of Directors  
of Restile Ceramics Limited**

**Sd/-**

**Viren Rathod**

**Managing Director**

**DIN: 03407158**

**Date: August 07, 2024**

**Place: Chennai**

## ANNEXURE TO THE NOTICE

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No. 3

Appointment of M/s. M. S. Krishnaswami & Rajan, Chartered Accountants, (Firm Registration No. 01554S), as Statutory Auditors of the Company in place of M/s. R. Sundararajan & Associates, Chartered Accountants (Firm registration No. 008282S), who have completed their term of five financial years in accordance with the provisions of section 139 of the Companies Act, 2013.

The members at the 33rd Annual General Meeting of the Company held on September 20, 2019 had appointed M/s. R. Sundararajan & Associates, Chartered Accountants (Firm registration No. 008282S) as the Statutory Auditors of the Company to hold office for a term of five financial years i.e. from the conclusion of the 33rd Annual General Meeting until conclusion of this 38<sup>th</sup> Annual General Meeting.

The tenure/term of M/s. R. Sundararajan & Associates, Chartered Accountants (Firm registration No. 008282S) is coming to end at the conclusion of this AGM. The existing auditors cannot be re-appointed as the Auditors for a further period of 5 years as per the provisions of Companies Act, 2013.

Further, as the tenure of the Statutory Auditors is expiring at the conclusion of this AGM of the Company and as they shall not be re-appointed as per the provisions of Companies Act, 2013, the Board of Directors has, based on the recommendation of the Audit Committee and subject to approval of the shareholders, had appointed M/s. M. S. Krishnaswami & Rajan, Chartered Accountants, (Firm Registration No. 01554S), Chartered Accountants for a term of five (5) years to hold office from the conclusion of this 38<sup>th</sup> AGM till the conclusion of the 43<sup>rd</sup> AGM of the Company to be held in year 2029.

As required under section 139 of the Companies Act, 2013, M/s. M. S. Krishnaswami & Rajan, Chartered Accountants, (Firm Registration No. 01554S), Chartered Accountants, have informed the Company that their appointment, if made, shall be in compliance of Section 139 and 141 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014 and the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

There is no material change in the fees considering the size of the Company. The Notice of AGM also contain a resolution for consideration and approval of the Members for their appointment as such in place of the existing Statutory Auditors.

None of the Directors, Key Managerial Personnel of the Company and their relatives, are concerned or interested in the above Resolution except to the extent of their shareholding if any.

Your Directors recommend the Resolution set out in Item No. 3 as an Ordinary Resolution for your approval.

Statement containing additional disclosure as required under Regulation 36(5) of the Listing Regulations:

Proposed fees payable to the statutory auditor for the financial year	Rs. 3,50,000/-
Term of appointment	Five Years

in case of a new auditor, any material change in the fee payable to such auditor from that paid to the outgoing auditor along with the rationale for such change	There is no material change in the fee payable to the new auditor from that paid to the outgoing auditor.
Basis of recommendation for appointment including the details in relation to and credentials of the Statutory auditor proposed to be appointed	The recommendations made by the Audit Committee, and the Board of Directors of the Company, are in fulfilment of the eligible criteria as prescribed under the Companies Act, 2013 and the applicable rules made thereunder.
Brief Profile of Statutory Auditor	M/s M. S. Krishnaswami & Rajan, have rich knowledge and experience in audit and accounting services, management consultancy, tax planning and accounting services. The Firm is expert financial professionals who take care of the budgeting, auditing, taxing and business strategies for their clients.

#### Item No. 4

To ensure stability of supplies in terms of quality and logistics, your Company proposes to enter into transaction(s) with Bell Granito Ceramica Limited ("BGCL") which is the related party to your Company. The quantity to be purchased from BGCL will be based on actual price of tiles and conversion charge plus small margin for handling charges. The total value of the proposed transaction(s) could reach Rs. 500 lakhs during financial year 2024-25.

Section 188 of the Act and the applicable Rules framed thereunder provide that any Related Party Transaction will require prior approval of shareholders through ordinary resolution, if the aggregate value of transaction(s) amounts to 10% or more of the annual turnover of the Company as per last audited financial statements of the Company. BGCL, one of the largest tiles producing companies in India, is your related party.

Accordingly, transaction(s) entered into with BGCL comes within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations. Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with BGCL in the financial year 2024-25. Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with BGCL are as follows:

Sr. No.	Particulars	Remarks
1.	Name of the Related Party	Bell Granito Ceramica Limited
2.	Name of the Director or KMP who is related	Mr. Nalinkant Amratlal Rathod (Director) Mr. Viren Rathod (Managing Director) Mr. Tribhuvan Simh Rathod (Chief Financial Officer)
3.	Nature of Relationship	Related party within the meaning of Section 2(76) of the Act

4.	Nature, material terms, monetary value and particulars of the contract or arrangement	<ul style="list-style-type: none"> <li>• Contract for purchase of Vitrified Tiles raw shall be on a continuous basis.</li> <li>• Purchase price fixed at List price approved for customer less 5%.</li> <li>• Monetary value of proposed aggregate transaction(s) during financial year 2024-25 is expected to be Rs. 500 Lakhs.</li> </ul>
5.	Any other information relevant or important for the members to take a decision on the proposed resolution	Manufacture of Full Body Unglazed Vitrified Tiles whereas other suppliers are glazed Vitrified Tiles.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, other than as mentioned above is concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding.

The Board of Directors recommends passing of the resolution as set out at item no. 4 of the Notice as Ordinary Resolution.

**Item No. 5**

The Company may need to borrow in excess of paid-up share capital and free reserves to meet the corporate and working capital requirements. As per section 180(1) (a) & 180 (1) (c) of Companies Act 2013, approval of members by way of special resolution is required for borrowing of money (apart from temporary loans obtained from the company’s bankers in the ordinary course of business) in excess of the aggregate of the paid-up share capital and free reserves and to create charge in favour of the Banks or Financial Institution on the properties of the company.

The Board recommends the resolutions for the approval by the members of the Company as set out at item no. 5 of the Notice.

None of the Directors, Key Managerial persons and relatives are interested or concerned in passing of the resolutions except to the extent of their shareholding.

**Item No. 6**

Pursuant to Section 149 and 152 of the Act, the Board, on August 07, 2024, re-appointed Mr. Yash Kaushik Shah (DIN: 02155636) as Director in the capacity of Non-Executive, Independent Director of the Company for a second term of 5 (Five) consecutive years to hold office from the conclusion of this AGM until the conclusion of 43rd AGM to be held in the year 2029 subject to the approval of the members through a special resolution.

The Company has received the following from Mr. Yash Kaushik Shah:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014 (“Appointment Rules”);

- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that she is not disqualified under sub-section (1) of Section 164 of the Act;
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the Listing Regulations;
- (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a director by virtue of any order passed by Securities and Exchange Board of India ("SEBI") or any other such authority;
- (v) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company;
- (vi) A declaration that he is in compliance with Rules 6(1) and 6(2) of the Appointment Rules, with respect to his registration with the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

The Company has received a notice in writing by a member proposing his candidature under Section 160 of the Act.

In the opinion of the Board, he fulfils the conditions for independence specified in the Act, the Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and such other laws / regulations for the time being in force, to the extent applicable to the Company. The Board noted that his skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for re-appointment as an Independent Director.

A brief profile of Mr. Yash Kaushik Shah to be re-appointed as Independent Director is given in the table appearing after the explanatory statement.

The resolution seeks the approval of members for the re-appointment of Mr. Yash Kaushik Shah as an Independent Director of the Company for a term of 5 (Five) consecutive years pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder and Listing Regulations including any statutory modification(s) or re-enactment(s) thereof and he shall not be liable to retire by rotation.

In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the Listing Regulations, the approval of the Members is sought for the re-appointment of Mr. Yash Kaushik Shah as an Independent Director of the Company, as a special resolution.

Except Mr. Yash Kaushik Shah, none of the other Directors / KMPs of the Company are, in any way, concerned or interested in the resolution.

The Board recommends the special resolution as set out in Item no. 6 of this notice for the approval of members.

#### **Item No. 7**

Pursuant to Section 149, 152 and 161 of the Act, the Board, on August 07, 2024, appointed Mr. Balachandran Vishwanathan Kasi (DIN: 01943195) as Additional Non-executive, Independent Director of the Company for a term of 5 (Five) consecutive years w.e.f. August 07, 2024 to August 06, 2029 subject to the approval of the shareholders through a special resolution.

The Company has received the following from Mr. Balachandran Vishwanathan Kasi:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014 ("Appointment Rules");
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (1) of Section 164 of the Act;
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the Listing Regulations;
- (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a director by virtue of any order passed by Securities and Exchange Board of India ("SEBI") or any other such authority;
- (v) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company;
- (vi) A declaration that he is in compliance with Rules 6(1) and 6(2) of the Appointment Rules, with respect to his registration with the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

The Company has received a notice in writing by a member proposing his candidature under Section 160 of the Act.

The Nomination and Remuneration Committee ("NRC") has previously finalized the desired attributes for the selection of the independent director(s). In the opinion of the Board, he fulfils the conditions for independence specified in the Act, the Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and such other laws / regulations for the time being in force, to the extent applicable to the Company. The Board noted that his skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Independent Director.

A brief profile of Mr. Balachandran Vishwanathan Kasi to be appointed as Independent Director is given in the table appearing after the explanatory statement.

The resolution seeks the approval of members for the appointment of Mr. Balachandran Vishwanathan Kasi as an Independent Director of the Company for a term of 5 (Five) consecutive years pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder and Listing Regulations including any statutory modification(s) or re-enactment(s) thereof and he shall not be liable to retire by rotation.

In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the Listing Regulations, the approval of the Members is sought for the appointment of Mr. Balachandran Vishwanathan Kasi as an Independent Director of the Company, as a special resolution.

Except Mr. Balachandran Vishwanathan Kasi, none of the other Directors / KMPs of the Company are, in any way, concerned or interested in the resolution.

The Board recommends the special resolution as set out in Item no. 7 of this notice for the approval of members.



## Item No. 8

Pursuant to Section 149, 152 and 161 of the Act, the Board, on August 07, 2024, appointed Mr. Rakesh Madanlal Bhatia (DIN: 00008192) as Additional Non-executive, Independent Director of the Company for a term of 5 (Five) consecutive years w.e.f. August 07, 2024 to August 06, 2029 subject to the approval of the shareholders through a special resolution.

The Company has received the following from Mr. Rakesh Madanlal Bhatia:

- (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualifications of Directors) Rules, 2014 ("Appointment Rules");
- (ii) Intimation in Form DIR-8 in terms of the Appointment Rules to the effect that he is not disqualified under sub-section (1) of Section 164 of the Act;
- (iii) A declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the Act and under the Listing Regulations;
- (iv) Declaration pursuant to BSE Circular No. LIST/COMP/14/2018-19 dated June 20, 2018, that he has not been debarred from holding office of a director by virtue of any order passed by Securities and Exchange Board of India ("SEBI") or any other such authority;
- (v) Confirmation that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties as an Independent Director of the Company;
- (vi) A declaration that he is in compliance with Rules 6(1) and 6(2) of the Appointment Rules, with respect to his registration with the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

The Company has received a notice in writing by a member proposing his candidature under Section 160 of the Act.

The Nomination and Remuneration Committee ("NRC") has previously finalized the desired attributes for the selection of the independent director(s). In the opinion of the Board, he fulfils the conditions for independence specified in the Act, the Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and such other laws / regulations for the time being in force, to the extent applicable to the Company. The Board noted that his skills, background and experience are aligned to the role and capabilities identified by the NRC and that he is eligible for appointment as an Independent Director.

A brief profile of Mr. Rakesh Madanlal Bhatia to be appointed as Independent Director is given in the table appearing after the explanatory statement.

The resolution seeks the approval of members for the appointment of Mr. Rakesh Madanlal Bhatia as an Independent Director of the Company for a term of 5 (Five) consecutive years pursuant to Sections 149, 152 and other applicable provisions of the Act and the Rules made thereunder and Listing Regulations including any statutory modification(s) or re-enactment(s) thereof and he shall not be liable to retire by rotation.

In compliance with Section 149 read with Schedule IV to the Act and Regulation 25 of the Listing

Regulations, the approval of the Members is sought for the appointment of Mr. Rakesh Madanlal Bhatia as an Independent Director of the Company, as a special resolution.

Except Mr. Rakesh Madanlal Bhatia, none of the other Directors / KMPs of the Company are, in any way, concerned or interested in the resolution.

The Board recommends the special resolution as set out in Item no. 8 of this notice for the approval of members.

#### **Item No. 9**

Ms. Hasmita Taunk (DIN: 10728070) was appointed as an Additional Non- Executive Non-Independent Women Director on the Board of the Company with effect from August 07, 2024, in accordance with the provisions of Section 152, 161 of the Companies Act, 2013 read with the Articles of Association. The Nomination and Remuneration Committee is of the view that the appointment of Ms. Hasmita Taunk on the Company's Board is desirable and would be beneficial to the Company and hence it recommends the said resolution No. 9 for approval by the Members of the Company.

The Company has received consent in writing from her to act as Director in Form DIR-2 and intimation in Form DIR 8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that she is not disqualified under sub- section (2) of section 164 of the Companies Act, 2013. Hence, the Board recommends the said resolution for your approval at the ensuing AGM of the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company/ their relatives are in any way, concerned or interested, financially or otherwise, in these resolutions, except to the extent of their shareholding interest, if any, in the Company.

#### **Item No. 10**

As you may be aware, in accordance with Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (referred to as "SEBI Listing Regulations"), effective from April 1, 2019, any listed entity is prohibited from appointing or allowing the directorship continuation of a person as a non-executive director beyond the age of seventy-five (75) years, unless a special resolution is passed. This resolution must be accompanied by an explanatory statement within the notice, justifying the said appointment or continuation.

Currently, Mr. Nalinkant Amratlal Rathod holds the position of Chairman and Non-executive Director within our company. He is anticipated to reach the age of seventy-five (75) years on May 12, 2025. Under the provisions of Regulation 17(1A) of the SEBI Listing Regulations, the passing of a Special Resolution becomes necessary for the continuation of his directorship after attaining this age milestone. Deliberating on this matter, the Board of Directors convened on August 07, 2024, and arrived at a unanimous decision to recommend the continuation of Mr. Nalinkant's directorships, acknowledging the significant contributions he has made to the growth and progress of the company.

Pursuant to Regulation 36(3) of SEBI Regulations and in alignment with Secretarial Standard 2 on General Meetings, comprehensive details regarding the appointment or reappointment of Directors have been provided as an Annexure to this Notice. Furthermore, the company has received written notice from a member, as stipulated by section 160 of the Act, nominating Mr. Nalinkant Amratlal Rathod (DIN: 00272129) for the position of Non-executive Director.

Save and except Mr. Nalinkant Amratlal Rathod and his respective relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company, nor their relatives, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item no. 10 of the Notice.

The Board recommends the Special Resolution set out from Item No. 10 of the Notice for approval by the members.

**By order of the Board of Directors  
of Restile Ceramics Limited**

**Sd/-**

**Viren Rathod**

**Managing Director**

**Date: August 07, 2024**

**Place: Chennai**

**DIN: 03407158**

**ANNEXURE-I**

**Additional information on Directors recommended for Appointment/ Re-appointment pursuant to Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 in respect of Directors seeking appointment/re-appointment for Item No. 2, 6, 7, 8, 9 and 10:**

<b>Name of Director</b>	<b>Nalinkant Amratlal Rathod</b>	<b>Yash Kaushik Shah</b>	<b>Balachandran Vishwanathan Kasi</b>	<b>Rakesh Madanlal Bhatia</b>	<b>Hasmita Taunk</b>
<b>DIN</b>	00272129	02155636	01943195	00008192	10728070
<b>Date of Birth</b>	12/05/1950	22/03/1984	28/08/1966	28/04/1958	18/05/1983
<b>Age (in years)</b>	74 years	40 years	57 years	66 years	41 years
<b>Date of first appointment on the Board</b>	27/01/2003	08/02/2019	07/08/2024	07/08/2024	07/08/2024
<b>Qualification</b>	Member of The Institute of Chartered Accountants of India.	Mr. Yash Shah is a Commerce graduate and fellow member of Institute of Chartered Accountants of India (ICAI).	MBA from Central University Pondicherry and BSC from Loyola college Chennai.	He is a Fellow Member of the Institute of Chartered Accountants of India and Institute of Company Secretaries of India.	She is an IT Engineer graduated and MBA in Systems from Symbiosis
<b>Expertise in specific Functional Area</b>	Having rich experience of about 50 years of service in reputed companies in India and abroad and has vast experience and knowledge of finance and trade.	He is currently partner with DBS, an organisation having chartered accountants and offices in Ahmedabad, Baroda and Mumbai. His prime area of expertise is consulting for clients in the fields of Mergers and Acquisitions and Valuations. He also heads the overall business	He has vast work experience in the field of Commerce and Finance and was working as sales head for developing and implementing strategies align with Company's goals and objectives.	He has a Career spanning over 3 decades in financial services industry encompassing various gamets of the industry and providing consultancy to corporates.	A result driven professional, with 18 years of comprehensive experience, credited with combining marketing, sales and business management expertise to deliver substantial growth in diverse business markets. A proactive leader and planner with expertise in strategic

		<p>development of the firm and ensures all projects are run with utmost efficiency and to the best of the firm's ability. Prior to DBS, Mr. Yash was with KPMG, Mumbai for nearly 3 years wherein he was a part of the MA division. He has worked for various clients such as Siemens, Orchid Pharma, Pratibha Industries, Siyarams, WIMCO etc. He has written various papers for organisations such as Chartered Accountant Association (CA) and Jain International Trade Organisations on the topic of Domestic Transfer Pricing and Cross Border Transactions. He has also given lectures in forums such as YEO (Young Entrepreneur's</p>			<p>planning, market plan execution, account management and pre-sales efforts with skills in staffing and targeted marketing.</p>
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		Organisation) in the topic of Mergers & Acquisition.			
<b>Disclosure of Relationships Between Directors Inter-Se;</b>	Mrs. Bharati Nalin Rathod (Wife) Mr. Tribhuvan Simh Rathod (Brother)	None	None	None	None
<b>Names of other Listed Entities in which the person also holds the Directorship and the Membership / Chairmanship of Committees of the Board</b>	Nil	Arman Financial Services Limited	Nil	Nil	Nil
<b>Shareholding in the Company as on March 31, 2024</b>	81,26,383 equity shares (holding in individual capacity) 6,25,96,302 equity shares (holding as significant beneficial owner)	Nil	Nil	50,000 equity shares	Nil
<b>No. of Board meetings attended during last Financial Year</b>	01	Nil	Nil	Nil	Nil

<b>Terms and conditions of appointment</b>	Director, liable to retire by rotation.	As per the Resolution at Item no. 6 of this Notice read with the explanatory statement thereto	As per the Resolution at Item no. 7 of this Notice read with the explanatory statement thereto	As per the Resolution at Item no. 8 of this Notice read with the explanatory statement thereto	As per the Resolution at Item no. 9 of this Notice read with the explanatory statement thereto
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**By order of the Board of Directors  
of Restile Ceramics Limited**

**Sd/-**

**Viren Rathod**

**Managing Director**

**DIN: 03407158**

**Date: August 07, 2024**

**Place: Chennai**

## DIRECTORS' REPORT

### DEAR MEMBERS,

Your Directors have pleasure in presenting the 38<sup>th</sup> Annual Report of Restile Ceramics Limited (“the Company”) on the business and operations of your Company along with the Audited Financial Statements for the Financial Year ended March 31, 2024.

### 1. FINANCIAL PERFORMANCE

The summary of Audited financial performance of the Company for the Financial Year ended March 31, 2024 is summarized as under:

*(Rs. In Lakhs except EPS)*

Particulars	2023-24	2022-23
Revenue from Operations	93.88	197.12
Other Income	19.13	65.51
Total Income	113.01	262.63
Total Expenditure (excluding depreciation)	165.99	291.36
Net Operating Profit/Loss before depreciation	(52.98)	(28.73)
Less: Depreciation	(38.12)	(38.12)
Net Operating Profit/Loss after depreciation	(91.10)	(66.85)
Profit/(Loss) before Tax	(91.10)	(66.85)
Less: Tax Expense		-
Current Tax	0.17	-
Deferred Tax - Net	-	-
Net Profit/(Loss) after Tax	(91.27)	(66.85)
Earnings Per Share- Basic & Diluted	(0.09)	(0.07)

### 2. PRESENTATION OF FINANCIAL STATEMENTS

The financial statements of the Company for Financial Year 2023-2024 have been prepared in compliance with the Companies Act, 2013 (the ‘Act’), applicable Accounting Standards and the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and amendments thereto (the ‘SEBI Listing Regulations’) and are disclosed in accordance with Schedule III of the Act.

### 3. STATE OF COMPANY AFFAIRS AND COMPANY’S PERFORMANCE

Your Company is in the business of manufacturing and trading of vitrified tiles for the last 3 decades. It is registered as a Public Limited Company and is listed on the Bombay Stock Exchange Limited (“BSE Limited”).

During the year under review, your Company’s total revenue from operations is Rs. 93.88 Lakhs in the current Financial Year as against Rs. 197.12 Lakhs in the previous Financial Year. The Net operating loss of the Company is Rs. 91.10 Lakhs in the current Financial Year as against Rs. 66.85 Lakhs in the previous Financial Year.



Detailed information on the operations of the business and state of affairs of the Company are covered in the Management Discussion and Analysis Report ("MDAR").

#### **4. DIVIDEND**

In the view of the loss incurred by the Company during the year under review and based on the Company's financial performance, the Board of Directors do not recommend any dividend on equity shares for the Financial Year ended on March 31, 2024.

#### **5. BORROWINGS**

The Company's borrowings as at March 31, 2024 stood at Rs. 3,910.79 Lakhs as against Rs. 3,914.79 Lakhs as at March 31, 2023.

#### **6. TRANSFER TO RESERVES**

There was no amount which was transferred to general reserves during the year under review. The closing balance of the retained earnings of the Company for Financial Year 2023-2024, after all appropriation and adjustments was Rs. (13,652.73) Lakhs.

#### **7. MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF THE REPORT**

There were no material changes and commitments affecting the financial position of the Company between end of the financial year and the date of this report. It is hereby confirmed that there has been no other change in the nature of business of the Company.

#### **8. SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES**

Your Company does not have any subsidiary or Joint Venture or associate during the year under review.

#### **9. SCHEME OF AMALGAMATION**

The Board of the Directors of your Company at their meeting held on February 21, 2023, approved Scheme of Amalgamation under Sections 230-232 of the Companies Act, 2013 read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and Regulations 11, 37 and 94 of Securities and Exchange Board of India ('SEBI') (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations) as amended from time to time, provisions of SEBI Master Circular No. SEBI/HO/CFD/DIL1/CIR/P/2021/0000000665 dated November 23, 2021, as amended from time to time, issued by the SEBI and other applicable provisions, approving amalgamation of Restile Ceramics Limited ("**Transferor Company**") with Bell Granito Ceramica Limited ("**Transferee Company**") and their respective shareholders and creditors ("**Scheme**"). It is further subject to necessary approvals of the shareholders and creditors of the Company (ies), Stock Exchange, National Company Law Tribunal and such other statutory and regulatory approvals as may be required.

