



Restile Ceramics Limited

33rd Annual Report 2018-19

BOARD OF DIRECTORS

Sri Nalinkant Amratlal Rathod	- Chairman
Sri Viren Rathod	- Managing Director
Sri.Ramachandran N.S	- Independent Director
Sri N S Mani	- Independent Director
Sri.Seetharaman T R	- Independent Director
Sri G. Padmanabhan	- Independent Director
Smt Bharathi Rathod	- Women Director
Smt Shruthi Rathod	- Additional Director
Sri Yash Kaushik shah	- Additional Director
Sri K.Rajendra Prasad	- Nominee Director –APIDC

KEY MANAGERIAL PERSONS

Mr. Tribhuvan Simh Rathod	- Chief Financial Officer
Ms Swinky Bathla	- Company Secretary & Compliance Officer

SHAREHOLDERS' INFORMATION

Annual General Meeting	33rd AGM on 20th September 2019
Venue	At Registered office at 4.00 P.M 204, Sakar complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, Baroda- 390 015, Gujarat
Auditors	M/s. M. S. Krishnaswami &Rajan Chartered Accountants GB, Anand Apartments, JP Avenue, Dr. Radhakrishnan Road, 6th Street, Chennai -600 004.
Bankers	State Bank of India SME Adyar Chennai-600020
Factory Location	Malkapur Village, Hatnoora Mandal, Narsapur Taluk, Medak District-502 296, Telangana www.restile.com
CIN	L26931GJ1986PLC102350
Book Closure Date	15/09/2019 to 20/09/2019 (Both days inclusive)
Listing	Bombay Stock Exchange Ltd
ISIN NO	INE298E01022
Stock Code	515085
Evoting Dates	17/09/2019 to 19/09/2019
Registrars & Share Transfer Agents	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 33rd Annual General Meeting of the Members of the Company will be held at 4.00 P.M on 20th September 2019 at the registered office of the Company situated at **204, Sakar Complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, Baroda- 390 015, Gujarat to transact the following business:**

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019, 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 there on.
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 offers herself for reappointment.
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.R. Sundararajan & associates Chartered Accountants (Firm Registration No. 08282S), be and is hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 5th year (2024) 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. Appointment of Mr. Viren Rathod as Managing Director of the Company

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

“RESOLVED THAT pursuant to the provisions of sections 196,197, 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, Articles of Association of the Company and on the recommendation of the Nomination & remuneration committee and the Board of Directors, approval of the members of the company be and hereby accorded to the appointment of Mr. Viren Rathod (DIN 03407158) as Managing Director of the company for a period of 5 years with effect from 04.05.2019 to 03.05.2024 at Nil 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. Appointment of Mrs. Shruthi Rathod as Director of the company

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

“RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) and the Rules made there under, as amended from time to time, the consent of the members of the Company be and is hereby accorded to appoint Mrs. Shruthi Rathod (DIN 1948999), who has been appointed as an Additional Director of the Company on 06/01/2019 by the Board of Directors in terms of section 161 of the Act and who holds office till the date of this Annual General Meeting, as the Director of the Company.”

7. Appointment of Mr. Yash Kaushik Shah as an Independent Director of the company

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

“**RESOLVED THAT** pursuant to the provisions of Section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the ‘Act’) and the Rules made there under, as amended from time to time, the consent of the members of the Company be and is hereby accorded to appoint, Mr. Yash Kaushik Shah (DIN 02155636), who has been appointed as an Additional Director of the Company on 08/02/2019 by the Board of Directors in terms of section 161 of the Act and who holds office till the date of this Annual General Meeting, as an Independent Director of the Company for a period of 5 (five) consecutive years i.e., upto the 38th Annual General Meeting of the Company to be held in the calendar year 2024.”

8. Re-appointment of Mr. Mani as an Independent Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules framed thereunder, read with Schedule IV to the Act as amended from time to time, Regulation 17 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, Mr. Mani (DIN 02577983), an Independent Director of the Company, whose term expires on this 33rd Annual General Meeting of the Company and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director be and is hereby re-appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for another term of 5 (five) consecutive years (second term) i.e., upto the 38th Annual General Meeting of the Company to be held in the calendar year 2024, notwithstanding that he has attained the age of 75 years.”

