



# **Restile Ceramics Limited**

*32<sup>nd</sup> Annual Report 2017-18*

## BOARD OF DIRECTORS

Sri Nalinkant Amratlal Rathod	- Chairman
Sri Tribhuvan Simh Rathod	- Managing Director
Sri. Ramachandran N.S	- Independent Director
Sri N S Mani	- Independent Director
Sri. Seetharaman TR	- Independent Director
Sri G.Padmanabhan	- Independent Director
Smt Bharathi Rathod	- Women Director
Sri. Kaushik Dhirajlal Shah	- Independent Director
Sri K.Rajendra Prasad	- Nominee Director - APIDC

## KEY MANAGERIAL PERSONS

Mr. Subba Rao Maddula	- Chief Financial Officer
Ms Rekha Singh	- Compliance Officer & Company Secretary

## SHAREHOLDERS' INFORMATION

<b>Annual General Meeting</b>	32nd AGM on 17th September 2018
<b>Venue</b>	At Registered office at 204, Sakar complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, Baroda- 390 015
<b>Auditors</b>	<b>M/s. M. S. Krishnaswami &amp; Rajan</b> Chartered Accountants GB, Anand Apartments, JP Avenue, Dr. Radhakrishnan Road, 6th Street, Chennai -600 004.
<b>Bankers</b>	<b>a) State Bank of India</b> SME Adyar Chennai-600020 <b>b) State Bank of India</b> Sanga Reddy Branch, Sanga Reddy, Medak – 502001
<b>Factory Location</b>	Malkapur Village, Hatnoora Mandal, Narsapur Taluk, Medak District-502 296, Telangana <a href="http://www.restile.com">www.restile.com</a>
<b>CIN</b>	L26931GJ1986PLC102350
<b>Book Closure Date</b>	10/09/2018 to 17/09/2018 (Both days inclusive)
<b>Listing</b>	<b>Bombay Stock Exchange Ltd</b>
<b>ISIN NO</b>	INE298E01022
<b>Stock Code</b>	515085
<b>Evoting Dates</b>	13/09/2018 to 16/09/2018
<b>Registrars &amp; Share Transfer Agents</b>	M/s. Cameo Corporate Services Ltd, Subramanian Building”, 1- Club House Road, Chennai 600 002. Telephone No: 044-28460390.

## NOTICE

**NOTICE** is hereby given that the 32<sup>nd</sup> Annual General Meeting of the Members of the Company will be held at 10.00.A.M on 17<sup>th</sup> September 2018 at the registered office of the Company situated at **204, Sakar Complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, Baroda- 390 015** to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss for the year ended on that date along with Cash Flow Statement and notes forming part of accounts, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Sri Nalinkant Amratlal Rathod (DIN: 00272129) as Director who retires by rotation and being eligible offers himself for reappointment.
3. To appoint Smt Bharati Nalin Rathod (DIN: 02587701) as Director who retires by rotation and being eligible for herself re-appointment.
4. To appoint Auditors and fix their remuneration.

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

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

### SPECIAL BUSINESS

#### 5. Re-appointment of Mr. Tribhuvan Simh Rathod as Managing 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 the recommendation of the Board of Directors, Nomination and Remuneration Committee, subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Tribhuvan Simh Rathod (DIN: 01996833), as Managing Director of the Company for a period of one year with effect from 12<sup>th</sup> August, 2018 to 11<sup>th</sup> August, 2019 without remuneration.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

#### 6. Authority to borrow in excess of the paid up capital and reserves.

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

**“RESOLVED THAT** in supersession of the earlier resolution passed by the Members of the Company in the previous Annual General Meeting, the Board of Directors of the company be and is hereby authorized in accordance with the provisions of Sec.180(1)(c) and other applicable provisions if any, of the Companies Act, 2013, 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 normal course of business shall not exceed the aggregate of the paid-up capital and free reserves by more than Rs. 50 Crores (Rupees Fifty Crores only).”

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

**7. Authority to create mortgages, charges and hypothecations**

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

**“RESOLVED THAT**, in modification of the resolution passed at the previous Annual General Meeting, the consent of the Company be and is hereby accorded to the Board of Directors pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, read with Articles of Association of the Company, for the creation of such mortgages, charges and hypothecations, on all immovable and movable properties of the company, both present and future, up to an amount not exceeding the aggregate of the paid up capital and free reserves by more than Rs. 50 Crores (Rupees Fifty Crores only) in favour of lending Financial Institution (s) / Corporate Body (s) / person (s) / Corporation (s) / Government (s) / Lenders (s) / Bank (s) for moneys borrowed or to be borrowed.”

**“FURTHER RESOLVED THAT** the Board of Directors of the company be and are hereby authorized to finalize the terms and conditions for creating the aforesaid mortgages and / or charges and to execute the documents and such other agreements and also to agree to any amendments thereto from time to time as it may think fit for the aforesaid purpose and to do all such acts, deeds, matters and things as may be necessary and expedient for giving effect to this resolution.”

By Order of the Board of Directors

Sd/-

Place: Vadodara

Nalinkant Amratlal Rathod

Date: 26<sup>th</sup> June 2018

(DIN 00272129)

CHAIRMAN

## NOTES

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The proxy in order to be effective must be received by the Company at its registered office not less than 48 hours before the commencement of the meeting.
3. Members/proxies are requested to bring their copies of Annual Report and the attendance slip duly filled in for attending the meeting. Copies of the Annual Reports will not be provided at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 10<sup>th</sup> September 2018 to 17<sup>th</sup> September 2018.
5. Members are requested to notify any change in their addresses to the Company's Share and Depository Transfer Agents. Members are also requested to intimate their email to the Company's Share and Depository Agent.
6. Members holding shares in physical form are requested to convert their holdings into Demat. The Company's Id with CDS (I) L and NSDL is INE298E01022. The Company's Registrar and Share Transfer Agents are M/s CAMEO CORPORATE SERVICES LIMITED, "Subramanian Building", 1- Club House Road, Chennai 600 002.
7. Members desiring any information as regards accounts are requested to write to the Company at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
8. Copies of Annual Report are being sent by electronic mode only to all the members whose email address are registered with Company/Depository participant for communication purposes unless any member requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2018 are being sent by the permitted mode.
9. The shares of the Company are listed with Bombay Stock Exchange. The Listing Fee for the year 2017-2018 has been paid to Stock Exchange.
10. Brief resume of the Directors seeking reappointment and other details as stipulated under under SEBI (LODR) Regulation, 2015, are provided as part of the AGM Notice.
11. Shareholders holding shares in physical form are invited to contribute to the cause of Green Initiative by registering their e-mail ID, by submitting the E- COMMUNICATION REGISTRATION FORM inserted in the Annual Report.
12. Voting through Electronic Means:  

In compliance with provisions of Section-108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to inform you the facility to exercise your voting right at the Annual General Meeting by electronic means (e-Voting) and the business may be transacted through e-voting Services provided by Central Depository Services Ltd (CDSL).
13. The procedure and instruction for e-voting are as under:
  - (i) The voting period begins on 13<sup>th</sup> September, 2018 on 09:00 A.M. and ends on 16<sup>th</sup> September, 2018 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 (record date) of 07/09/2018, 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 venue.
  - (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iv) Click on Shareholders.
  - (v) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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 voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

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

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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 to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (xix) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively . Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- 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.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

By Order of the Board of Directors

Sd/-

**Place:** Vadodara

Nalinkant Amratlal Rathod

**Date:** 26<sup>th</sup> June 2018

(DIN 00272129)

Chairman

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### **Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 forming part of the 32<sup>nd</sup> Annual General Meeting of the Company**

#### **Item No.2**

Mr. Nalinkant Amratlal Rathod (DIN: [00272129](#)), Director of the Company, retiring by rotation at the ensuing AGM under the provisions of the Companies Act, 2013. In terms of section 152 and other applicable provisions of the Companies Act, 2013. Mr. Nalinkant Amratlal Rathod being eligible, offering himself for re appointment.

His other directorships include M/s. Bell Granito Ceramica Limited, M/s. Atreya Finance Private Limited and M/s. Restile Marketing Private Limited. He is holding 81,26,383 shares in the Company.

The Company has received from Mr. Nalinkant Amratlal Rathod, consent in writing to act as Director liable to retire by rotation. Except Mr. Nalinkant Amratlal Rathod being an appointee, and Mr. Tribhuvan Simh Rathod & Mrs. Bharthi Nalin Rathod being relatives of Mr. Nalinkant Amratlal Rathod, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at item no.2.

This explanatory statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015 with the Stock Exchange.

#### **Item No.3**

Smt. Bharati Nalin Rathod (DIN: [02587701](#)), Director of the Company, retiring by rotation at the ensuing Annual General Meeting under the provisions of the Companies Act, 2013. In terms of section 152 and other applicable provisions of the Companies Act, 2013 Smt. Bharati Nalin Rathod being eligible, offering herself for re-appointment.

Her other directorships include M/s. Atreya Finance Private Limited, M/s Bell Granito Ceramica Limited, M/s. Sologuard Medical Devices Private Limited and M/s. AVP Trading Private Limited.

The Company has received from Smt. Bharati Nalin Rathod, consent in writing to act as Director liable to retire by rotation, Except Smt. Bharati Nalin Rathod being an appointee and Sri. Nalinkant Amratlal Rathod and Mr. Tribhuvan Simh Rathod being relatives of Smt. Bharati Nalin Rathod, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at item no. 3

This explanatory statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015 with the Stock Exchange

#### Item No. 5

The shareholders at their 30<sup>th</sup> AGM held on 24.09.2016 have appointed Mr. Tribhuvan Simh Rathod as Managing Director of the Company till 11.08.2018. As the term of his office is due for re-appointment, the Board at their meeting held on 25.06.2018 have re-appointed him for another term of one year w.e.f. 12.08.2018, without remuneration, on the terms conditions as mentioned in the resolution, subject to the approval of shareholders. Mr. Tribhuvan Simh Rathod will be attaining 70 years of age by January 2019 and hence his appointment as Managing Director requires the approval of members by way of a special resolution.

Section 196(3) of the Companies Act, 2013, inter alia, provides that no company shall appoint /continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole Time Director or Manager unless it is approved by the members by passing a special resolution.

Keeping in view that Mr Tribhuvan Simh Rathod has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to re-appoint him as Managing Director even after attaining 70 years of age.

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

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

His other directorships include M/s. Bell Granito Ceramica Limited (Managing Director), M/s.Atreya Finance Private Limited, M/s. Sologuard Medical Devices Private Limited and M/s. Restile Marketing Private Limited. He is not holding any shares in the Company.

Notice has been received from a member signifying his intention to propose appointment of Mr. Tribhuvan Simh Rathod as Managing Director of the Company along with a deposit of Rs. 1,00,000/-.

The Board of Directors recommended the resolution for the approval of Shareholders.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013 and SEBI (LODR) Regulations.

Additional Disclosure about the appointee as per Schedule V Part II of the Companies Act, 2013.

- Nature of Industry:

M/s. Restile Ceramics Limited is the manufacturing of Vetrified Tiles. The Company was incorporated in 1986 and is based in Telangana, India.

- Date of Commencement of Commercial Production:

The commercial operations of the Company started during the year 1986

- Financial Performance : Performance of the Company for the last three years is as follows:

(Rs. in Lakhs)

Item	2017-18 (Rs.)	2016-17 (Rs.)	2015-16 (Rs.)
Income from Operations (Gross)	66.25	25.96	319.28
Profit / (Loss) before Tax	(307.81)	(749.13)	(1003)
Profit / (Loss) after Tax	(313.85)	(748.87)	(1006.72)

- Export Performance and net foreign exchange earnings : NIL

- Foreign Investments or Collaborations, if any : NIL



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

**Item No.6 & 7**

The Company may need to borrow in excess of paid up 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 shareholders by way of special resolution is required for borrowing in excess of Paid up capital and Free Reserves and to create charge on the properties of the company.

The Directors recommends the resolution for members' approval as a Special Resolution pursuant to Section 180(1) (a) & 180 (1) (c) of the Companies Act, 2013.

None of the Directors, Key Managerial persons and relatives are interested or concerned in passing of the resolution

By Order of the Board of Directors  
Sd/-

**Place:** Vadodara

Nalinkant Amratlal Rathod

**Date:** 26<sup>th</sup> June 2018

(DIN 00272129)

Chairman

## TO THE MEMBERS

The Directors are pleased to present the 32<sup>nd</sup> Annual Report of the Company together with its Audited Financial Statements for the year ended March 31, 2018.

### Financial Results

Particulars	₹ Lakhs	
	2017-18	2016-17
Revenue From Operations	66.25	25.95
Other Income	42.53	2.42
EBITDA	(31.68)	(55.39)
Interest and Financial charges	0.17	3.04
Depreciation	625.95	690.44
Profit/(Loss) before taxes and Exceptional Items	(657.80)	(791.19)
Exceptional Items	349.98	42.06
Provision for taxes	(6.65)	0.00
Profit / (Loss) for the Year	(314.47)	(748.87)

### Company Performance

The Company achieved a turnover of ₹66.25 Lakhs for the period ended March 31, 2018; increased by ₹40.30 Lakhs (155.29%) as compared to previous year.

The total expenditure for the period ended March 31, 2018 stood at ₹765.58 Lakhs, decreased by ₹53.99 Lakhs (6.59%) as compared to previous year.

The Loss (EBITDA) before Depreciation, Finance Cost and Tax for the year ended March 31, 2018 amounted to ₹ 31.68 Lakhs, decreased by ₹23.71 Lakhs (42.81%) as compared to previous year.

The Loss before tax and Exceptional item(s) for the year ended March 31, 2018 amounted to ₹657.80 Lakhs, decreased by ₹133.39 Lakhs (16.86%) as compared to previous year.

The tax expense for the year ended March 31, 2018 was ₹6.65 Lakhs. The Loss after tax for the year ended March 31, 2018 stood at ₹314.47 Lakhs as against a loss of ₹748.87 Lakhs of the previous year. No transfer was made to General reserve during the year ended March 31, 2018.

### Dividends

Your directors regret to state that in view of the continuous losses suffered by the company no dividend has been recommended for the year ended March 31, 2018.

### Share Capital

The Authorised Share Capital of the Company as on date of Balance Sheet is ₹100,00,00,000/- divided into 10,00,00,000 equity shares of ₹10/- each.

The paid up share capital of the company as on date of balance sheet is ₹98,27,92,390/- divided into 9,82,79,239 equity shares of ₹10/- each.

During the year under review, the company has neither increased the Authorised share capital nor allotted any equity shares

### Borrowings

The Company's borrowings as at March 31, 2018 stood at ₹3921.74 lakhs as against ₹4166.48 lakhs as at March 31, 2017.

## **Fixed Deposits**

The Company has not accepted any fixed deposits, within the meaning of section 73 of the companies Act 2013, Read with the Companies (Acceptance of Deposits) Rules, 2014 during the period under review.

## **Information about Subsidiary / Joint Ventures**

Your Company does not have any subsidiary or Joint Ventures nor is a subsidiary or Joint Venture to any other Company.

## **Particulars of related party contracts and other arrangements under section 188 of the company**

All Related Party Transactions that were entered into during the financial year were on an arm's length basis, in the ordinary course of business and were in compliance with the applicable provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There were no materially significant Related Party Transactions made by the Company during the year that would have required Shareholder approval under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All Related Party Transactions are placed before the Audit Committee for approval. A statement containing the details of all Related Party Transactions has been placed before the Audit Committee for its review on a quarterly basis.