## **10. SHARE CAPITAL**

During the year under review, there has been no change in the share capital of the Company. The Authorised Share Capital of the Company as on March 31, 2024 is Rs. 1,00,00,00,000/- divided into 10,00,00,000 equity shares of Rs. 10/- each and the issued, subscribed and paid up share capital of the Company as on March 31, 2024 is Rs. 98,27,92,390/- divided into 9,82,79,239 equity shares of Rs. 10/- each.

Further, there were no public issue, rights issue, bonus issue or preferential issue, etc. during the year. The Company has not issued shares with differential voting rights or sweat equity shares, nor has it granted any stock options during the financial year. During the year under review, the Company has neither increased the authorized share capital nor allotted any equity shares.

## **11. DEPOSITORY SYSTEM**

The Company's equity shares are tradeable in dematerialized/electronic form. As on March 31, 2024, 99.42% of the Company's total paid-up capital representing 9,77,06,945 equity shares were in dematerialized form. In view of the benefits offered by the depository system, members holding shares of the Company in physical mode are advised to avail the demat facility from their respective depository participants.

## **12. DEPOSITS**

The Company has not accepted any deposits and as such no amount on account of principal or interest on public deposit under section 73 and 74 of the Act, read together with the Companies (Acceptance of Deposits) Rules, 2014 was outstanding as on the date of the Balance Sheet.

## **13. PARTICULARS OF LOANS, GUARANTEES & INVESTMENTS**

Details of loans, guarantee and investments, if any, covered under the provisions of Section 186 of the Companies Act are provided in the notes to financial statements.

## **14. RELATED PARTY TRANSACTIONS**

The Company has put in place a policy for related party transactions ("RPT policy") which has been reviewed and approved by the Audit Committee and Board of Directors respectively. The RPT policy provides for identification of related party and related party transactions, materiality of related party transactions, necessary approvals by the Audit Committee/Board of Directors/ Shareholders of related party transactions and subsequent material modification thereof, reporting and disclosure requirements in compliance with the Act and the SEBI Listing Regulations.

All contracts/ arrangement/ transactions entered by the Company during Financial Year 2023-24 with related parties were in compliance with the applicable provisions of the Act and SEBI Listing Regulations. Prior omnibus approval of the Audit Committee is obtained for all related party transactions which are foreseen and of repetitive nature and are entered into in the ordinary course

of business and at arm's length. A statement giving details of all related party transactions were placed before the Audit Committee and the Board of Directors for their approval / noting on a quarterly basis and appropriate approvals of the members were also taken, as applicable in accordance with the SEBI Listing Regulations.

The particulars of contracts or arrangements with related parties as prescribed in Form No. AOC-2 is annexed to this report (Annexure A). Details of related party transactions are given in the notes to the financial statements.

Pursuant to Regulation 23(9) of the SEBI Listing Regulations, your Company has filed the half yearly reports on related party transactions with the Stock Exchange.

The policy on materiality of related party transactions and on dealing with related party transactions as approved by the Audit Committee and Board of Directors is uploaded on the Company's website [www.restile.com](http://www.restile.com).

## 15. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report as stipulated under the SEBI Listing Regulations is attached as Annexure B of this Report. It provides details about the overall industry structure, global and domestic economic scenarios, developments in business operations / performance of the Company's various businesses, internal controls and their adequacy, risk management systems, human resources and other material developments during the Financial Year 2023-24.

## 16. CORPORATE GOVERNANCE

Company has adhered to the best standards of governance long before they were legally mandated. The Company has devised proper systems to ensure compliance with all the applicable provisions and that such systems are adequate and operating effectively. Pursuant to Regulation 34(3) read with Schedule V of the SEBI Listing Regulations, a separate section on Corporate Governance practices followed by the Company, together with a Certificate from Secretarial Auditor confirming compliance, forms an integral part of this report and annexed as Annexure C.

A declaration with respect to the compliance with the Code of Conduct duly signed by the Managing Director of the Company also forms part of this report.

## 17. DIRECTORS & KEY MANAGERIAL PERSONNEL

### I. Board of Directors:

Following are the Directors as on March 31, 2024:

Sr. No.	Name of the Director	DIN	Category
1	Mr. Nalinkant Amratlal Rathod	00272129	Promoter, Non-Executive - Non-Independent Director
2	Mr. Viren Rathod	03407158	Executive - Managing Director

3	Mr. Nalandula Ramachandran Srinivasarao	00089348	Non-Executive - Independent Director
4	Mr. Mani (Narayanan Subramanian)	02577983	Non-Executive - Independent Director
5	Mr. Tenkasi Ramanarayanan Seetharaman	02385221	Non-Executive - Independent Director
6	Mr. Gopalachari Padmanabhan	00101432	Non-Executive - Independent Director
7	Mr. Yash Kaushik Shah	02155636	Non-Executive - Independent Director
8	Mrs. Bharati Nalin Rathod	02587701	Non-Executive - Non Independent Director
9	Mrs. Shruti Rathod	01948999	Non-Executive - Non Independent Director
10	Mr. Rajendra Prasad Kandikattu	00143653	Non-Executive - Nominee Director

**a) Change in Directors:**

**1) Cessation/Resignation:** During the year under review, there was no instance of cessation/resignation by any of the Directors of Company.

**2) Appointment/Re-appointment:** Pursuant to provisions of the Act and SEBI Listing Regulations, there was no instance of appointment/re-appointment of director of the Company during the year under review.

**3) Director liable to retire by rotation:**

- During the year under review, pursuant to the provisions of Section 152(6) of the Companies Act, 2013, Mrs. Bharati Nalin Rathod (DIN: 02587701) were liable to retire by rotation and re-appointed by the shareholders at the Annual General Meeting held on September 11, 2023.
- Further, Pursuant to provisions of Section 152(6) of the Act, due to the resignation of Mrs. Shruti Rathod, Director of the Company, Mr. Nalinkant Amratlal Rathod, Director, retires by rotation at the ensuing Annual General Meeting and, being eligible offers himself for re-appointment. The Nomination and Remuneration Committee and Board have recommended re-appointment of Mr. Nalinkant Amratlal Rathod. Brief profile of Mr. Nalinkant Amratlal Rathod as required under Regulation 36 (3) of the SEBI Listing Regulations read with SS-2 on General Meetings is provided separately by way of an Annexure to the Notice of the ensuing 38<sup>th</sup> AGM.

During the year under review, the Non-Executive Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees, commission, perquisites and reimbursement of expenses if any incurred by them for the purpose of attending meetings of the Board / Committees of the Company.

None of the Directors are disqualified from being appointed as the Director of the Company in terms of Section 164 of the Act read with Rule 14(1) of the Companies (Appointment and Qualifications of

Directors) Rules, 2014. Further, the Company has received the necessary declarations from all the Directors as required under the Companies Act and SEBI Listing Regulations. Further, all the independent directors are registered with data bank maintained by the Indian Institute of Corporate Affairs (“IICA”). The Independent Directors have confirmed that they are not aware of any circumstances or situation, which exists or reasonably anticipated that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence.

Further, during the year under review, as per Section 167 of the Companies Act, 2013 Mr. Rajendra Prasad Kandikattu (DIN: 00143653), Nominee Director of the Company has vacated his office as he was absent from all the meetings of the Board of Directors held during a period of twelve months of the financial year 2023-24 without seeking leave of absence of the Board and In this regard, the Company has passed board resolution at the board meeting held on May 23, 2024 for taking note of vacation of office of Mr. Rajendra Prasad Kandikattu with effect from April 01, 2024 and filed Form DIR-12 with Registrar of Companies and subsequently, intimated to the stock exchange.

## II. Key Managerial Personnel (KMP’s):

During the year under review, pursuant to the provisions of Sections 196, 197, 198 and 203 and other applicable provisions of the Companies Act, 2013 read with rule Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has re-appointed Mr. Viren Rathod (DIN: 03407158) as Managing Director of the Company at the 37th Annual General Meeting for a term of five years w.e.f. May 04, 2024 who shall not be liable for determination for retirement by rotation and on the terms and conditions as may be agreed between them.

Following were the Key Managerial Personnel’s as on March 31, 2024 pursuant to Sections 2(51) and 203 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sr. No.	Name of the KMP	Designation
1	Mr. Viren Rathod	Managing Director
2	Mr. Tribhuvan Simh Rathod	Chief Financial Officer
3	Ms. Palak Kumari	Company Secretary & Compliance Officer

## 18. MEETING OF THE BOARD AND ITS COMMITTEES

The Company has following committees in place in compliance with the requirements of the business and relevant provisions of applicable laws and statutes:

- a. Audit Committee;
- b. Nomination and Remuneration Committee;
- c. Stakeholders’ Relationship Committee.

The Committees constituted by the Board focus on specific areas and take informed decisions within the framework of delegated authority, and make specific recommendations to the Board on matters within their areas or purview. The decisions and recommendations of the Committees and minutes of meeting of committees are placed before the Board for information and/or for approval, as

required. During the year under review, all recommendations received from its committees were accepted by the Board.

During the Financial Year 2023-24, four (4) Board Meetings, four (4) Audit Committee Meetings and two (2) Nomination and Remuneration Committee meeting were held. The details of the same along with other Committee meetings of Board are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

## **19. FORMAL ANNUAL EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its Board, its Committees and the individual members of the Board (including the Chairperson). A structured questionnaire was prepared after taking into consideration inputs received from the directors, covering the aforesaid aspects of the Board's functioning. The overall performance of the Board and Committees of the Board was found satisfactory.

Further, the overall performance of Chairman, Executive Director and Non-Executive Directors of the Company was found satisfactory. The review of performance was based on the criteria of performance, knowledge, analysis, quality of decision making etc.

Further, pursuant to Regulation 17 (10) of the SEBI Listing Regulations, the performance evaluation of the Independent Directors was carried out by the entire Board excluding the independent director being evaluated.

The Independent Directors expressed their satisfaction with the evaluation process and flow of information between the Company management and the Board.

## **20. CODE OF CONDUCT**

The Company has adopted a Code of Conduct for Prevention of Insider Trading including policies and procedures for inquiry in case of leak or suspected leak of unpublished price sensitive information, Code for Fair Disclosure and Code of Conduct to regulate, monitor and report trading in securities by the directors, designated persons and immediate relatives of designated persons of the Company in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Insider Trading Regulations').

Pursuant to above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of Insider Trading Regulations. The transactions by designated persons above threshold approved by Board is subject to preclearance by compliance officer. Company Secretary has been appointed as the Compliance Officer for purpose of Insider Trading Regulations.

Designated persons have made annual disclosure to Company as per requirements of Insider Trading Regulations and Company's Code of Conduct. The Code is available on website of the Company at [www.restile.com](http://www.restile.com).

## 21. DISCLOSURES BY DIRECTORS

Based on the declarations and confirmations received in terms of provisions of the Companies Act, 2013, circular(s) / notification(s) / direction(s) issued by the RBI and other applicable laws, none of the Directors on the Board of your Company are disqualified from appointment as Directors.

### **Declaration of Independent Directors**

The Company has received the necessary declarations from the Independent Directors under Section 149(7) of the Act and Regulation 25 of the SEBI Listing Regulations, that they meet the criteria of Independence laid down in Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations. The Independent Directors have also confirmed compliance with the provisions of Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014, as amended, relating to inclusion of their name in the databank of Independent Directors. The Independent Directors have confirmed that they are not aware of any circumstances or situation, which exists or reasonably anticipated that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence.

The Board after taking these declarations/ disclosures on record and acknowledging the veracity of the same, is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience, expertise, hold highest standards of integrity and are Independent of the Management of the Company. The terms and conditions of appointment of Independent Directors are available on the website of the Company at [www.restile.com](http://www.restile.com)

## 22. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Pursuant to Regulation 25(7) of the SEBI Listing Regulations, the Company has put in place a system to familiarize its Independent Directors. The familiarization program aims to provide knowledge/information to the Independent Directors about their roles, responsibilities in the Company, nature of the industry, business model, processes, policies and the technology and the risk management system of the Company, the operational and financial performance of the Company, significant development so as to enable them to take well informed decisions in timely manner. During the Financial Year 2023-2024, the Independent Directors were updated from time to time on continuous basis on the significant changes in the regulations, duties and responsibilities of Independent Directors under the Act, and SEBI Listing Regulations.

The details of familiarization programmes for the Independent Directors are disclosed on the Company's website at [www.restile.com](http://www.restile.com).

## 23. POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a Nomination & Remuneration policy. This policy inter alia provides:

(a) The criteria for determining qualifications, positive attributes and independence of Directors; and

(b) Policy on remuneration of directors, key managerial personnel and other employees.

The Policy is directed towards a compensation philosophy and structure that will reward and retain talent. The Nomination & Remuneration Policy is stated in the Corporate Governance Report and is also available on the Company's website at [www.restile.com](http://www.restile.com).

## 24. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013 and to the best of Board's knowledge and belief and according to the information and explanations obtained by them, your Directors confirm the following statements:

- (a) in the preparation of the annual accounts for the Financial Year ended on March 31, 2024, the applicable accounting standards and Schedule III of the Companies Act, 2013, have been followed and there are no material departures from the same;
- (b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as at March 31, 2024 and of the loss of the Company for the Financial Year ended March 31, 2024;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a 'going concern' basis;
- (e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- (f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

## 25. AUDITORS

### ➤ Statutory Auditor

As per Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the members of the Company at the Annual General Meeting held on September 20, 2019 approved the appointment of M/s. R. Sundararajan & Associates, Chartered Accountants (Firm Registration No: 008282S) as the Statutory Auditors of the Company for a term of 5 years till the conclusion of the 38th Annual General Meeting.

Further, The Board proposes to appoint M/s. M. S. Krishnaswami & Rajan, Chartered Accountants (Firm Registration No. 01554S) as Statutory Auditors of the Company upon completion of the term of M/s. R. Sundararajan & Associates, not seeking re-appointment, to hold office for the period of 5



Years from the conclusion of 38th Annual General Meeting (AGM) till the conclusion of the AGM of the Company to be held for the year 2028-2029.

The Statutory Auditors has issued qualified opinion on the Financial Statements for the Financial Year ended March 31, 2024 as mentioned in the below table:

QUALIFIED OPINION	MANAGEMENT'S EXPLANATION
The Company has generated negative cashflows from operations, 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 financial statements do not include any adjustments that might result had the above uncertainties been known	The Company is in the process of amalgamation with Bell Granito Ceramica Limited and will be able to achieve profitability post amalgamation.

➤ **Secretarial Auditor:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Mitesh J Shah & Associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the Financial Year ended March 31, 2024. The secretarial audit report forms a part of the Annual Report. Further, pursuant to amendments under SEBI Listing Regulations and SEBI circular dated February 08, 2019, a report on secretarial compliance as required under Regulation 24A was submitted to the stock exchanges as obtained from M/s. Mitesh J Shah & Associates, Practicing Company Secretary for Financial Year 2023-24. These reports do not contain any qualification, reservation or adverse remark or disclaimer.

➤ **Internal Auditor:**

M/s. R K Doshi & Co LLP, Chartered Accountants, performed the duties of internal auditor of the Company for the Financial Year 2023-24 and their report is reviewed by the Audit committee.

➤ **Cost Auditor:**

The Maintenance of the cost records, for the services rendered by the Company is not required pursuant to Section 148(1) of the Act, read with Rule 3 of the Companies (Cost Records and Audit) Rules, 2014 and accordingly it is not required to appoint Cost Auditor.

**26. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143 (12) OF THE ACT**

During the year under review, no instances of fraud committed against the Company by its officers or employees were reported by the Statutory Auditors and Secretarial Auditors under Section 143(12) of the Act to the Audit Committee or the Board of Directors of the Company.

## **27. INTERNAL FINANCIAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Board has laid down standards, processes and procedures for implementing the internal financial controls across the organization. After considering the framework of existing internal financial controls and compliance systems, work performed by the Internal, Statutory and Secretarial Auditors and external consultants; reviews performed by the Management and relevant Board Committees including the Audit Committee, the Board is of the opinion that the Company's internal financial controls with reference to the financial statements were adequate and effective during the Financial Year under review. The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

## **28. CORPORATE SOCIAL RESPONSIBILITY**

As per the provisions of Section 135 of the Companies Act, 2013, your Company is not required to contribute funds for CSR.

## **29. ANNUAL RETURN**

A copy of the annual return as provided under section 92(3) of the Act, in the prescribed form, which will be filed with the Registrar of Companies/MCA, is placed on Company's website at [www.restile.com](http://www.restile.com).

## **30. PARTICULARS OF EMPLOYEES**

Your Company had 10 employees as on March 31, 2024. The statement containing particulars of employees as required under Section 197(12) of the Act, read along with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company as no employees were in receipt of remuneration above the limits specified in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Further, the ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Act read along with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as Annexure D and forms part of this report.

Your directors would like to record their appreciation of the efficient and loyal service rendered by the employees.

## **31. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company is committed to uphold and maintain the dignity of woman employees and to provide a safe and conducive work environment to all its employees and associates working in the Company.

During the Year under review the company has not received any complaints on sexual harassment.

### **32. RISK MANAGEMENT**

Pursuant to Section 134 (3)(n) of the Act and Regulation 4(2)(f) of SEBI Listing Regulations, the Company has put in place comprehensive Risk Management Policy which inter alia, includes identification of elements of those risks which in the opinion of the Board may threaten the existence of the Company. Further, the Company has adequate risk management mechanism and same is periodically reviewed by the Audit Committee and Board. The major risk identified by the business are systematically addressed through mitigating actions on a continuing basis and cost-effectively risks are controlled to ensure that any residual risks are at an acceptable level. The Company has been addressing various risks impacting the Company and brief view of the Company on risk management has been disclosed in the Management Discussion and Analysis Report.

### **33. VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

In Compliance with Section 177(9) of the Act and Regulation 22 of SEBI Listing Regulations, the Company has adopted a Whistle Blower Policy. The Audit Committee oversees the functioning of this policy. The Company's vigil mechanism/ Whistle blower Policy aims to provide the appropriate platform and protection for Whistle Blowers to report instances of fraud and mismanagement, if any, to promote reporting of any unethical or improper practice or violation of the Company's Code of Conduct or complaints regarding accounting, auditing, internal controls or suspected incidents of violation of applicable laws and regulations including the Company's ethics policy or Code of Conduct for Prevention of Insider Trading in the Company, Code of Fair practices and Disclosure.

The Vigil Mechanism provides a mechanism for employees of the Company to approach the Chairperson of the Audit Committee of the Company for redressal. Details of the Vigil Mechanism and Whistleblower policy are covered in the Corporate Governance Report, which forms part of the Annual Report and are made available on the Company's website at [www.restile.com](http://www.restile.com).

During the Financial Year 2023-24, no cases under this mechanism were reported to the Company.

### **34. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

There are no significant and material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations.

### **35. ENERGY CONSERVATION, TECHNOLOGY ABSORBITION AND FOREIGN EXCHANGE EARNING & OUTGO**

The details in respect of conservation of Energy, Technology Transfer and Foreign Exchange Earning and outgo is as follows:

#### **A. Conservation of Energy and Technology Absorption**

The Company is taking all possible measures to conserve energy. Several environment friendly measures are adopted by the Company. The Company continued to give major emphasis for conservation of Energy.

There were no power and gas consumed as there was no production during the year.

**B. Foreign Exchange Earning and Outgo:**

Details of foreign exchange earnings and outgo required under Section 134 (3) (m) of the Act read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 are as under:

Total Foreign Exchange earnings and outgo by the Company is as follows:

<b>Particulars</b>	<b>Year Ended March 31, 2024</b>	<b>Year Ended March 31, 2023</b>
Foreign Exchange earnings	Nil	Nil
Foreign Exchange outgo	Nil	Nil

**36. LISTING WITH STOCK EXCHANGES**

The Equity Shares of your Company continue to remain listed on BSE Limited. The Listing fees to these Stock Exchanges and custodian fees to NSDL and CDSL have been paid by the Company for the Financial Year 2023-24.

**37. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTION**

No such instance of one-time settlement or valuation was done while taking or discharging loan from the Banks/ Financial institutions occurred during the year.

**38. PROCEEDINGS PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE**

There are no such proceedings or appeals pending under Insolvency and Bankruptcy Code, 2016 during the year and at the end of the Financial Year 2023-24.

**39. SECRETARIAL STANDARDS OF ICSI**

Your Company has complied with the applicable Secretarial Standard Secretarial Standards with regard to Meeting of the Board of Directors (SS-1), General Meeting (SS-2), Secretarial Standard on Dividend (SS-3) and Secretarial Standard on Report of the Board of Directors (SS-4) issued by The Institute of Company Secretaries of India.

**40. STATUTORY DISCLOSURES**

- The financial statements of the Company are placed on the Company's website [www.restile.com](http://www.restile.com)
- The directors' responsibility statement as required by section 134(5) of the Act, appears in this report.
- There is no change in the nature of business of the Company during Financial Year 2024.
- A Cash Flow Statement for Financial year 2023-2024 is attached to the Balance Sheet.

#### **41. ACKNOWLEDGEMENT**

Your Board takes this opportunity to place on record our deep appreciation to our Shareholders, Customers, Business Partners, Vendors, Bankers, Financial Institutions, Stock Exchange, Regulatory and Government Authorities and other Stakeholders at large for all support rendered during the year under review. We strive to build rewarding relationships with our stakeholders – clients, employees, shareholders, business partners, communities and regulators – for achieving our long-term vision aligned with our stakeholders’ interests.

The Directors also thank the Government of India, Governments of various states in India and concerned Government departments and agencies for their co-operation. The Directors hereby acknowledge the dedication, loyalty, hard work, cooperation, solidarity and commitment rendered by the employees of the Company during the year.

The Board also places its gratitude and appreciation for the support and co-operation from its members and other regulators.

**For and on behalf of the Board of Directors  
of Restile Ceramics Limited**

**Sd/-**

**Viren Rathod**

**Managing Director**

**DIN: 03407158**

**Date: August 07, 2024**

**Place: Chennai**

## FORM NO. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

**1. Details of contracts or arrangements or transactions not at arm's length basis: Nil**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts/arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

(Rs. In Lakhs)

Sr. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangement / transactions	Duration of the contracts/ arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any	Amount paid as advance, if any
1.	Bell Granito Ceramica Limited Enterprise over which key management personnel or their relatives exercises control	Purchase of Goods or Services	Continual	85.10  5% discount from the Basic List price of Bell Granito Ceramica Limited plus applicable taxes	May 27, 2023	-
2.	Bell Granito Ceramica Limited Enterprise over which key		Continual	0.24	May 27, 2023	-

	management personnel or their relatives exercises control	Rent in respect of lease		The property of BGCL was taken on lease		
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**For and on behalf of the Board of Directors  
of Restile Ceramics Limited**

**Sd/-**

**Viren Rathod**

**Managing Director**

**DIN: 03407158**

**Date: August 07, 2024**

**Place: Chennai**

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### MACROECONOMIC OVERVIEW

#### Global Economy

The global ceramic tiles market size grew to USD 84.8 billion in 2023 the global ceramic tiles market witnessed a healthy growth in the historical period. Aided by the escalating demand for modern and aesthetically pleasing interiors, combined with the durability and versatility of ceramic tiles, the market is expected to grow at a CAGR of 6.8% during 2024-2032 reaching a value of approximate USD 202.63 billion by 2032. The countries covered in the ceramic tiles market report are Australia, Brazil, China, France, Germany, India, Indonesia, Japan, Russia, South Korea, UK and USA.