9. Re-appointment of Mr. Nalandula Srinivasa Rao Ramachandran as an Independent Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules framed thereunder, read with Schedule IV to the Act as amended from time to time, Mr. Nalandula Srinivasa Rao Ramachandran (DIN 00089348), an Independent Director of the Company, whose term expires on this 33rd Annual General Meeting of the Company and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director be and is hereby re-appointed as Independent Director of the Company, not liable to retire by rotation, to hold office for another term of 5 (five) consecutive years (second term) i.e., upto the 38th Annual General Meeting of the Company to be held in the calendar year 2024.”

10. Re-appointment of Mr. Rajendra Prasad Kandikattu as Nominee Director of the Company

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Rajendra Prasad Kandikattu (DIN 00143653), a Nominee Director of the Company, who was appointed at the 28th Annual General Meeting to hold office till 28/09/2019 be and is hereby appointed as a Nominee Director of the Company.”

11. 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 are 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.”

12. 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.”

13. Approval for Related Party Transactions

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

“**RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Company’s policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Bell Granito Ceramics Ltd., a related party within the meaning of Section 2(76) of the Act, for purchase of verified tiles, on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of Rs.500 lakhs for the financial year 2019-20, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

By Order of the Board of Directors

Sd/-

Nalinkant Amratlal Rathod

(DIN 00272129)

CHAIRMAN

Place: Mumbai

Date: 10.08.2019

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 15th september 2019 to 20th september 2019 (both days inclusive)
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) 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 600002.
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 2019 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 2018-2019 has been paid to Stock Exchange.
10. Brief resume of the Directors seeking reappointment and other details as stipulated under SEBI (LODR) Regulation, 2015, are provided as part of the AGM Notice.
11. Share holders 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:
13. 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).
14. The procedure and instruction for e-voting are asunder:
 - (i) The e-Voting period begins on 17th September, 2019 on 09:00 A.M. and ends on 19th September 2019 at 5.00 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 13/09/2019, 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.
 - (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 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"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field.
DOB	<p>Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</p>
Dividend Bank Details	<p>Enter the Dividend Bank details as recorded in your demat account or in the company records for the said demat account or folio</p> <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

After entering these details appropriately, click on “SUBMIT” tab.

- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xvii) 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.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. Them 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.
- (xix) Note for Non-Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register them selves 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.
- 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 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, under help section or write an email to helpdesk.evoting@cdslindia.com.

By Order of the Board of Directors

Sd/-

Nalinkant Amratlal Rathod

(DIN 00272129)

Chairman

Place: Mumbai

Date: 10.08.2019

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 forming part of the 33rd Annual General Meeting of the Company

Item No. 5

Consequent to the resignation of Mr. Tribhuvan Simh Rathod as Managing Director, the Board of Directors at their meeting held on 4th May 2019 have appointed Mr. Viren Rathod as Managing Director of the Company for a period of five years commencing from 4th May 2019.

Mr. Viren Rathod aged about 33 years, has got Degree in Mechatronics from Melbourne University ,Australia .He has been Trained in the same industry over a period of 7 years and have gained substantial knowledge in the field of Vitrified Tiles and related technologies .He Expertise , creativeness and energy will help to turnaround the company .

He is not holding any shares in the Company.He holds directorships in Atreya Finance Pvt Ltd, Bell Granito Ceramica Ltd., AVP trading PvtLtd. and Sologuard Medical Devices Private Limited. Considering his dynamism and commitment in the industry,it would be in the interest of the Company to appoint him as Managing Director.

The Remuneration and terms of appointment were approved by Nomination and Remuneration committee. The Company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of Director. Approval of the members is sought for appointment of Mr.Viren Rathod as Managing Director as set out in the resolution. The Board recommends his appointment for your approval.

Except Mr.Viren Rathod being an appointee and Mr. Nalinkanth Amritlal Rathod, Mrs. Bharathi Rathod, Ms. Shruti Rathod, Tribhuvan Simh Rathod being relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution.