The Policy on materiality of related party transactions and on dealing with related party transactions as approved by the Board may be accessed on Company's website. There were transactions during the year which are given in Form AOC 2 as an annexure to this report.

## **Implementation of Risk Policy**

Regulation 21 of SEBI (LODR) requires the top 100 Companies to constitute a Risk Management Committee. This regulation is not applicable to your company. The company however has appointed an internal auditor, whose terms of reference among other things include the evaluation of Internal Control Systems and inform the management of probable lapses. The Audit Committee and the Board of directors have from time to time also identified the risks and opportunities. This practice seeks to create transparency, minimize adverse impact on business objective and enhance the Company's competitive advantage. The two key components of risks are the probability (likelihood) of occurrence and the impact (consequence) of occurrence, if the risk occurs. Risk is analyzed by combining estimates of probability and impact in the context of existing control measures.

The Company has laid down procedures to inform Audit Committee as well as the Board of Directors about the risk assessment and management procedures and status. These procedures are periodically reviewed to ensure that the executive management monitors and controls risks.

## **Directors and Key Managerial Personnel (KMP)**

The Company has received declarations from all the Independent Directors confirming that they meet the criteria of Independence as prescribed both under the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Tribhuvan Simh Rathod, Managing Director, Mr. M. Subba Rao, Chief Financial Officer and Ms. Rekha Singh, Company Secretary are designated as Key Managerial Personnel of the Company pursuant to Section 203 of the Companies Act, 2013.

## **Board and Committee Meetings**

The Board of directors has met seven (7) times during the year to review and consider the quarterly financials of the Company amongst other things. Details of the composition of the Board and its Committees and of the meetings held and attendance of the Directors at such Meetings, are provided in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## **Directors' Responsibility Statement**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by Management and the relevant Board Committees, including the Audit

Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18.

Accordingly, pursuant to Section 134(3) (c) and 134(5) of the Act, the Board of Directors to the best of their knowledge and ability, confirm that:-

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed and that there are no material departures;
- ii. they have selected such accounting policies and applied them consistently made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year March 31, 2018 and of the profit or loss of the Company for that period;
- iii. they have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. they had prepared the annual accounts on a going concern basis;
- v. they have laid down the internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively;
- vi. they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **Internal Controls and Systems**

The company has an internal control system, commensurate with size and, scale and complexity of its operations.

### **Vigil Mechanism/Whistle Blower Policy**

The Company has adopted a Whistle Blower Policy to provide a mechanism for the Directors and employees to report genuine concerns about any unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The provisions of this policy are in line with the provisions of Section 177 (9) of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015/Listing Agreement.

### **Significant and Material Orders passed by the Regulators**

During the year under review, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and future operation of the Company.

### **Corporate Social Responsibility**

The company has incurred loss in the current year and past 3 years also. Even though Corporate Social Responsibility is not mandatory, your Company is intrinsically associated with the society and environment by upholding its businesses with transparency and commitment.

### **Remuneration Policy**

The Company had adopted a Remuneration Policy for the Directors, Key Managerial Persons and other employees, pursuant to the provisions of the Act.

The key principles governing the Company's Remuneration Policy are as follows:

Remuneration for Independent Directors and Non-Independent Non-Executive Directors

- Independent Directors (ID) and Non-Independent Non-Executive Directors (NINED) may be paid sitting fees for attending the meetings of the Board and of Committees of which they may be members as recommended by the NRC and approved by the Board.
- Overall remuneration should be reasonable and sufficient to attract, retain and motivate Directors aligned to the requirements of the company; taking into consideration the challenges faced by the Company and its future growth imperatives.

- Remuneration paid should be reflective of the size of the Company, complexity of the sector/ industry/Company's operations and the Company's capacity to pay the remuneration and be consistent with recognized best practices.
- The aggregate commission, if any, payable to all the NEDs and IDs will be recommended by the NRC to the Board based on Company performance, profits, return to investors, shareholder value creation and any other significant qualitative parameters as may be decided by the Board. The NRC will recommend to the Board the quantum of commission for each Director based upon the outcome of the evaluation process which is driven by various factors including attendance and time spent in the Board and Committee Meetings, individual contributions at the meetings and contributions made by Directors other than in meetings.
- The remuneration payable to Directors shall be inclusive of any remuneration payable for services rendered in any other capacity, unless the services rendered are of a professional nature and the NRC is of the opinion that the Director possesses requisite qualification for the practice of the profession.

### **Remuneration for Managing Director (MD)/ Key Managerial Personnel (KMP)/ rest of the Employees**

- The extent of overall remuneration should be sufficient to attract and retain talented and qualified individuals suitable for every role. Hence remuneration should be market competitive, driven by the role played by the individual, reflective of the size of the Company, complexity of the sector/ industry/ Company's operations and the Company's capacity to pay, consistent with recognized best practices and aligned to any regulatory requirements.
- Basic/ fixed salary is provided to all employees to ensure that there is a steady income in line with their skills and experience. In addition, the Company provides employees with certain perquisites, allowances and benefits to enable a certain level of lifestyle and to offer scope for savings. The Company provides retirement benefits as applicable.

It is affirmed that the remuneration paid to Directors, KMP and all other employees is as per the Remuneration Policy of the Company.

### **Evaluation of Board of Directors**

The Board of Directors of the Company presently comprises (8) Non-Executive Directors and one Executive Director viz., the Managing Director. The Directors appointed on the Board are from diverse fields relevant to the Company's business, having long-standing experience and expertise in their respective fields. They have considerable experience in managing large corporate and have been in public life for decades.

Non-Executive Directors add substantial value through the deliberations at the meetings of the Board and Committees thereof. To safeguard the interests of the investors, they also play a control role. In important Committees of the Board such as Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee etc., the Directors play an important role by contributing to the deliberations of the Committee Meetings. Besides contributing at the meetings of the Board and Committees, the Non-Executive Directors also have off-line deliberations with the Management of the Company and add value through such deliberations.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of executive and non-executive directors.

### **Listing**

The Equity Shares of your Company are listed at BSE Limited, Mumbai.

The Listing fees to these Stock Exchanges and custodian fees to NSDL and CDSL have been paid by the Company for the financial year 2017-18.

### **Auditors**

#### **i. Statutory Auditors:**

M/s M.S Krishnaswami & Rajan, Chartered Accountants,(Firm Reg No.01554S), Who are statutory auditors of the company to hold office up to the forth coming Annual General Meeting and are eligible for re-appointment is recommended by the Board for re-appointment as statutory auditors to hold office till conclusion of 33<sup>rd</sup> Annual General Meeting.

Pursuant to the provisions of Sec.139 of the Companies Act, 2013 and the rules framed there-under, the company has obtained written confirmation from M.S Krishnaswami & Rajan, Chartered Accountants, (Firm Reg No.01554S) that their re-appointment, if made, would be in conformity with limits specified in the said section.

Regarding the Qualifications/Comments of auditors in their report, the directors wish to state:

In order to make companies business viable, the company has drawn plans to merge Two associate companies (Atreya Finance Private Ltd and Bell Granito Ceramica Ltd) with the company. For this purpose a modified draft merger scheme was submitted to BIFR and was pending before BIFR. However as the BIFR stands dissolved the Company plans to restart the Merger Process afresh before the NCLT.

Further in respect of qualifications/Comments of the auditor company had sought relief from BIFR in the modified draft rehabilitation scheme submitted which shall be resubmitted to NCLT (with necessary modifications). Once the approval of said Scheme is received all the qualifications/comments of auditors in their report will get cleared.

## ii. Cost Audit

As per the provisions of Section 148(1) of the Companies Act, 2013, Read with Companies (Cost Records and Audit) Rules 2014, as amended from time to time, the maintenance of cost records and the requirement of audit of cost records in accordance with the applicable rules are not applicable to the company.

## iii. Secretarial Audit

Pursuant to the provisions of section 204 of the companies act 2013 and rules made thereunder the company has appointed M/s N Madhavi, Practicing Company Secretary (C.P No.11732) to undertake the Secretarial Audit of the company. The secretarial audit report is included as Annexure – B and forms an integral part of this report.

## Corporate Governance Report, Management Discussion & Analysis Report

As required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the report on Management Discussion & Analysis, Corporate Governance as well as the Auditor's certificate on the compliance of Corporate Governance thereon are attached and form part of the Annual Report.

## Conservation of Energy, Technology Transfer and Foreign Exchange Earnings and Outgo

Particulars pursuant to the provisions of section 134(3)(m) of the Act, read with the Companies (Accounts) Rules, 2014 is furnished in the Annexure to this report.

## Particulars of Employees & Remuneration

The information required under section 197(12) of the Act, read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is furnished in the Annexure 3 to this report.

The information required under Rule 5 (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in the Annexure forming part of the Report. In terms of the first proviso to section 136 of the Act, the Report and accounts are being sent to the shareholders excluding the aforesaid Annexure. Any shareholder interested in obtaining the same may write to the Company Secretary at the Registered Office of the Company.

## Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has zero tolerance for sexual harassment at its workplace and has adopted a Policy on prevention, prohibition and redressal of sexual harassment at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder for prevention and redressal of complaints of sexual harassment at workplace.

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

### Extract of Annual return

The details forming part of the extract of the annual return in form MGT-9 as required under section 92 of the companies Act 2013 is included in this Report as Annexure –A and forms as integral part of this Report.

### Appreciation

Your director's wish to place on record their appreciation for the contribution made by the employees at all levels but of whose hard work and support your company's achievements would not have been possible. Your directors also wish to thank its customers, dealers, agents, suppliers, investors and bankers and various State and Central Government Agencies. The Directors also take this opportunity to thank the shareholders for their continued confidence reposed in the Management of the company.

By Order of the Board of Directors

	Sd/-	Sd/-
<b>Place:</b> Vadodara	Tribhuvan Simh Rathod	Narayanan Subramanian
<b>Date:</b> 26.6.18	(DIN 01996833)	(DIN 02577983)
	Managing Director	Director

## ANNEXURE TO THE DIRECTORS REPORT

### Conservation of Energy, Technology Transfer and Foreign Exchange Earnings and outgo

The Information under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended March, 31, 2018 is given here below and forms part of the Directors Report.

#### Conservation of Energy

In line with the Company's Commitment towards conservation of energy the company is putting efforts to conserve energy by means of minimal consumption of power. Total Units of power consumed during the year was 94737.50 units amounting to Rs.13.92 Lacs (2016:17 78363 units amounting to Rs. 9.28 Lacs). During the year there was no production and hence the Gas consumption is Nil (2016:17 Nil)

#### Technology Absorption

As there are no productions/operations during the year 2017-18, nothing much happened in the areas of Technology absorption, new product development, cost reduction and quality improvement.

Foreign Exchange Earnings and Outgo	2017-18	2016-17
	(Rs. in Lakhs)	(Rs. in Lakhs)
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange outgo	Nil	Nil

## 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 arms length transactions under third proviso thereto**

S.No.	Particulars	
<b>1.</b>	<b>Details of contracts or arrangements or transactions not at arm's length basis:</b>	<b>NIL</b>
	(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:	
<b>2.</b>	<b>Details of material contracts or arrangement or transactions at arm's length basis:</b>	Details attached in Annexure
	(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) Date(s) of approval by the Board, if any:	
	(f) Amount paid as advances, if any:	

**For and on behalf of the Board of Directors**

**Place :** Vadodara

**Date :** 26.6.2018

**Tribhuvan Simh Rathod**  
**Managing Director**  
**DIN: 01996833**

**Narayanan Subramanian**  
**Director**  
**DIN: 02577983**



## ANNEXURE

S.No.	Name of the Related Party	Nature of Transaction	Duration of Transaction	Salient terms of the transaction including the value, if any (in Lakhs)	Date of approval by the board, if any
1	Bell Granito Ceramica Limited	Purchases	Continual	110.15	27-05-2017
2	Bell Granito Ceramica Limited	Others (sales of Machinery)	One Time	1023.64	27-05-2017

For and on behalf of the Board of Directors

Place : Vadodara  
Date : 26.6.18

Tribhuvan Simh Rathod  
Managing Director  
DIN: 01996833

Narayanan Subramanian  
Director  
DIN: 02577983

## FORM NO. MGT-9

## EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS

i) CIN	:	L26931GJ1986PLC102350
ii) Registration Date	:	26.05.1986
iii) Name of the Company	:	RESTILE CERAMICS LIMITED
iv) Category/Sub-Category of the Company Indian Non Government company	:	Limited by Shares
v) Address of the Registered office and Contact Details	:	204, Sakar complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, Baroda- 390 015
vi) Whether listed company	:	Yes
vi) Name, Address and Contact details of Registrar and Transfer Agent, if any	:	M/s. Cameo Corporate Services Ltd, Subramanian Building*1, Club House Road, Chennai -600 002.

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Virtified Tiles	23929	100%

## III. PARTICULARS OF HOLDING SUBSIDIARY AND ASSOCIATE COMPANIES

S.No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% Of Shares Held	Applicable Section
1	Sologuard Medical Devices(p)ltd	U33119TN1999PTC041980	Associate	Nil	
2	Atreya Finance Pvt Ltd	U65910GJ1996PTC102378	Associate	Nil	
3	Bell Granito Ceramica limited	U18907GJ1993PLC018901	Associate	Nil	

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% of Change During the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
Individual/HUF	-	-	-	-	-	-	-	-	-
Central Government	-	-	-	-	-	-	-	-	-
State Government(s)	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other...	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1)</b>	-	-	-	-	-	-	-	-	-

<b>2) Foreign</b>									
NRIs- Individuals	8126383	–	8126383	8.27	8126383	–	8126383	8.27	–
Other – Individuals	–	–	–	–	–	–	–	–	–
Bodies Corp.	62596302	–	62596302	63.69	62596302	–	62596302	63.69	–
Banks/FI	–	–	–	–	–	–	–	–	–
Any Other...	–	–	–	–	–	–	–	–	–
<b>Sub-Total (A)(2)</b>	<b>70722685</b>	<b>–</b>	<b>70722685</b>	<b>71.96</b>	<b>70722685</b>	<b>–</b>	<b>70722685</b>	<b>71.96</b>	<b>–</b>
<b>Total Shareholding of Promoters (A) = (A1) + (A2)</b>	<b>70722685</b>	<b>–</b>	<b>70722685</b>	<b>71.96</b>	<b>70722685</b>	<b>–</b>	<b>70722685</b>	<b>71.96</b>	<b>–</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>	–	–	–	–	–	–	–	–	–
Mutual Funds	17500	1800	19300	0.02	17500	1800	19300	0.02	–
Central Government	100000	–	100000	0.10	100000	–	100000	0.10	–
State Government(s)	–	–	–	–	–	–	–	–	–
Venture Capital Funds	–	–	–	–	–	–	–	–	–
Insurance Companies	–	–	–	–	–	–	–	–	–
Fin. Institutions/Banks	–	40	40	0.00	–	40	40	0.00	–
Foreign Venture	–	–	–	–	–	–	–	–	–
Others (specify)	–	–	–	–	–	–	–	–	–
<b>Sub-Total (B)(1)</b>	<b>117500</b>	<b>1840</b>	<b>119340</b>	<b>0.12</b>	<b>117500</b>	<b>1840</b>	<b>119340</b>	<b>0.12</b>	<b>–</b>
<b>2. Non-Institutions</b>	–	–	–	–	–	–	–	–	–
Bodies Corp.	252945	9281	262226	0.27	550798	9281	560079	0.57	0.30
Overseas Corporate Bodies	14335631	–	14335631	14.59	14335631	–	14335631	14.59	–
Individuals	–	–	–	–	–	–	–	–	–
i) Individual shareholders holding nominal share capital upto Rs.1 Lakh	1083239	582470	1665709	1.69	1367189	579630	1946819	1.98	0.29
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	6542290	–	6542290	6.66	5975466	–	5975466	6.08	(0.58)
<b>Others</b>									
Clearing Members	15692	–	15692	0.02	4389	–	4389	0.01	(0.01)
Foreign Corporate Bodies	1909750	–	1909750	1.94	1909750	–	1909750	1.94	–
Hindu Undivided Families	336800	–	336800	0.34	305577	–	305577	0.31	(0.03)
Non Resident Indians	2369116	–	2396116	2.41	2399503	–	2399503	2.44	0.03
<b>Sub-Total (B)(2)</b>	<b>26845463</b>	<b>591751</b>	<b>2737214</b>	<b>27.92</b>	<b>26845463</b>	<b>591751</b>	<b>2737214</b>	<b>27.92</b>	<b>–</b>
<b>Total Public Shareholding (B)= (B)(1) + (B)(2)</b>	<b>26961343</b>	<b>595211</b>	<b>27556554</b>	<b>28.04</b>	<b>26962963</b>	<b>593591</b>	<b>27556554</b>	<b>28.04</b>	<b>–</b>
<b>C. Share held by Custodian for GDRs &amp; ADRs</b>	–	–	–	–	–	–	–	–	–
<b>Grand Total (A+B+C)</b>	<b>97684028</b>	<b>595211</b>	<b>98279239</b>	<b>100</b>	<b>97685648</b>	<b>593591</b>	<b>98279239</b>	<b>100</b>	<b>–</b>