Technological advancements in the ceramic industry have also been instrumental in shaping the ceramic tiles market outlook. Digital printing technology, for instance, has revolutionised tile designs, allowing for the replication of intricate patterns and even the look of natural stones and woods on ceramic tiles. This gives designers and homeowners greater flexibility and choice.

#### Domestic Market

Though the present demand condition for ceramic tiles in the domestic market is subdued, tile manufacturers are not unduly disturbed by that as they strongly believe that the long term India story is still intact. Indian Ceramic tiles production and exports grew at a healthy pace in last three years, even when global production declined. The Indian largest ceramic cluster, Morbi (Gujarat), continued to grow and is now the second largest ceramic cluster globally, having over 800 production units, of which many are export-oriented.

India occupies the second position in the global tile industry. While the residential sector is the primary consumer of tiles (in terms of application), demand from the commercial sector (including high-footfall infrastructure) is growing at a healthy clip owing to sustained investments by the government and private players.

### ABOUT RESTILE CERAMICS LIMITED

#### BUSINESS OVERVIEW

Restile Ceramics Limited ("RCL") was originally incorporated as Restile Ceramics Private Limited on 26<sup>th</sup> May, 1986. Restile is known in the market for the last 3 decades for its unpolished smooth tiles and Industrial Vitrified Tiles.



## FINANCIAL PERFORMANCE

(Rs. In Lakhs Except EPS)

Particulars	2022-2023	2022-2023
Revenue from Operations	93.88	197.12
Other Income	19.13	65.51
Total Income	113.01	262.63
Total Expenditure (excluding depreciation)	165.99	291.36
Net Operating Profit/Loss before depreciation	(52.98)	(28.73)
Less: Depreciation	(38.12)	(38.12)
Net Operating Profit/Loss after depreciation	(91.10)	(66.85)
Profit/(Loss) before Tax	(91.10)	(66.85)
Less: Tax Expense		
Current Tax	0.17	-
Deferred Tax - Net	-	-
Net Profit/(Loss) after Tax	(91.27)	(66.85)
Earnings Per Share- Basic & Diluted	(0.09)	(0.07)

During the year under review, your Company's total revenue from operations is Rs. 93.88 Lakhs in the current financial year and Rs. 197.12 Lakhs in the previous Financial Year. Net operating loss of the Company is Rs. 91.10 Lakhs in the current financial year and Rs. 66.85 Lakhs in the previous Financial Year.

Key Financial Ratios (Standalone) for the Financial Year ended March 31, 2024 are provided here below:

Key Ratios	Financial Year 2023-24	Financial Year 2022-2023	Variance (%)
Debtors Turnover	5.87	20.05	-71%
Inventory Turnover	1.12	1.73	-35%
Interest Coverage Ratio	-	-	0%
Current Ratio	8.80	8.79	0%
Debt Equity Ratio	-1.27	-1.31	-3%
Operating Profit Margin	-77	-48	60%
Net Profit Margin	-97	-34	186%
Return on Net Worth	0.03	0.02	49%

Remarks for Change in Ratios having more than 25% variance: The variance is due to decrease in revenue from operations.

## SEGMENT WISE OR PRODUCT WISE PERFORMANCE

The Company operates exclusively in the segment of unpolished smooth tiles and industrial vitrified tiles. For the financial year 2023-24, revenue from operations totaled Rs. 93.88 lakhs, marking a decline compared to the previous year. Additionally, the net loss for the year has increased to Rs. 91.27 lakhs.

## INTERNAL CONTROL SYSTEMS AND ADEQUACY

- The Company believes that strong internal control system and processes play a critical role in the health of the Company. The Company is having an internal control system including suitable monitoring procedures commensurate with its size of operations;
- The Company's well-defined organizational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources;
- The internal control system is supplemented by extensive internal audits, regular reviews by the management and standard policies and guidelines which ensure reliability of financial and all other records;
- The Company's Internal Auditor performed regular reviews of business processes to assess the effectiveness of internal controls. Internal Audits were carried out to review the adequacy of the internal control systems, compliance with policies and procedures. The Internal Audit reports are periodically reviewed by the Audit Committee.
- Our Internal Auditor, M/s. R K Doshi & Co LLP, Chartered Accountants, has certified that the Company maintains an adequate system of internal financial controls, evaluates and assesses its adequacy and effectiveness in a satisfactory manner which takes care of requirements under the Companies Act, 2013.

## OPPORTUNITIES, THREATS AND CHALLENGES

### Opportunities:

- Introduction of vitrified and porcelain tiles ("tiles of the future") in the Indian market – internationally these are already major sellers – these categories account for approximately 10-12% for all organized sales in the Indian ceramic tiles industry.
- Rising demand for tiles as it is widely used today as it can keep temperature reduced.

### Threats and Challenges:

- Since the vitrified market enjoys consistent growth and assured returns, companies in the organized and unorganized sector are expected to come up with latest technology, which may result in pressure on the realizations. However, the uniqueness of the products will help us in garnering the Project and Industrial sector which help in overcoming the competition.
- Changing market trends on faster basis.
- Economic recession in business cycles affecting income and business.

## **RISKS AND CONCERNS**

Risk is an integral part of the business and almost every business decision requires the management to balance risk and reward. The ability to manage risks across geographies, products, asset classes, customer segments and functional departments is of paramount importance for the hindrance free growth of every organization.

In the business world, the different types of risks have come to mean an impediment towards the achievement of an organization's objectives. Your Company is exposed to specific risks that are particular to its business and the environment in which it operates. Due to rapid changes in the technologies, business dimensions and complexities, regulatory changes and environmental concerns, new and various types of risks have emerged. So, in the era of fast changing global economy, multiplicity of legal compliances, cross border business transactions and to ensure the survival, viability and sustainability of business, the management of various types of risks have gained utmost importance.

The Company specific risks remain large which is 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 players, who have varied range of products, effects and colors to dominate market presence.

## **QUALITY CULTURE**

Our constant efforts to offer superior quality, technologically driven and innovative products enable us to develop and nourish deep customer relationships. With unwavering focus on innovation, brand equity, technology adoption, quality adherence to international standards and investment in R&D, we relentlessly strive to improve the loyalty of both institutional and retail customers. This enables us to gain large scale acceptance in both Indian and overseas markets.

Our investment and focus in R&D have enabled us to give us an edge over competition. In addition, it also helps us to expand customer base and command a premium in the market. We strive to leverage our R&D investments to increase profit and build long-term shareholder value.

## **FUTURE OUTLOOK**

The key priorities as we step into F.Y. 2025 will mainly revolve around gaining market access, expanding the network and network monetization, as we continue to look out for M&A opportunities. All these factors will help us in achieving our targets. The Ceramic Tiles market is expected to register fluctuating growth trends in the long term, while inflation and supply chain concerns are expected to continue in 2024.

## **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The management had adopted/followed strategic plans. The management will make new strategies and plans for the increased production and profitability of the Company in the near future.

## HUMAN RESOURCES

We believe that human capital plays a crucial role in business growth. Our talented and dedicated employee base has enabled us to achieve our strategic goals. Our HR policies are employee-friendly, nurturing a safe, conducive and productive work environment. This not only enables sustainable business growth but also ensures high productivity, employee satisfaction and motivation, and superior retention ratio. As on March 31, 2024, your Company had a total head count of 10 employees. The Directors wish to place on record their appreciation and acknowledgment for the efforts and dedication and contributions made by employees at all levels during the year under review.

Your Company has adopted people practices that enable us to attract and retain talent in an increasingly competitive market and to foster a work culture that is always committed to providing the best opportunities to employees to realize their potential. We are committed as an equal opportunity employer and follow non-discrimination in all our practices. All employees, from a new joiner to a tenured one, are provided tailored learning opportunities as per their role, level, and specific focus area.

## CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws and regulations. Our Company undertakes no obligation or liability to update or revise any forward-looking statements publicly, whether as a result of new information, future events or otherwise actual results, performance or achievements could differ materially from those either expressed or implied in such forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements and read in conjunction with financial statements included herein.

The Company assumes no responsibility in respect of forward-looking statements that may be revised or modified in future on the basis of subsequent developments, information or events. The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014.

The management of the Company has used estimates and judgments relating to the financial statements on a prudent and reasonable basis, in order that the financial statements reflect a true and fair manner, the state of affairs and profit / loss for the year. The narrative on our financial condition and result of operations should be read together with the notes to the financial statements included in the annual report. Important factors that could make a difference to the Company's operations include changes in Government regulations and tax regime, economic developments within India and abroad, financial markets etc.

**FORM NO. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED ON 31<sup>st</sup> MARCH, 2024**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Restile Ceramics Limited**  
204, Sakar Complex, Opposite Abs Tower,  
Vaccine Crossing, Old Padra Road,  
Vadodara-390015, Gujarat, India.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Restile Ceramics Limited CIN: L26931GJ1986PLC102350**, having its registered office at 204, Sakar Complex, Opposite ABS Tower, Vaccine Crossing, Old Padra Road, Vadodara-390015, Gujarat, India and its Corporate Office at 2B, Devadaya Apartments, #67, Gandhi Nagar, 1<sup>st</sup> Main Road, Adyar, Chennai-600020, Tamil Nadu, India (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2024** complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2024** according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(There were no events requiring compliance during the audit period)**
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(There were no events requiring compliance during the audit period)**
  - d. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - e. The Securities and Exchange Board of India (Depository and Participants) Regulations 2018;
  - f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; **(There were no events requiring compliance during the audit period)**
  - g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(There were no events requiring compliance during the audit period)**
  - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(There were no events requiring compliance during the audit period)**
  - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(There were no events requiring compliance during the audit period)**
  - j. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- vi. We have relied on the representation made by the Company, also on the review of the compliance reports taken on record by the Board of Directors of the Company and its officers for systems and mechanism formed by the Company for compliances under various applicable Laws, Rules and Regulations of the Company. In our opinion, adequate systems and process exist in the Company to monitor and ensure compliances under other applicable Acts, Laws and Regulations as applicable to the Company.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards with regard to Meeting of the Board of Directors (SS-1), General Meeting (SS-2), Secretarial Standard on Dividend (SS-3) and Secretarial Standard on Report of the Board of Directors (SS-4) issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with Stock Exchange(s) read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I report that:**

- The Board of Directors of the Company was duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation in the meeting.
- The decisions of the Board Meetings were carried out with requisite majority.
- As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including actions for corrective measures, wherever found necessary.

**I further report** that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report** during the audit period, the Company has no specific events/actions having a major bearing on the Company's affairs.

**For Mitesh J. Shah & Associates  
Company Secretaries**

**Sd/-**

**Mitesh Shah**

**Proprietor**

**FCS No.: 10070**

**C. P. No.: 12891**

**Peer Review Certificate No. 1730/2022**

**UDIN: F010070F000923499**

**Date: August 07, 2024**

**Place: Mumbai**

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

## **Annexure A**

My report of even dated is to be read along with this letter:

### **Management's Responsibility Statement**

- i. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

### **Auditor's Responsibility Statement**

- ii. I have followed the audit practices and processes as were appropriate to obtain responsible assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices that I follow, provide a responsible basis for my opinion.
- iii. I have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
- iv. Wherever the Audit has required my examination of books and records maintained by the Company, I have relied upon physical/electronic versions of such books and records, as provided to me. Considering the effectiveness of technology tools in the audit processes, I have conducted offline / online verification and examination of certain records, as facilitated by the Company, for the purpose of issuing this Report. In doing so, I have followed the guidance as issued by the Institute.
- v. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

### **Disclaimer**

- vi. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
- vii. The secretarial audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.
- viii. Due to the inherent limitations of an audit including internal, financial, and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with audit practices.

**For Mitesh J. Shah & Associates  
Company Secretaries**

**Sd/-  
Mitesh Shah  
Proprietor  
FCS No.: 10070  
C. P. No.: 12891  
Peer Review Certificate No. 1730/2022**

**Date: August 07, 2024  
Place: Mumbai**



## REPORT ON CORPORATE GOVERNANCE

This Corporate Governance Report relating to the financial year ended on March 31, 2024 has been prepared in compliance with the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and amendments thereof and forms a part of the Report of the Directors’ of the Company.

### 1. COMPANY’S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company’s philosophy on Corporate Governance envisages the adoption of best business policies and alignment of the highest levels of transparency, integrity, honesty, accountability and equity in all facets of its operations and in all its interactions with its stakeholders including shareholders, government and employees.



Company’s Corporate Governance structure has evolved over the years and it provides a comprehensive framework to enhance accountability to shareholders and other stakeholders. It ensures timely implementation of the plans and adequate disclosures as well as fair dealings with shareholders and other stakeholders’ interests. Processes have been designed to run the business responsibly and harmonize diversified interests of various stakeholders thereby enhancing stakeholders’ value.

The Company is committed to best corporate governance practices which stems not only from the letter of law but also from the inherent belief of doing business in the right way. The Company believes that all its actions and operations must serve the underlying goal of enhancing overall shareholder value on a sustained basis. The Company has already put in place systems and procedures and has complied with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”).

### 2. BOARD OF DIRECTORS:

Keeping with the commitment to the principle of integrity and transparency in business operations for good corporate governance, the Company has an appropriate blend of independent and non-independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

The responsibilities of the Board, inter alia, include formulation of overall strategy for the Company, reviewing major plan of actions, setting performance objectives, laying down the Code of Conduct for all members of the Board and Senior Management, formulating policies, performance review, monitoring due compliance with applicable laws, reviewing and approving the financial results, enhancing corporate governance practices and ensuring the best interest of the shareholders, the community and its various stakeholders.



#### **A. BOARD COMPOSITION:**

In compliance with the provisions of SEBI Listing Regulations, the Company has an optimum combination of executive and non-executive directors with a woman independent director and a non-executive Chairman.

None of the Independent Directors have any material pecuniary relationship or transactions with the Company.

As on March 31, 2024, the Board comprised of a (10) Directors, out of which Nine (9) are Non-Executive Directors with Five (5) of them being Independent Directors, One (1) being Nominee Director, Two (2) being Non-Independent Women Directors and one (1) being Non-Independent Director and remaining One (1) being Executive, Managing Director. All the members of the Board are persons with considerable experience and expertise in industry, finance, management and law.

The Chairman provides leadership to the Board and the Management in strategizing and realizing business objectives. The Independent Directors contribute by giving their valuable guidance and inputs with their independent judgment on the overall business strategies and performance.

None of the Directors on the Board is a member in more than 10 (ten) Committees and Chairman of more than 5 (five) Committees, in compliance with the SEBI Listing Regulations, across all the companies in which he / she is Director as per the disclosures made by all the Directors.

None of the Independent Directors on the Board serve as an Independent Director in more than seven listed Companies. The Whole-Time Director/ Managing Director does not serve as an Independent Director in more than three listed Companies.

## B. MEETINGS OF THE BOARD:

The Board meets at least once in each quarter inter-alia, to review the quarterly financial results. The gap between two consecutive meetings is less than 120 days. In addition, the Board also meets whenever necessary. The Board periodically reviews compliance reports of all laws applicable to the Company.

During the year under review the Board met 4 (four) times on the following dates:

Sr. No.	Date	Strength	No. of Directors present
1	May 27, 2023	10	5
2	August 02, 2023	10	6
3	November 02, 2023	10	5
4	February 08, 2024	10	7



The Company Secretary prepares a detailed agenda and the explanatory notes, in consultation with the Chairman and circulates the same in advance to the Directors. The Directors are also provided with all the material information including minimum information as required under the SEBI Listing Regulations. Every Director has the right to suggest inclusion of items in the agenda.

The minutes of the proceedings of the meetings of the Board of Directors are noted and the draft minutes are circulated amongst the members of the Board for their review and comments, if any, received from the Directors are also incorporated in the minutes, in consultation with the Chairman. The minutes are approved by the members of the Board prior to the next meeting and the signed minutes are noted at the subsequent meeting of the Board of Directors.

## C. DIRECTORS' ATTENDANCE RECORD & DIRECTORSHIPS HELD:

- (i) The names and categories of the Directors on the Board and their attendance at the Board Meetings during the year under review and at the last Annual General Meeting ("AGM") are given below:

Name	Nature of directorship	No. of Board Meetings attended		Attendance at previous AGM
		Held during the tenure of Directorship	Attended	
Mr. Nalinkant Amratlal Rathod	Non-Executive Non- Independent Director	4	1	No
Mr. Tenkasi Ramanarayanan Seetharaman	Non-Executive Independent Director	4	4	No
Mr. Nalandula Ramachandran Srinivasarao	Non-Executive Independent Director	4	3	Yes
Mr. Gopalachari Padmanabhan	Non-Executive Independent Director	4	3	No
Mr. Rajendra Prasad Kandikattu	Non-Executive Nominee Director	4	0	No
Mr. Yash Kaushik Shah	Non-Executive Independent Director	4	2	No
Mr. Mani (Narayanan Subramanian)	Non-Executive Independent Director	4	4	No
Mrs. Bharati Nalin Rathod	Non-Executive Non- Independent Director	4	1	No
Mrs. Shruti Rathod	Non-Executive Non- Independent Director	4	1	No
Mr. Viren Rathod	Executive Managing Director	4	4	Yes

- (ii) The details of the number of directorships and committee memberships held by the Board of Directors in other Companies as on March 31, 2024 are given below:

Name	No. of directorships in other public companies#	No. of Committee memberships in listed entities (incl. in the Company)@	
		Membership	Chairmanship
Mr. Nalinkant Amratlal Rathod	1	0	0
Mr. Tenkasi Ramanarayanan Seetharaman	1	2	0
Mr. Nalandula Ramachandran Srinivasarao	1	2	2

Mr. Gopalachari Padmanabhan	1	2	0
Mr. Rajendra Prasad Kandikattu	1	0	0
Mr. Yash Kaushik Shah	1	3	1
Mr. Mani (Narayanan Subramanian)	2	1	0
Mrs. Bharati Nalin Rathod	1	0	0
Mrs. Shruti Rathod	1	1	0
Mr. Viren Rathod	1	1	0

# excluding Directorships in Foreign companies, Private Limited companies, companies under Section 8 of the Companies Act, 2013.

@ Memberships include Chairmanships. Only memberships and chairmanship of Audit Committee and Stakeholders' Relationship Committee in listed entities are considered.

Notwithstanding the number of directorships, as given above, the outstanding attendance record and participation of the directors in Board/Committee meetings indicate their commitment and ability to devote adequate time to their responsibilities as the Company's fiduciaries.

(iii) Directorships in equity listed companies

The name of equity listed entities where directors of the Company held directorships as on March 31, 2024 are as under:

Name	Name of the equity listed entities	Category of Director
Mr. Rajendra Prasad Kandikattu	Raasi Refractories Limited	Nominee Director
Mr. Yash Kaushik Shah	Arman Financial Services Limited	Non-Executive - Independent Director

**D. BOARD DIVERSITY**

In compliance with the provisions of SEBI Listing Regulations, the Board through Nomination & Remuneration Committee has devised a policy on Board Diversity. The Board comprises of adequate number of members with diverse experience and skills, such that it serves the governance and strategic needs of the Company. The present composition broadly meets this objective. The directors are persons of eminence in areas such as profession, business, industry, finance, law, administration, research, banking, etc. and bring with them experience/ skills which add value to the performance of the Board. The directors are selected purely on the basis of merit with no discrimination on race, color, religion, gender or nationality.

## E. BOARD EXPERTISE AND ATTRIBUTE

As stipulated under Schedule V of the SEBI Listing Regulations, core skills/ expertise/ competencies as required in the context of the business and sector for it to function effectively and those actually available with the Board have been identified by the Board of Directors.

A tabular representation of the same is as below:

Skill Areas	Mr. Nalinkant Amratlal Rathod	Mr. Tenkasi Ramanarayanan	Mr. Nalandula Ramachandran Srinivasarao	Mr. Gopalachari Padmanabhan	Mr. Rajendra Prasad Kandikattu	Mr. Yash Kaushik Shah	Mr. Mani (Narayanan)	Mrs. Bharati Nalin Rathod	Mrs. Shruti Rathod	Mr. Viren Rathod
Industry experience	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Management & Governance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Financial expertise	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Business transformation & strategy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Technology & innovation	✓	✓	✓	✓	✓	✓	✓	-	-	✓
Human resources	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Risk, Assurance & Internal Controls	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Regulatory, Public policy & economics	✓	✓	✓	✓	✓	✓	✓	-	-	✓

## A. DISCLOSURE OF RELATIONSHIPS BETWEEN DIRECTORS INTER-SE:

- Mr. Nalinkant Amratlal Rathod, Chairman is the uncle of Mr. Viren Rathod, Managing Director of the Company.
- Mr. Nalinkant Amratlal Rathod, Chairman/ or Director is the Husband of Mrs. Bharati Nalin Rathod, Director of the Company.
- Mr. Viren Rathod, Managing Director is the Son of Mrs. Shruti Rathod, Director and Mr. Tribhuvan Simh Rathod, Chief Financial Officer of the Company.

None of the other Directors are related to each other.

**B. DETAILS OF SHARES & INSTRUMENTS HELD BY THE DIRECTORS:**

Sr. No.	Name	Nature of Directorship	No. of shares held as on March 31, 2024	Type of security
1.	Mr. Nalinkant Amratlal Rathod	Non-Executive Non- Independent Director	81,26,383	Equity
2.	Mrs. Shruti Rathod	Non-Executive Non- Independent Director	10	Equity
3.	Mrs. Bharati Nalin Rathod	Non-Executive Non- Independent Director	500	Equity

**C. OPINION OF THE BOARD:**

The Board hereby confirms that, in its opinion, the independent directors fulfils the conditions specified under the SEBI Listing Regulations and the Act and that they are independent of the management of the Company.

**D. CERTIFICATE FROM PRACTISING COMPANY SECRETARY:**

The Company has received a certificate from M/s. Mitesh J Shah & Associates, Practicing Company Secretary, to the effect that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of the Company by the Ministry of Corporate Affairs or any other statutory authority. This certificate forms part of the Annual Report.

**E. CODE OF CONDUCT:**

The SEBI Listing Regulations, requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors prescribed in the Act. Accordingly, the Company has a Board approved Code of Conduct for Board members and Senior Management of the Company. This code has been placed on the Company's website and can be accessed at [http://restile.com/investordoc/Corporate%20Governance/CODE\\_OF\\_CONDUCT.pdf](http://restile.com/investordoc/Corporate%20Governance/CODE_OF_CONDUCT.pdf). All the Board members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended March 31, 2024. A declaration to this effect signed by the Managing Director forms part of the Annual Report.