This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015.

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 manufacturer of full body Vitrified 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:

(₹. in Lakhs)

Item	2018-19 (Rs.)	2017-18 (Rs.)	2016-17 (Rs.)
Income from Operations (Gross)	205.95	66.25	25.96
Profit / (Loss) before Tax	(590.76)	(307.81)	(749.13)
Profit / (Loss) after Tax	(590.32)	(313.85)	(748.87)

- Export Performance and net foreign exchange earnings :NIL
- Foreign Investments or Collaborations, if any : NIL

Nature of Duties:

- The MD shall devote his whole time and attention to the business of the Company and carry out such duties as may be entrusted to him by the Board from time to time and separately communicated to him and such powers as may be assigned to him, subject to superintendence, control and directions of the Board in connection with and in the best interests of the business of the Company and the business of any one or more of its associated companies and/or subsidiaries, including performing duties as assigned by the Board from time to time by serving on the boards of such associated companies and/or subsidiaries or any other executive body or any committee of such a company.

Item No. 6

Mrs. Shruti Rathod was appointed as an Additional Director at the Board meeting held on 06.01.2019 in the capacity of Non Executive Director, in terms of section 161 of the Act and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act from a member proposing her candidature for the office of Director.

She is not holding any shares in the Company. Her other directorships include M/s. AVP Trading Private Limited, M/s. Bell Granito Ceramica Limited, M/s.Sologuard Medical Devices Private Limited and M/s. Solocare Medicals Private Limited. The Board recommends her appointment for your approval.

Except Smt. Shruti Rathod, being an appointee and Sri. Nalinkant Amratlal Rathod and Mrs. Bharathi Rathod, Mr. Viren Rathod and Mr. Tribhuvan Rathod being relatives of Smt. Shruti 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 as set out.

Item No. 7

Mr. Yash kaushik shah was appointed as an Additional Director at the Board meeting held on 08.02.2019 in the capacity of Independent Director, in terms of section 161 of the Act and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under section 160 of the Act from a member proposing his candidature for the office of Independent Director.

As per the provisions of Section 149 of the Companies Act, 2013 an Independent Director shall hold office for a term of five consecutive years on the Board of a Company and is not liable to retire by rotation. Mr. Yash kaushik shah has given a declaration to the Board that he meets the criteria of independence as provided under Section 149 (6) of the Act.

In the opinion of the Board, Mr. Yash kaushik shah fulfils the conditions specified in the Act and the Rules made there under for appointment as Independent Director and he is independent of the management.

He is not holding any other directorships. He is not holding any shares in the Company.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Yash kaushik shah as Independent Director is now being placed before the Members in general meeting for their approval. The Board recommends his appointment for your approval.

The terms and conditions of appointment of Independent Directors shall be open for inspection by the Members at the Registered office during normal business hours on any working day of the Company. This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015.

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

Item Nos. 8 and 9

Mr. Mani and Mr. Ramachandran were appointed as Independent Directors of the Company by the Members at the 28th Annual General Meeting (AGM) held in the year 2014 for a period of FIVE years. As per section 149(10) of the Act, an Independent Director shall hold office for a term upto five years on the Board of a Company, but shall be eligible for re-appointment on passing a special resolution by the Company for another (second) term of 5 (five) years, subject to the approval of shareholders by Special Resolution. Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes their re-appointment as Independent Directors of the Company to hold office for another 5 (five) (second term) i.e., upto the conclusion of the 38th Annual General Meeting of the Company to be held in the calendar year 2024. The Company has, in terms of Section 160(1) of the Act received in writing notice(s) from a Member, proposing their candidature for the office of Director.

As per Regulation 17(1 A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations'), with effect from April 1, 2019, no listed Company shall appoint or continue the Directorship of a Non-Executive Independent Director who has attained the age of 75 years, unless a Special Resolution is passed to that effect and justification thereof is indicated in the explanatory statement annexed to the Notice for such appointment. Mr. Mani is aged about 77 years and his continuation on the Board is considered desirable.