## (ii) Shareholding of Promoters

Sl. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% of Change During the Year
		No. of Shares	% of Shares of the Company	% of Shares pledged emcumbred total shares	No. of Shares	% of Shares of the Company	% of Shares pledged emcumbred total shares	
1.	NALINKANT AMRATLAL RATHOD	8126383	8.27	Nil	8126383	8.27	Nil	Nil
2.	SOLOMED PTE LTD	62596302	63.69	Nil	62596302	63.69	Nil	Nil
	<b>Total</b>	<b>70722685</b>	<b>71.96</b>	<b>Nil</b>	<b>70722685</b>	<b>71.96</b>	<b>Nil</b>	<b>Nil</b>

## (iii) Change in Promoters' Shareholding ( please specify, if there is no change)

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year	70722685	71.96%	70722685	71.96%
2	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc);	Nil	Nil	Nil	Nil
3	At the End of the year	70722685	71.96%	70722685	71.96%

## (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	For Each of the Top 10 Shareholders	LIST ENCLOSED			
2	At the beginning of the year				
3	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):				
4	At the End of the year ( or on the date of separation, if separated during the year)				

## (v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP (NALINKANT AMRATLAL RATHOD)	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	8126383	8.27	8126383	8.27
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA	NA	NA	NA
	At the End of the year	8126383	8.27	8126383	8.27

**V. INDEBTEDNESS**
**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year		-	-	-
i) Principal Amount	--	414647577.13	-	-
ii) Interest due but not paid iii) Interest accrued but not due	--	--	-	414647577.13
<b>Total (i+ii+iii)</b>	--	414647577.13	-	414647577.13
Change in Indebtedness during the financial year	--	-	-	-
• Addition	--	64800000.00	-	64800000.00
• Reduction	--	(87274000.00)	-	(87274000.00)
Net Change	--	(22474000.00)	-	(22474000.00)
Indebtedness at the end of the financial year		-	-	-
i) Principal Amount	--	392173577.13	-	392173577.13
ii) Interest due but not paid iii) Interest accrued but not due	--	--	-	--
<b>Total (i+ii+iii)</b>	--	392173577.13	-	392173577.13

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager TRIBHUVAN SIMH RATHOD Managing Director				Total Amount
		----	----	----	----	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL				NIL
2.	Stock Option	NIL				
3.	Sweat Equity	NIL				
4.	Commission - as % of profit - others, specify...	NIL NIL				
5.	Others, please specify	NIL				
	Total (A)					NIL
	Ceiling as per the Act					

**B. Remuneration to other directors:**

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
3.	Independent Directors • Fee for attending board committee meetings • Commission - NIL • Others, please specify- NIL	N.S. Mani T.R. Seetharaman G Padmanabhan N.S. Ramachandran Kaushik D Shah	49000.00 49000.00 21000.00 49000.00 28000.00
	Total (1)		196000.00
4.	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify		
	Total (2)		NIL
	Total (B)=(1+2)		196000.00

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
	Total Managerial Remuneration		196000.00
	Overall Ceiling as per the Act		

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	180000.00	180000.00	360000.00
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	180000.00	180000.00	360000.00

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RS / NCLT / COURT]	Appeal made, if any (give Details)
<b>COMPANY</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
<b>DIRECTORS</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
<b>OTHER OFFICERS IN DEFAULT</b>					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		

For and on behalf of the Board of Directors

Place: Vadodara  
Date : 26.6.2018Tribhuvan Simh Rathod  
Managing Director  
01996833Narayanan Subramanian  
Director  
02577983

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl No	Name of the share holder	Shareholding at the beginning of the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN
		No of shares	% of total shares of the company	No of shares	% of total shares of the company		
1	SPRINGBOARD PACIFIC ENTERPRISE INC At the beginning of the year 01-Apr-2017 At the end of the Year 31-Mar-2018	14335631 14335631	14.5866 14.5866	14335631 14335631	14.5866 14.5866	IN30102221382023	AAKCS8880P
2	SAVITRI N SWAMY At the beginning of the year 01-Apr-2017 At the end of the Year 31-Mar-2018	5450185 4624522	5.5456 4.7054	5450185 4624522	5.5456 4.7054	IN30051319899825	APKPS3571B
3	SRI JAYA INCORPORATED At the beginning of the year 01-Apr-2017 At the end of the Year 31-Mar-2018	1909750 1909750	1.9431 1.9431	1909750 1909750	1.9431 1.9431	IN30102221370305	AAKCS7794J
4	SARASWATHI KUPPUSWAMI At the beginning of the year 01-Apr-2017 At the end of the Year 31-Mar-2018	1038700 1038700	1.0568 1.0568	1038700 1038700	1.0568 1.0568	IN30102221369565	AUGPK8083M
5	HARIHARAN SUNDARESAN At the beginning of the year 01-Apr-2017 At the end of the Year 31-Mar-2018	661134 661134	0.6727 0.6727	661134 661134	0.6727 0.6727	IN30102221388160	AARPS9722N
6	MAMTA SINGH At the beginning of the year 01-Apr-2017 At the end of the Year 31-Mar-2018	659990 659990	0.6715 0.6715	659990 659990	0.6715 0.6715	IN30102221370039	BKYPS7329R
7	RADHA VALLURY At the beginning of the year 01-Apr-2017 At the end of the Year 31-Mar-2018	215697 215697	0.2194 0.2194	215697 215697	0.2194 0.2194	IN30047642700374	AAVPV8282C
8	PADMAKAR VALLURY At the beginning of the year 01-Apr-2017 Sale 21-Apr-2017	177526 -100	0.1806 0.0001	177526 177426	0.1806 0.1805	IN30047642700412	AANPV3403D

SI No	Name of the share holder	Shareholding at the beginning of the year		Shareholding at the year		Cumulative Shareholding during the year		FOLIO/DP_CL_ID	PAN	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company	No of shares	% of total shares of the company			
9	USHA NANDAANKUMAR									
		At the beginning of the year 01-Apr-2017	112262	0.1142	112262	0.1142	112262	0.1142	'1201090001710464	ABUPN0948F
		At the end of the Year 31-Mar-2018	112262	0.1142	112262	0.1142	112262	0.1142		
10	AMAR SINGH BAID									
		At the beginning of the year 01-Apr-2017	111407	0.1133	111407	0.1133	111407	0.1133	'IN30245310209572	AACHA1268G
		Purchase 07-Apr-2017	328	0.0003	111735	0.1136	111735	0.1136		
	NEW TOP 10 AS ON (31-Mar-2018)									
11	LSC SECURITIES LIMITED									
		At the beginning of the year 01-Apr-2017	50000	0.0508	50000	0.0508	50000	0.0508	'IN30184610283572	AAACL6361J
		Purchase 28-Apr-2017	50000	0.0508	100000	0.1017	100000	0.1017		
	HAVING SAME PAN									
12	LSC SECURITIES LIMITED									
		At the beginning of the year 01-Apr-2017	0	0.0000	0	0.0000	0	0.0000	'IN30184610034606	AAACL6361J
		Purchase 16-Jun-2017	253	0.0002	253	0.0002	253	0.0002		
	HAVING SAME PAN									
13	DINESHKUMAR HIRJIBHAI BALAR									
		At the beginning of the year 01-Apr-2017	2000	0.0020	2000	0.0020	2000	0.0020	'1201090005310536	AGGPB9309P
		At the end of the Year 31-Mar-2018	102000	0.1037	102000	0.1037	102000	0.1037		
	HAVING SAME PAN									
14	DINESHBHAI HIRJIBHAI BALAR									
		At the beginning of the year 01-Apr-2017	12500	0.0127	12500	0.0127	12500	0.0127	'IN30042510177090	AGGPB9309P
		Purchase 21-Apr-2017	35247	0.0358	47747	0.0485	47747	0.0485		



## ANNEXURE -B

## FORM MR-3

## SECRETARIAL AUDIT REPORT

**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH 2018** [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, Opp ABS Tower,  
Vaccine Crossing, Old Padra Road,  
Vadodara, Gujarat – 390015.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Restile Ceramics Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Restile Ceramics Limited 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, We hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March 2018, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Restile Ceramics Limited for the financial year ended on 31st March 2018 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;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable to the Company during the Audit Period);
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - (f) 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;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and

- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
- vi. Other specifically applicable laws to the Company:
- a. The EPF & Misc. Provisions Act, 1952;

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii. 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.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive 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 is 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 and for meaningful participation at the meeting.

All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

We 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.
- The Registered Office of the Company is shifted from the state of Telangana to the state of Gujarat.

Date : 25.6.18  
Place: Hyderabad

N. MADHAVI  
COMPANY SECRETARY IN PRACTICE  
M.NO.A16866; CP NO. 11732

## ANNEXURE A

To  
The Members of  
Restile Ceramics Limited  
204, Sakar Complex, Opp ABS Tower,  
Vaccine Crossing, Old Padra Road,  
Vadodara, Gujarat – 390015.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the 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, I followed provide a reasonable basis for our opinion.
3. I have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Date : 25.6.18  
Place: Hyderabad

N. MADHAVI  
COMPANY SECRETARY IN PRACTICE  
M.NO.A16866; CP NO. 11732

## ANNEXURE TO THE DIRECTOR'S REPORT

As per the last GDP growth estimates, there is growth in Indian economy in the Financial Year 2017-18 compared to Financial Year 2016- 2017. Reduced inflation, stable Rupee, improved purchasing power and higher capital inflows supported by the government policy reforms in the infrastructure sector have already put India on an accelerating growth track and improved the business outlook.

### MANAGEMENT DISCUSSION AND ANALYSIS OF OPERATING RESULTS AND FINANCIAL PERFORMANCE

1. The paid up equity share capital as at March31, 2018 stood at 98.27crore. During the year under review, the company has not issued shares with differential voting rights nor has granted any stock options or sweat equity. As on March 31, 2018 none of the directors of the company hold instruments convertible into equity shares of the company.
2. Net Revenue from operations during the year was Rs. 66.25 lacs as against Rs. 25.96 Lacs during the previous year. During the year there was no production and the revenue was generated out of sale of materials from Stock.
3. On the Expenditure part, there has been decrease in total expenditure compared to previous year. The Following tabular statement depicts the increase/ (decrease) of various types of expenditure

(Rs.in Lakhs)

Sl.No	Nature of Expenditure	2017-18	2016-17	Increase/ (Decrease)
1.	Raw Material Consumption (including Movement in Finished Goods Stock)	57.67	31.64	26.03
2.	Employee Expenses	35.83	51.01	(15.18)
3.	Finance Costs	0.17	3.04	(2.87)
4.	Other Expenses	46.77	41.26	5.51
5.	Depreciation and amortization	625.95	690.44	(64.49)
6.	Excise Duty on Sale of Goods	0.18	2.18	(2.00)
	<b>Total</b>	<b>766.57</b>	<b>819.57</b>	<b>(53.00)</b>

It is clear from the above statement that all the expenditures, except consumption of materials and other expenses, show a decreasing trend compared to previous year.

4. Internal Controls and systems are reviewed periodically and corrective actions are taken upon requirement.
5. Opportunities and challenges: No Production during the year. During the year major portion of old materials which were lying in stock for long period were sold. The company has also purchased material from M/s Bell Granito Ceramica Limited, an Associate Company, which has resulted in extra revenue on account of sale of these products in the Andhra and Telangana region.
6. Threats: 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
7. Risks and Concerns:  
The company specific risks remain by and large the same as enumerated last year. The Company is consuming LPG which is a petroleum product for firing the tiles. The prices of petroleum products depend upon international market and subject to volatility. Some of the competitors who have the facilities of natural gas, tax incentives etc. are dominating the market. There may be a threat from some of the larger capacity players, who have varied range of products, effects and colors to dominate market presence.
8. Human Resource & Industrial Relations:  
Majority of Employees were settled in the earlier years. The relationship with the balance employees has been fairly cordial.
9. The company had in earlier year initiated the process of Shifting of registered Office from Telangana to Gujarat for better management of affairs of the company. The company has received the necessary orders from ROC for the same and the present registered office of the company is situated in the state of Gujarat.
10. Cautionary statement:  
Statements in this Directors report & management discussion and Analysis describing the company's objectives, projections, estimates, expectations or predictions may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could impact are raw material availability and its prices, cyclical demand and pricing in the company's principle market, changes in government regulations, tax regimes, economic developments within India and countries in which the company conducts business.

## REPORT ON CORPORATE GOVERNANCE

### Philosophy on Corporate Governance

Corporate Governance has been in existence in your Company since its inception, before it was mandated. The principles of Corporate Governance are embedded as a fundamental principle of businesses. The Corporate Governance framework of the Company is to manage the affairs in a fair and transparent manner, which has assisted in evolving guidelines and best practices over the years to ensure adequate disclosure of information.