**F. MAXIMUM TENURE OF INDEPENDENT DIRECTORS:**

In terms of the Act, independent directors shall hold office for a term of up to five consecutive years on the Board of a company but shall be eligible for re-appointment on passing of a special resolution by the members of the company and disclosure of such appointment in the Board's

report. The maximum tenure of independent directors of the Company is in accordance with the Act and regulation 25(2) of SEBI Listing Regulations.

#### **G. PERFORMANCE EVALUATION OF THE BOARD:**

After taking into consideration one to one inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance; pursuant to the provisions of the Act and SEBI Listing Regulations, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement contribution and independence.

#### **H. FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS:**

The Company issues a formal letter of appointment/re-appointment to independent directors in the manner provided under the Act. As per Regulation 46(2) of the SEBI Listing Regulations, the terms and conditions of appointment/re-appointment of the Independent Directors are placed on the Company's website and can be accessed at [http://restile.com/investordoc/Corporate%20Governance/Appointment\\_of\\_Independent\\_Directors\\_of\\_the\\_Company.pdf](http://restile.com/investordoc/Corporate%20Governance/Appointment_of_Independent_Directors_of_the_Company.pdf)

#### **I. FAMILIARIZATION PROGRAMME:**

The Company on an ongoing basis endeavor to keep the Board including independent directors abreast with matters relating to the industry in which Company operations, business models, risk metrics, mitigation and management, governing regulations, information technology and updates regarding the Company etc. During the year, the directors were updated extensively through separate presentations at the Board meetings.

Details of the policy on Company's familiarization programmes are placed on the Company's website and can be accessed at [http://restile.com/investordoc/Corporate%20Governance/FAMILIARIZATION\\_PROGRMME\\_FOR\\_IDS.pdf](http://restile.com/investordoc/Corporate%20Governance/FAMILIARIZATION_PROGRMME_FOR_IDS.pdf)

### **3. BOARD COMMITTEES:**

In compliance with the requirements of the Act, SEBI Listing Regulations and the applicable laws, the Company has the following committees in place: (i) Audit Committee (ii) Stakeholders Relationship Committee (iii) Nomination & Remuneration Committee and (iv) Independent Directors Committee.

The Board determines the constitution of the Committees and the terms of reference for Committee Members including their roles and responsibilities.



**A. AUDIT COMMITTEE:**

**Composition, meetings and the attendance during the year:**

The Company has complied with all the requirements of the Act and SEBI Listing Regulations relating to the composition of the Audit Committee.

During the year under review, four (4) Audit Committee meetings were held on May 27, 2023, August 02, 2023, November 02, 2023 and February 08, 2024. The gap between two consecutive meetings was less than 120 days.

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name of the Director	Designation	Category	No. of meetings held during FY 2023-24 (4)	
			Entitled to attend	Attended
Mr. Nalandula Ramachandran Srinivasarao	Chairman	Non-Executive Independent Director	4	3
Mr. Gopalachari Padmanabhan	Member	Non-Executive Independent Director	4	3
Mr. Tenkasi Ramanarayanan Seetharaman	Member	Non-Executive Independent Director	4	4
Mr. Mani (Narayanan Subramanian)	Member	Non-Executive Independent Director	4	4
Mr. Yash Kaushik Shah	Member	Non-Executive Independent Director	4	2
Mr. Viren Rathod	Member	Executive Managing Director	4	4
Mrs. Shruti Rathod	Member	Non-Executive Non-Independent Director	4	1

All the members of the Audit Committee are financially literate and have accounting related financial management expertise.

The Company Secretary acts as the Secretary to the Committee. The Statutory Auditors, Chief Financial Officer and the Internal Auditors are invitees to the Audit Committee Meetings.

The scope of activities and powers of the Audit Committee are in line with Regulation 18 of SEBI Listing Regulations and Section 177 of the Act. During FY 2024, the Board had accepted all the recommendations of the Committee.

**Terms of reference:**

The terms of reference of the Audit Committee are broadly as follows:

- 1) Overseeing of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 2) Recommending to the Board the appointment, re-appointment and removal of statutory auditors, cost auditors, branch auditors and fixation of their remuneration.
- 3) Approving the payments to statutory auditors for any other services rendered by them.
- 4) Reviewing with management the annual financial statements and auditor's report before submission to the Board for approval, focusing primarily on:
  - Matters required to be included in the Director's Responsibility for inclusion of the same in the Board Report in terms of clause I of sub-section 3 of Section 134 of the Act;
  - Any changes in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on exercise of judgments by management;
  - Qualifications in draft audit report;
  - Significant adjustments made in the financial statements arising out of audit;
  - The going concern assumption;
  - Compliance with accounting standards;
  - Compliance with listing and legal requirements concerning financial statements;
  - Disclosure of any related party transactions
- 5) Reviewing with the management, internal financial controls and risk management system.
- 6) Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus /notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board.
- 7) Reviewing with the management the quarterly and half-yearly financial results before submission to the Board for approval.
- 8) Reviewing the adequacy of internal audit functions, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 9) Scrutiny of the inter-corporate loans & investments.
- 10) Discussion with Internal Auditors and the Statutory Auditors on any significant findings and follow up thereon.
- 11) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- 12) Approval or any subsequent modification of transactions of the Company with related parties.
- 13) To look into reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

- 14) Review and monitor the auditor's independence and performance, and effectiveness of audit processes.
- 15) To review the functioning of the Whistle Blower Policy and Vigil mechanism.
- 16) Valuation of undertaking or assets of the Company, wherever it is necessary.
- 17) Approval of appointment of Chief Financial Officer (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
- 18) Discussions with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 19) reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on date as may be prescribed.
- 20) To consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.
- 21) All such other functions as may be specified from time to time.

**B. NOMINATION AND REMUNERATION COMMITTEE:**

**Composition, meetings and the attendance during the year:**

During the year under review, two (2) meeting of the Nomination and Remuneration Committee was held on May 27, 2023 and August 02, 2023.

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name	Designation	Category	No. of meetings held during FY 2023-24 (2)	
			Entitled to attend	Attended
Mr. Mani (Narayanan Subramanian)	Chairman	Non-Executive Independent Director	2	2
Mr. Nalandula Ramachandran Srinivasarao	Member	Non-Executive Independent Director	2	2
Mr. Tenkasi Ramanarayanan Seetharaman	Member	Non-Executive Independent Director	2	2
Mrs. Shruti Rathod	Member	Non-Executive Non-Independent Director	2	0

The Company Secretary acts as Secretary to the Committee. During FY 2024, the Board had accepted all the recommendations of the Committee.

**Terms of reference:**

The Role of the Nomination and Remuneration Committee inter alia includes:

(1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;

For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

- a. use the services of an external agencies, if required;
- b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
- c. consider the time commitments of the candidates.

(2) formulation of criteria for evaluation of performance of independent directors and the board of directors;

(3) devising a policy on diversity of board of directors;

(4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the board of directors their appointment and removal;

(5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

(6) recommend to the board, all remuneration, in whatever form, payable to senior management.

In view of the above amendment, the terms of reference of the Nomination and Remuneration Committee were suitably amended to incorporate the above.

The Committee acts as a Compensation Committee for administration of the Company's employee stock options schemes.

**Nomination & Remuneration Policy**

The Nomination and Remuneration Policy provides a framework for appointment of Directors, Key Managerial Personnel and Senior Management, their performance evaluation and fixing their remuneration based on their performance. The link to the Nomination and Remuneration policy of the Company on the Company's website is <https://www.restile.com/investor-corner/>

**Policy for selection and Appointment of Directors and their Remuneration**

The Nomination & Remuneration Policy of the Company clearly specifies the following:

- Identification of persons qualified to become Directors or occupy senior management positions.
- Fixing Remuneration of the Directors and Key Managerial personnel and Senior management.

- Re-appointment and Evaluation of Directors and Senior Personnel.
- Evaluation of Independent Directors.

### **Remuneration of Directors**

#### **Pecuniary relationship/ transaction with non-executive directors**

During FY 2024, there were no pecuniary relationship/ transactions of any non-executive directors with the Company, apart from remuneration as directors and transactions in the ordinary course of business and on arm's length basis at par with any member of general public. During FY 2024, the Company did not advance any loans to any of its directors.

#### **Criteria of making payments to non-executive directors**

Non-executive directors of the Company play a crucial role in the independent functioning of the Board. They bring in an external perspective to decision-making and provide leadership and strategic guidance while maintaining objective judgment. They also oversee the corporate governance framework of the Company.

The criteria of making payments to the non-executive directors are placed on the Company's website.

#### **Details of remuneration of Directors**

The Non-Executive Directors shall be entitled to receive sitting fees for each meeting of the Board attended by them, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and reimbursement of expenses for participation in the meetings.

#### **Remuneration for the Chief Financial Officer (CFO)/Whole Time Director/ Chief Executive Officer (CEO)**

At the time of appointment or re-appointment, the CEO, CFO or the Whole-Time Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the Committee and the Board of Directors) and the CEO, CFO or the Whole-Time Director within the overall limits prescribed under the Act.

The Committee shall also take into account the comparative remuneration in the industry, size of the Company and profile of the candidate while deciding the remuneration. The remuneration shall be subject to the approval of the members of the Company in General Meeting, wherever required.

The remuneration of the CEO, CFO or the Whole Time Director comprises of fixed and variable component as per the provisions of Act. The fixed component includes salary, allowances, perquisites, amenities and retiral benefits.

#### **Remuneration Policy for the Senior Management Employees**

In determining the remuneration of the Senior Management Employees, the Committee shall ensure that the relationship of remuneration and performance benchmark is clear.

**Details of Remuneration paid to the Executive Director during the year ended March 31, 2024:**

Particulars	Mr. Viren Rathod
	Amount (in Rs.)
Salary	Nil
Bonus	Nil
Perquisites	Nil
Commission	Nil
Provident Fund	Nil
Gross remuneration	Nil
Number of shares held as at March 31, 2024	Nil
<b>Total</b>	Nil

The Company does not have any stock option schemes for its employees/directors.

**Service Contract, Severance Fees & Notice Period:**

The terms of employment stipulate a notice period of 1 (one) month, for termination of appointment of Chairman & Whole-time Director and Executive Directors, on either side. There is no provision for payment of severance fees.

**Sitting Fees to Non-Executive Directors**

Non-Executive Directors of the Company do not draw any remuneration from the Company other than sitting fees for attending Board and Committee meetings.

Details of sitting fees paid for attending Board and Committee Meetings during the year ended March 31, 2024 are given below:

Name of the Director	Sitting Fees (Rs. In Lakhs)	No. of Shares held
Mr. Nalinkant Amratlal Rathod	Nil	81,26,383
Mr. Tenkasi Ramanarayanan Seetharaman	0.4	Nil
Mr. Nalandula Ramachandran Srinivasarao	0.3	Nil
Mr. Gopalachari Padmanabhan	0.3	Nil
Mr. Rajendra Prasad Kandikattu	Nil	Nil
Mr. Yash Kaushik Shah	0.1	Nil
Mr. Mani (Narayanan Subramanian)	0.4	Nil
Mrs. Bharati Nalin Rathod	Nil	500
Mrs. Shruti Rathod	Nil	10
<b>Total</b>	<b>1.5</b>	<b>81,26,893</b>

**C. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

**Composition, meetings and the attendance during the year:**

During the year under review, two (2) meeting of the Stakeholders' Relationship Committee were held on May 27, 2023 and November 02, 2023.

The details of the composition of the Committee and attendance of the members at the meetings are given below:

Name of the Director	Designation	Category	No. of meetings held during FY 2023-24 (2)	
			Entitled to attend	Attended
Mr. Nalandula Ramachandran Srinivasarao	Chairman	Non-Executive Independent Director	2	2
Mr. Tenkasi Ramanarayanan Seetharaman	Member	Non-Executive Independent Director	2	2
Mr. Gopalachari Padmanabhan	Member	Non-Executive Independent Director	2	1

The Company Secretary acts as Secretary to the Committee.

**Terms of reference:**

The role of the committee shall inter-alia include the following:

- (1) Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- (2) Review of measures taken for effective exercise of voting rights by shareholders.
- (3) Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- (4) Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

**Details of Investor Complaints:**

The Company had received one complaint and the same was disposed off during the FY 2023-24.

**Name, Designation and Address of Investor Grievance Redressal Officer:**

**Ms. Palak Kumari**  
**Company Secretary & Compliance Officer**  
 Restile Ceramics Limited  
 Registered Office: 204, Sakar Complex, Opp Abs  
 Tower, Vaccine Crossing, Old Padra Road,  
 Vadodara 390015, Gujarat.

**Name, Designation and Address of Compliance Officer:**

**Ms. Palak Kumari**

**Company Secretary & Compliance Officer**

Restile Ceramics Limited

Registered Office: 204, Sakar Complex, Opp Abs

Tower, Vaccine Crossing, Old Padra Road,

Vadodara 390015, Gujarat.

**D. MEETING OF THE INDEPENDENT DIRECTORS:**

The Independent Directors met on February 08, 2024 inter alia, to discuss:

- (a) Evaluation of the performance of Non-Independent Directors and Board of Directors as a Whole;
- (b) Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
- (c) Evaluation of the quality, quantity, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The details of the Independent Directors and attendance at the meetings are given below:

Name of the Director	Category	No. of meetings held during FY 2023-24 (1)	
		Entitled to attend	Attended
Mr. Gopalachari Padmanabhan	Non-Executive Independent Director	1	1
Mr. Nalandula Ramachandran Srinivasarao	Non-Executive Independent Director	1	0
Mr. Tenkasi Ramanarayanan Seetharaman	Non-Executive Independent Director	1	1
Mr. Yash Kaushik Shah	Non-Executive Independent Director	1	1
Mr. Mani (Narayanan Subramanian)	Non-Executive Independent Director	1	1

**4. DISCLOSURE OF MATERIAL TRANSACTIONS:**

Under regulation 26(5) of the SEBI Listing Regulations, senior management is required to make disclosures to the board of directors relating to all material, financial and commercial transactions, where they had or were deemed to have had personal interest that may have a potential conflict



with the interest of the listed entity at large. As per disclosure submitted by senior management, there were no such transactions during FY 2023-24.

#### **5. SUBSIDIARY COMPANY:**

During FY 2023-24, no company became or ceased to be our subsidiary or joint venture company. The Company does not have any subsidiary or associate Company.

#### **6. RELATED PARTY TRANSACTIONS:**

All related party transactions (RPTs) entered into by the Company during FY 2023-24, were on arm's length basis and in the ordinary course of business under the Act. Approval of Audit Committee was obtained for all RPTs entered during FY 2023-24. Details of such transactions were placed before the Audit Committee for noting/review, on a quarterly basis.

A statement containing the disclosure of transactions with related parties as required under Indian Accounting Standard 24 (IND AS 24) including transaction with promoter / promoter group holding 10% or more in the Company is set out separately in the Annual Report and disclosures of RPTs on a consolidated basis are submitted to the stock exchanges on a half-yearly basis.

The Policy on materiality of RPTs stipulating the threshold limits and also on dealing with RPTs which has been approved by the Board has been placed on the Company's website at [www.restile.com](http://www.restile.com)

#### **7. COMPLIANCES REGARDING INSIDER TRADING:**

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 ("SEBI PIT Regulations"), as amended, the Company has a Board approved the Insider Trading Prohibition Code which contains the Code of Conduct to Regulate, Monitor and Report Trading by insiders ('Code of Conduct'), a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ('Code of Fair Disclosure') and Policy for Procedure of Inquiry in case of leak of unpublished Price Sensitive Information ("UPSI") or suspected leak of UPSI.

Due reporting has been made, wherever required, in case of violation of the SEBI PIT Regulations and appropriate actions have been taken in this regards. The Audit Committee also reviewed the compliance with the SEBI PIT Regulations and confirmed that the systems for internal control are adequate and are operating efficiently.

The Company also, by means of periodic communications, makes the designated employees conversant with the important obligations under the insider trading regulations. The status of compliance with SEBI PIT Regulations are reviewed by Audit Committee and Board on a periodic basis.

#### **8. COMPANY POLICIES:**

The Company has the following policies in place which can be viewed on the Company's website viz. [www.restile.com](http://www.restile.com)

Policy on determination of Materiality of events	<a href="http://restile.com/investordoc/Corporate%20Governance/MATERIALITY_OF_EVENTS_AND_ITS_DISCLOSURES.pdf">http://restile.com/investordoc/Corporate%20Governance/MATERIALITY_OF_EVENTS_AND_ITS_DISCLOSURES.pdf</a>
Policy on preservation of documents	<a href="http://restile.com/investordoc/Corporate%20Governance/POLICY_ON_PRESERVATION_OF_DOCUMENTS.pdf">http://restile.com/investordoc/Corporate%20Governance/POLICY_ON_PRESERVATION_OF_DOCUMENTS.pdf</a>
Policy on Vigil Mechanism/ Whistle Blower Policy	<a href="http://restile.com/investordoc/Corporate%20Governance/WHISTLE_BLOWER_POLICY.pdf">http://restile.com/investordoc/Corporate%20Governance/WHISTLE_BLOWER_POLICY.pdf</a>
Code of Conduct	<a href="http://restile.com/investordoc/Corporate%20Governance/CODE_OF_CONDUCT.pdf">http://restile.com/investordoc/Corporate%20Governance/CODE_OF_CONDUCT.pdf</a>
Related Party Transaction Policy	<a href="http://restile.com/investordoc/Corporate%20Governance/RT P_POLICY.pdf">http://restile.com/investordoc/Corporate%20Governance/RT P_POLICY.pdf</a>
Archival Policy	<a href="http://restile.com/investordoc/Corporate%20Governance/ARCHIVAL_POLICY.pdf">http://restile.com/investordoc/Corporate%20Governance/ARCHIVAL_POLICY.pdf</a>
Nomination and Remuneration Policy	<a href="https://www.restile.com/investor-corner/">https://www.restile.com/investor-corner/</a>
Insider Trading Prohibition Code	<a href="https://www.restile.com/investor-corner/">https://www.restile.com/investor-corner/</a>
Risk Management Policy	<a href="http://restile.com/investordoc/Corporate%20Governance/RISK_MANAGEMENT_POLICY.pdf">http://restile.com/investordoc/Corporate%20Governance/RISK_MANAGEMENT_POLICY.pdf</a>

## 9. OTHER INFORMATION:

(a) Corporate Identity Number allotted to the Company by the Ministry of Corporate Affairs: L26931GJ1986PLC102350

**(b) General Body Meetings:**

(i) **Location, Date and Time of Annual General Meetings held during the last 3 (three) years:**

The Annual General Meetings (“AGM”) of the Company in the previous three financial years are enlisted as below:

Financial Year	Date and Time of Meeting	Location
2022-23	Monday, September 11, 2023 at 11:30 a.m. IST onwards	Through video conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”)
2021-22	Monday, July 18, 2022 at 11:30 a.m. IST onwards	Through video conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”)
2020-21	Wednesday, August 25, 2021 at 12:00 noon IST onwards	Through video conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”)

(ii) **Special Resolutions passed in the previous three Annual General Meetings:**

Financial Year	Subject Matter of Special Resolution
2022-23	(1) Approval for related party transactions.

	<p>(2) Re-appointment of Mr. Viren Rathod (DIN: 03407158) as Managing Director of the Company.</p> <p>(3) Authorisation to borrow money in excess of the Paid Up Share Capital and Reserves of the Company.</p>
2021-22	<p>(1) Approval for related party transactions.</p> <p>(2) Authority to Borrow in Excess of the paid-up share capital and reserves of the company.</p> <p>(3) Reappointment of Mr. Tenkasi Ramanarayanan Seetharaman (DIN: 02385221) as independent director of the Company.</p>
2020-21	<p>(1) Authority to borrow in excess of the paid-up share Capital and Reserves of the Company.</p> <p>(2) Authority to create mortgages, charges and hypothecations.</p> <p>(3) Approval for Related Party Transactions.</p>

**(iii) Special resolutions passed through postal ballot**

During the year under review, no special resolutions was passed through postal ballot.

**10. OTHER DISCLOSURES:**

- (a) A qualified Practicing Company Secretary conducts Share Capital Reconciliation Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) along with shares held in physical form and the total issued and listed capital. The Share Capital Reconciliation Audit Report 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 held with NSDL and CDSL.
- (b) The Managing Director and the Chief Financial Officer have certified to the Board in accordance with the requirements of Regulation 17 of SEBI Listing Regulations pertaining to MD / CFO Certification for the period ended March 31, 2024.
- (c) The Companies risk management framework is being reviewed at regular intervals and revised (if required) to minimize risk and strengthen risk assessment.
- (d) During the last three years, there were no strictures or penalties imposed either by Securities and Exchange Board of India or the Stock Exchange or any regulatory authority for non-compliance of any matter related to the capital market.
- (e) No personnel have been denied access to the Chairman or members of the Audit Committee. Our Company is committed to highest standards of ethical, moral and legal business conduct. Accordingly, the Board of Directors has formulated a Vigil Mechanism/ Whistle Blower Policy which is in compliance with the provisions of Section 177 (9) of the Act and Regulation 4 of SEBI Listing Regulations. The policy provides for a framework and process whereby concerns can be raised by its employees against any kind of discrimination, harassment, victimization or any other unfair practice being adopted against them. This Policy can be viewed on the Company's website viz. [www.restile.com](http://www.restile.com)

- (f) The Company has complied with all applicable Accounting Standards issued by the Institute of Chartered Accountants of India in preparation of its financial statements pursuant to the amended Schedule III of Act.
- (g) Auditor's certificate on Corporate Governance: The Company has obtained a certificate from its Secretarial Auditor regarding compliance with the provisions relating to corporate governance laid down in Part E of Schedule V to SEBI Listing Regulations. This is annexed to the Directors' Report.
- (h) Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013: During the year under review, the Company has not received any complaint under this Act.
- (i) The Company has not raised funds by issue of equity shares either on preferential basis or through Qualified Institutional Placement during FY 2023-24. Therefore, there are no details to be disclosed as per regulation 32(7A) of SEBI Listing Regulations.
- (j) During FY 2023-24, the Company has not given any 'Loans and advances' in the nature of loans to firms/companies in which directors are interested.
- (k) Further details about fees for all services paid by the Company to the statutory auditor are available in the financial statements which forms part of the Annual Report.

#### 11. MEANS OF COMMUNICATION:

The Board recognizes the importance of two-way communication with shareholders and giving a report of results and progress and responding to questions and issues raised in a timely and consistent manner as follows:

- (a) As required under the SEBI Listing Regulations, quarterly and half-yearly results of the Company are published within forty-five days from the end of the respective quarter and the annual audited results are announced within sixty days from the end of the year. The financial results are published usually in at least one English language national daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region, where the registered office of the Company is situated and also posted on the Company's website viz. [www.restile.com](http://www.restile.com)
- (b) The Company's corporate website [www.restile.com](http://www.restile.com) provides information about the Company's business. It also contains a separate dedicated Section 'Investor Corner' where shareholder's information is available which can be accessed at <https://www.restile.com/investor-corner/>. The Annual Report of the Company is also available on the website in a user friendly and downloadable format.
- (c) Annual Report: Annual Report containing, inter alia, Audited Annual Accounts/Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto.