The Company has received declarations from them to the effect that they meet the criteria of independence as provided in Section 149(6) of the Act and Rules framed there under and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

A brief justification for their continuation as Independent Directors on the Board of the Company is as under:

Mr. Mani is a engineering graduate. He joined the Board of Directors of the Company on 30th January, 2010. . He is not holding any shares in the Company. His other Directorships include Bell Granito Ceramica Limited and Trans Medica (India) Limited. He has been very helpful and instrumental in guiding our Company management for the past 20 years. His rich and diverse experience in business will immensely benefit the Company.

Mr. Ramachandran is a chartered accountant. He joined the Board of Directors of the Company on 30th August, 2008. He is not holding any shares in the Company. His other Directorships include Bell Granito Ceramica Limited and KSK Ventures Limited. He has been very helpful and instrumental in guiding our Company management for the past 20 years. He has vast experience in various industry to his credit and will immensely benefit the Company.

The terms and conditions of approval for continuation of their directorship shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail their services as Independent Directors. Accordingly, the Board recommends the resolutions in relation to their appointment as Independent Directors, for the approval by the shareholders by way of special resolution. This Explanatory Statement may also be regarded as a disclosure under SEBI (LODR) Regulations, 2015.

Except Mr. Mani and Mr. Ramachandran, being appointees, none of the other Directors or Key Managerial Personnel of the Company or their relatives is in any way, concerned or interested, financially or otherwise, in this resolutions.

Item No. 10

The Board of Directors has co-opted Mr. K Rajendra Prasad as Nominee director on behalf of APIDC w.e.f 31st January 2005 and reappointed at the 28th AGM held in the year 2014 to hold office till September 28, 2019. It was proposed to re-appoint him as Nominee Director. The Board recommends the resolution in relation to appointment of Mr. Prasad as Nominee Director, for the approval by the shareholders of the Company.

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

Item Nos.11 and 12

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 Board recommends the resolutions for the approval by the shareholders of the Company as set out in the Notice.

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

Item No.13

To ensure stability of supplies in terms of quality and logistics, your Company proposes to enter into transaction(s) with Bell Granito Ceramica Ltd., (BGCL) which is the related party to your Company. The quantity to be purchased from BGCL will be based on actual price of tiles and conversion charge plus small margin for handling charges. . The total value of the proposed transaction(s) could reach Rs. 500 lakhs during financial year 2019-20.

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

Accordingly, transaction(s) entered into with BGCL comes within the meaning of Related Party transaction(s) in terms of provisions of the Act, applicable Rules framed thereunder read with the Listing Regulations. Hence, approval of the shareholders is being sought for the said Related Party Transaction(s) proposed to be entered into by your Company with BGCL in the financial year 2019-20. Pursuant to Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, particulars of the transaction(s) with BGCL are as follows:

Sl.	Particulars	Remarks
1	Name of the Related Party	Bell Granito Ceramica Ltd.,
2	Name of the Director or KMP who is related	Sri Nalinkant Amratlal Rathod Sri Viren Rathod Smt Bharathi Rathod Smt Shruthi Rathod Mr. Tribhuvan Simh Rathod
3	Nature of Relationship	Related party within the meaning of Section 2(76) of the Act
4	Nature, material terms, monetary value and particulars of the contract or arrangement	Contract for purchase of Vitrified Tiles shall be on a continuous basis. Monetary value of proposed aggregate transaction(s) during financial year 2019-20 is expected to be Rs. 500 Lakhs.
5	Any other information relevant or important for the members to take a decision on the proposed resolution	Raw material available with related party in-house and of desired quality at market price.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives, other than as mentioned above is concerned or interested, financially or otherwise, in the resolution. The Board of Directors recommends passing of the resolution as set out at item no. 12 of this Notice as an Ordinary Resolution.

By Order of the Board of Directors

Sd/-

Nalinkant Amratlal Rathod

(DIN 00272129)

Chairman

Place: Mumbai

Date: 10.08.2019

TO THE MEMBERS

The Directors are pleased to present the 33rd Annual Report of the Company together with its Audited Financial Statements for the year ended March 31, 2019.