The Company has complied with the requirements of Corporate Governance as mandated by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Clause 49 of the erstwhile Listing Agreement executed with the Stock Exchanges) ('Listing Regulations') as detailed below for the year ended March 31, 2018:

#### Board of Directors:-

1. The Board of Directors of the company shall have optimum combination of Executive and Non- Executive directors. As on 31<sup>st</sup> March 2018, the Company has Nine (9) Directors with a Non-Executive chairman. Of the Nine Directors, Eight (8) are Non-Executive Directors with Five (5) of them being Independent Directors, one (1) Nominee Director and one (1) Women Director. The Non-Executive Directors possess rich and varied experience in different facets of corporate functioning. The Company under the Board of Directors along with the Committees, provides leadership, guidance to the Management, directs and supervises the performance of the Company thereby enhancing stakeholders value. The Board has fiduciary relationship in ensuring that the rights of all stakeholders are protected. The Company with the help of expertise and knowledge of the Directors has optimized its value in the business. The details of Directors seeking re-appointment are furnished in the Notice of the Annual General Meeting.
2. "Independent Directors" of the Company have been appointed as per the provision of the Companies Act, 2013 and the Governance Guidelines for Board effectiveness as adopted by the Company. Directors who apart from receiving Director's remuneration, do not have any material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management or its holding company, its subsidiaries and associates, which may affect the independence of the Director. Formal appointment letters have been issued to the Independent Directors.
3. The Directors made necessary disclosures with regard to committee positions across all the Companies in which he/she is a Director as per the Regulation 26(1) of the Listing Regulations.
4. None of the Directors of the Board serve as members of more than 10 committees nor Chairman of more than 5 Committees, as per the requirements of the Listing Regulations. "Committees" for this purpose include the Audit Committee and the Stakeholder's Relationship Committee and the details of the same forms part of this report.
5. Pursuant to Regulation 25(1) of the Listing Regulations all the Directors are in compliance with the limit prescribed to hold Independent Directorship in the listed companies.
6. During the year under review, the Board of Directors of the Company met seven times and the period between any two meetings did not exceed 120 days. The dates of the Board Meetings held during the year are as follows:

Date of Meetings	Total no. of Directors	No. of Directors present
27 <sup>th</sup> May 2017	9	6
03 <sup>rd</sup> July 2017	9	7
08 <sup>th</sup> August 2017	9	5
21 <sup>st</sup> August 2017	9	5
9 <sup>th</sup> September 2017	9	6
9 <sup>th</sup> December 2017	9	3
10 <sup>th</sup> February 2018	9	5

7. Independent Directors of the Company separately met once on September 09th, 2017 as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25(3) of the Listing Regulations. None of the Non Independent Directors and members of the Management were present at the meeting.

8. Independent Directors at their meeting reviewed/assessed the following
  - a. Reviewed the performance of Non Independent Directors and the Board as a whole;
  - b. Reviewed the performance of the Chairman of the Company, taking into consideration of the views of Managing Director and Non-Executive Directors; and
  - c. Assessed the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
9. All Independent Directors were present at the meeting of Independent Directors and Mr. Narayanan Subramanian, Independent Director, Chaired the meeting.
10. The Independent Directors are already familiar with the nature of the Industry, and business model of the Company, considering their expertise contribution no familiarization program was organised during the year.
11. All the relevant information, as recommended by the Securities and Exchange Board of India (SEBI)/ Stock Exchanges, is being furnished to the Board from time to time.
12. The details of remuneration/sitting fees paid to the directors are being furnished in this report
13. The Company has adopted a Code of Conduct for its Non-Executive Directors and all Non-Executive Directors have affirmed compliance with the said Code for the financial year ended March 31, 2018. The said code of conduct is also displayed on the Company's website.
14. All Board Members and senior management personnel, pursuant to Regulation 26(3) of the Listing Regulation have affirmed compliance with the applicable code of conduct. The Annual Report of the Company contains a Certificate duly signed by the Managing Director in this regard.
15. Other than the transactions entered into in the normal course of business, no materially significant related party transactions entered by the Company during the year, which could have potential conflict of interest between the Company and its Promoters, Directors, Management and/or relatives. The Company has adopted Policy for Related Party transactions, which is made available at the website of the Company.
16. The Company during the year has Shifted the Registered office to the State of Gujarat from the state of Telangana.

Name of Director	DIN No	Category	No of Meetings Attended					Other Companies			
			Board Meeting	Audit Committee	Shareholders Relationship and Share Transfer Committee	Nomination and Remuneration Committee	Whether Attended AGM on Sept 21, 2017	Director ship		Committee	
								Indian	Foreign	Indian	Foreign
Nalinkant Amratlal Rathod	00272129	NP	2	-			No	2		-	
Tribhuvan Simh Rathod	01996833	MD	7	-			Yes	3		-	
Bharathi Nalin Rathod	02587701	NN	1	-			No	4		-	
Nalandula Srinivasa Rao Ramachandran	00089348	NI	7	4	14	3	Yes	1		2	
Gopalachari Padmanabhan	00101432	NI	3	3			No	1		2	
Tenkasi Ramanarayanan Seetharaman	02385221	NI	7	4	14		No	1		1	
Narayanan Subramanian	02577983	NI	7	4	14	3	Yes	2		2	
Kaushik Dhirubhai Shah	00024305	NI	4	1		2	No	7		7	
Rajendra Prasad Kandikattu	00143653	NNo	No Information Received As No Meeting Attended								

NP:- Non- Executive-Promoter

NN:- Non- Executive- Non Independent

NI:- Non Executive - Independent

MD:- Managing Director

NNNo:- Non Executive - Nominee

Composition of Committees Membership as n March 31, 2018:-

Name of Director	DIN No	Name of Committees of Board		
		Audit Committee	Nomination and Remuneration Committee	Shareholders Relationship and Share Transfer Committee
Nalinkant Amratlal Rathod	00272129	-	-	-
Tribhuvan Simh Rathod	01996833	-	-	-
Bharati Nalin Rathod	02587701	-	-	-
Nalandula Srinivasa Rao Ramachandran	00089348	C	M	C
Gopalachari Padmanabhan	00101432	M	-	-
Tenkasi Ramanarayanan Seetharaman	02385221	M	-	M
Narayanan Subramanian	02577983	M	C	M
Kaushik Dhirajlal Shah	00024305	M	M	-
Rajendra Prasad Kandikattu	00143653	-	-	-

C:- Chairman M:- Member

The Mandatory Committees of the Company constituted by the Board are as hereunder inter alia includes the following:-

### **Audit Committee**

The Company's Audit Committee comprises of Independent Directors and Non Independent Directors. Each member of the Committee has relevant experience in the field of finance and accounting.

### **Powers of Audit Committee**

The powers of audit committee shall include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it consider necessary.

### **Terms of reference of Audit Committee**

The terms of reference of Audit Committee inter alia are as follows:

1. Oversight 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, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditor(s) for any other services rendered by them.
4. Reviewing; with management, the annual financial statements before submission to the Board for its approval with particular reference to:
  - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (C) of sub-section 3 of section 134 of the Companies Act, 2013.
  - b. Changes, if any, in accounting policies and practices and reasons for the same.
  - c. Major accounting entries involving estimates based on the exercise of judgment by management, if any.
  - d. Significant adjustments made in the financial statements arising out of audit findings, if any.

- e. Compliance with listing and other legal requirements relating to financial statements.
  - f. Disclosure of related party transactions, if any.
  - g. Qualifications in the (draft) audit report, if any.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
  6. Reviewing; with 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 the 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 to take up steps in this matter.
  7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
  8. Approval or any subsequent modification of transactions of the Company with related parties;
  9. Scrutiny of inter-corporate loans and investments;
  10. Valuation of undertakings or assets of the Company, wherever it is necessary;
  11. Evaluation of internal financial controls and risk management systems;
  12. Reviewing with management, performance of statutory and internal auditors, and adequacy of the internal control systems.
  13. Reviewing the adequacy of internal audit function, 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.
  14. Discussion with internal auditors for any significant findings and follow up there on.
  15. Reviewing the findings 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.
  16. Discussion with statutory auditor(s) before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividend(s) and creditors.
  18. To review the functioning of the Whistle Blower mechanism.
  19. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
  20. Carrying out any other functions as mentioned in the terms of reference of the Audit Committee.

### **Review of information by Audit Committee**

The Audit Committee reviewed the following information:

1. Management discussion and analysis of financial conditions and results of operations;
2. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review of the Audit Committee;

The Committee met four times during the period under review. Audit Committee meetings were attended by the Internal Auditors and the Statutory Auditors. The Company Secretary acts as the Secretary to the Audit Committee. The Chairman of the Audit Committee was present at the last Annual General Meeting.



## Shareholders Relationship and Share Transfer Committee

The Stakeholders Relationship Committee's term of reference includes the following

- a. Consider and resolve grievances of all classes of investors of the company;
- b. Review statutory compliance relating to stakeholders.
- c. Ensure setting of proper controls and oversee the performance of Registrar and Share Transfer Agent;
- d. Look into the redressing of the shareholders complaints and queries;
- e. Review movement in shareholdings and ownership structure of the Company;
- f. Oversee compliance in respect of dividend payment and transfer of unclaimed dividend amount to IEPF.
- g. Consider and resolve grievances of stakeholders including compliance related to transfer of securities, non-receipt of Annual Report / Dividend Warrant etc.

Share transfers are processed fortnightly and approved by the Share Transfer Committee. Investor grievances are also placed before the Committee. The Committee met on March 31, 2018 to review the various matters related to the Stakeholders during the year under review. There were no pending investor complaints which remained unresolved.

The Company has not received any complaints through SEBI Complaints Redressal System (SCORES). All valid share transfers lodged up to March 31, 2018, have been processed by the Committee.

## Nomination and Remuneration Committee

The Committee consists of 3 members of which 3 are independent directors. The terms of reference of the Committee include inter-alia the following:-

- a. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- b. Formulation of criteria for evaluation of Independent Directors and the Board;
- c. Devising a policy on Board diversity;
- d. 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 their appointment and removal. The company disclosed the remuneration policy and the evaluation criteria in its Annual Report.

As there was no change or appointment of Managing director or Key Managerial Personnel during the year the committee did not have any meeting.

## Remuneration of the Managing Director

The remuneration paid during the financial year 2017-2018 to the Managing Director is furnished hereunder:

Particulars	Mr. Tribhuvan Simh Rathod
Salary, Incentive and perquisites	NIL
Contribution to Provident and Gratuity Fund	NIL
Performance Incentive Payable	NIL
Shares held as on March 31, 2018.	NIL

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

Sitting fee (remuneration) paid to Non-Executive Directors during the financial year 2017-18 and the details of shares held by them as on March 31, 2018 are as under:

Name of Director	Amount	No of Shares Held
Nalandula Srinivasa Rao Ramachandran	64000.00	NIL
Gopalachari Padmanabhan	30000.00	NIL
Tenkasi Ramanarayanan Seetharaman	64000.00	NIL
Narayanan Subramanian	64000.00	NIL
Kaushik Dhirajlal Shah	34000.00	NIL
Rajendra Prasad Kandikattu	NIL	NIL

## General Body Meetings

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

Year	Location	Date of AGM	Day	Time
2015	Registered Office the Company at MalkapurVillage,HatnooraMandal, NarsapurTaluq, MedakDist, A.P	September 19, 2015	Saturday	11.30 A.M
2016	Registered Office the Company at MalkapurVillage,HatnooraMandal, NarsapurTaluq, MedakDist, A.P	September 24, 2016	Saturday	11.30 A.M
2017	Registered Office the Company at MalkapurVillage,HatnooraMandal, NarsapurTaluq, MedakDist, A.P	September 21, 2017	Thursday	11.30 A.M

The Chairman of the Audit Committee was present at all the above AGMs.

No EGM was held in the last three years except .i.e. on 28<sup>th</sup> March 2014.

Special Resolutions have been passed in the previous three Annual General Meetings held in 2015, 2016 and 2017.

For the year 2017-18 postal ballot was conducted for shifting of registered office.

## Compliance with Non-Mandatory Requirements

1. **The Board:** A separate Office is not maintained for the Non-Executive Chairman of the Company. The Composition of the Board of Directors, Committees of the Board are in line with the provisions of the Listing Agreement, the Companies Act, 2013 and other applicable laws.

2. **Shareholders' Rights:** The Financial performances of the Company on quarterly basis including a summary of significant events are published in English and Local Telugu Newspaper. Hence, this information's are not sent to each household of shareholders individually.

3. **Audit Qualifications:** The Company endeavors to adopt best practices to ensure regime of unqualified financial statements.

## General Shareholder Information

<b>Corporate Identification Number</b>	<b>L26931GJ1986PLC102350</b>
<b>Registered Office</b>	204, Sakar complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, <b>Baroda- 390 015</b>
<b>Name, Contact Details of Compliance Officer</b>	Mrs. Rekha Singh Malkapur Village, HatnooraMandal, NarsapurTaluk, Medak District-502 296, Telangana Email: <a href="mailto:restile@accountscare.com">restile@accountscare.com</a>

<b>Corporate Identification Number</b>	<b>L26931GJ1986PLC102350</b>
<b>Registrar and Share Transfer Agent</b>	M/s. Cameo Corporate Services Ltd, Subramanian Building"1, Club House Road, Chennai 600 002. Telephone No: 044-28460390
<b>Date, Time and Venue of AGM</b>	17 <sup>th</sup> September, 2018 204, Sakar complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, <b>Baroda- 390 015</b>
<b>Financial Calendar</b>	
Financial Year	1 <sup>st</sup> April-31 <sup>st</sup> March
<b>Financial Report For:</b>	
Quarter Ending 30 <sup>th</sup> June	On or Before August 15 <sup>th</sup>
Quarter Ending 30 <sup>th</sup> September	On or Before November 15 <sup>th</sup>
Quarter Ending 31 <sup>st</sup> December	On or Before February 15 <sup>th</sup>
Quarter Ending 31 <sup>st</sup> March	On or Before May 30 <sup>th</sup>
Cut-off for e-Voting	07/09/2018
E-Voting Window Dates	13/09/2018 to 16/09/2018
Date of Book Closure	10/09/2018 to 17/09/2018 (Both days inclusive)
<b>Equity Shares</b>	
Stock Exchange	Stock Code
BSE Limited	515085
ISIN No.	INE298E01022

The company has paid annual listing fees to the Stock Exchanges in respect of financial year 2017-2018.

**Market Price Data: High Low during each month in the last financial year**

Month	Highest (Rs.)	Lowest (Rs.)	Month	Highest (Rs.)	Lowest (Rs.)
April '17	5.82	4.37	October'17	7.87	4.88
May'17	6.99	5.06	November'17	7.10	5.24
June'17	7.35	5.12	December'17	9.85	5.83
July'17	7.20	5.12	January'18	11.45	7.20
August'17	6.30	4.11	February'18	8.94	6.51
September'17	6.00	4.36	March'18	8.10	5.68

**Shareholding Pattern as on March 31, 2018**

Sl no	Category	No. Of shares	% of shareholding
1	Promoters	70722685	71.96
2	Mutual funds and UTI	19300	0.02
3	Banks, Financial Institution, Insurance companies	40	0.00
4	Corporate Body- Government Company	100000	0.10
5	Private Corporate Bodies	560079	0.57
6	Indian Public	8227862	8.37
7	NRIs/OCBs	16735134	17.04
8	Clearing Members	4389	0.00
9	Foreign Bodies	1909750	1.94
	<b>Total</b>	<b>98279239</b>	<b>100.00</b>

**List of Persons holding more than 1% if total number of shares as on March 31, 2018**

SI No	Name of Shareholders	No. of Shares	% of Share Capital
<b>A. Promoters &amp; Promoter Group</b>			
1.	Solomed Capital Pte. Ltd	62596302	63.6922
2.	Nalinkant Amratlal Rathod	8126383	8.2685
<b>B. Public</b>			
1.	Springboard Pacific Enterprise Inc.	14335631	14.5866
2.	Savitri N Swamy	4624522	4.7054
3.	Sri Jaya Incorporated	1909750	1.9431
4.	Saraswathi Kuppaswami	1038700	1.0569

**Distribution Schedule of Share Holding as on March 31, 2018**

Holding of number of Shares or Debentures	Share/Debenture (Holders)		Shares/Debentures (Amount)	
	Number	%	Rs.	%
1 - 5000	22882	97.0234	8069660	0.8210
5001 - 10000	271	1.1490	2359500	0.2400
10001 - 20000	172	0.7293	2687910	0.2734
20001 - 30000	70	0.2968	1785370	0.1816
30001 - 40000	27	0.1144	992860	0.1010
40001 - 50000	43	0.1823	2045730	0.2081
50001 - 100000	52	0.2204	3842280	0.3909
100001 - And Above	67	0.2840	961009080	97.7835
<b>Total</b>	<b>23584</b>	<b>100.000</b>	<b>982792390</b>	<b>100.000</b>

**Reconciliation of Share Capital Audit**

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

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

**Dematerialization of Shares & Liquidity**

At the end of March 31, 2018, shares comprising approximately 99.40% of the Company's Equity Share Capital have been dematerialized.