- (d) Stock Exchange: BSE’s Listing Centre is a web-based application designed by the BSE Limited for Listed Corporates. All periodical compliance filings like Quarterly Results, Shareholding Pattern, Corporate Governance Report, Statement of Investor Complaints and others are in accordance with the SEBI Listing Regulations are filed electronically.
- (a) AGM through video conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”): Pursuant to MCA circulars, the Company will also provide two-way video conferencing to members for participating in the 38<sup>th</sup> AGM. For more details, please refer to Notice of AGM, as placed on the Company’s website [www.restile.com](http://www.restile.com) and on the website of stock exchanges.
- (b) Green initiatives by MCA: Sections 20 and 136 of the Act, read with relevant rules, permit companies to service delivery of documents electronically to the registered email addresses of the members.

In compliance with the said provision and as continuing endeavor towards the ‘Go Green’ initiative, the Company proposes to send all correspondences/ communications through email to those members who have registered their email addresses with their depository participant’s / Company’s share transfer agent.

During FY 2023-24, the Company sent documents, such as notice calling the annual general meeting, audited financial statements, Director’s Report, Auditor’s Report, half yearly communications, etc. in electronic form to the email addresses provided by the members and made available by them to the Company through the depositories.

All financial and other vital documents under the SEBI Listing Regulations are also communicated to the concerned stock exchanges, besides being placed on the Company’s website.

## 12. MANDATORY REQUIREMENT:

To the extent possible, the Company has complied with the mandatory requirements of Regulation 34 of SEBI Listing Regulations relating to Corporate Governance.

## 13. GENERAL SHAREHOLDER INFORMATION:

- a. As indicated in the Notice to our Shareholders, the 38<sup>th</sup> Annual General Meeting of the members of Restile Ceramics Limited, will be held on Thursday, September 12, 2024 at 12:00 Noon IST through Video Conferencing (“VC”) / Other Audio-Visual Means (“OAVM”).

Annual General Meeting	38 <sup>th</sup> Annual General Meeting
Financial Year	2023 – 2024
Time & Venue	12:00 Noon (IST) on Thursday, September 12, 2024 through video conferencing (“VC”)/ Other Audio-Visual Means (“OAVM”)
Date of Book Closure	Book closure start date: September 06, 2024 Book closure end date: September 12, 2024

Dividend Payment	During the year under review, your Company has not paid any dividend. The Board of Directors does not propose any dividend for the F.Y. 2023-24 at ensuing Annual General Meeting.
Listing on Stock Exchange	BSE Limited
Annual Listing fees	The company confirms payment of the Annual listing fees to BSE Limited
Stock Code	515085
Registered Office	204, Sakar Complex, Opp. Abs Tower, Vaccine Crossing, Old Padra Road, Vadodara 390015 Gujarat.
Corporate Address	2B, Devadaya Apartments, #67, Gandhi Nagar, 1st Main Road, Adyar, Chennai-600020 Tamil Nadu.

**b. Financial Calendar for FY 2024-25 (tentative and subject to change)**

The Company follows the financial year from April 01 to March 31. Tentative schedule for declaration of financial results during the financial year 2024-25 is as follows:

Unaudited Financial Results for Quarter ended June 30, 2024	Within 45 days from the end of the quarter
Unaudited Financial Results for Quarter ended September 30, 2024	Within 45 days from the end of the quarter
Unaudited Financial Results for Quarter ended December 31, 2024	Within 45 days from the end of the quarter
Audited Financial Results for the financial year ended March 31, 2025	Within 60 days from the end of the financial year

**c. Financial Year**

The Company follows the financial year starting from April 1 to March 31 each year.

**d. Stock Market Data- BSE:**

High, Low (based on daily closing prices) and number of equity shares traded during each month in financial year 2023-24 on BSE Limited:

BSE Limited			
Month	High (n Rs.)	Low (n Rs.)	Volume Traded
Apr-23	4.55	2.99	1,60,431
May-23	4.00	2.90	1,30,167
Jun-23	4.32	2.85	3,30,640
Jul-23	4.44	3.49	3,55,327
Aug-23	4.77	3.82	7,55,786
Sep-23	5.23	3.57	1,95,810
Oct-23	4.60	3.55	1,40,899
Nov-23	4.69	4.02	3,38,641

Dec-23	5.67	3.84	3,39,151
Jan-24	5.85	3.93	5,05,666
Feb-24	4.67	4.44	41,288
Mar-24	4.22	2.79	1,11,124

**e. Performance of Restile Ceramics Limited Share price in comparison to BSE Sensex:**

Month	S & P BSE SENSEX			Restile Ceramics Limited		
	High	Low	Close	High (Rs.)	Low (Rs.)	Close (Rs.)
Apr-23	61,209.46	58,793.08	61,112.44	4.55	2.99	3.31
May-23	63,036.12	61,002.17	62,622.24	4.00	2.90	3.05
Jun-23	64,768.58	62,359.14	64,718.56	4.32	2.85	4.00
Jul-23	67,619.17	64,836.16	66,527.67	4.44	3.49	4.08
Aug-23	66,658.12	64,723.63	64,831.41	4.77	3.82	4.55
Sep-23	67,927.23	64,818.37	65,828.41	5.23	3.57	3.91
Oct-23	66,592.16	63,092.98	63,874.93	4.60	3.55	4.28
Nov-23	67,069.89	63,550.46	66,988.44	4.69	4.02	4.42
Dec-23	72,484.34	67,149.07	72,240.26	5.67	3.84	4.10
Jan-24	73,427.59	70,001.60	71,752.11	5.85	3.93	4.91
Feb-24	73,413.93	70,809.84	72,500.30	4.67	4.44	4.44
Mar-24	74,245.17	71,674.42	73,651.35	4.22	2.79	3.25

Source: BSE Limited ([www.bseindia.com](http://www.bseindia.com))

**f. Registrar to an Issue and Share Transfer Agent:**

<b>Registrar &amp; Share Transfer Agent</b>	Cameo Corporate Services Limited
<b>Address, Contact details and Email id</b>	Subramanian Building No.1, Club House Road, Chennai-600002, Tamil Nadu, India. Telephone No.: 044-40020700 Email id: cameo@cameoindia.com

**g. Depository for Equity Shares**

<b>National Securities Depository Limited</b>	<b>Central Depository Services (India) Limited</b>
Trade World, 'A' Wing, 4th floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013; Tel.: 91 2224994200; Fax: 91 222497 6351; E-mail: info@nsdl.co.in	Marathon Futurex, A-Wing, 25th floor, NM Joshi Marg, Lower Parel, Mumbai - 400013; Tel.: +91 (022) 2305 8640 / 8642 / 8639 / 8663; E-mail: helpdesk@cdslindia.com

#### h. Share Transfer System

- The Company's shares are tradable in the electronic form only. SEBI vide its Circular No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018, amended Regulation 40 of the SEBI Listing Regulations pursuant to which from 1st April, 2019, securities can be transferred only in dematerialized form. Transfer of equity shares in electronic form is effected through the depositories with no involvement of the Company. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.
- Request for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories i.e. National Securities Depository Limited ("NSDL") and Central Depository Services India Limited ("CDSL"), within the statutory time limit from the date of receipt of share certificates / letter of confirmation after due verification.
- The Company obtains from a Company Secretary in practice yearly certificate of compliance with the share transfer formalities as required under Regulation 40(9) of the SEBI Listing Regulations and files a copy of the same with the Stock Exchanges.

#### i. The Distribution of Shareholding as on March 31, 2024:

SERIAL #	SHARES RANGE			*NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED AND PAID UP CAPITAL
1	1	to	5000	23,383	95.0026	9,01,175	0.92
2	5001	to	10000	450	1.8283	3,92,099	0.40
3	10001	to	20000	266	1.0807	4,21,723	0.43
4	20001	to	30000	99	0.4022	2,60,149	0.26
5	30001	to	40000	51	0.2072	1,82,711	0.19
6	40001	to	50000	94	0.3819	4,53,764	0.46
7	50001	to	100000	121	0.4916	9,29,763	0.95
8	100001	to	And above	149	0.6054	9,47,37,855	96.39
<b>Total</b>				<b>24,613</b>	<b>100.00</b>	<b>9,82,79,239</b>	<b>100.00</b>

*\*Number of shareholders are considered after merging PAN details of all the shareholders of the Company as confirmed by the Registrar and Share Transfer Agents (RTA).*

#### j. Category of Shareholders as on March 31, 2024:

CATEGORY	Total Shareholders	% of total no. of Shareholders	Total Shares	% of total shareholding
Promoter & Promoter Group (A)				



Promoter	1	0.00	81,26,383	8.27
Promoter Group	4	0.02	6,25,96,332	63.69
<b>Public (B)</b>				
Mutual funds	5	0.02	19,300	0.02
Banks	2	0.00	40	0.00
Shareholding by Companies or Bodies Corporate where Central/State Government is a promoter	1	0.01	1,00,000	0.10
Resident Individuals	24,370	99.02	76,53,880	7.79
Non-Resident Indians (NRIs)	48	0.20	25,60,513	2.61
Foreign Companies	2	0.00	1,62,45,381	16.53
Bodies Corporate	69	0.28	1,00,244	0.10
HUF	110	0.45	8,77,166	0.89
<b>Total</b>	<b>24,612</b>	<b>100</b>	<b>9,82,79,239</b>	<b>100</b>

**k. Dematerialization of shares**

As on March 31, 2024, 99.42% of the total equity capital is held in dematerialized form with NSDL and CDSL. As per SEBI guidelines, the trading in equity shares of the Company is permitted only in dematerialized form.

Particulars	No. of Shares	As % of total shares
NSDL	9,35,60,266	95.20
CDSL	41,46,679	4.22
Physical	5,72,294	0.58
<b>Total</b>	<b>9,82,79,239</b>	<b>100</b>

**l. Disclosure in relation to demat suspense account or unclaimed suspense account, as applicable:**

- i. aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year; Nil
- ii. number of shareholders who approached listed entity for transfer of shares from suspense account during the year; N.A.
- iii. number of shareholders to whom shares were transferred from suspense account during the year; N.A.
- iv. aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year; N.A.
- v. that the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. Nil

**m. Address for correspondence:**

<b>Registered Office</b>	204, Sakar Complex, Opp Abs Tower, Vaccine Crossing, Old Padra Road, Vadodara 390015 Gujarat.
<b>Corporate Office</b>	2B, Devadaya Apartments, #67, Gandhi Nagar, 1st Main Road, Adyar, Chennai 600020 Tamil Nadu.
<b>Tel No.</b>	+919998219592
<b>E-mail</b>	<a href="mailto:restile@accountscare.com">restile@accountscare.com</a>

**14. NON-MANDATORY REQUIREMENTS AS MENTIONED IN PART E OF SCHEDULE II:**

**Non-Executive Chairman's Office:**

The Chairman of the Company is a Non-Executive Chairman.

**Shareholders rights:**

The Quarterly, Half Yearly and Annual Financial Results of the Company are published in the newspaper and also posted on the Company's website. The complete Annual Report is sent to each and every shareholder of the Company.

**Audit Qualifications:**

The Statutory Auditors has issued qualified opinion on the Financial Statements for the Financial Year ended March 31, 2024 as mentioned in the below table:

<b>QUALIFIED OPINION</b>	<b>MANAGEMENT'S EXPLANATION</b>
The Company has generated negative cashflows from operations, 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 financial statements do not include any adjustments that might result had the above uncertainties been known	The Company is in the process of amalgamation with Bell Granito Ceramica Limited and will be able to achieve profitability post amalgamation.

**Separate post for Chairman & MD:**

The Company has appointed separate persons to the post of Chairman and Managing Director.

**Reporting of internal auditor:**

The internal auditor reports directly to the Audit Committee.

**DECLARATION REGARDING COMPLIANCE WITH THE CODE OF CONDUCT OF THE COMPANY BY THE  
BOARD MEMBERS AND SENIOR MANAGERIAL PERSONNEL**

[Pursuant to Regulation 34(3) and Schedule V of the SEBI Listing Regulations]

I, Viren Rathod, MD of Restile Ceramics Limited, hereby declare that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management Personnel, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the SEBI Listing Regulations for the year ended March 31, 2024.

**For and on behalf of the Board of Directors  
of Restile Ceramics Limited**

**Sd/-**

**Viren Rathod**

**Managing Director**

**DIN: 03407158**

**Date: August 07, 2024**

**Place: Chennai**

## MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER CERTIFICATION

This is to certify that:

- A. We have reviewed the financial statements and the cash flow statement for the quarter and Financial Year ended March 31, 2024 and that to the best of our knowledge and belief:
- i. these statements do not contain any materiality 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 listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. To the best of our knowledge and belief, no transactions entered into by the Company during the quarter and financial year ended on March 31, 2024 are fraudulent, illegal or in violation of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal controls systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps have been taken to rectify these deficiencies.
- D. We further certify that we have indicated to the Auditors and the Audit Committee that:
- i. There have not been any significant changes in internal controls over financial reporting during the year under reference;
  - ii. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - iii. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.
- E. We further declare that all the board members and senior management personnel have affirmed compliance with the code of conduct of board of directors and senior management for the current year.

**For Restile Ceramics Limited**  
**Sd/-**  
**Viren Rathod**  
**Managing Director**

**For Restile Ceramics Limited**  
**Sd/-**  
**Tribhuvan Simh Rathod**  
**Chief Financial Officer**

**Place: Chennai**  
**Date: May 23, 2024**

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
*[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the  
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]*

To,

**Restile Ceramics Limited**

204, Sakar Complex, Opposite Abs Tower,  
Vaccine Crossing, Old Padra Road,  
Vadodara-390015, Gujarat, India.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Restile Ceramics Limited CIN: L26931GJ1986PLC102350**, having its registered office at 204, Sakar Complex, Opposite ABS Tower, Vaccine Crossing, Old Padra Road, Vadodara-390015, Gujarat, India and its Corporate Office at 2B, Devadaya Apartments, #67, Gandhi Nagar, 1<sup>st</sup> Main Road, Adyar, Chennai-600020, Tamil Nadu, India (hereinafter called “the Company”), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the following Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

**Details of Directors:**

Sr. No.	Name of the Directors	DIN	Date of appointment in Company
1.	Yash Kaushik Shah	02155636	08/02/2019
2.	Shruti Rathod	01948999	06/01/2019
3.	Rajendra Prasad Kandikattu	00143653	31/01/2005
4.	Nalandula Ramachandran Srinivasarao	00089348	30/08/2008
5.	Gopalachari Padmanabhan	00101432	11/07/2009
6.	Nalinkant Amratlal Rathod	00272129	27/01/2003
7.	Tenkasi Ramanarayanan Seetharaman	02385221	30/08/2008
8.	Mani	02577983	30/01/2010
9.	Bharati Nalin Rathod	02587701	29/09/2014
10.	Viren Rathod	03407158	04/05/2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on this based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Mitesh J. Shah & Associates  
Company Secretaries**

**Sd/-**

**Mitesh Shah**

**Proprietor**

**FCS No.: 10070**

**C. P. No.: 12891**

**Peer Review Certificate No. 1730/2022**

**UDIN: F010070F000923501**

**Date: August 07, 2024**

**Place: Mumbai**

**COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE**

(In terms of Regulation 34 (3) and Schedule V (E) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members,  
**Restile Ceramics Limited**

We have examined the compliance of conditions of Corporate Governance by Restile Ceramics Limited ('the Company'), CIN: L26931GJ1986PLC102350 having Registered Office at 204, Sakar Complex, Opp Abs Tower, Vaccine Crossing, Old Padra Road, Vadodara - 390015, Gujarat, India and its Corporate Office at 2B, Devadaya Apartments, #67, Gandhi Nagar, 1st Main Road, Adyar, Chennai, Tamil Nadu, India, 600020 for the year ended on March 31, 2024, as stipulated in Regulation 17 to 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the company for ensuring compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we hereby certify that the Company has complied with the conditions of Corporate Governance to the extent applicable, as stipulated in the provisions specified in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Listing Agreement of the said Company with stock exchange.

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

This certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

**For Mitesh J. Shah & Associates**  
**Company Secretaries**  
Sd/-

**Mitesh J. Shah**  
**Proprietor**  
**FCS No.: 10070**  
**C. P. No.: 12891**  
**Peer Review Certificate No. 1730/2022**

**UDIN: F010070F000923521**  
**Date: August 07, 2024**  
**Place: Mumbai**

**ANNEXURE D**

**Statement under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**

- 1. The ratio of the remuneration of each Director and Key Managerial Personnel (KMP) to the median remuneration of the employees of the Company for the Financial year 2023-24:**

**(Rs. In Lakhs)**

Name of Directors/ KMP	Designation	Ratio of Remuneration of each Director / Employee to the median remuneration	Remuneration	
			F.Y. 2023-24	F.Y. 2022-23
Mr. Viren Rathod	Executive Managing Director	Nil	Nil	Nil
Mr. Nalinkant Amratlal Rathod	Non-Executive Non-Independent Director	Nil	Nil	Nil
Mr. Tenkasi Ramanarayanan Seetharaman*	Non-Executive Independent Director	Nil	0.4	0.5
Mr. Nalandula Ramachandran Srinivasarao*	Non-Executive Independent Director	Nil	0.3	0.5
Mr. Gopalachari Padmanabhan*	Non-Executive Independent Director	Nil	0.3	0.3
Mr. Rajendra Prasad Kandikattu	Non-Executive Nominee Director	Nil	Nil	Nil
Mr. Yash Kaushik Shah*	Non-Executive Independent Director	Nil	0.1	Nil
Mr. Mani (Narayanan Subramanian)*	Non-Executive Independent Director	Nil	0.4	0.5
Mrs. Bharati Nalin Rathod	Non-Executive Non-Independent Director	Nil	Nil	Nil
Mrs. Shruti Rathod	Non-Executive Non-Independent Director	Nil	Nil	Nil



Mr. Tribhuvan Simh Rathod	Chief Financial Officer	1.46	2.58	2.40
Ms. Palak Kumari	Company Secretary and Compliance Officer	1.96	3.45	0.53

\*Only Sitting fees paid for attending meetings.

**2. The percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the Financial year 2023-24 as compared to Financial year 2022-23:**

Name of Directors/ KMP	Designation	% increase / decrease in Remuneration
Mr. Viren Rathod	Executive Managing Director	Nil
Mr. Nalinkant Amratlal Rathod	Non-Executive Non- Independent Director	Nil
Mr. Tenkasi Ramanarayanan Seetharaman	Non-Executive Independent Director	N.A.
Mr. Nalandula Ramachandran Srinivasarao	Non-Executive Independent Director	N.A.
Mr. Gopalachari Padmanabhan	Non-Executive Independent Director	N.A.
Mr. Rajendra Prasad Kandikattu	Non-Executive Nominee Director	Nil
Mr. Yash Kaushik Shah	Non-Executive Independent Director	N.A.
Mr. Mani (Narayanan Subramanian)	Non-Executive Independent Director	N.A.
Mrs. Bharati Nalin Rathod	Non-Executive Non- Independent Director	Nil
Mrs. Shruti Rathod	Non-Executive Non- Independent Director	Nil
Mr. Tribhuvan Simh Rathod	Chief Financial Officer	Nil
Ms. Palak Kumari	Company Secretary and Compliance Officer	Nil

**3. The Percentage increase in the median remuneration of employees in the Financial Year 2023-24:**

The percentage increase in the median remuneration of all employees in the Financial Year was Nil.

**4. The number of permanent employees on the payroll of Company as on March 31, 2024:**

The number of permanent employees on the payroll of Company as on March 31, 2024 were 10.

**5. Average percentile increase already made in the salaries of employees other than the Managerial Personnel in the last Financial Year and its comparison with the percentile increase in the Managerial Remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the Managerial Remuneration:**

Average percentage increase made in the salaries of the employees other than the Managerial Personnel in the Financial Year was Nil vis a vis Nil increase in the salaries of Managerial Personnel.

**6. Affirmation that the remuneration is as per the Nomination and Remuneration Policy of the Company:**

We affirm that the remuneration is as per the Nomination and Remuneration Policy of the Company.

Please note that the details required to be given as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the Company since the remuneration drawn by the Directors, KMP'S and Employees are below the limits specified.

**For and on behalf of the Board of Directors  
of Restile Ceramics Limited**

**Sd/-**

**Viren Rathod**

**Managing Director**

**DIN: 03407158**

**Date: August 07, 2024**

**Place: Chennai**

## **INDEPENDENT AUDITORS' REPORT**

### **TO THE MEMBERS OF RESTILE CERAMICS LIMITED**

#### **Report on the audit of the Financial Statements**

##### **Qualified Opinion**

We have audited the accompanying Financial Statements of **RESTILE CERAMICS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash flows for the year then ended, and a summary of the material accounting policies and other explanatory information.