Financial Results

Particulars	₹ Lakhs	
	2018-19	2017-18
Revenue From Operations	205.95	66.25
Other Income	87.79	42.53
EBITDA	(13.75)	(31.68)
Interest and Financial charges	0.03	0.17
Depreciation	572.16	625.95
Profit/(Loss) before taxes and Exceptional Items	(585.94)	(657.80)
Exceptional Items	(4.82)	349.98
Provision for taxes	-	(6.65)
Profit / (Loss) for the Year	(590.76)	(314.47)

Company Performance

The Company achieved a turnover of 205.95 Lakhs for the period ended March 31, 2019; increased by 139.70 Lakhs (210.87%) as compared to previous year.

The total expenditure for the period ended March 31, 2019 stood at 879.68 Lakhs, increased by 113.11 Lakhs (14.76%) as compared to previous year.

The Loss (EBITDA) before Depreciation, Finance Cost and Tax for the year ended March 31, 2019 amounted to 13.75 Lakhs, decreased by 17.93 Lakhs (56.59%) as compared to previous year.

The Loss before tax and Exceptional item(s) for the year ended March 31, 2019 amounted to 585.94 Lakhs, decreased by `71.86 Lakhs (10.92%) as compared to previous year.

The tax expense for the year ended March 31, 2019 was (zero) 0 Lakhs. The Loss after tax for the year ended March 31, 2019 stood at 590.76 Lakhs as against a loss of 314.47 Lakhs of the previous year. No transfer was made to General reserve during the year ended March 31, 2019.

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, 2019.

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 Rs.10/- each.

The paid up share capital of the company as on date of balance sheet is Rs. 98,27,92,390/- divided into 9,82,79,239 equity shares of Rs.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, 2019 stood at Rs.3923. 34 lakhs as against Rs.3921.74 lakhs as at March 31, 2018.

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.Viren Rathod Managing Director, Tribhuvan Simh Rathod, Chief Financial Officer and Ms. Swinky Bathla, 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 6 (Six) 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 2018-19.

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, 2019 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 behavior, 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 (NINE) 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 2018-19.

Auditors

i. Statutory Auditors:

M/s.R. Sundararajan & Associates Chartered Accountants (Firm Registration No. 08282S 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 38rd 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.R. Sundararajan & Associates Chartered Accountants (Firm Registration No. 08282S that their 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.

Regarding auditors comment under key audit matters company has since paid income tax due of Rs.2.7 lakhs and major portion of Sales Tax of Rs.10.07 lakhs out of 20.07 Lakhs.

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/-
Place: Mumbai	Viren Rathod	N S Ramachandran
Date: 10.8.19	(DIN 03407158)	(DIN 00089348)
	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, 2019 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 77538 units amounting to Rs.9.20 Lacs (2017:18- 94737.50 units amounting to Rs. 13.92 Lacs). During the year there was no production and hence the Gas consumption is Nil.

Technology Absorption

As there are no productions/operations during the year 2018-19, nothing much happened in the areas of Technology absorption, new product development, cost reduction and quality improvement.

	2018-19	2017-18
Foreign Exchange Earnings and Outgo	(Rs. in Lakhs)	(Rs. in Lakhs)
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange outgo	Nil	Nil

Annexure to The Director's Report

As per the last GDP growth estimates, there is growth in Indian economy in the Financial Year 2018-19 compared to Financial Year 2017- 2018. 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 March 31, 2019 stood at Rs. 98.27 crore. 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, 2019 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. 205.95 lacs as against Rs. 66.25 Lacs during the previous year. During the year there was no production and the revenue was generated out of sale of materials from Stock and from traded goods.
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

(₹. in Lakhs)

Sl.No	Nature of Expenditure	2018-19	2017-18	Increase/ (Decrease)
1.	Raw Material Consumption (including Movement in Finished Goods Stock)	174.68	57.67	117.01
2.	Employee Expenses	35.47	35.83	(0.36)
3.	Finance Costs	0.03	0.17	(0.14)
4.	Other Expenses	97.34	46.77	50.57
5.	Depreciation and amortization	572.10	625.95	(53.79)
6.	Excise Duty on Sale of Goods	0	0.18	(0.18)
	Total	879.62	766.57	113.11

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.