Status on Dematerialised Shares (Equity ISIN No INE298E01022)

Mode	No of Shares	% to paid up Capital
Physical	590751	0.6011
NSDL/CDSL	97688488	99.3989
	<b>98279239</b>	<b>100.00</b>

**Investor Correspondence**

For any queries, investors are requested to get in touch with the Secretarial department at 204, Sakar complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, Baroda- 390 015. Any investor complaints may be mailed to [restile@accountsare.com](mailto:restile@accountsare.com)

**Usage of electronic payment modes of making cash payments to the investors**

SEBI vide its Circular No. CIR / MRD/DP/10/2013 dated March 21, 2013 has instructed all Companies for making cash payments to the investors, companies whose securities are listed on Stock Exchange shall use, either directly or through their RTI & STA, any RBI

(Reserve Bank of India) approved electronic mode of payment such as ECS (LocalECS) / RECS (Regional ECS) / NECS (National ECS), NEFT etc.

Investors are requested to kindly provide their requisite bank account particulars by quoting their reference folio number(s) in case shares are held in physical form.

In case shares are held in dematerialized form, investors may kindly provide the requisite bank account details to their Depository Participant, to ensure that future dividend payments are correctly credited to the respective account.

**Location of Manufacturing Units of Company**

Malkapur Village,  
Hatnoora Mandal, Narsapur Taluk,  
Medak District-502 296,  
Telangana

**DECLARATION BY THE MANAGING DIRECTOR UNDER PARA D OF SCHEDULE V OF SEBI  
(LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS,  
2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT**

In accordance with para D of Schedule V of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with their respective Codes of Conduct, as applicable to them, for the financial year ended March 31, 2018.

Place: chennai  
Date: 26.5.18

For RESTILE CERAMICS LIMITED  
Tribhuvan Simh Rathod  
Managing Director

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**COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO)**

We, Tribhuvan Simh Rathod, Managing Director and Subba Rao Maddula, CFO of Restile Ceramics Limited, to the best of our knowledge and belief, certify that:

- A.** We have reviewed the financial statements and the cash flow statement for the year under review and to the best of our knowledge and belief:
1. these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading;
  2. these statements together present a true and fair view of the Company'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 year which are fraudulent, illegal or violative of the Company's code of conduct.
- C.** We are responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and disclosed to the auditors and audit committee, the deficiencies in the design and operation of such internal controls and the steps taken to rectify these deficiencies.
- D.** We have indicated to the auditors and the audit committee that
1. there are no significant changes in internal control over financial reporting during the year.
  2. there are no significant changes in accounting policies during the year .
  3. there are no frauds of which we are aware, that involves management or other employees who have a significant role in the Company's internal control system.

Tribhuvan Simh Rathod  
Managing Director

Subba Rao Maddula  
CFO

Place: Chennai  
Date: 26.05.2018

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF RESTILE CERAMICS LIMITED

Report on the Ind AS financial statements

1. We have audited the accompanying Ind AS financial statements of **RESTILE CERAMICS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

#### Management's Responsibility for the Ind AS financial statements

2. 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act as applicable.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
4. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
5. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.
6. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

#### Basis for Qualified Opinion

7. The Company has generated negative operating cash flows, incurred substantial operating losses and significant deterioration in value of assets used to generate cash flows all of which indicate existence of material uncertainty in the Company's ability to continue as a going concern for a reasonable period of time. The attached Ind AS financial statements do not include any adjustments that might result had the above uncertainties been known.
8. The Company's building is carried in the books at a value of Rs. 749.50 lakhs as at March 31, 2018. Independent valuation of the same during the current year has indicated impairment in value of Rs.376.20 lakhs which ought to be recognized in the Statement of Profit and Loss for the period. However, the Company has represented that under the rehabilitation scheme sanctioned by BIFR in 2002, a reserve of Rs.754.44 Lakhs had been created (upon capital reduction) towards adjustment of possible impairment in value of Property, plant and Equipment and that Steps are being initiated to adjust the impairment

in value against the reserve with the approval of NCLT. Consequently, the said impairment in value of Building has not been recognized in the Statement.

**Opinion**

9. 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its loss for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

10. As required by Section 143(3) of the Act, 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.
- (c) The Balance Sheet, the Statement of Profit and Loss (including other Comprehensive Income), and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, *except for the effect of the matters described in the Basis for qualified opinion in paragraph 8*, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act as applicable.
- (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses a modified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The company has, in accordance with the generally accepted accounting practice, disclosed the impact of pending litigations on its financial position in its Ind AS financial statements - Also Refer Note 38 to the Ind AS financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting standards.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

11. As required by the Companies (Auditor's Report) Order, 2017 ("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 M.S. Krishnaswami & Rajan**

Chartered Accountants  
Registration No. 01554S

**M.S. Murali**

Partner  
Membership No. 26453  
May 26, 2018  
Chennai



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

(Referred to in paragraph 10(f) under 'Report on Other Legal and Regulatory Requirements'  
section of our report of even date)

### Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. We have audited the internal financial controls over financial reporting of Restile Ceramics Limited ("the Company") as of March 31, 2018 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

2. 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 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 Companies Act, 2013.

#### Auditors' Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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 over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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.
5. 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 system over financial reporting.

#### Meaning of Internal Financial Controls Over Financial Reporting

6. A company's internal financial control over financial reporting 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 over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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

7. Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk



that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Qualified Opinion**

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2018:

*The Company does not have an appropriate internal control system for assessing and recognising impairment to the Fixed Assets of the Company and this could potentially result in the Company recognising Fixed Assets at erroneous values.*

9. A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.
10. In our opinion and to the best of our information and according to the explanations given to us, except for the effects/possible effects of the material weakness described in paragraph 8 above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.
11. We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company for the year ended March 31, 2018, and the said material weakness has affected our opinion on the financial statements of the Company and we have accordingly, issued a qualified opinion on the financial statements of the Company for the year ended March 31, 2018.

**For M.S. Krishnaswami & Rajan**

Chartered Accountants  
Registration No. 01554S

**M.S. Murali**

Partner  
Membership No. 26453

May 26, 2018  
Chennai

## ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

**(Referred to in paragraph 11 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date on the accounts of RESTILE CERAMICS LIMITED ("the Company") for the year ended March 31, 2018)**

- (i) In respect of its fixed assets:
- (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets. The same, however, needs to be updated.
- (b) The fixed assets are being physically verified, which, in our opinion, is reasonable having regard to the nature and value of its assets, and no material discrepancies have been noticed on such verification carried out during the year.
- (c) On the basis of documents of title produced to us and the information and explanations produced to us, we are of the opinion that the title deeds of immovable properties of the Company are held in its name.
- (ii) The inventories have been physically verified at the year-end and no material discrepancies have been reported that needs to be dealt with in books of accounts.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013
- (iv) The Company has not granted any loans, made investments, provided guarantees and security covered under provisions of section 185 and 186 of the Companies Act, 2013.
- (v) According to information and explanations given to us, the Company has not accepted any deposits from the public during the year and accordingly, the provisions of Clause 5 of paragraph 3 of the Order are not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under section 148 of the Companies Act, 2013 are not applicable to the Company.
- (vii) According to the information and explanations given to us and the books of account examined by us, in respect of statutory dues:
- (a) Delays were noticed in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, sales tax, service tax, excise, value added tax and other statutory dues with the appropriate authorities during the year. The arrears of such dues outstanding for more than six months as at March 31, 2018 are:

Nature of Dues	Amount (Rs. Lakhs)
Sales Tax	20.07
VAT	0.97

We are informed that the delays were caused due to financial constraints.

- (b) There are no dues of income tax, service tax, excise duty, cess and customs duty, which have not been deposited on account of any dispute except as stated below.

Nature of Dues	Amount (Rs. Lakhs)
Income tax demand	4.91

- (viii) There are no loans or borrowings from financial institution, government, banks or in the form of debentures.
- (ix) There are no monies raised during the year by way of public offer or further public offer (including debt instruments) and term loans.
- (x) To the best of our knowledge and belief, and according to the information and explanations given to us, and considering the size and nature of the Company's operations, no fraud by the Company and no fraud of material significance on the Company by its officers or employees has been noticed or reported during the year.

- (xi) In our opinion and according to the information and explanations given to us, the Company has not paid/provided managerial remuneration during the current year and hence our commenting on whether such remuneration is in accordance with section 197 of the Companies Act 2013 does not arise.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of Paragraph 3 of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us the Company has complied with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements (refer Note 36.1) as required by the applicable accounting standards.
- (xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of paragraph 3 of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions during the year with its directors or persons connected with him and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For M.S. Krishnaswami & Rajan**

Chartered Accountants  
Registration No. 01554S

**M.S. Murali**

Partner  
Membership No. 26453

May 26, 2018  
Chennai

**BALANCE SHEET AS AT 31ST MARCH, 2018**

Particulars	Note No. in Part B	As at	As at	As at
		March 31, 2018	March 31, 2017	April 1, 2016
		₹ in lakhs	₹ in lakhs	₹ in lakhs
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, plant and equipment	1	3,033.13	4,153.62	4,867.16
(b) Capital work-in-progress		196.14	196.14	196.14
(c) Financial assets				
-Other Financial assets	2	6.74	6.74	120.60
		<b>3,236.01</b>	<b>4,356.50</b>	<b>5,183.90</b>
<b>Current assets</b>				
(a) Inventories	3	373.36	351.57	419.20
(b) Financial assets				
(i) Trade receivables	4	2.49	19.44	56.22
(ii) Cash and cash equivalents	5	17.63	2.29	5.39
(iii) Bank balances other than (ii) above		-	-	-
(iv) Others	6	99.84	0.36	3.73
(c) Other current assets	7	76.62	193.80	191.88
		<b>569.94</b>	<b>567.46</b>	<b>676.42</b>
<b>TOTAL ASSETS</b>		<b>3,805.95</b>	<b>4,923.96</b>	<b>5,860.32</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity share capital	8	9,827.92	9,827.92	9,827.92
(b) Other equity	9	(10,223.95)	(9,910.09)	(9,161.22)
<b>TOTAL EQUITY</b>		<b>(396.03)</b>	<b>(82.17)</b>	<b>666.70</b>
<b>LIABILITIES</b>				
Non-current liabilities				
(a) Financial liabilities				
-Other financial liabilities	10	-	46.50	95.07
(b) Provisions	11	13.11	13.29	11.52
(c) Deferred tax liabilities (net)	12	-	-	-
		<b>13.11</b>	<b>59.79</b>	<b>106.59</b>
<b>Current liabilities</b>				
(a) Financial liabilities				
(i) Borrowings	13	3,921.74	4,146.48	3,365.40
(ii) Trade payables	14	71.13	112.81	947.20
(iii) Other financial liabilities	15	139.98	161.33	190.71
(b) Provisions	16	1.11	1.07	2.21
(c) Other current liabilities	17	54.91	524.65	581.51
		<b>4,188.87</b>	<b>4,946.34</b>	<b>5,087.03</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,805.95</b>	<b>4,923.96</b>	<b>5,860.32</b>

The accompanying notes in Part A and Part B form an integral part of the financial statements.

As per our Report of even date attached

For and on behalf of the Board

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

**Tribhuvan Simh Rathod**  
Managing Director  
DIN:01996833

**Narayanan Subramanian**  
Director  
DIN:02577983

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

**M. Subbarao**  
Chief Financial Officer

**Rekha Singh**  
Company Secretary

**Place :** Chennai  
**Date :** May 26, 2018

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Note No. in Part B	Year ended	Year ended
		March 31, 2018	March 31, 2017
		₹ in lakhs	₹ in lakhs
<b>INCOME</b>			
Revenue from operations	18	66.25	25.96
Other income	19	42.53	2.42
<b>Total Income</b>		<b>108.78</b>	<b>28.38</b>
<b>EXPENSES</b>			
Cost of materials and consumed	20	-	10.10
Purchases of stock-in-trade- Traded Goods	21	85.53	0.29
Changes in inventories of finished goods, stock-in-trade and work-in-progress.	22	(27.85)	21.25
Excise duty on sale of goods		0.18	2.18
Employee benefits expense	23	35.82	51.01
Finance costs	24	0.17	3.04
Depreciation and amortisation expense	25	625.95	690.44
Other expenses	26	46.77	41.26
<b>Total Expenses</b>		<b>766.57</b>	<b>819.57</b>
<b>Profit/(Loss) before exceptional items and tax</b>		<b>(657.79)</b>	<b>(791.19)</b>
Exceptional items	27	349.98	42.06
<b>Profit/(Loss) before tax</b>		<b>(307.81)</b>	<b>(749.13)</b>
<b>Tax expense:</b>			
Current tax		-	-
Current tax- Prior year charge		6.65	-
Deferred tax		-	-
		<b>6.65</b>	<b>-</b>
<b>Profit/(Loss) for the year</b>		<b>(314.46)</b>	<b>(749.13)</b>
<b>Other Comprehensive Income</b>			
A. Items that will not be reclassified to Profit or Loss			
- Remeasurement of defined benefit plans		0.61	0.26
- 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>0.61</b>	<b>0.26</b>
<b>Total Comprehensive Income for the year</b>		<b>(313.85)</b>	<b>(748.87)</b>
Earnings per equity share (Face value Re.10 each)		(0.32)	(0.76)
- Basic and Diluted (in Rs.)			

The accompanying notes in Part A and Part B form an integral part of the financial statements.

As per our Report of even date attached

For and on behalf of the Board

**For M.S. Krishnaswami & Rajan**

Chartered Accountants  
Firm Registration No.01554S

**M.S. Murali**

Partner  
Membership No.26453

**Tribhuvan Simh Rathod**

Managing Director  
DIN:01996833

**M. Subbarao**

Chief Financial Officer

**Narayanan Subramanian**

Director  
DIN:02577983

**Rekha Singh**

Company Secretary

Place : Chennai

Date : May 26, 2018

## STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH ,2018

Particulars		Year ended	Year ended
		March 31, 2018	March 31, 2017
		₹ in lakhs	₹ in lakhs
<b>Cash flow from operating activities</b>			
<b>Profit/ (Loss) before tax</b>		(307.82)	(749.13)
Adjustments for -		-	
Depreciation & Amortisation expense		625.95	690.44
Finance cost		0.17	3.04
Profit on sale of Property, Plant & Equipment		(385.47)	(120.90)
Unrealised exchange loss/(gain)		-	0.32
Unclaimed balances written back		(41.95)	(1.77)
Interest income		(0.48)	(0.65)
<b>Operating profit/ (loss) before working capital changes</b>		<b>(109.60)</b>	<b>(178.65)</b>
Adjustments for changes in -			
Trade receivables		16.95	36.46
Inventories		(21.79)	67.62
Non current and current Financial Assets		(99.48)	117.23
Other non current and current Assets		117.19	(1.94)
Trade payables		(41.68)	(842.02)
Non current and current Financial Liabilities		(67.85)	(70.62)
Other Non current and current Liabilities		(434.44)	(54.79)
Other Non current and Current provisions		0.47	0.89
<b>Cash generated from operations</b>		<b>(640.23)</b>	<b>(925.81)</b>
Income Tax (net)		-	
<b>Net cash from operating activities</b>	<b>A</b>	<b>(640.23)</b>	<b>(925.81)</b>
<b>Cash flow from Investing activities</b>			
Payments for acquisition of Property, plant & equipment		-	-
Proceeds from disposal of Property, plant & equipment		880.01	144.00
Interest Received		0.48	0.65
<b>Net cash from investing activities</b>	<b>B</b>	<b>880.48</b>	<b>144.66</b>
<b>Cash flow from financing activities</b>			
Proceeds from Non current Borrowings		-	-
Repayments of Non current Borrowings		-	-
Proceeds from current Borrowings		-	781.08
Repayments of current Borrowings		(224.91)	-
Interest Paid		-	(3.04)
<b>Net cash (used in) financing activities</b>	<b>C</b>	<b>(224.91)</b>	<b>778.04</b>

Particulars		Year ended March 31, 2018	Year ended March 31, 2017
		₹ in lakhs	₹ in lakhs
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>[A+B+C]</b>	<b>15.34</b>	<b>(3.10)</b>
<b>Cash and cash equivalents</b>			
At beginning		2.29	5.39
At end		17.63	2.29

The accompanying notes in Part A and Part B form an integral part of the financial statements.