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 aforesaid Ind AS 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 Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules 2015, as amended, ("Ind AS") and other Accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

##### **Basis for Qualified Opinion**

(i)The Company has generated negative cashflows from operations, 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 financial statements do not include any adjustments that might result had the above uncertainties been known.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

##### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide

a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter Description	Response to Key Audit Matter
<p><b>A. Revenue Recognition</b></p> <p>Reference may be made to note 1B.6 of Material accounting policies and note 38 to the financial statements of the Company. Revenue recognition is inherently an area of audit risk, which we have substantially focused on mainly covering the aspects of cut off. Considering the impact of Ind AS 115 and cut-off are key audit matters</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>Audit procedures relating to revenue comprised of test of controls and substantive procedures including the following:</p> <p>i. We performed procedures to assess the design and internal controls established by the management and tested the operating effectiveness of relevant controls related to the recognition of revenue.</p> <p>ii. Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.</p> <p>iii. We have tested, on a sample basis, whether specific revenue transactions around the reporting date has been recognised in the appropriate period by comparing the transactions selected with relevant underlying documentation, including goods delivery notes, customer acknowledgement/proof of acceptance and the terms of sales.</p> <p>iv. We have also validated subsequent credit notes and sales returns up to the date of this Report to ensure the appropriateness and accuracy of the revenue recognition.</p> <p>v. We have tested journal entries on a sample basis to identify any unusual or irregular items.</p>

	<p>vi. We also considered the adequacy of the disclosures in Company’s financial statements in relation to Ind AS 115 and were satisfied they meet the disclosure requirements.</p> <p><b><u>Conclusion</u></b> Based on the procedures performed above, we did not find any material exceptions with regards to timing of revenue recognition and were satisfied they meet the disclosure requirements of Ind AS 115 Revenue From contracts with Customer.</p>
<p><b>B. Inventory valuation</b></p> <p>Reference may be made to note 1C of Material accounting policies and note 22 to the financial statements of the Company.</p> <p>➤ Under Ind AS 2 Inventories, materials and other supplies held for use in production are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The valuation of raw material and other supplies held for production have been an area of our focus in view of loss incurred and the inability to have operating margins. The valuation of finished goods has also been focused upon in view of the production of goods having ceased and the passage of time that has lapsed.</p> <p>Considering the above risks valuation of Inventory in accordance with Ind AS 2 has thus been considered as a key audit matter.</p>	<p><b><u>Principal Audit Procedures</u></b> Our audit procedures comprised of the following:</p> <ol style="list-style-type: none"> <li>1. We performed procedures to assess the design and internal controls established by the management and tested the operating effectiveness of relevant controls related to the valuation of inventory.</li> <li>2. We have selected a sample of items of Raw materials and other supplies held for production to check whether the rate per unit adopted for valuation is reflective of the last purchase rate (Realizable price). Similarly, the rate per unit of various finished goods have been checked on a sample basis as to whether they reflect the net sale price (Realizable price).</li> <li>3. Also obtained management’s assessment of impairment in the value of inventory carried in the books of accounts.</li> </ol> <p><b><u>Conclusion:</u></b> Based on the procedures performed above, we have concluded that management has complied with the measurement and disclosure requirements of IND AS 2 “Inventories”.</p>
<p><b>C. Impairment of Property Plant and Equipment</b></p>	<p><b><u>Principal Audit Procedures</u></b> We have performed the following list of audit procedures</p>

<p>The recoverable value of the Property Plant and Equipment requires significant judgment of the management and hence considered to be a significant matter.</p>	<ol style="list-style-type: none"> <li>1. Evaluated the design and effectiveness of internal controls established by the Company relating to assessment of the impairment</li> <li>2. Obtained and evaluated the management's assessment of impairment.</li> <li>3. Obtained the valuation report obtained by the Company.</li> </ol> <p><b><u>Conclusion:</u></b> Based on the procedures performed above, we have concluded that management has complied with the measurement and disclosure requirements of IND AS 16.</p>
<p><b>D. Non-Payment/belated payment of Statutory Dues</b></p> <p>Company has not paid/paid belatedly various Undisputed Statutory dues including Income Tax and applicable Value Added Tax.</p> <p>Payment of statutory dues regularly and within time reflects on the health of the company apart from the need for us to report on issues of non-compliance to members.</p> <p>We have, therefore, considered payment of statutory dues as a key audit matter.</p>	<p><b><u>Principal Audit Procedures</u></b></p> <p>We have performed the following list of audit procedures.</p> <ol style="list-style-type: none"> <li>1. Evaluated the design and effectiveness of internal controls established by the Company relating to compliance with statutory dues.</li> <li>2. Obtained details of payment of various statutory dues to be paid by company.</li> <li>3. Verified that whether company has been regular in payment of statutory dues.</li> </ol> <p><b><u>Conclusion:</u></b> Based on the above procedures performed, we noted that The payment of statutory dues depended upon availability of funds and is being paid with applicable interest and delays noted are disclosed elsewhere in this report.</p>

**Information other than the Financial Statements and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include the financial statements and our report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Responsibilities of Management for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material

misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls systems in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine



that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143 (3) of the Companies Act, 2013, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 1(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
  - (c) The Balance Sheet, the Statement of Profit and Loss, including other Comprehensive income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, *except for matters described in the Basis of Qualified Opinion Paragraph*, the aforesaid Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder.
  - (e) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company.
  - (f) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
  - (g) With respect to the adequacy of the Internal Financial Controls with references to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure "A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with references to Financial Statements.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, no remuneration other than applicable sitting fees has been paid by the Company to its directors during the year and hence the compliance with the provisions of the section 197 does not arise.
  - (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements. (Refer Note 35)

- ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31,2024.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.  
  
(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. There was no dividend declared / paid during the year by the company.
- vi. Based on our examination which include test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility which has however not been enabled Consequently, we are unable to comment on audit trail feature of the said software.

2. As required by the Companies (Auditor's Report) Order,2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

**For R. SUNDARARAJAN & ASSOCIATES**

Chartered Accountants

Registration No. 08282S

Sd/-

S. Krishnan-Partner

Membership No. 026452

UDIN: 23026452BGUSIP2624

May 23, 2024

Chennai

## **ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

**(Referred to in paragraph 1(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the Members of Restile Ceramics Limited)**

**Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the Internal Financial Controls with reference to financial statements of **RESTILE CERAMICS LIMITED** ("the Company") as of March 31, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

### **Meaning of Internal Financial Controls with reference to financial statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and disposition of the assets of the company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Financial Statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit issued by the Institute of Chartered Accountants of India.

### **For R. SUNDARARAJAN & ASSOCIATES**

Chartered Accountants

Registration No. 082825

Sd/-

S. Krishnan - *Partner*

Membership No. 026452

UDIN: 23026452BGUSIP2624

Date: May 23, 2024

Place: Chennai

## **ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

**(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Restile Ceramics Limited ("the Company") for the year ended March 31, 2024).**

1. In respect of the Company's Property, Plant and Equipment:
  - (a) (i) The company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use-assets.  
(ii) The Company does not have any intangible asset.
  - (b) According to the information and explanations given to us, all the items of Property, Plant and Equipment were physically verified by the management towards the end of the year and no material discrepancies were noticed on such verification.
  - (c) The Company has not revalued its Property, Plant and Equipment during the year.
  - (d) No proceedings have been initiated during the year or are pending against the company as on March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
2. a) As explained to us, inventories have been physically verified at end of the year by the management. The coverage and procedure of such verification by the management were, in our opinion, appropriate. No discrepancies (of 10% or more in value, in the aggregate for each class of inventory) were noticed on such physical verification.  
  
b) The company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, during the year by banks or financial institutions on the basis of security of current assets. Accordingly during the year, no quarterly returns or statements were filed by the company with banks or financial institutions and therefore the Question of whether such statements are in agreement with the unaudited books of account of the Company does not arise.
3. The company has not made investments in, provided any guarantee or security or granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or any other parties. Accordingly,
  - (a) The Company has not provided any loan, guarantee or security to any other entity during the year. Hence, the reporting under clause 3(iii)(a) of the Order is not applicable to the Company.
  - (b) The Company has not provided any loan, guarantee or security to any other entity during the year. Hence, the reporting under clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not provided any loan, guarantee or security to any other entity during the year. Hence, reporting on the stipulation of repayment of principal and interest and the regularity thereof under clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not provided any loan, guarantee or security to any other entity. Hence, reporting on the amount overdue and steps taken for recovery of principal and interest under clause 3(iii)(d) of the Order is not applicable to the Company.

(e) The Company has not provided any loan, guarantee or security to any other entity. Hence, reporting under clause 3(iii)(e) of the Order is not applicable to the Company.

(f) According to information and explanations given to us and based on the audit procedures performed, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment during the year. Hence, reporting under clause 3(iii)(f) of the Order is not applicable to the Company.

4. According to information and explanation given to us, the Company has not granted any loans, secured or unsecured, furnished guarantees or provided security to any party covered by provisions of sections 185 and 186 of the Companies Act, 2013. Hence reporting on whether there is a compliance with the said provisions does not arise.
5. According to information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits during the year and there are no unclaimed deposits as at March 31, 2024 to which the provisions of section 73 and section 76 or any other relevant provisions of the Companies Act are applicable. Accordingly, the provisions of clause (v) of paragraph 3 of the Order is not applicable to the Company.
6. Pursuant to the rules made by the Central Government of India, the Company is not required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. Hence, reporting under this clause does not arises.
7. According to the information and explanations given to us and the books of account examined by us, in respect of statutory dues:
  - (a) The company is generally regular in depositing amounts of undisputed statutory dues including Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, duty of customs, duty of excise, Cess, Value Added Tax and any other material statutory dues as applicable to the appropriate authorities during the year. There were delay notice in remittance of Income Tax deducted at source and Employees' State Insurance amounts for certain Periods. However, except as stated below, no material undisputed amounts payable in respect of the aforesaid statutory dues outstanding as at March 31, 2024 for a period of more than six months from the date they became payable.

Nature of the Statute	Nature of the dues	Amount (Rs in Lakhs)	Period to which the amount relates to
Income Tax Act,1961	Interest on Income Tax demand	1.00	2009-10

(b) There are no statutory dues referred to in above sub-clause, which have not been deposited on account of any dispute with the relevant authorities.

8. As per the information and explanation given to us, there were no transactions that are previously not recorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

9.

(a) According to information and explanation given to us, there is no default in repayment of dues to any bank or financial institution. The Company does not have any borrowings from Government or by way of Debentures.

(b) As per the information and explanation given to us, the company has not been declared willful defaulter by any bank or financial institution or other lender.

(c) According to the information and explanation given to us the company has not availed any term loan during the period. Hence reporting under the clause does not arises.

(d) According to the information and explanations given to us and the procedures performed by us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have prima facie been for long term purposes by the company.

(e) The company does not have any subsidiaries, joint ventures or associate companies. Accordingly, the provisions of Clause 3(ix)(e) of the Order are not applicable to the Company.

(f) The company does not have any subsidiaries, joint ventures or associate companies. Accordingly, the provisions of Clause 3(ix)(f) of the Order are not applicable to the Company.

10. (a) As per the information and explanation given to us, the Company has not raised any monies by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under the provisions of clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not made any preferential allotment or private placement of shares (covered by section 42 and section 62 (1)c of the Companies Act, 2013) or fully or partly convertible debentures and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company.



11. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the management.

(b) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, a report under section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) As per the information and explanation given to us, there are no whistle-blower complaints received during the year by the company up to the date of this report.

12. The Company is not a Nidhi Company and accordingly the provisions of Clause 3(xii) of the Order is not applicable to the Company.

13. In our opinion and according to the information and explanations given to us all transactions with related parties are in compliance with sections 177 and 188 of the Companies Act, 2013, where applicable. The details of the transactions during the year have been disclosed in the Financial Statements as required by the applicable Accounting Standards. (Refer note 33 to Financial Statements).

14. (a) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports for the year under audit issued to the Company during the year, in determining the nature, timing and extent of our audit procedures.

15. In our opinion, the Company has not entered into any non-cash transactions during the year, with its Directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

16. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations provided by the management of the Company, the Group does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

17. The company has incurred cash losses during the financial year covered by our audit and for the immediately preceding financial year.
18. There has been no resignation of the statutory auditors of the Company during the year. Accordingly, the provisions of Clause 3(xviii) of the Order are not applicable to the Company.
19. According to the information and explanations given to us and on the basis of: (i) the financial ratios, (ii) ageing and expected dates of realization of financial assets and payment of financial liabilities, (iii) other information accompanying the financial statements, (iv) our knowledge of the Board of Directors and management plans and (v) based on our examination of the evidence supporting the assumptions, we believe that there are indication of existence of material uncertainty as on the date of the audit report indicating that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We have accordingly qualified our report.
20. In our opinion and according to the information and explanation given to us, the provision of Section 135 is not applicable to the company. Accordingly, reporting under clause 3(xx)a of the order is not applicable for the year.
21. The company does not have any subsidiaries, joint ventures, or associate companies and further, clause 3(xxi) of the Order is not applicable in respect of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

**For R. SUNDARARAJAN & ASSOCIATES**

Chartered Accountants

Registration No: 082825

Sd/-

S. Krishnan- Partner

Membership No: 026452

UDIN: 23026452BGUSIP2624

Date: May 23, 2024

Place: Chennai

**RESTILE CERAMICS LIMITED**  
**Balance Sheet as at March 31, 2024**

Rs. In Lakhs

Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Property, plant and equipment	1	585.81	707.02
(b) Capital work-in-progress		-	-
(c) Financial assets - Deposits	2	0.08	0.09
(d) Non current tax assets	3	0.75	0.76
		<b>586.64</b>	<b>707.87</b>
<b>Current assets</b>			
(a) Inventories	4	79.56	102.98
(b) Financial assets			
(i) Trade receivables	5	16.95	15.04
(ii) Cash and cash equivalents	6	58.03	5.87
(iii) Financial Assets - Others	7	133.65	103.71
(c) Other current assets	8	0.59	17.51
(d) Assets held for sale	8A	-	13.84
		<b>288.78</b>	<b>258.95</b>
<b>TOTAL ASSETS</b>		<b>875.42</b>	<b>966.82</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
(a) Equity share capital	9	9,827.92	9,827.92
(b) Other equity	10	(12,898.91)	(12,808.09)
<b>TOTAL EQUITY</b>		<b>(3,070.99)</b>	<b>(2,980.17)</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
(a) Provisions	11	2.79	2.75
(b) Deferred tax liabilities (net)	12	-	-
		<b>2.79</b>	<b>2.75</b>
<b>Current liabilities</b>			
(a) Financial liabilities			
(i) Borrowings	13	3,910.79	3,914.79
(ii) Trade payables	14		
a) total outstanding dues of Micro, Small and Medium Enterprises		-	-
b) total outstanding dues to other than Micro and Small Enterprises		0.52	11.88
(iii) Other financial liabilities	15	29.67	14.96
(b) Provisions	16	0.88	0.78
(c) Other current liabilities	17	1.76	1.83
		<b>3,943.62</b>	<b>3,944.24</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>875.42</b>	<b>966.82</b>

Statement on Significant Accounting Policies and accompanying notes are an integral part of the Financial Statements  
As per our Report of even date attached

**For R.SUNDARARAJAN & ASSOCIATES**

Chartered Accountants  
Firm Registration No.082825

sd/-

**S.KRISHNAN**

Partner  
Membership No.26452  
UDIN:23026452BGUSIP2624

Place: Chennai  
Date: 23 May,2024

**For and on behalf of the Board**

sd/-

**VIREN RATHOD**

Managing Director  
DIN:03407158

sd/-

**TRIBHUVAN SIMH RATHOD**

Chief Financial Officer

sd/-

**T R SEETHARAMAN**

Director  
DIN:02385221

sd/-

**PALAK KUMARI**

Company secretary

**RESTILE CERAMICS LIMITED**
**Statement of Profit and Loss for the year ended March 31, 2024**
**Rs. In Lakhs**

Particulars	Note	As at March 31, 2024	As at March 31, 2023
<b><u>INCOME</u></b>			
Revenue from operations	18	93.88	197.12
Other income	19	19.13	65.51
<b>Total Income</b>		<b>113.01</b>	<b>262.63</b>
<b><u>EXPENSES</u></b>			
Cost of materials consumed	20	9.71	14.81
Purchase of traded goods	21	85.10	183.23
Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	7.30	14.51
Employee benefits expense	23	29.08	28.90
Depreciation and amortisation expense	24	38.12	38.12
Finance Charges	24.1	0.28	1.84
Other expenses	25	34.52	48.07
<b>Total expenses</b>		<b>204.11</b>	<b>329.48</b>
<b>Profit / (Loss) before exceptional items and tax</b>		<b>(91.10)</b>	<b>(66.85)</b>
Income tax prior Year		-	
<b>Profit / (Loss) before tax</b>		<b>(91.10)</b>	<b>(66.85)</b>
<b>Tax expense:</b>			
- Current tax		0.17	-
- Deferred tax - Net		-	-
		0.17	-
<b>Profit / (Loss) for the year</b>		<b>(91.27)</b>	<b>(66.85)</b>
<b>Other Comprehensive Income</b>			
A. Items that will not be reclassified to Profit or Loss			
- Remeasurement of defined benefit plans		0.45	0.57
- Income tax on items that will not be reclassified to Profit or Loss		-	-
B. Items that will be reclassified to Profit or Loss			
- Income tax on items that will be reclassified to Profit or Loss		-	-
<b>Total Other Comprehensive Income</b>		<b>0.45</b>	<b>0.57</b>
<b>Total Comprehensive Income/(Loss) for the year</b>		<b>(90.82)</b>	<b>(66.28)</b>
<b>Earnings per equity share (Face Value of Rs. 10/- each)</b>			
- Basic and Diluted (in Rs.)	31	(0.09)	(0.07)

Statement on Significant Accounting Policies and accompanying notes are an integral part of the Financial Statements  
As per our Report of even date attached

**For R.SUNDARARAJAN & ASSOCIATES**

Chartered Accountants  
Firm Registration No.08282S

Sd/-

**S.KRISHNAN**

Partner

Membership No.26452  
UDIN:23026452BGUSIP2624

Place: Chennai

Date: 23 May,2024

**For and on behalf of the Board**

Sd/-

**VIREN RATHOD**

Managing Director

DIN:03407158

Sd/-

**TRIBHUVAN SIMH RATHOD**

Chief Financial Officer

Sd/-

**T R SEETHARAMAN**

Director

DIN:02385221

Sd/-

**PALAK KUMARI**

Company secretary

<b>RESTILE CERAMICS LIMITED</b>			
<b>Statement of cash Flows for the Year ended 31st March ,2024</b>			
<b>Rs. In lakhs</b>			
<b>Particulars</b>		<b>Year ended March 31, 2024</b>	<b>Year ended March 31, 2023</b>
<b>Cash flow from operating activities</b>			
<b>Profit/ (Loss) before tax</b>		(91.27)	(66.85)
<b>Adjustments for -</b>			
Provision for income tax		0.17	
Depreciation & Amortisation expense		38.12	38.12
Profit on sale of Assets		(16.34)	
Unclaimed balances written back		-	(65.50)
Interest income		-	(0.01)
Remeasurement of defined benefit plans		0.45	0.57
<b>Operating profit/ (loss) before working capital changes</b>		(68.87)	(93.67)
<b>Adjustments for changes in -</b>			
(Increase)/ Decrease in Trade receivables		(1.91)	(10.42)
(Increase)/ Decrease in Inventories		23.42	39.07
(Increase)/Decrease in Non Current Assets		0.02	3.57
(Increase)/Decrease in Other Current Assets		0.82	64.07
Increase / (Decrease) in Trade Payables		(11.36)	(13.50)
Increase /(Decrease) in Other Current Liabilities		14.64	(5.48)
Increase / (Decrease) in Current Provisions		0.10	0.54
Increase / (Decrease) in Non Current provisions		0.04	(0.11)
<b>Cash flow from operations</b>		(43.10)	(15.93)
Income Tax (net)		(0.17)	-
<b>Net Cash Flow from Operating Activities</b>	<b>A</b>	(43.27)	(15.93)
<b>Cash flow from Investing activities</b>			
Interest Received		-	0.01
Proceeds from disposal of Capital work in Progress/PPE		99.43	-
<b>Net Cash Flow (used in) Investing Activities</b>	<b>B</b>	99.43	0.01
<b>Cash flow from financing activities</b>			
Proceeds from current Borrowings		-	-
Repayments of current Borrowings		(4.00)	-
Interest Paid		-	-
<b>Net Cash Flow from Financing Activities</b>	<b>C</b>	(4.00)	-
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>[A+B+C]</b>	<b>52.16</b>	<b>(15.92)</b>
<b>Cash and cash equivalents</b>			
At beginning	<b>D</b>	5.87	21.79
At end	<b>E</b>	58.03	5.87
	<b>[D-E]</b>	<b>52.16</b>	<b>(15.92)</b>
Statement on Significant Accounting Policies and accompanying notes are an integral part of the financial statements.			
As per our report of even date			
<b>For R.SUNDARARAJAN &amp; ASSOCIATES</b>		<b>For and on behalf of the Board</b>	
Chartered Accountants			
Firm Registration No.082825			
Sd/-	Sd/-	Sd/-	
<b>S.KRISHNAN</b>	<b>VIREN RATHOD</b>	<b>T R SEETHARAMAN</b>	
Partner	Managing Director	Director	
Membership No.26452	DIN:03407158	DIN:02385221	
UDIN:23026452BGUSIP2624			
Place: Chennai	Sd/-	Sd/-	
Date: 23 May,2024	<b>TRIBHUVAN SIMH RATHOD</b>	<b>PALAK KUMARI</b>	
	Chief Financial Officer	Company secretary	

**RESTILE CERAMICS LIMITED**  
**Statement of Changes in Equity for the year ended March 31, 2024**

**A. Equity Share Capital**

(1) Current reporting period Rs. in lakhs

Balance at the beginning of April 01, 2023	Changes in equity share capital due to prior year error	Restated balance at the beginning of the current period	Changes in equity share capital during the current period	Balance at the end of March 31,2024
9,827.92	-	9,827.92	-	9,827.92

(2) Previous reporting period

Balance at the beginning of April 01, 2022	Changes in equity share capital due to prior year	Restated balance at the beginning of the current period	Changes in equity share capital during the current period	Balance at the end of March 31,2023
9,827.92	-	9,827.92	-	9,827.92

**B. Other Equity**

**Rs. In Lakhs**

Particulars	Capital Reduction Reserve (i)	Retained Earnings (ii)	Other items of other comprehensive Income (iii)	Total
<b>Balance at the beginning of April 1, 2022</b>	<b>754.44</b>	<b>(13,494.61)</b>	<b>(1.64)</b>	<b>(12,741.81)</b>
Profit/(Loss) for the year	-	(66.85)	-	(66.85)
Total comprehensive income	-	-	0.57	0.57
<b>Balance at the end of March 31, 2023</b>	<b>754.44</b>	<b>(13,561.46)</b>	<b>(1.07)</b>	<b>(12,808.09)</b>
Profit/(Loss) for the year	-	(91.27)	-	(91.27)
Other comprehensive income	-	-	0.45	0.45
<b>Balance at the end of March 31, 2024</b>	<b>754.44</b>	<b>(13,652.73)</b>	<b>(0.62)</b>	<b>(12,898.91)</b>

a) Dividends declared / Paid during the year and Amounts Transferred to Retained earnings from each component of other equity Rs. Nil (FY 2022-23- Nil)

b) Share applications money pending allotment, Equity component of compound financial instruments, capital reserves, Security premium, Debt/ Equity instruments through OCI, Effective portion of cash flow hedges, Revaluation surplus Etc., Rs. Nil (FY 2022-23 Rs. Nil)

c) Other comprehensive income includes actuarial gains/(loss) on remeasurement of defined benefit plants.

Statement on significant Accounting Policies and accompanying notes are an integral part of the financial statements.