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	
1.	Details of contracts or arrangements or transactions not at arm's length basis:	NIL
	(a) Name(s) of the related party and nature of relationship	
	(b) Nature of contracts/arrangements/transactions:	
	(c) Duration of the contracts / arrangements/transactions:	
	(d) Salient terms of the contracts or arrangements or transactions including the value, if any:	
	(e) Justification for entering into such contracts or arrangements or transactions	
	(f) Date(s) of approval by the Board:	
	(g) Amount paid as advances, if any:	
	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188:	
2.	Details of material contracts or arrangement or transactions at arm's length basis:	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: Mumbai

Date: 10.8.19

Sd/-
Viren Rathod
(DIN 03407158)
Managing Director

Sd/-
N S Ramachandran
(DIN 00089348)
Director

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	18.65	26-05-2018
2	Bell Granito Ceramica Limited	Sales	Continual	179.86	26-05-2018

For and on behalf of the Board of Directors

Sd/-

Place: Mumbai

Viren Rathod
(DIN 03407158)

Date: 10.8.19

Managing Director

Sd/-

N S Ramachandran
(DIN 00089348)

Director

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31.03.2019

[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
vii)	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)

(i) Category-wise Share Holding

Category Of Shareholder	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Shareholding of Promoter and Promoter Group									
1. Indian									
a. Individuals/Hindu Undivided Family	0	0	0	0.0000	0	0	0	0.0000	0.0000
b. Central Government/ State Government(S)	0	0	0	0.0000	0	0	0	0.0000	0.0000
c. Bodies Corporate	0	0	0	0.0000	0	0	0	0.0000	0.0000
d. Financial Institutions/ Banks	0	0	0	0.0000	0	0	0	0.0000	0.0000
e. Any Other									
Sub - Total (A)(1)	0	0	0	0.0000	0	0	0	0.0000	0.0000
2. Foreign									
a. Individuals (Non-Resident Individuals/ Foreign Individuals)	8126383	0	8126383	8.2686	8126383	0	8126383	8.2686	0.0000
b. Bodies Corporate	62596302	0	62596302	63.6922	62596302	0	62596302	63.6922	0.0000
c. Institutions	0	0	0	0.0000	0	0	0	0.0000	0.0000
d. Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
e. Any Other									
Sub - Total (A)(2)	70722685	0	70722685	71.9609	70722685	0	70722685	71.9609	0.0000
Total Share Holding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	70722685	0	70722685	71.9609	70722685	0	70722685	71.9609	0.0000
B. Public Shareholding									
1. Institutions									
a. Mutual Funds/Uti	17500	1800	19300	0.0196	17500	1800	19300	0.0196	0.0000
b. Financial Institutions/ Banks	0	40	40	0.0000	0	40	40	0.0000	0.0000
c. Central Government/ State Government(S)	100000	0	100000	0.1017	100000	0	100000	0.1017	0.0000
e. Insurance Companies	0	0	0	0.0000	0	0	0	0.0000	0.0000
f. Foreign Institutional Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
g. Foreign Venture Capital Investors	0	0	0	0.0000	0	0	0	0.0000	0.0000
h. Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
i. Any Other									
Sub - Total (B)(1)	117500	1840	119340	0.1214	117500	1840	119340	0.1214	0.0000