As per our report of even date

**For and on behalf of the Board**

**For M.S. Krishnaswami & Rajan**

Chartered Accountants  
Firm Registration No.01554S

**Tribhuvan Simh Rathod**

Managing Director  
DIN:01996833

**Narayanan Subramanian**

Director  
DIN:02577983

**M.S. Murali**

Partner  
Membership No.26453

**M. Subbarao**

Chief Financial Officer

**Rekha Singh**

Company Secretary

**Place :** Chennai

**Date :** May 26, 2018

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2018

## A. Equity Share Capital

₹ in lakhs

Balance at the beginning of April 1, 2016	Changes in equity share capital during the year	Balance at the end of March 31, 2017	Changes in equity share capital during the year	Balance at the end of March 31, 2018
9,827.92	-	9,827.92	-	9,827.92

## B. Other Equity

₹ in lakhs

Particulars	Capital Reduction Reserve	Retained Earnings	Items of Other Comprehensive Income	Total
	(i)	(ii)	(iii)	
<b>Balance at the beginning of April 1, 2016</b>	<b>754.44</b>	<b>(9,915.66)</b>		<b>(9,161.22)</b>
Profit/(Loss) for the year		(749.13)		
Other comprehensive income		0.26		
<b>Total Comprehensive Income for the year</b>		<b>(748.87)</b>		<b>(748.87)</b>
<b>Balance at the end of March 31, 2017</b>	<b>754.44</b>	<b>(10,664.53)</b>		<b>(9,910.09)</b>
Profit/(Loss) for the year		(314.46)		
Other comprehensive income		0.61		
<b>Total Comprehensive Income for the year</b>		<b>(313.85)</b>		<b>(313.85)</b>
<b>Balance at the end of March 31, 2018</b>	<b>754.44</b>	<b>(10,978.39)</b>		<b>(10,223.95)</b>

As per our Report attached

For and on behalf of the Board

**For M.S. Krishnaswami & Rajan**Chartered Accountants  
Firm Registration No.01554S**Tribhuvan Simh Rathod**Managing Director  
DIN:01996833**Narayanan Subramanian**Director  
DIN:02577983**M.S. Murali**Partner  
Membership No.26453**M. Subbarao**

Chief Financial Officer

**Rekha Singh**

Company Secretary

Place : Chennai

Date : May 26, 2018



## NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

## Note 1- Property, Plant and Equipme

₹ in lakhs

2017-18	Gross Carrying Amount				Depreciation/Amortisation				Net Carrying Amount
Description	As at 01.4.2017	Additions	Deletions	As at 31.3.2018	As at 01.4.2017	Charge during the year	Disposal	As at 31.3.2018	As at 31.3.2018
Land - Freehold land	65.11	-	-	65.11	-	-	-	-	65.11
Buildings	816.25	-	-	816.25	28.71	38.04	-	66.75	749.50
Plant and Equipment	3,948.89	-	949.13	2,999.76	648.49	587.48	454.59	781.38	2,218.38
Furniture and Fixtures	3.94	-	-	3.94	3.37	0.43	-	3.80	0.14
Vehicles	0.02	-	-	0.02	0.02	-	-	0.02	-
<b>Total</b>	<b>4,834.21</b>	<b>-</b>	<b>949.13</b>	<b>3,885.08</b>	<b>680.59</b>	<b>625.95</b>	<b>454.59</b>	<b>851.95</b>	<b>3,033.13</b>

**Capital Work in Progress** 196.14

196.14

₹ in lakhs

2016-17	Gross Carrying Amount				Depreciation/Amortisation				Net Carrying Amount
Property, plant and equipmen	Deemed Cost as on 1.4.16	Additions	Deletions	As at 31.3.2017	Upto 01.04.2016 (Refer Note )	Charge during the year	Disposal	As at 31.3.2017	As at 31.3.2017
Land - Freehold land	65.11	-	-	65.11	-	-	-	-	65.11
Buildings	849.20	-	32.95	816.25	-	38.56	9.85	28.71	787.54
Plant and Equipment	3,948.89	-	-	3,948.89	-	648.49	-	648.49	3,300.40
Furniture and Fixtures	3.94	-	-	3.94	-	3.37	-	3.37	0.57
Vehicles	0.02	-	-	0.02	-	0.02	-	0.02	-
<b>Total</b>	<b>4,867.16</b>	<b>-</b>	<b>32.95</b>	<b>4,834.21</b>	<b>-</b>	<b>690.44</b>	<b>9.85</b>	<b>680.59</b>	<b>4,153.62</b>
<b>Capital Work in Progress</b>	<b>196.14</b>								<b>196.14</b>

(a) 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 1.4.2016'.

(b) The Company has made an assessment of the PPE considering product and technological obsolescence, process change, replacement and realisable value as at 1.4 2016 to bring down the carrying value less cost of disposal and recognise impairment, if any, through the Statement of Profit and Loss. Impairment recognised during the year is Rs. Nil (2017-Nil). Refer Note.9

**Note 2 - Non-Current Financial Asset**

₹ in lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Security deposits	6.74	6.74	120.60
<b>Total</b>	<b>6.74</b>	<b>6.74</b>	<b>120.60</b>

**CURRENT ASSETS****Note 3 - Inventories**

₹ in lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Raw materials	68.43	68.43	68.43
(b) Work-in-progress	18.69	19.81	28.65
(c) Finished goods	125.87	102.96	161.74
(d) Stores and spares	160.37	160.37	160.38
	<b>373.36</b>	<b>351.57</b>	<b>419.20</b>

**Note:**

- 3.1. Cost of materials consumed (including cost of purchased goods) during the year is Rs.57.68 lakhs (2016-17 Rs.31.64 lakhs)
- 3.2 The amount of write down of inventory recognised as expense during the year is Rs.Nil
- 3.3 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
- 3.4 Reversal of write down is recognised as a reduction in the amount of inventories recognised as an expense due to the increase in sale prices in the future periods Rs. Nil ( 2016-17 Rs.40.03 lakhs)

**Note 4 - Trade Receivables**

₹ in lakhs

	As at March 31 2018	As at March 31 2017	As at April 1, 2016
Trade Receivables - Unsecured			
<b>Considered Good</b>			
-Related Parties	-	-	-
-Others	2.49	19.44	56.22
<b>Considered Doubtful</b>			
Less : Allowance for Doubtful debts		-	7.25
		-	(7.25)
<b>Total</b>	<b>2.49</b>	<b>19.44</b>	<b>56.22</b>

**Note 5 - Cash And Cash Equivalents**

₹ in lakhs

	As at March 31 2018	As at March 31 2017	As at April 1, 2016
Balances with banks in current account	17.10	2.29	0.59
Cash on hand	0.53	-	4.80
<b>Total</b>	<b>17.63</b>	<b>2.29</b>	<b>5.39</b>

**Note 6 - Others-Current Financial Assets**

₹ in lakhs

	As at March 31 2018	As at March 31 2017	As at April 1, 2016
Unsecured, considered good			
(a) Employee advances	-	-	2.25
(b) Interest accrued on deposits	0.63	0.36	1.48
(b) Receivable for sale of machinery	99.21	-	-
	<b>99.84</b>	<b>0.36</b>	<b>3.73</b>

**Note 7 - Other Current Assets**

₹ in lakhs

	As at March 31 2018	As at March 31 2017	As at April 1, 2016
(Unsecured, considered good)			
a) Prepaid expenses	0.07	0.07	0.63
b) Advances to suppliers	-	-	0.78
c) Balances with Government authorities			
- Service Tax Credit	-	67.04	-
- Balances with Central Excise	-	123.57	188.82
- GST Credit	74.34	-	-
(d) Refund of income tax	1.50	3.12	1.65
(e) Taxes paid under protest	0.71		
	<b>76.62</b>	<b>193.80</b>	<b>191.88</b>

**Note 8 - Equity Share Capital**

₹ in lakhs

	As at March 31 2018	As at March 31 2017	As at April 1, 2016
<b>Authorised</b>			
10,00,00,000 (2017 and 2016: 10,00,00,000) Equity shares of Rs.10 each with voting rights.	10,000.00	10,000.00	10,000.00
<b>Issued</b>			
9,82,79,239 (2017 and 2016: 9,82,79,239) Equity shares of Rs.10 each with voting rights	9,827.92	9,827.92	9,827.92
<b>Subscribed and fully paid up</b>			
9,82,79,239 (2017 and 2016: 9,82,79,239) Equity shares of Rs.10 each with voting rights	9,827.92	9,827.92	9,827.92
	<b>9,827.92</b>	<b>9,827.92</b>	<b>9,827.92</b>

**Notes:****8.1 Reconciliation of the number of equity shares as at the beginning and end of the year.**

	(in lakhs) No. of Shares	(in lakhs) No. of Shares	(in lakhs) No. of Shares
Opening balance	982.79	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>982.79</b>

**8.2 Details of shareholders holding more than 5% equity shares in the company.**

Name of shareholder	2018 %	No. of shares (in lakhs)	2017 %	No. of shares (in lakhs)	2016 %	No. of shares (in lakhs)
1. Mr Nalinkant Amratlal Rathod	8.27	81.26	8.27	81.26	8.27	81.26
2. Solomed Capital Pte Ltd- Holding Company	63.69	625.96	63.69	625.96	63.69	625.96
3. Spring Board Pacific Enterprised Inc.	14.58	143.36	14.58	143.36	14.58	143.36
4. RGN Swamy	-	-	0.01	0.067	5.83	54.87

**8.3 Rights, preferences and restrictions in respect of equity shares issued by the Company**

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 provisions of the Companies Act, 2013.

**8.4 Shares issued in preceding 5 years**

Aggregate number of shares allotted as fully paid up pursuant to contract without payment being received on cash, bonus shares and shares bought back in the 5 years immediately preceding the Balance Sheet date- Nil (2017-Nil)

**Note 9 - OTHER EQUITY**

₹ in lakhs

		As at March 31 2018	As at March 31 2017	As at April 1, 2016
A) Capital Reduction Reserve	A	754.44	754.44	754.44
B) Retained earnings	B	(10,978.39)	(10,664.53)	(9,915.66)
		<b>(10,223.95)</b>	<b>(9,910.09)</b>	<b>(9,161.22)</b>

**Notes:**

9.1 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 represents a reserve created towards adjustment of possible impairment in value of Property, Plant and Equipment under the rehabilitation scheme sanctioned by BIFR in 2002. Independent Valuation carried out during the current year has indicated impairment in value of building as at April 1, 2017 to the extent of Rs.376.20 lakhs only. Steps are being initiated to adjust the impairment in value against the reserve with the approval of National Company Law Tribunal.

9.2. Retained earnings represent surplus in the Statement of Changes in Equity column (B).

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

**Note 10 - NON-CURRENT FINANCIAL LIABILITIES - OTHERS**

	As at March 31 2018	As at March 31 2017	As at April 1, 2016
Security deposits received from dealers	-	46.50	95.07
	-	46.50	95.07

**Note 11 - NON-CURRENT PROVISIONS**

	As at March 31 2018	As at March 31 2017	As at April 1, 2016
Provision for employee benefits:			
a) Gratuity	12.75	12.84	11.11
b) Leave Encashment	0.36	0.45	0.41
	<b>13.11</b>	<b>13.29</b>	<b>11.52</b>

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

Particulars	Balance as at 1.04.2016	Addition/ Reversal	Balance as at 31.03.2017	Addition/ (Reversal)	Balance as at 31.03.2018
Gratuity	13.20	0.53	13.72	(0.01)	13.71
Leave encashment	0.53	0.10	0.64	(0.13)	0.51

**Note 12 - DEFERRED TAX LIABILITY**

₹ in lakhs

	As at March 31 2018	As at March 31 2017	As at April 1, 2016
Deferred Tax (Assets)	(224.68)	(505.42)	(564.39)
Deferred Tax Liability	224.68	505.42	564.39
<b>Total</b>	-	-	-

Refer Note 30.2 for details

**Note 13 - CURRENT FINANCIAL LIABILITIES-BORROWINGS**

	As at March 31 2018	As at March 31 2017	As at April 1, 2016
Secured			
Loans repayable on demand			
-From banks		-	16.34
Unsecured- Related Parties			
- From Directors	3,921.74	4,146.48	3,114.41
- From other companies		-	234.65
<b>Total</b>	<b>3,921.74</b>	<b>4,146.48</b>	<b>3,365.40</b>

**13.1 Details of security for the secured short-term borrowings:**

Particulars	Nature of security	As at March 31 2018	As at March 31 2017	As at April 1, 2016
<b>Loans repayable on demand from banks:</b>				
Cash Credit -State Bank of India	Secured by hypothecation of Stocks,Stores,spares and consumables, Receivables and equitable Mortgage of 3rd Floor Premises in Varun Towers Begumpet.			16.34
<b>Total - from banks</b>			-	16.34

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

13.3 Refer Note 36 for Related party transactions.

**Note 14 - CURRENT FINANCIAL LIABILITIES- TRADE PAYABLES**

₹ in lakhs

	As at March 31 2018	As at March 31 2017	As at April 1, 2016
Trade Payables			
Total outstanding dues of micro enterprises and small enterprises	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	71.13	112.81	947.20
<b>Total</b>	<b>71.13</b>	<b>112.81</b>	<b>947.20</b>

14.1 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/period together with interest paid/payable if any under the said Act have not been furnished.