As per our Report attached

**For R.SUNDARARAJAN & ASSOCIATES**

Chartered Accountants  
 Firm Registration No.082825

Sd/-

**S.KRISHNAN**

Partner  
 Membership No.26452  
 UDIN:23026452BGUSIP2624

Place: Chennai  
 Date :23-05-2024

**For and on behalf of the Board**

Sd/-

**VIREN RATHOD**

Managing Director  
 DIN:03407158

Sd/-

**TRIBHUVAN SIMH RATHOD**

Chief Financial Officer

Sd/-

**T R SEETHARAMAN**

Director  
 DIN:02385221

Sd/-

**PALAK KUMARI**

Company secretary

**RESTILE CERAMICS LIMITED**  
Notes Annexed to and Forming part of the Financial Statements

**Note 1 - PROPERTY, PLANT AND EQUIPMENT**

									Rs. In Lakhs
2023-24	Gross Carrying Amount				Depreciation/Amortisation				Net Carrying Amount
Description	As at 01.4.2023	Additions	(Deletions)	As at 31.3.2024	As at 01.4.2023	Charge during the year	Disposal	As at 31.3.2024	As at 31.3.2024
Land - Freehold land	65.11	-	-	65.11	-	-	-	-	65.11
Buildings	816.25	-	-	816.25	257.43	38.12	-	295.55	520.70
Plant and Equipment	2,999.76	-	210.50	2,789.26	2,916.67	-	127.41	2,789.26	-
Furniture and Fixtures	3.94	-	-	3.94	3.94	-	-	3.94	-
Vehicles	0.02	-	-	0.02	0.02	-	-	0.02	-
<b>Total</b>	<b>3,885.08</b>	<b>-</b>	<b>210.50</b>	<b>3,674.58</b>	<b>3,178.06</b>	<b>38.12</b>	<b>127.41</b>	<b>3,088.77</b>	<b>585.81</b>
Capital Work in Progress	-	-	-	-	-	-	-	-	-

**Note 1 - PROPERTY, PLANT AND EQUIPMENT**

									Rs. In Lakhs
2022-23	Gross Carrying Amount				Depreciation/Amortisation				Net Carrying Amount
Description	As at 01.4.2022	Additions	(Deletions)	As at 31.3.2023	As at 01.4.2022	Charge during the year	Disposal	As at 31.3.2023	As at 31.3.2023
Land - Freehold land	65.11	-	-	65.11	-	-	-	-	65.11
Buildings	816.25	-	-	816.25	219.31	38.12	-	257.43	558.82
Plant and Equipment	2,999.76	-	-	2,999.76	2,916.67	-	-	2,916.67	83.09
Furniture and Fixtures	3.94	-	-	3.94	3.94	-	-	3.94	-
Vehicles	0.02	-	-	0.02	0.02	-	-	0.02	-
<b>Total</b>	<b>3,885.08</b>	<b>-</b>	<b>-</b>	<b>3,885.08</b>	<b>3,139.94</b>	<b>38.12</b>	<b>-</b>	<b>3,178.06</b>	<b>707.02</b>
Capital Work in Progress	13.84	-	13.84	-	-	-	-	-	-

**Note:**

(a) Interm of IndAs 101 and the clarification issued by the Institute of Chartered Accountants of India, the company has elected the previous GAAP carrying amount (i.e. Gross cost less accumulated depreciation and impairment) of PPE as at April 1,2016 (transition date) as deemed cost and has accordingly disclosed the same as 'Deemed cost' as on 01.04.2016

(b) During the previous year, the company had made an assessment of its Land and Building situate at Malkapur Village, Medak District which has revealed that the market value thereof is higher than the carrying values as of October 6, 2021. Accordingly, there is no impairment in value of buildings to be recognised in the books.

(c) Capital commitments (net off advances) is Rs. nil lacs (2022-23 - Rs. Nil).

(d) During the year, exchange loss/ gain capitalised, borrowing cost capitalised and expenditure in the course of completion is Rs NIL (2022-23 Rs NIL)

(e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

**RESTILE CERAMICS LIMITED****Notes Annexed to and Forming part of the Financial Statements**

	Rs. In Lakhs	
<b>Note 2 - NON-CURRENT FINANCIAL ASSET</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Security deposits		
- Considered Good	0.08	0.09
- Considered Doubtful	5.66	5.66
- Less: Provision for doubtful deposits	(5.66)	(5.66)
	-	-
<b>Total</b>	<b>0.08</b>	<b>0.09</b>

	Rs. In Lakhs	
<b>Note 3 - NON-CURRENT ASSET</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Income Tax Refund receivable	0.75	0.76
<b>Total</b>	<b>0.75</b>	<b>0.76</b>

**CURRENT ASSETS**

	Rs. In Lakhs	
<b>Note 4 - INVENTORIES</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
(a) Raw materials	18.53	28.24
(b) Work-in-progress	-	-
(c) Finished goods	48.82	56.12
(d) Stores and spares	12.21	18.62
<b>Total</b>	<b>79.56</b>	<b>102.98</b>

**Note:**

**4.1.** Cost of materials consumed (including cost of purchased goods) during the year is Rs.102.11 lakhs (2022-23 Rs.212.55 lakhs) reflected in Note 20, 21 and 22

**4.2** In respect of stores and spares and raw materials, the carrying amount representing cost of item purchased in earlier year is estimated to realise higher values and hence no adjustments have been made to their carrying values.

**4.3** Inventories given as securities against borrowings Rs. Nil



RESTILE CERAMICS LIMITED								
Notes Annexed to and Forming part of the Financial Statements								
Rs. In Lakhs								
Note 5 - TRADE RECEIVABLES	As at March 31 2024	As at March 31 2023						
Trade Receivables - Unsecured Considered Good								
-Related Parties	-	-						
-Others	16.95	15.04						
<b>Total</b>	<b>16.95</b>	<b>15.04</b>						
Trade receivables which have significant increase in credit risk / Credit impaired	-	-	-					
<b>Outstanding as at March 31, 2024 for following periods from due date of payment</b>								
Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>Related Parties</b>	-	-	-	-	-	-	-	-
<b>Others</b>								
(i) Undisputed Trade receivables – considered good	-	-	16.95		-	-	-	<b>16.95</b>
<b>Outstanding as at March 31, 2023 for following periods from due date of payment</b>								
Particulars	Unbilled	Not Due	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
<b>Related Parties</b>	-	-	-	-	-	-	-	-
<b>Others</b>								
(i) Undisputed Trade receivables – considered good	-	-	15.04		-	-	-	<b>15.04</b>

<b>RESTILE CERAMICS LIMITED</b>		
<b>Notes Annexed to and Forming part of the Financial Statements</b>		
		<b>Rs. In Lakhs</b>
<b>Note 6 - CASH AND CASH EQUIVALENTS</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Balances with banks in current account	57.91	5.79
Cash on hand	0.12	0.08
<b>Total</b>	<b>58.03</b>	<b>5.87</b>
		<b>Rs. In Lakhs</b>
<b>Note 7 - CURRENT FINANCIAL ASSETS - OTHERS</b>	<b>As at March 31 2024</b>	<b>As at March 31 2023</b>
Unsecured, considered good		
(a) Interest accrued on deposits	0.43	0.43
Less: Provision for Interest accrued on deposits	(0.43)	-0.43
	-	-
(b) Receivable for sale of machinery-Due from Related Party*	133.65	103.71
<b>Total</b>	<b>133.65</b>	<b>103.71</b>
* Refer Note 33.1		
		<b>Rs. In Lakhs</b>
<b>Note 8 - OTHER CURRENT ASSETS</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
(Unsecured, considered good)		
a) Prepaid expenses	0.01	-
b) Balances with Government authorities - GST Credit	0.58	17.51
<b>Total</b>	<b>0.59</b>	<b>17.51</b>
		<b>Rs. In Lakhs</b>
<b>Note 8A - ASSET HELD FOR SALE</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Machinery*	-	13.84
<b>Total</b>	<b>-</b>	<b>13.84</b>
Note: Commitments in respect of the above is NIL		

RESTILE CERAMICS LIMITED				
Notes Annexed to and Forming part of the Financial Statements				
Rs. In Lakhs				
Note 9 - EQUITY SHARE CAPITAL	As at March 31 2024	As at March 31 2023		
<u>Authorised</u> 10,00,00,000 (2023: 10,00,00,000) Equity shares of Rs.10 each	10,000.00	10,000.00		
9,82,79,239 (2023: 9,82,79,239)Equity shares of Rs.10 each with voting rights	9,827.92	9,827.92		
<u>Subscribed and fully paid up</u> 9,82,79,239 (2023: 9,82,79,239)Equity shares of Rs.10 each with voting rights	9,827.92	9,827.92		
<b>Total</b>	<b>9,827.92</b>	<b>9,827.92</b>		
<b>Notes:</b>				
<b>9.1 Reconciliation of the number of equity shares as at the beginning and</b>				
	<b>No. of Shares</b>	<b>In Lakhs No. of Shares</b>		
Opening balance	982.79	982.79		
Add: Shares issued during the period/year	-	-		
<b>Balance as at end</b>	<b>982.79</b>	<b>982.79</b>		
<b>9.2 Details of shareholders holding more than 5% equity shares in the company.</b>				
<b>In Lakhs</b>				
<b>Name of shareholder</b>	<b>%</b>	<b>No. of shares</b>	<b>%</b>	<b>No. of shares</b>
1. Mr Nalinkant Amratlal Rathod	8.27	81.26	8.27	81.26
2. Solomed Capital Pte Ltd- Holding Company	63.69	625.96	63.69	625.96
3.Spring Board Pacific Enterprised Inc.	14.58	143.36	14.58	143.36
<b>9.3 Rights, preferences and restrictions in respect of equity shares issued by the Company</b>				
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 / in terms of their issue under the the provisions of the Companies Act, 2013.				
<b>9.4 Shares issued in preceeding 5 years</b>				
Aggregate number of shares allotted as fully paid up pursuant to contract without payment being receivede in cash,bonus shares and shares bought back in the 5 years immediately preceeding the Balance Sheet date- Nil ( 2022-23: Nil)				
<b>9.5 Equity shares held by the holding company, the ultimate holding company, subsidiaries/associate of the holding company or the untimate holding company in aggregate.</b>				
Name of shareholder of the Promoters	As at March 31, 2024	%	As at March 31, 2023	%
	No. of shares		No. of shares	
1. Mr Nalinkant Amratlal Rathod	8,126,383	8.27	8,126,383	8.27
2. Solomed Capital Pte Ltd- Holding Company	62,596,302	63.69	62,596,302	63.69
3.Tribhuvan Simh Rathod	10	-	10	-
4.Mr.Udhay Rathod	10	-	10	-
5.Mrs.Shruti Rathod	10	-	10	-

**RESTILE CERAMICS LIMITED****Notes Annexed to and Forming part of the Financial Statements**

Rs. In Lakhs

<b>Note 10 - OTHER EQUITY</b>		<b>As at March 31 2024</b>	<b>As at March 31 2023</b>
A) Capital Reduction Reserve	A	754.44	754.44
B) Retained earnings	B	(13,652.73)	(13,561.46)
C) Other Comprehensive Income		(0.62)	(1.07)
	<b>Total</b>	<b>(12,898.91)</b>	<b>(12,808.09)</b>

**Notes:**

10.1 Capital Reduction Reserve of Rs.754.44 lakhs 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 December 18, 2002 and represents a reserve created towards adjustment of possible impairment in value of Property, Plant and Equipment under the rehabilitation scheme sanctioned by BIFR. Independant Valuation carried out during an earlier year has not revealed any impairment in buildings as compared to realisable value.

10.2. Retained earnings represent surplus/ (deficit) in the Statement of Changes in Equity column (B).

10.3. Capital Subsidy from the Government of India had been adjusted under retained earnings as per the provisions of Ind AS 101 ' First time adoption of Ind AS'.

10.4. Refer statement of changes in Equity for additions / deletions to each reserve.

Rs. In Lakhs

<b>Note 11 - NON-CURRENT PROVISIONS</b>		<b>As at March 31 2024</b>	<b>As at March 31 2023</b>
Provision for employee benefits:			
a) Gratuity		2.58	2.54
b) Leave Encashment		0.21	0.21
	<b>Total</b>	<b>2.79</b>	<b>2.75</b>

11.1 Details of provisions at the beginning and end of the year of employee benefits detailed in Note 11 and Note 16.

<b>Particulars</b>	<b>Balance as at 31.03.2023</b>	<b>Addition/ (Reversal)</b>	<b>Balance as at 31.03.2024</b>
Gratuity	3.19	0.14	3.33
Leave encashment	0.34	-	0.34

**RESTILE CERAMICS LIMITED****Notes Annexed to and Forming part of the Financial Statements**

Rs. In Lakhs

<b>Note 12 - DEFERRED TAX LIABILITY</b>	<b>As at March 31, 2024</b>	<b>As at March 31 2023</b>
Deferred Tax (Assets)	-	-
Deferred Tax Liability	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Refer Note 27.1 for details

<b>Note 13 - CURRENT FINANCIAL LIABILITES-BORROWINGS</b>	<b>As at March 31, 2024</b>	<b>As at March 31 2023</b>
Unsecured- Related Parties (Refer Note 33.1)		
- From Directors*	3,910.79	3,914.79
<b>Total</b>	<b>3,910.79</b>	<b>3,914.79</b>

\* Interest Free borrowing from directors repayable on demand

13.1. The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

13.2. There are no borrowings from banks or financial institutions for any specific purpose.

**RESTILE CERAMICS LIMITED**
**Notes Annexed to and Forming part of the Financial Statements**

Rs. In Lakhs

<b>Note 14 - CURRENT FINANCIAL LIABILITIES- TRADE PAYABLES</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Trade Payables		
a) Total outstanding dues of micro enterprises and small enterprises *	-	-
b) Total outstanding dues of creditors other than micro enterprises and small enterprises	0.52	11.88
<b>Total</b>	<b>0.52</b>	<b>11.88</b>

<b>Particulars</b>	<b>Outstanding as at 31 march 2024 for following periods from due date of payment</b>						
	<b>Unbilled</b>	<b>Not Due</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	0.93	10.95	-	-	11.88

<b>Particulars</b>	<b>Outstanding as at 31 march 2023 for following periods from due date of payment</b>						
	<b>Unbilled</b>	<b>Not Due</b>	<b>Less than 1 year</b>	<b>1-2 years</b>	<b>2-3 years</b>	<b>More than 3 years</b>	<b>Total</b>
(i) MSME	-	-	-	-	-	-	-
(ii) Others	-	-	0.93	10.92	-	-	-

\*Refer Note 26

**Note 15 - CURRENT FINANCIAL LIABILITIES - OTHER FINANCIAL LIABILITIES**

Rs. In Lakhs

<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
a) Dues to employees	17.22	10.62
b) Creditors for expenses	12.45	4.34
c) Security Deposits	-	-
d) Refund Liabilities	-	-
e) Others	-	-
<b>Total</b>	<b>29.67</b>	<b>14.96</b>

**RESTILE CERAMICS LIMITED****Notes Annexed to and Forming part of the Financial Statements**

Rs. In Lakhs

<b>Note 16 - CURRENT PROVISIONS</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Provision for employee benefits:</b>		
a) Gratuity	0.75	0.65
b) Leave encashment	0.13	0.13
<b>Total</b>	<b>0.88</b>	<b>0.78</b>

16.1. Refer Note 11.1 with regard to movement in provisions

<b>Note 17 - OTHER CURRENT LIABILITES</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Statutory dues	1.76	1.83
<b>Total</b>	<b>1.76</b>	<b>1.83</b>

**RESTILE CERAMICS LIMITED**

Notes forming part of the financial statements

**Note 18: Revenue from Operations**

Particulars	Rs. In Lakhs	
	As at March 31, 2024	As at March 31, 2023
(a) Sale of Goods		
- Virtrified Tiles	93.88	197.12
- Spares	-	-
(b) Other Operating Revenue		
- Others	-	-
<b>Total</b>	<b>93.88</b>	<b>197.12</b>

**Note 19: Other income**

Particulars	Rs. In Lakhs	
	As at March 31, 2024	As at March 31, 2023
a) Interest Income	-	0.01
(b) Profit on sale of Assets	16.34	-
(c) Unclaimed balances written back	2.79	65.50
<b>Total</b>	<b>19.13</b>	<b>65.51</b>



**RESTILE CERAMICS LIMITED****Notes forming part of the financial statements****Note 20. Cost of Materials consumed**

Rs. In Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Opening stock	28.24	43.05
Add: Purchases	-	-
Less: Closing stock	18.53	28.24
<b>Cost of material consumed</b>	<b>9.71</b>	<b>14.81</b>

20.1. Value of Indigenous material in consumption (100%) 9.71 14.81

**Note 21. Purchase of Stock In Trade**

Rs. In Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Unglazed fully vitrified ceramic Tiles	85.10	183.23
<b>Total</b>	<b>85.10</b>	<b>183.23</b>

**Note 22. Changes in inventories of finished goods and work-in-progress**

Rs. In Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
<u>Inventories at the beginning of the year:</u>		
Finished goods	56.12	70.63
Work-in-progress	-	-
	<b>56.12</b>	<b>70.63</b>
<u>Inventories at the end of the year:</u>		
Finished goods	48.82	56.12
Work-in-progress	-	-
	<b>48.82</b>	<b>56.12</b>
Decrease in value of Finished goods and Work-in-progress	<b>7.30</b>	<b>14.51</b>

**RESTILE CERAMICS LIMITED****Notes forming part of the financial statements****Note 23 Employee benefits expense**

Rs. In Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Salaries,Wages and Bonus	26.05	25.87
Contributions to provident fund	0.97	0.96
Gratuity	0.59	0.57
Staff welfare expenses	1.47	1.50
<b>Total</b>	<b>29.08</b>	<b>28.90</b>

**Note 24 Depreciation and Amortisation Expense**

Rs. In Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Buildings	38.12	38.12
(b) Plant and Equipment	-	-
(c) Furniture and Fixtures	-	-
<b>Total</b>	<b>38.12</b>	<b>38.12</b>

**Note 24.1 Finance Cost**

Rs. In Lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Interest Expenses	0.26	1.80
Bank charges	0.02	0.04
<b>Total</b>	<b>0.28</b>	<b>1.84</b>

<b>RESTILE CERAMICS LIMITED</b>		
<b>Notes forming part of the financial statements</b>		
<b>Note 25 Other expenses</b>		
<b>Rs. in lakhs</b>		
<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
Consumption of stores and spare parts	6.40	9.76
Power and fuel	0.47	0.06
Rent	0.24	0.24
Repairs and maintenance - Others	1.17	1.07
Stock Exchange Merger Expense	-	4.00
Rates and taxes	8.16	7.70
Communication expenses	0.29	0.21
Business promotion	1.15	1.52
Legal and professional	2.86	4.40
Payments to auditors	3.50	3.50
Directors Sitting Fees	1.50	1.80
Vehicle expenses	0.99	1.19
Listing Fees	4.75	4.50
Provision for Deposits and Interest thereon	-	4.01
Miscellaneous expenses	3.04	4.11
<b>Total</b>	<b>34.52</b>	<b>48.07</b>
25.1 Payments to the auditors comprises :		
<b>Rs. In Lakhs</b>		
<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
- Towards Statutory Audit	3.50	3.50
- Towards Tax Audit	-	-
<b>Total</b>	<b>3.50</b>	<b>3.50</b>
25.2 Rent expense represents rent on low value assets		

**Restile Ceramics Limited****Notes annexed to and forming part of the Financial Statements**

**26** The company has not received any information from the "suppliers" regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any relating to the amount unpaid as at the end of the year together with interest paid/payable if any under the said Act have not been furnished.

**27 Income taxes**

There is no tax for the current year as per the Income Tax Act, 1961, considering the allowances/exemptions and consequently, the tax effect on the components in Other Comprehensive income is nil. The total income tax recognised on the statement of profit and loss is Nil (2021-22: Nil).

**27.1 Deferred tax balances****Rs. In Lakhs**

The following is the analysis of deferred tax presented in the Statement of financial position:	March 31, 2024	March 31, 2023
Opening balance	-	-
<b>Impact in Statement of Profit and Loss</b>	-	-
Timing differences relating to Property, Plant and Equipment - Deferred tax liability	-	-
Unabsorbed Losses/Depreciation, Deferred tax asset (restricted to)	-	-
<b>Closing balance</b>	-	-

**27.2 Unrecognised deductible temporary differences and unused tax losses****Rs. In Lakhs**

	March 31, 2024	March 31, 2023
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:		
- Unused tax losses	738.25	738.25
- Unabsorbed depreciation	10,112.42	10,112.42
	<b>10,850.67</b>	<b>10,850.67</b>

Note: The unused tax losses will expire in various years upto Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases and unutilised depreciation carry forward. Timing differences relating to PPE and other items result in a Deferred Tax asset.

Considering the provisions of Ind AS12 'Income taxes' and as a matter of prudence, deferred tax asset is not accrued.

**28 Retirement benefit plans*****Defined contribution plans***

In accordance with Indian law, eligible employees of the Company are entitled to receive benefits in respect of provident fund, a defined contribution plan, in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions, as specified under the law, are made to registered provident fund administered by the Government.

The total expense recognised in profit or loss of Rs.0.96 lakhs (for the year ended March 31, 2023: Rs.0.96 lakhs) represents contribution payable to these plans by the Company at rates specified in the rules of the plan.

***Defined benefit plans***

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to vested employees at retirement, death, while in employment or on termination of employment of an amount equivalent to 15 days salary payable for each completed year of service. Vesting occurs upon completion of five years of service. The Company accounts for the liability for gratuity benefits payable in the future based on an actuarial valuation.

Company's liability towards gratuity (unfunded), other retirement benefits and compensated absences are actuarially determined at each reporting date using the projected unit credit method.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk/Interest risk	The present value of the defined benefit plan liability is calculated using a discount rate determined by reference to the market yields on government bonds denominated in Indian Rupees. If the actual return on plan asset is below this rate, it will create a plan deficit. Not applicable to the company since it is unfunded.
Longevity risk	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability. The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.
Salary risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

**28 Retirement benefit plans continued...**

The principal assumptions used for the purposes of the actuarial valuations were as follows.

Rs. In Lakhs

**Gratuity and Compensated absences**

Discount rate(s)  
Expected rate(s) of salary increase  
Attrition rate

	March 31, 2024	March 31, 2023
Discount rate(s)	6.97%	7.13%
Expected rate(s) of salary increase	3.00%	3.00%
Attrition rate	10.00%	10.00%

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

Amounts recognised in total comprehensive income in respect of these defined benefit plans are as follows:

	Rs. In Lakhs	
	March 31, 2024	March 31, 2023
<b>Gratuity</b>		
Current service cost	0.39	0.40
Past service cost	-	-
Net interest expense	0.20	0.17
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>0.59</b>	<b>0.57</b>

The above expense for the year are included under 'Contribution to provident, gratuity and other funds' in the 'employee benefits expense' in statement of profit or loss.

Remeasurement on the net defined benefit liability comprising:

	Rs. In Lakhs	
	March 31, 2024	March 31, 2023
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	0.02	(0.14)
Actuarial (gains)/losses arising from experience adjustments	(0.47)	(0.43)
Return on plan assets (excluding amounts included in net interest expense)	-	-
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(0.45)</b>	<b>(0.57)</b>
<b>Total</b>	<b>0.14</b>	<b>-</b>

The remeasurement of the net defined benefit liability is included in other comprehensive income.

**Compensated Absences**

	Rs. In Lakhs	
	March 31, 2024	March 31, 2023
Current service cost	0.08	0.12
Net interest expense	0.02	0.02
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	-	-
Actuarial (gains)/losses arising from experience adjustments	(0.11)	(0.16)
<b>Recognised in profit or loss</b>	<b>(0.01)</b>	<b>(0.02)</b>

The above expenses for the year are included under 'Salaries, wages and bonus' in the 'employee benefits expense' in statement of profit or loss.