**Note 15 - CURRENT FINANCIAL LIABILITIES - OTHERS**

₹ in lakhs

	As at March 31 2018	As at March 31 2017	As at April 1, 2016
a) Dues to employees	24.67	56.01	23.27
b) Creditors for expenses	68.67	105.18	167.30
c) Security Deposits	46.50	-	-
d) Others	0.14	0.14	0.14
	<b>139.98</b>	<b>161.33</b>	<b>190.71</b>

**Note 16 - CURRENT PROVISIONS**

₹ in lakhs

	As at March 31 2018	As at March 31 2017	As at April 1, 2016
Provision for employee benefits:			
a) Gratuity	0.96	0.88	2.09
b) Leave encashment	0.15	0.19	0.12
	<b>1.11</b>	<b>1.07</b>	<b>2.21</b>

16.1. Refer Note 11.1 with regard to movement in provisions

**Note 17 - OTHER CURRENT LIABILITIES**

	As at March 31 2018	As at March 31 2017	As at April 1, 2016
a) Advances from customers	27.83	499.49	544.52
b) Statutory remittances due	27.08	25.16	36.99
	<b>54.91</b>	<b>524.65</b>	<b>581.51</b>

**Note 18 - REVENUE FROM OPERATIONS**

₹ in lakhs

	For the year ended 31st March 2018	For the year ended 31st March 2017
a) Sale of Goods :		
- Vitrified Tiles	66.25	20.63
- Feldspar and Quartz lumps	-	3.27
	66.25	23.90
b) Other Operating Income		
-Others	-	2.06
<b>Total Revenue from operations</b>	<b>66.25</b>	<b>25.96</b>

18.1 In accordance with the requirements of Ind AS 18, Revenue from Operations for the year ended March 31, 2018 is shown net of Goods and Service Tax (GST). However, Revenue from Operations for the previous financial year is shown inclusive of excise duty. For comparison purposes revenue excluding excise duty is given below:-

Particulars	Year ended March 31, 2018 (Rs. In lakhs)	Year ended March 31, 2017 (Rs. In lakhs)
Revenue from operations (Gross)	66.25	25.96
Less: Excise Duty	0.18	2.18
<b>Revenue from operations (Net)</b>	<b>66.07</b>	<b>23.78</b>

**Note 19 - OTHER INCOME**

a) Interest income	0.48	0.65
b) Unclaimed balances written back	41.95	1.77
c) Miscellaneous Income	0.10	-
	<b>42.53</b>	<b>2.42</b>

**Note 20 - COST OF MATERIALS CONSUMED**

Opening Stock	68.43	68.43
Add: Purchases	-	10.10
Less: Closing stock	68.43	68.43
<b>Cost of material consumed</b>	<b>-</b>	<b>10.10</b>

**Note 21- STOCK IN TRADE**

Purchase of unglazed fully vitrified ceramic Tiles	85.53	0.29
<b>Total</b>	<b>85.53</b>	<b>0.29</b>

**Note 22 - CHANGES IN INVENTORIES OF WORK-IN-PROCESS AND FINISHED GOODS**

<b>Opening Stock</b>		
Work-in-Progress	19.81	28.65
Finished goods	102.96	161.74
<b>Total</b>	<b>122.77</b>	<b>190.39</b>
<b>Closing Stock</b>		
Work-in-Progress	18.69	19.81
Finished goods	125.87	102.96
<b>Total</b>	<b>144.56</b>	<b>122.77</b>
(Increase)/decrease in value of Finished goods and Work-in-process	(21.79)	67.62
Increase/(decrease) in excise duty content in Finished Goods	(6.06)	(6.03)
Less: Reversal of write down in the value of stock	-	(40.34)
Net Movement in Finished goods and Work-in-process	(27.85)	21.25

**Note 23- EMPLOYEE BENEFITS EXPENSES**

a) Salaries and wages	31.62	45.53
b) Contributions to provident funds	1.38	1.71
c) Staff welfare expenses	1.97	2.99
d) Gratuity	0.85	0.78
<b>Total</b>	<b>35.82</b>	<b>51.01</b>

**Note 24 - FINANCE COSTS**

a) Interest expense on:		
- Working Capital	-	2.97
b) Bank Charges	0.17	0.07
<b>Total</b>	<b>0.17</b>	<b>3.04</b>

**Note 25 - DEPRECIATION**

a) Building	38.04	38.56
b) Plant and Equipment	587.48	648.49
c) Furniture and fittings	0.43	3.37
d) Vehicles	-	0.02
e) Office Equipments	-	-
<b>Total</b>	<b>625.95</b>	<b>690.44</b>

**Note 26 - OTHER EXPENSES**

a) Consumption of stores and spares		
b) Power	11.57	9.28
c) Rent	-	0.82
d) Repairs and maintenance - Others	1.12	0.73
e) Insurance	0.51	0.90
f) Rates and taxes	1.39	2.14
Less : classified under		
g) Communication	1.19	1.35
h) Sales commission	1.61	0.10
i) Advertisement	0.46	0.25
j) Business promotion	1.24	0.31
k) Legal and professional	5.54	2.98
l) Payments to auditors	4.25	4.00
m) Directors Sitting Fees	2.80	1.58
n) Vehicle expenses	2.27	3.37
o) Listing Fees	3.17	4.75
p) AGM Expenses	8.55	7.38
q) Electricity charges	0.18	0.06
r) Miscellaneous expenses	0.92	1.26
<b>Total</b>	<b>46.77</b>	<b>41.26</b>
Payments to the Auditors toward:		
-Statutory Audit	3.50	3.50
- Taxation matters	-	0.50
<b>Total</b>	<b>3.50</b>	<b>4.00</b>

**Note 27 - EXCEPTIONAL ITEMS**

Profit /(Loss) on sale of Property, Plant and Equipment	385.47	120.90
Rates and Taxes	(35.49)	(78.84)
<b>Total</b>	<b>349.98</b>	<b>42.06</b>

Exceptional items includes profit/loss on sale of fixed assets in the normal course of business which has been disclosed as exceptional in view of the impact on the results for the year.



## 28. Ind AS Reconciliations:

## 28.1 Balance Sheet

Particulars	Note	Previous GAAP	Transition Effect	Ind AS	Previous GAAP	Transition Effect	Ind AS
		As at March 31, 2017 Rs. Lakhs	As at March 31, 2017 Rs. Lakhs	As at March 31, 2017 Rs. Lakhs	As at April 1, 2016 Rs.Lakhs	As at April 1, 2016 Rs.Lakhs	As at April 1, 2016 Rs.Lakhs
<b>ASSETS</b>							
<b>Non-current assets</b>							
Property, plant and equipment		4,153.62	-	4,153.62	4,867.16	-	4,867.16
Capital work-in-progress		196.14	-	196.14	196.14	-	196.14
Financial Assets							
Others		6.74	-	6.74	120.60	-	120.60
		<b>4,356.50</b>	<b>-</b>	<b>4,356.50</b>	<b>5,183.90</b>	<b>-</b>	<b>5,183.90</b>
<b>Current assets</b>							
Inventories		351.57	-	351.57	419.20	-	419.20
Financial Assets							
(i) Trade Receivables		19.44	-	19.44	56.22	-	56.22
(ii) Cash and cash equivalents		2.29	-	2.29	5.39	-	5.39
(iii) Bank balances other than (ii) above							
(v) Others		0.36	-	0.36	3.73	-	3.73
Other current assets		193.80	-	193.80	191.88	-	191.88
		<b>567.46</b>	<b>-</b>	<b>567.46</b>	<b>676.42</b>	<b>-</b>	<b>676.42</b>
<b>TOTAL ASSETS</b>		<b>4,923.96</b>	<b>-</b>	<b>4,923.96</b>	<b>5,860.32</b>	<b>-</b>	<b>5,860.32</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
Equity Share capital		9,827.92	-	9,827.92	9,827.92	-	9,827.92
Other Equity		(9,910.09)	-	(9,910.09)	(9,161.22)	-	(9,161.22)
		<b>(82.17)</b>	<b>-</b>	<b>(82.17)</b>	<b>666.70</b>	<b>-</b>	<b>666.70</b>
<b>Liabilities</b>							
<b>Non-current liabilities</b>							
Financial Liabilities							
Other financial liabilities		46.50	-	46.50	95.07	-	95.07
Provisions		13.29	-	13.29	11.52	-	11.52
Deferred tax liabilities (Net)		-	-	-	-	-	-
		<b>59.79</b>	<b>-</b>	<b>59.79</b>	<b>106.59</b>	<b>-</b>	<b>106.59</b>
<b>Current liabilities</b>							
Financial Liabilities							
(i) Borrowings		4,146.48	-	4,146.48	3,365.40	-	3,365.40
(ii) Trade Payables		112.81	-	112.81	947.20	-	947.20
(iii) Other financial liabilities		161.33	-	161.33	190.71	-	190.71
Provisions		1.07	-	1.07	2.21	-	2.21
Other current liabilities		524.65	-	524.65	581.51	-	581.51
		<b>4,946.34</b>	<b>-</b>	<b>4,946.34</b>	<b>5,087.03</b>	<b>-</b>	<b>5,087.03</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>4,923.96</b>	<b>-</b>	<b>4,923.96</b>	<b>5,860.32</b>	<b>-</b>	<b>5,860.32</b>

## 28.2 Statement of Profit and Loss

Particulars	Note	Previous GAAP	Transition Effect	Ind AS
		Year ended March 31, 2017 Rs. Lakhs	Year ended March 31, 2017 Rs. Lakhs	Year ended March 31, 2017 Rs. Lakhs
<b>Income</b>				
Revenue from operations		25.96	-	25.96
Other income		2.42	-	2.42
<b>Total Income</b>		<b>28.38</b>	<b>-</b>	<b>28.38</b>
<b>Expenses</b>				
Cost of materials consumed		10.10	-	10.10
Purchases of stock-in-trade		0.29	-	0.29
Changes in inventories of finished goods, stock-in-trade and work-in-progress		21.25	-	21.25
Excise duty on sale of goods		2.18	-	2.18
Employee benefits expense	29.1	50.75	0.26	51.01
Finance costs		3.04	-	3.04
Depreciation and amortisation expense		690.44	-	690.44
Other expenses		41.26	-	41.26
<b>Total Expenses</b>		<b>819.31</b>	<b>0.26</b>	<b>819.57</b>
<b>Profit before exceptional items and tax</b>		<b>(790.93)</b>	<b>(0.26)</b>	<b>(791.19)</b>
Exceptional items		42.06		42.06
<b>Profit before tax</b>		<b>(748.87)</b>	<b>(0.26)</b>	<b>(749.13)</b>
<b>Tax expense:</b>				
Current tax			-	
Deferred tax		-	-	
<b>Tax expense</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit for the year</b>		<b>(748.87)</b>	<b>(0.26)</b>	<b>(749.13)</b>
<b>Other Comprehensive Income</b>				
A (I) Items that will not be reclassified to Profit or Loss				
- Remeasurement of Defined Benefit Plans	29.1	-	0.26	0.26
(ii) Income tax relating to items that will not be reclassified to Profit or Loss		-	-	-
<b>Total Other Comprehensive Income</b>		<b>-</b>	<b>0.26</b>	<b>0.26</b>
<b>Total Comprehensive Income for the year</b>		<b>(748.87)</b>	<b>-</b>	<b>(748.87)</b>

The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.

**Note - 28.3 Reconciliation of Net Profit and Equity as reported under previous GAAP and Ind AS is as under:**

Particulars	Refer Note 32	Net Profit Reconciliation	Equity Reconciliation	
		Year ended March 31, 2017 Rs. Lakhs	As at March 31, 2017 Rs. Lakhs	As at April 1, 2016 Rs. Lakhs
Net Loss / Equity as per previous Indian GAAP		(749.13)	(82.17)	666.70
Others		(0.26)		
Net Profit for the period as per Ind AS		(749.39)	(82.17)	666.70
Other Comprehensive Income (net of tax)		0.26	-	-
Total Comprehensive Income / Equity as per Ind AS		(749.13)	(82.17)	666.70

**Note 28.4 - Statement of Cash Flows**

Particulars	Refer Note 32	Previous GAAP	Transition Effect	Ind AS
		Year ended March 31, 2017 Rs. Lakhs	Year ended March 31, 2017 Rs. Lakhs	Year ended March 31, 2017 Rs. Lakhs
Net cash flow from operating activities		(925.81)	-	(925.81)
Net cash flow from investing activities		144.66	-	144.66
Net cash flow (used in) financing activities		778.04	-	778.04
<b>Net cash inflow</b>		<b>(3.10)</b>	-	<b>(3.10)</b>
Opening cash and cash equivalents		5.39	-	5.39
<b>Closing cash and cash equivalents</b>		<b>2.29</b>		<b>2.29</b>

**Note 29 - Notes to Reconciliations**

**29.1** Under previous GAAP, actuarial gains and losses on employees defined benefit obligations were recognised in profit or loss. Under Ind AS, the actuarial gains and losses on re-measurement of net defined benefit obligations are recognised in other comprehensive income. This resulted in a reclassification between profit or loss and other comprehensive income.

### 30. 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.

**30.1** The income tax expense for the year can be reconciled to the accounting profit as follows:

Profit before tax from continuing operations	March 31, 2018	March 31, 2017
	(307.81)	(749.13)
Income tax expense calculated at 26% (2016-17: 33.06%)	(80.03)	(194.78)
Effect of expenses that are not deductible in determining taxable profit	224.68	505.42
Effect of unused tax losses and tax offsets not recognised as deferred tax assets	80.03	194.78
Effect of previously unrecognised and unused tax losses and deductible temporary differences now recognised as deferred tax assets	(224.68)	(505.42)
Others		
Income tax expense recognised in profit or loss (relating to continuing operations)	-	-

The tax rate used for the reconciliations above is the corporate tax rate of 26% (for the year 2017-18) and 33.06% (for the year 2016-17) payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

### 30.2 Deferred tax balances

The following is the analysis of deferred tax (assets)/liabilities presented in the consolidated statement of financial position:

	March 31, 2018	March 31, 2017	April 1, 2016
<b>Opening balance</b>			
<b>Impact in Statement of Profit and Loss</b>			
Property, Plant and Equipment	224.68	505.42	564.39
Unabsorbed Depreciation	(224.68)	(505.42)	(564.39)
<b>Closing balance</b>	-	-	-

### 30.3 Unrecognised deductible temporary differences and unused tax losses

	Rs.in Lakhs		
	March 31, 2018	March 31, 2017	April 1, 2016
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	3,452.75	2,457.93	428.47
- Unabsorbed depreciation	9,465.64	9,000.08	9,000.08
	<b>12,918.39</b>	<b>11,458.00</b>	<b>9,428.55</b>

Note: The unused tax losses will expire in various years

Considering the provisions of Ind AS12 'Income taxes' and as a matter of prudence, accrual of deferred tax asset as at March 31, has been restricted to the amount of deferred tax liability.

### 31 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.2.40 lakhs (for the year ended March 31, 2017: Rs.1.71 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.

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

₹. in Lakhs

<b>Gratuity and Compensated absences</b>	<b>March 31, 2018</b>	<b>March 31, 2017</b>
Discount rate(s)	7.29%	6.69%
Expected rate(s) of salary increase	3.00%	3.00%
Attrition rate	14.00%	14.00%
Average Longevity at retirement age - past service	NA	NA
Average Longevity at retirement age - future service	NA	NA

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:

₹. in Lakhs

	<b>March 31, 2018</b>	<b>March 31, 2017</b>
<b>Gratuity</b>		
Current service cost	0.59	0.52
Past service cost	-	-
Net interest expense	0.26	0.26
<b>Components of defined benefit costs recognised in profit or loss</b>	<b>0.85</b>	<b>0.78</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:		
Actuarial (gains)/losses arising from changes in financial assumptions	-0.10	0.14
Actuarial (gains)/losses arising from experience adjustments	-0.51	-0.39
Return on plan assets (excluding amounts included in net interest expense)		
<b>Components of defined benefit costs recognised in other comprehensive income</b>	<b>(0.61)</b>	<b>(0.26)</b>
<b>Total</b>	<b>0.24</b>	<b>0.53</b>

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

<b>Compensated Absences</b>		
Current service cost	0.11	0.12
Net interest expense	0.04	0.04
Actuarial (gains)/losses arising from changes in financial assumptions	-0.01	0.02
Actuarial (gains)/losses arising from experience adjustments	-0.23	-0.07
<b>Recognised in profit or loss</b>	<b>(0.09)</b>	<b>0.11</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:

₹. in Lakhs

	March 31, 2018	March 31, 2017	April 1, 2016
<b>Gratuity</b>			
Present value of defined benefit obligation	4.01	4.03	3.50582
Fair value of plan assets			
Net liability arising from defined benefit obligation (unfunded)	<b>4.01</b>	<b>4.03</b>	<b>3.51</b>
<b>Compensated Absences</b>			
Present value of defined benefit obligation	0.51	0.64	0.53
Fair value of plan assets	-	-	
Net liability arising from defined benefit obligation (unfunded)	<b>0.51</b>	<b>0.64</b>	<b>0.53</b>

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

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

₹. in Lakhs

	March 31, 2018	March 31, 2017
<b>Gratuity</b>		
Opening defined benefit obligation	4.03	3.51
Current service cost	0.59	0.52
Past service cost	-	-
Interest cost	0.26	0.26
Actuarial (gains)/losses arising from changes in financial assumptions	(0.10)	0.14
Actuarial (gains)/losses arising from experience adjustments	(0.51)	(0.39)
Benefits paid	-0.26	-
<b>Closing defined benefit obligation</b>	<b>4.01</b>	<b>4.03</b>
<b>Compensated Absences</b>		
Opening defined benefit obligation	0.64	0.53
Current service cost	0.11	0.12
Interest cost	0.04	0.04
Actuarial (gains)/losses arising from changes in financial assumptions	(0.01)	0.02
Actuarial (gains)/losses arising from experience adjustments	(0.23)	(0.07)
Benefits paid	-0.05	
<b>Closing defined benefit obligation</b>	<b>0.51</b>	<b>0.64</b>

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

₹. in Lakhs

	March 31, 2018	March 31, 2017
Gratuity		
Opening fair value of plan assets	-	-
Return on plan assets (excluding amounts included in net interest expense)	-	-
Contributions	0.26	-
Benefits paid	-0.26	-
Others	-	-
Closing fair value of plan assets	-	-

The actual return on plan assets was Rs.0 Lakhs (2016-17: Rs.0 Lakhs).

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.

₹. in Lakhs

	March 31, 2018	March 31, 2017
<b>Gratuity</b>		
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would:		
decrease to	3.85	3.85
increase to	4.19	4.22
If the expected salary increases/decreases by 100 basis points, the defined benefit obligation would:		
increase to	4.18	4.21
decrease to	3.86	3.86
<b>Compensated Absences</b>		
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would:		
decrease to	0.49	0.62
increase to	0.53	0.67
If the expected salary increases/decreases by 100 basis points, the defined benefit obligation would:		
increase to	0.53	0.67
<b>decrease to</b>	<b>0.49</b>	<b>0.62</b>

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**

Rs.in Lakhs

Years	Expected Outgo first	Expected Outgo second	Expected Outgo third	Expected Outgo fourth	Expected Outgo fifth	Expected Outgo six to ten years
Payouts	0.95626	0.88523	0.88708	0.88909	1.38670	3.85059

Weighted Average remaining duration of Defined benefit obligation as at March 31, 2018 is 4.64 ( as at March 31, 2017 : 4.91)

**32 Earnings per share**

	Year ended March 31, 2018	Year ended March 31, 2017
	Rs.	Rs.
Basic and diluted earnings per share	(0.32)	(0.76)
Face value per share	10.00	10.00

**32.1 Basic and diluted earnings per share**

	Year ended March 31, 2018	Year ended March 31, 2017
	Rs.Lakhs	Rs.Lakhs
Profit for the year attributable to equity shareholders	(314.46)	(749.13)

	Year ended March 31, 2018	Year ended March 31, 2017
	Nos. (lakhs)	Nos. (lakhs)
Weighted average number of equity shares used in the calculation of basic and diluted earnings per share	982.79	982.79

**33 Segment Information**

The Company's Operating segment is identified based on the nature of services, risks, returns and the internal business reporting system. The Company is primarily engaged in vitrified tiles including Feldspar, a raw material used in vitrified tiles and accordingly there are no other reportable segment in terms of Ind AS 108 'Operating Segments'.

**34 Information about major customers- Disclosure of amount of revenues from transactions with single customer amounting to 10% or more of the Company revenue.**

Revenue from Customer 1- Rs. 36.96 Lakhs

Revenue from Customer 2- Rs. 18.33 Lakhs

Revenue from Customer 3- Rs. 8.76 Lakhs

**35 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. Borrowings from banks have been repaid before 31st March 2017 and subsequently 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 and from its financing activities, including deposits with banks and institutions.

For banks only high rated banks are accepted.

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. The Company has customer base across diverse industries.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The Company makes an allowance for doubtful debts using expected credit loss model and 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 made no write offs of 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.

<b>Contractual Maturities of financial liabilities</b>	<b>1 to 3 years</b>	<b>Beyond 3 years</b>	<b>Total</b>
<b>As at March 31, 2018</b>			-
Security deposits received from dealers	46.50		46.50
Trade Payables	71.13		71.13
Loans repayable to Directors		3,921.74	3,921.74
Dues to employees	24.67		24.67
Creditors for expenses	68.67		68.67
Others	0.14		0.14
			-
<b>As at March 31, 2017</b>			-
Security deposits received from dealers	46.50		46.50
Trade Payables	112.81		112.81
Loans repayable to Directors		4,146.48	4,146.48
Dues to employees	56.01		56.01
Creditors for expenses	105.18		105.18
Others	0.14		0.14
			-
<b>As at April 1, 2016</b>			-
Security deposits received from dealers	95.07		95.07
Trade Payables	947.20		947.20
Loans repayable to Directors		3,365.40	3,365.40
Dues to employees	23.27		23.27
Creditors for expenses	167.30		167.30
Others	0.14		0.14

**35.1 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.

**35.2 Financial Instruments by Category**

	March 31, 2018		March 31, 2017		April 1, 2016	
	FVTPL	Amortised Cost	FVTPL	Amortised Cost	FVTPL	Amortised Cost
<b>Non-current assets</b>						
(a) Other Financial assets		6.74		6.74		120.6
<b>Current</b>						
(b) Financial assets						
(i) Trade receivables		2.49		19.44		56.22
(ii) Cash and cash equivalents		17.63		2.29		5.39
(iii) Bank balances other than (ii) above		-		-		-
(iv) Others		99.84		0.36		3.73
(a) Financial liabilities						
-Other financial liabilities				46.50		95.07
(b) Financial liabilities						
(i) Borrowings		3,921.74		4,146.48		3,365.4
(ii) Trade payables		71.13		112.81		947.20
(iii) Other financial liabilities		139.98		161.33		190.71

**35.3 Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium 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 and short term debt instruments. The Company monitors capital management through gearing ratio which considers Debt (net of cash and cash equivalents) and equity.

Rs. in lakhs

Particulars	March 31,2018	March 31,2017	April 1,2016
Borrowings	3921.74	4146.48	3,365.40
Less : Cash and cash equivalents and Bank Balances	17.63	2.29	5.39
Net debt	3904.11	4144.19	3360.01
Equity	-396.03	-82.17	666.7
Gearing ratio	NA	NA	NA

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements where applicable.

**36 Related party disclosure****Holding Company**

Solomed Capital Pte. Ltd

Companies under Common Control with transactions

Sologuard Medical Devices (P) Limited

Athreya Finance Pvt Ltd  
Bell Granito Ceramica Limited

Key management personnel

Mr. Tribhuvan Simh Rathod - Managing Director

Mr.Nalinkant Amratlal Rathod - Chairman

Mr. Subba Rao Maddula - Chief Financial Officer

Ms. Rekha Singh - Compliance Officer and Company Secretary

Ms.Bharathi Rathod - Director

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”.

### 36.1 Related Party Transactions and Outstanding Balances - summary

Rs.in Lakhs

Particulars	2018	2017	2016
<b>i) Companies under Common control</b>			
<u>Bell Granito Ceramica Ltd</u>			
a) Purchase of Materials	101.68	0.29	0.75
b) Sales	-	5.27	294.03
c) Advance from BGCL-Balance	-	386.61	1187.56
d) Advance to BGCL -Balance	99.21	-	234.65
<b>(ii) Key management Personnel</b>			
<u>Mr.Tribhuvan Simh Rathod</u>			
a) Remuneration	-	10.02	30.00
b) Remuneration Payable	-	67.29	57.27
c) Gratuity	9.69	9.69	9.69
d) Loans Received during the year	-	137.57	
e) Repayment of Loans during the year	872.74	41.50	
f) Loan Outstanding	2,339.23	3,211.97	3114.41
<u>Mr. Subba Rao Maddula</u>			
a) Remuneration	1.52	1.52	1.95
b) Remuneration payable	4.99	3.47	1.95
<u>Ms. Rekha Singh</u>			
a) Remuneration	0.76	1.42	1.02
b) Remuneration payable	0.13	0.13	-
<u>Ms. Bharati Rathod</u>			
Loans Received during the year	648.00	936.00	
Loan outstanding	1,584.00	936.00	-

companies under common control with there are no transactions (i) Solocare Medicals pvt ltd, (ii) Trans Medica (India) Limited

**37 Disclosure as required under section 186(4) of the Companies Act, 2013 is not applicable as there are no loans, investments or guarantees.**

**38 Contingent liabilities and Commitments**

Rs. In lakhs

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Claims against the Company not acknowledged as debts			
Income Tax	0.57		

A case has been filed against the Company in 1997 regarding alleged sale and lease back of certain fixed assets belonging to the company. The Company has disputed the veracity of the sale and lease back arrangement particularly since there was no evidence of appropriate approvals on behalf of the Company. The case is pending adjudication before the High Court and consequently, the said Company books assets continue in possession of and properly reflected in the account.

Note: Further cash outflows in respect of above are determinable only on receipt of judgement/ decisions pending with various forums/authorities.

**40 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.

## STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

### 1. Basis of accounting and preparation of financial statements

- 1.1** The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 (“the 2013 Act”)/ Companies Act, 1956 (“the 1956 Act”), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention except for certain categories of fixed assets that are carried at re-valued amounts. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.
- 1.2** All assets and liabilities have been classified as current or non-current as per the Company’s normal operating cycle and other criteria set out in the revised schedule III to the 2013 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 - noncurrent classification of assets and liabilities.

### 2. Use of estimates

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

### 3. Tangible Fixed assets and depreciation

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

Assets are depreciated on straight line basis, over their estimated useful 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.

### 4. Investments

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

### 5. Inventories

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

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

Work-in-progress, finished goods: under absorption costing method with the cost of incomplete

Work at the end of the year, being estimated.

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

Obsolete / slow moving inventories are adequately provided for.

### 6. Foreign currency transactions and derivatives

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

**7. Amortization of deferred expenditure**

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

**8. Revenue recognition**

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

**9. Research and Development Costs**

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

**10. Employee benefits**

(a) Short term employee benefit obligations are estimated and provided for.

(b) Post employment benefits and other long term employee benefits

Defined contribution plans:

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

Defined benefit plans and compensated absences:

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

**11. Deferred tax**

(a) Deferred tax is recognized on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversing in one or more subsequent periods.

(b) Deferred tax assets on unabsorbed depreciation and carry forward of losses are recognized only to the extent there is a virtual certainty of its realization.

**12. Provisions and contingencies**

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an out-flow 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.

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

**As per our Report attached****For and on behalf of the Board****For M.S. Krishnaswami & Rajan**

Chartered Accountants  
Firm Registration No.01554S

**Tribhuvan Simh Rathod**

Managing Director  
DIN:01996833

**Narayanan Subramanian**

Director  
DIN:02577983

**M.S. Murali**

Partner  
Membership No.26453

**M.Subbarao**

Chief Financial Officer

**Rekha Singh**

Company Secretary

Place : Chennai

Date : 26.5.18

## RESTILE CERAMICS LIMITED

Registered office: 204, Sakar complex, Opp. ABS Tower. Vaccine Crossing, Old Padra Road, Baroda- 390 015  
CIN: L26931GJ1986PLC102350, Email:restile@accountscare.com

### ATTENDANCE SLIP

I/We hereby record my/our presence at the 32nd Annual general meeting of the company on Tuesday , September 17th 2018 at 10.00 A.M at 204, Sakar complex, Opp. ABS Tower. Vaccine Crossing, Old Padra Road, Baroda- 390 015

Folio No/DPID – Client ID : \_\_\_\_\_

Full Name of the Shareholder in Block Letters: \_\_\_\_\_

No of Shares Held: \_\_\_\_\_

Name of Proxy (if any) in Block Letters: \_\_\_\_\_

Signature of the Shareholder(s)

#### **Note:**

1. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip/Proxy form as the case may be to the meeting and handover at the entrance duly signed.
2. Electronic copy of the Annual Report 2017-18 and notice of the Annual general meeting (AGM) along with Attendance Slip and Proxy form is being sent to all the members whose email address is registered with the Company/Depository participant unless any member has requested for hard copy of the same. Members receiving electronic copy and attending AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report as 2017-18 and notice of the Annual general meeting (AGM) along with Attendance Slip and Proxy form is being sent in the permitted mode(s) to all the members whose email is not registered (or) have requested for a hard copy.

## RESTILE CERAMICS LIMITED

Registered office: 204, Sakar complex, Opp. ABS Tower. Vaccine Crossing, Old Padra Road, Baroda- 390 015  
CIN: L26931GJ1986PLC102350, Email:restile@accountscare.com

### Form No. MGT-11 PROXY FORM

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

Name of the Member(s): \_\_\_\_\_

Registered Address: \_\_\_\_\_

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

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

1. Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_, Signature: , or failing him/her

2. Name: \_\_\_\_\_ E-mail ID: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_, Signature:

as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 32nd Annual General Meeting of the Company, to be held on 17th September 2018 at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Reso. No.	Description	For*	Against*
1.	Adoption of annual Accounts and Reports thereon for the financial year ended 31st March 2018	<input type="checkbox"/>	<input type="checkbox"/>
2.	To appoint a Director in place of Sri. Nalinkant Amratlal Rathod (DIN: 00272129) who retires by rotation and is eligible for reappointment.	<input type="checkbox"/>	<input type="checkbox"/>
3.	To appoint a Director in place of Smt. Bharati Nalin Rathod (DIN: 02587701) who retires by rotation and is eligible for reappointment.	<input type="checkbox"/>	<input type="checkbox"/>
4.	To reappointment Mr. Tribhuvan Simh Rathod as Managing director of the company	<input type="checkbox"/>	<input type="checkbox"/>
5.	To appoint Auditors and fix their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
6.	Authority to borrow in excess of the paid up capital and reserves.	<input type="checkbox"/>	<input type="checkbox"/>
7.	Authority to create mortgages, charges and hypothecations	<input type="checkbox"/>	<input type="checkbox"/>

Notes:

- Please put a 'X' in the Box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- A Proxy need not be a Member of the Company. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of not more than fifty Members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as proxy for any other Member
- This form of Proxy, to be effective, should be deposited at the Registered Office of the Company 204, sakar complex, opp ABS tower, vaccine crossing, old padra road, Baroda- 390015 not later than FORTY-EIGHT HOURS before the commencement of the aforesaid meeting.



Dear Shareholder,

**Sub: Green Initiative in Corporate Governance**

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

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

Let’s be part of this ‘Green Initiative’

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

**E-COMMUNICATION REGISTRATION FORM**

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

Folio No. /DPID &Client ID :  
Name of 1st Registered Holder :  
Name of joint Holder(s) :  
Registered Address :  
E mail ID (to be registered) :

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

Date:.....

Signature.....

Note:

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

**Registrars & Share Transfer Agents**

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

All Correspondence may be addressed to them

If undelivered Please return to:



**RESTILE CERAMICS LTD**

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