The amount included in the statement of financial position arising from the Company's obligation in respect of its defined benefit plans is as follows:

	Rs. In Lakhs	
	March 31, 2024	March 31, 2023
<b>Gratuity</b>		
Present value of defined benefit obligation	3.33	3.19
Fair value of plan assets	-	-
<b>Net liability arising from defined benefit obligation (unfunded)</b>	<b>3.33</b>	<b>3.19</b>
<b>Compensated Absences</b>		
Present value of defined benefit obligation	0.34	0.34
Fair value of plan assets	-	-
<b>Net liability arising from defined benefit obligation (unfunded)</b>	<b>0.34</b>	<b>0.34</b>

The above provisions are reflected under 'Provision for employee benefits' in "other non-current provisions" and in "Current provisions". [Refer note 11 and 16]

Movements in the present value of the defined benefit obligation in the current year were as follows:

	Rs. In Lakhs	
	March 31, 2024	March 31, 2023
<b>Gratuity</b>		
Opening defined benefit obligation	3.19	3.19
Current service cost	0.39	0.40
Interest cost	0.20	0.17
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	0.02	(0.14)
Actuarial (gains)/losses arising from experience adjustments	(0.47)	(0.43)
Benefits paid	-	-
<b>Closing defined benefit obligation</b>	<b>3.33</b>	<b>3.19</b>
<b>Compensated Absences</b>		
Opening defined benefit obligation	0.34	0.37
Current service cost	0.08	0.12
Interest cost	0.02	0.02
Actuarial (gains)/losses arising from changes in demographic assumptions	-	-
Actuarial (gains)/losses arising from changes in financial assumptions	-	-
Actuarial (gains)/losses arising from experience adjustments	(0.11)	(0.17)
Benefits paid	-	-
<b>Closing defined benefit obligation</b>	<b>0.33</b>	<b>0.34</b>

Movements in the fair value of the plan assets in the current year were as follows:

	Rs. In Lakhs	
	March 31, 2024	March 31, 2023
<b>Gratuity</b>		
Opening fair value of plan assets	-	-
Return on plan assets (excluding amounts included in net interest expense)	-	-
Contributions	-	-
Benefits paid	-	-
Others	-	-
<b>Closing fair value of plan assets</b>	<b>-</b>	<b>-</b>

The actual return on plan assets was Nil (2021-22: Nil)

Significant actuarial assumptions for the determination of the defined obligation are discount rate and expected salary increase. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

	Rs. In Lakhs	
	March 31, 2024	March 31, 2023
<b>Gratuity</b>		
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would:		
decrease to	0.13	0.12
increase to	(0.13)	(0.12)
If the expected salary increases/decreases by 100 basis points, the defined benefit obligation would:		
increase to	(0.13)	(0.08)
decrease to	0.13	0.12
<b>Compensated Absences</b>		
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would:		
decrease to	-	(0.02)
increase to	(0.02)	-
If the expected salary increases/decreases by 100 basis points, the defined benefit obligation would:		
increase to	(0.02)	-
decrease to	-	(0.02)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

Expected Payout						
Years	Expected Outgo first	Expected Outgo second	Expected Outgo third	Expected Outgo fourth	Expected Outgo fifth	Expected Outgo six to ten years
Payouts	0.75	0.34	0.31	0.29	0.28	2.44

Weighted Average remaining duration of Defined benefit obligation as at March 31, 2024 is 4.48 ( as at March 31, 2023 : 3.85)

**Restile Ceramics Limited****Notes annexed to and forming part of the Financial Statements**

29	Earnings per share	As at March 31,2024	As at March 31, 2023
	Basic and diluted earnings per share (Rs.)	(0.09)	(0.07)
	Face value per share (Rs.)	10.00	10.00

**29.1 Basic and diluted earnings per share**

Profit for the year attributable to equity shareholders (Rs. In Lakhs)	(91.27)	(66.85)
Weighted average number of equity shares used in the calculation of basic and diluted earnings per share (Nos. In Lakhs)	982.79	982.79



**Restile Ceramics Limited****Notes annexed to and forming part of the Financial Statements****30 Segment Information**

The Board of Directors of the Company, being the Chief Operating Decision Maker ('CODM'), based on the internal business reporting system, identified that the Company has only one segment viz. vitrified tiles including Feldspar, a raw material used in vitrified. Accordingly, there are no other reportable segments in terms of Ind AS 108 'Operating Segments'. The Company is operating only in India, accordingly no geographical areas disclosures.

The secondary segment is the geographical location of the customers.

Particulars	In India	Outside India	Total
Revenue from external customers (FY 2023-24)	93.88	-	93.88
Revenue from external customers (FY 2022-23)	197.12	-	197.12

**31 Information about major customers- Disclosure of amount of revenues from transactions with single customer amounting to 10% or more of the Company revenue whose identities are chosen not be disclosed.****Financial Year 2023-24**

Revenue from Customer 1- Rs.92.61 Lakhs

**Financial Year 2022-23**

Revenue from Customer 1- Rs. 191.81 Lakhs

**32 Financial risk management objectives and policies**

The Company's principal financial liabilities, comprise of loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operations. The Company's principal financial assets include trade and other receivables, and cash and cash equivalents that derive directly from its operations. The Company is exposed to market risk, credit risk, and liquidity risk.

The Company's risk management is undertaken by the management under the guidelines and framework approved by the financial risk committee. Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives which is reviewed and adopted by The Board of Directors for managing each of these risks, which are summarised below.

**A) Market risk**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include Borrowings, Advances and deposits.

**(i) Foreign Currency Risk**

There are no foreign currency transactions during the year.

**ii) Interest rate risk**

There is no exposure to interest rate risk for the current and previous year as there are only short term borrowings. There are no borrowings from banks and thus there is no impact on interest rate risks.

**iii) Other Price risk**

There are no Equity price risk as there are no investments.

**B) Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, resulting in a financial loss to the Company. Credit risk arises from outstanding trade receivables.

The Company operates predominantly on cash and carry basis except to certain customers which are on credit basis. The average credit period is in the range of upto 90 days. Customer credit risk is managed based on the Company's established policy, procedures and control relating to customer credit risk management. Outstanding customer receivables are regularly monitored.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company makes an allowance for doubtful debts on a case to case basis. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets. During the period the Company has written off certain trade receivables. It does not expect to receive future cash flows or recoveries from cash flows previously written off.

**C) Liquidity risk**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company has obtained fund and non-fund based working capital limits from banks. The Company invests its surplus funds in bank fixed deposit which carry minimal mark to market risks.

The table below summarises remaining contractual maturities of significant financial liabilities as at the balance sheet date based on undiscounted cash flows. Balance due within 12 months equal their carrying amounts as their impact of discounting is not significant.

Contractual Maturities of financial liabilities	Rs. In Lakhs		
	1 to 3 years	Beyond 3 years	Total
<b>As at March 31, 2024</b>			
Security deposits received from dealers	-	-	-
Trade Payables	0.52	-	0.52
Loans repayable to Directors	3,910.79	-	3,910.79
Dues to employees	17.22	-	17.22
Refund liabilities	-	-	-
Creditors for expenses	12.45	-	12.45
Others	-	-	-
<b>As at March 31, 2023</b>			
Security deposits received from dealers	11.88	-	11.88
Trade Payables	3,914.79	-	3,914.79
Loans repayable to Directors	10.62	-	10.62
Dues to employees	-	-	-
Refund liabilities	-	-	-
Creditors for expenses	4.34	-	4.34
Others	-	-	-

**32.1 Fair Value Measurements**

The management considered that the carrying amounts of financial asset and financial liabilities recognised in the financial statements approximate their fair values so no further disclosure is given.

32.2 Financial Instruments by Category	Rs. In Lakhs	
	31-Mar-24 Amortised Cost	31-Mar-23 Amortised Cost
<b>Non-current Assets</b>		
Financial assets - Deposits	0.08	0.09
<b>Current Assets</b>		
(i) Trade receivables	16.95	15.04
(ii) Cash and cash equivalents	58.03	5.87
(iii) Bank balances other than (ii) above	133.65	103.71
(iv) Others	0.59	17.51
<b>Current Liabilities</b>		
(i) Borrowings	3,910.79	3,914.79
(ii) Trade payables	0.52	11.88
(iii) Other financial liabilities	29.67	14.96

**32.3 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company's objective when managing capital are to ensure their ability to continue as going concern, so that they can leverage maximise returns for shareholders and benefits of other stakeholders; and to maintain an optimal capital structure to reduce cost of capital. Capital management and funding requirements is met through equity, internal accruals and long term debt instruments. The Company monitors capital management through gearing ratio which considers Debt (net of cash and cash equivalents) and equity.

Particulars	Rs. in lakhs	
	March 31, 2024	March 31, 2023

Net debt	3,910.79	3,914.79
Equity	(3,070.99)	(2,980.17)
Gearing ratio	NA	NA

Considering the equity being negative, the gearing ratio is not arrived at.

**Restile Ceramics Limited**

**Notes annexed to and forming part of the Financial Statements**

**33 Related party disclosure**

**Holding Company**

Solomed Capital Pvt. Ltd

**Companies under Common Control**

Sologuard Medical Devices (P) Limited

Atreya Finance Pvt Ltd

Bell Granito Ceramica Limited

**Key management personnel**

Mr.Tribhuvan Simh Rathod - Chief Financial Officer

Mr. Viren Rathod - Managing Director

Mr.Nalinkant Amratlal Rathod - Chairman

Ms Palak Jain

As per section 149(6) of the Companies Act 2013, Independent Directors are not considered as "Key Managerial Personnel". Also, considering the roles and functions of Independent directors stated under Schedule IV of the Companies Act 2013, they have not been disclosed as "Key Managerial Personnel" for the purpose of disclosure requirements of Ind AS 24 "Related Parties".

**Restile Ceramics Limited**  
**Notes annexed to and forming part of the Financial Statements**

**33.1 Related Party Transactions and Outstanding Balances - summary**

Particulars	Rs. In Lakhs	
	23-24	22-23
<b>i) Companies under Common control</b>		
<u>Bell Granito Ceramica Ltd</u>		
a) Purchase of Materials	85.10	183.22
b) Sales	-	-
c) Sale of Capital work in progress	-	-
d) Rent paid	0.24	0.24
e) Receivables from BGCL	47.08	103.70
<b>(ii) Key management Personnel (KMP)</b>		
<u>Mr. Tribhuvan Simh Rathod (Chief Financial Officer from May 2019)</u>		
a) Remuneration	2.40	2.40
b) Gratuity Payable	-	-
<u>Ms. Bharati Rathod</u>		
Loan repaid during the year	-	-
Loan outstanding	1,573.05	1,577.05
<u>Ms. Shruti Rathod</u>		
Loans Paid during the year	-	-
Loan outstanding	2,337.73	2,337.73
<u>Mr. Bhaliya Dharmendrabhai Ramabhai-Compliance Officer and Company Secretary till 30.11.22</u>		
a) Remuneration	-	1.65
<u>Ms Palak Kumarai Jain-Compliance Officer and company secretary from 9.2.23</u>		
a) Remuneration	3.45	0.53

Companies under Common control with whom there are no transactions :-

- (i) Solocare Medical Devices (P) Limited
- (ii) Athreya Finance Pvt Ltd

**34** Disclosure as required under section 186(4) of the Companies Act, 2013 is not applicable as there are no loans, investments or guarantees.

35	Contingent liabilities and Commitments	Rs. In Lakhs	
		As at March 31, 2024	As at March 31, 2023
	Claims against the Company not acknowledged as debts		
	Income Tax	2.01	2.01

(a) 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 assets continue in possession of and properly reflected in the account, of the Company.

Note: Further cash outflows in respect of above are determinable only on receipt of judgement/ decisions pending with various forums/ authorities.

**36 Corporate Social Responsibility Obligation (CSR)**

The Provisions of section 135 of the Companies Act 2013, (Corporate Social Responsibility) are not applicable to the company for current and previous financial year.

## 37 Revenue from contract with customers

## a) Disaggregated revenue information

Rs. In lakhs

Particulars	March 31,2024	March 31,2023
<b>Type of goods and service</b>		
<b>a) Sale of products</b>		
- Virtrified Tiles	93.88	197.12
- Spares		
<b>b) Other operating revenues</b>		
- Others	-	-
<b>Less: Rebates and discounts</b>		-
<b>Total revenue from contract with customers</b>	<b>93.88</b>	<b>197.12</b>
India	93.88	197.12
Outside India	-	-
<b>Total revenue from contract with customers</b>	<b>93.88</b>	<b>197.12</b>

## Timing of revenue recognition

Rs. In lakhs

Particulars	March 31,2024		March 31,2023	
	At a point in time	Over a period of time	At a point in time	Over a period of time
- Sale of products and other operating income	-	93.88	-	197.12
Less: Rebates and discounts	-	-	-	-
<b>Total revenue from contract with customers</b>	-	<b>93.88</b>	-	<b>197.12</b>

## b) Contract balances

Rs. In lakhs

Particulars	March 31,2024	March 31,2023
Trade receivables	16.95	15.04
Refund Liabilities	-	-

Trade receivables are non-interest bearing and are generally on approval terms.

Contract liabilities are amounts received from customers in respect of obligations to be performed by the company.

A refund liability is measured at the amount of consideration received (or receivable) for which the entity does not expect to be entitled.

## c) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

Rs. In lakhs

Particulars	March 31,2024	March 31,2023
Revenue as per contracted price	93.88	197.12
<b>Adjustments:-</b>		
Rebates and discounts	-	-
<b>Revenue from contract with customers</b>	<b>93.88</b>	<b>197.12</b>

**Restile Ceramics Limited**

Notes annexed to and forming part of the Financial Statements

**38 Net debt reconciliation:**

Rs. In lakhs

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents	58.03	5.87
Current borrowings	3,910.79	3,914.79
<b>Net Debt</b>	<b>3,852.76</b>	<b>3,908.92</b>

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and Bank Balances	Non-current borrowings	Current borrowings	
Net debt as at March 31, 2023		-	3,910.79	#VALUE!
Cash flows-net	#VALUE!	-	-	#VALUE!
<b>Net debt as at March 31, 2024</b>	<b>58.03</b>	<b>-</b>	<b>3,910.79</b>	<b>3,852.76</b>

**Restile Ceramics Limited**
**Notes annexed to and forming part of the Financial Statements**
**39 Ratios**

S.No	Particulars	As at 31.03.2024	As at 31.03.2023	Variance %	Remarks
1	Debt equity ratio Gross total borrowings (before deducting un-amortised loan raising expense) / (Equity share capital + Other equity)	(1.27)	(1.31)	-3%	
2	Debt service coverage ratio (Profit / (loss) before exceptional items and tax + Finance costs + Depreciation and amortisation expense – Tax expense) / (Interest paid + Lease payments + Principal repayments for long term borrowings)	-	-	0%	
3	Current ratio (current asset / Current liabilities)	8.80	8.79	0%	
4	Inventory turnover (Cost of goods sold / Average inventory)	1.12	1.73	-35%	
5	Net profit margin (%) (PAT / Revenue from operations)	-97%	-34%	186%	Decrease in revenue from operations
6	Return on Equity ratio (Profit after tax / Total equity)	0.03	0.02	49%	
7	Trade receivables Turnover ratio (Revenue from operations / average Trade receivables)	5.87	20.05	-71%	
8	Trade Payables Turnover ratio (Cost of goods sold / Average Trade payables)	16.47	11.41	44%	
9	Net capital Turnover ratio (Revenue from operations / Working capital)	0.37	0.86	-57%	
10	Return on Capital employed (EBIT / Working capital)	(0.36)	(0.29)	23%	
11	Return on investment (Investment Income / average Investments)	-	-	0%	
12	<b>Operating Margin (%)</b> (Earnings before Interest, Tax and Depreciation - Other income) / Revenue from operations	-77%	-48%	60%	



**40 Disclosures on Leases**

The Company has adopted IND AS 116 Leases with effect from 1st April, 2020. The company currently is not exposed to any lease arrangements so, The lease arrangements subsisting as on that date and eligible for recognition as right of use of asset under IND AS 116 is NIL.

Details of rental payment for contracts for which exemption is availed under IndAs 116 are as under:

Particulars	Rs. In lakhs	
	As at March 31, 2024	As at March 31, 2023
Short term leases	-	-
Lease rental for low value asset	0.24	0.24
Lease commitments for short term leases	-	-

41 Particulars	Rs. In lakhs	
	As at March 31, 2024	As at March 31, 2023
(i) Value of Imports calculated on CIF basis	Nil	Nil
(ii) Expenditure in Foreign Currency	Nil	Nil
(iii) Earnings in Foreign Currency	Nil	Nil
(iv) Value of consumption of Imported items	Nil	Nil

**42 Disclosure on Going concern:**

The issue of negative operating cash flows and incurrence of operating losses and the Company's ability to continue as Going concern are being addressed through restructuring of operations. The Company is in the process of obtaining requisite approvals for merger with another company to address the risk of uncertainties in continuing the business.

43 The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year

44 The company did not had any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

45 The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post-employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the certain provisions of the Code will come into effect and the rules thereunder has not been notified. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

46 The Company has not accepted any deposit or amounts which are deemed to be deposits.

47 There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

48 The company has complied with the number of layers prescribed under the Companies Act,2013 read with companies (restriction on number of layers) Rules,2017.

49 No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries. The company has complied with the number of layers prescribed under the Companies Act,2013 read with companies (restriction on number of layers) Rules,2017.

50 Previous year figures have been regrouped / reclassified wherever necessary to correspond to current year's classification / disclosure.

**For and on behalf of the Board**

Sd/-  
VIREN RATHOD  
Managing Director  
DIN:03407158

Sd/-  
T R SEETHARAMAN  
Director  
DIN:02385221

Place:Chennai  
Date: 23 May 2024

Sd/-  
TRIBHUVAN SIMH RATHOD  
Chief Financial Officer

Sd/-  
PALAK KUMARI  
Company secretary

## **RESTILE CERAMICS LIMITED**

### **1A. General information**

#### ***Company Background:***

Restile Ceramics Limited (“the Company”) is a public limited company incorporated and domiciled in India and governed by Companies Act, 2013. The Company’s registered office is located at 204, Sarkar Complex, Vaccine Crossing, Old Padra Road, Vadodara, Gujarat-390 015.

The Company is engaged in manufacturing of Vitrified unglazed and glazed ceramic floor.

### **1B.1 Basis of Preparation and Presentation**

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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 schedule III to the Act. 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 – non-current classification of assets and liabilities.

## Compliance with Ind AS

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

### Recent Pronouncements

Ministry of Corporate Affairs (“MCA”) notified new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, as below

**Ind AS 16 – Property Plant and equipment** - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any, shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant, and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

**Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets** – The amendment specifies that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

### Statement of profit and loss:

Additional disclosures relating to Code of Social security, undisclosed income and crypto or virtual currency specified under the head ‘additional information’ in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

### 1B.2 Property, Plant and Equipment depreciation

Cost of all assets, where the cost exceeds Rs. 10,000 and the estimated useful life is two years or more, is capitalized. Property Plant and Equipment are carried at cost less accumulated depreciation and impairment losses, if any. Cost of property Plant and Equipment is net of eligible credits under applicable Indirect Tax 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 life as below.

- a) Assets subject to impairment, on the asset's revised carrying amount, over its remaining useful life.
- b) Other assets over the estimated useful life prescribed in Schedule II to the Companies Act, 2013.

### Deemed cost on transition to Ind AS:

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

**Depreciation/ amortisation:**

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Freehold land is not depreciated

**De-recognition:**

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

**Impairment losses**

At the end of each reporting period, the Company determines whether there is any indication that its assets (property, plant and equipment, intangible assets and investments in equity instruments in subsidiaries carried at cost) have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value in use) of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

**1B.3 Leases**

The Indian Accounting Standard (Ind AS) 116 is applicable from FY 2019-20 and it replaces Ind AS 17.

Ind AS 116 requires entity to determine whether a contract is or contains a lease at the inception of the contract.

Ind AS 116 requires lessee to recognise a liability to make lease payments and an asset representing the right to use asset during the lease term for all leases except for short term leases and leases of low-value assets.

Ind AS 116 requires lessee company to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as costs relating to the

termination of the lease and the importance of the underlying asset to the Company's operations taking into account the location of the underlying asset and the availability of suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances.

The cost of the right-of-use asset comprised of, the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease incentives received, any initial direct costs incurred by the lessee.

The lease liability comprises of (a) fixed payments less any lease incentives receivable; (b) variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date (c) amounts expected to be payable by the company under residual value guarantees;(d) the exercise price of a purchase option if the company is reasonably certain to exercise that option and (e) payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease.

Depreciation on Right to use asset and impairment losses if any is recognised in Statement of Profit and Loss. Computed on a straight line basis over the period of lease. Also the company separately recognises interest on lease liability as a component of finance cost in Statement of Profit and Loss.

The Company currently does not have an lease arrangements.

#### **1B.4 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 Indirect taxes applicable.

Obsolete / slow moving inventories are adequately provided for.

#### **1B.5 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.

#### **1B.6 Revenue recognition**

##### **Ind AS 115 Revenue from Contracts with Customers**

Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to

which an entity expects to be entitled in exchange for transferring goods or services to a customer. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. It also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The company has adopted the modified retrospective method of applying Ind AS 115 Revenue from Contract with customers in its initial year of application. Revenue is measured at the fair value of the consideration received or receivable.

#### **Sale of goods**

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally when the product is shipped to the customer.

#### **Other Revenues**

Other operating revenues comprise of income from ancillary activities (eg: scrap sales) incidental to the operations of the Company and is recognised when the right to receive the income is established as per the terms of the contract.

Revenue in excess of invoicing (referred to also as unbilled revenue) are classified as Contract Assets while invoicing in excess of revenues (referred to also as unearned revenue) are classified as Contract liabilities.

#### **1B.7 Employee benefits**

(a) Short term employee benefit obligations are estimated and provided for.

(b) Post-employment benefits and other long term employee benefits

##### **Retirement benefit costs and termination benefits:**

Payments to defined contribution plans i.e., Company's contribution to provident fund, employee state insurance and other funds are determined under the relevant schemes and/ or statute and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees.

For defined benefit plans i.e. Company's liability towards gratuity (unfunded), other retirement/ terminations benefits and compensated absences, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Defined benefit costs are comprised of:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

A liability for a termination benefits like expenditure on Voluntary Retirement Scheme is recognised at the earlier of when the Company can no longer withdraw the offer of termination benefit or when the Company recognises any related restructuring costs.

**Short-term and other long-term employee benefits:**

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

## **1B.8 Income taxes**

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

**Current tax:** Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

**Deferred tax:** Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

## **1B.9 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.

### **1B.10 Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Financial assets: All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

#### **Classification of financial assets**

The financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets on initial recognition.

#### **Initial recognition:**

(i) Financial assets (other than investments) are subsequently measured at amortised cost using the effective interest method. Effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments on principal and interest on the principal amount outstanding.

#### **Impairment of financial assets:**

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Company applies the expected credit loss model for recognising impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Company expects to receive).

#### **De-recognition of financial assets:**



The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

The Company has applied the de-recognition requirements of financial assets prospectively for transactions occurring on or after April 1, 2016 (the transition date).

#### **Financial liabilities and equity instruments:**

Classification as debt or equity Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

#### **Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs".

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **De-recognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

The Company has applied the de-recognition requirements of financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

### **1C. Critical accounting judgments and key sources of estimation uncertainty**

The preparation of financial statements in conformity with Ind AS requires the Company's Management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) and recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the Management in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements and/or key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### **Inventories**

An inventory provision is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various factors, including prevailing sales prices of inventory item, losses associated with obsolete / slow-moving / redundant inventory items. The Company has, based on these assessments, made adequate provision in the books.