2. Non-Institutions									
a. Bodies Corporate	550798	9281	560079	0.5698	234421	9281	243702	0.2479	-0.3219
b. Individuals -									
i. Individual Shareholders Holding Nominal Share Capital Upto Rs. 1 Lakh	1367189	579630	1946819	1.9809	1518353	573510	2091863	2.1284	0.1475
ii. Individual Shareholders Holding Nominal Share Capital In Excess of Rs. 1 Lakh	5975466	0	5975466	6.0800	5998999	0	5998999	6.1040	0.0239
c. Qualified Foreign Investor	0	0	0	0.0000	0	0	0	0.0000	0.0000
d. Any Other									
Clearing Members	4389	0	4389	0.0044	3179	0	3179	0.0032	-0.0012
Foreign Corporate Bodies	1909750	0	1909750	1.9431	1909750	0	1909750	1.9431	0.0000
Hindu Undivided Families	305577	0	305577	0.3109	0	0	0	0.0000	-0.3109
Non Resident Indians	2399503	0	2399503	2.4415	2428920	0	2428920	2.4714	0.0299
Overseas Corporate Bodies	14335631	0	14335631	14.5866	14335631	0	14335631	14.5866	0.0000
Resident Huf	0	0	0	0.0000	425170	0	425170	0.4326	0.4326
Others	18954850	0	18954850	19.2867	19102650	0	19102650	19.4371	0.1503
Sub - Total (B)(2)	26848303	588911	27437214	27.9176	26854423	582791	27437214	27.9176	0.0000
Total Public Shareholding (B) = (B)(1)+(B)(2)	26965803	590751	27556554	28.0390	26971923	584631	27556554	28.0390	0.0000
Total (A)+(B)	97688488	590751	98279239	100.0000	97694608	584631	98279239	100.0000	0.0000
C. Shares Held by Custodians and Against Which Depository Receipts Have Been Issued									
Promoter and Promoter Group	0	0	0	0.0000	0	0	0	0.0000	0.0000
Public	0	0	0	0.0000	0	0	0	0.0000	0.0000
Total Custodian (C)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Grand Total (A)+(B)+(C)	97688488	590751	98279239	100.0000	97694608	584631	98279239	100.0000	0.0000

(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 encumbered total shares	No. of Shares	% of Shares of the Company	% of Shares pledged encumbered 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
	Total	70722685	71.96	Nil	70722685	71.96	Nil	Nil

(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
1	At the beginning of the year	8126383	8.27	8126383	8.27
2	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
3	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	--	392173577.13	-	392173577.13
ii) Interest due but not paid	--	--	-	-
iii) Interest accrued but not due	--	--	-	-
Total (i+ii+iii)	--	392173577.13	-	392173577.13
Change in Indebtedness during the financial year	--	-	-	-
• Addition	--	234173577.13	-	234173577.13
• Reduction	--	(234013577.13)		(234013577.13)
Net Change	--	160000.00	-	160000.00
Indebtedness at the end of the financial year		-	-	-
i) Principal Amount	--	392333577.13	-	392333577.13
ii) Interest due but not paid	--	--	-	--
iii) Interest accrued but not due	--	--	-	--
Total (i+ii+iii)	--	392333577.13	-	392333577.13

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				
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
1	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	42000.00 35000.00 28000.00 35000.00 7000.00
	Total (1)		147000.00
2	Other Non-Executive Directors • Fee for attending board committee meetings • Commission • Others, please specify		
	Total (2)		NIL
	Total (B)=(1+2)		147000.00

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
1	Total Managerial Remuneration		147000.00
2	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	138345	180000.00	1938345
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	138345	180000.00	1938345

VI. 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)
COMPANY					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
DIRECTORS					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		
OTHER OFFICERS IN DEFAULT					
Penalty			NIL		
Punishment			NIL		
Compounding			NIL		

For and on behalf of the Board of Directors

Sd/-

Viren Rathod
(DIN 03407158)
Managing Director

Sd/-

N S Ramachandran
(DIN 00089348)
Director

Place: Mumbai**Date:** 10.8.19

(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-2018 At the end of the Year 30-Mar-2019	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-2018 At the end of the Year 30-Mar-2019	4624522 4470829	4.7054 4.5491	4624522 4470829	4.7054 4.5491	'IN300051319899825	APKPS3571B
3	SRI JAYA INCORPORATED At the beginning of the year 01-Apr-2018 At the end of the Year 30-Mar-2019	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-2018 At the end of the Year 30-Mar-2019	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-2018 At the end of the Year 30-Mar-2019	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-2018 At the end of the Year 30-Mar-2019	659990 659990	0.6715 0.6715	659990 659990	0.6715 0.6715	'IN30102221370039	BKYPS7329R
7	LSC SECURITIES LIMITED At the beginning of the year 01-Apr-2018 At the end of the Year 30-Mar-2019 HAVING SAME PAN	252123 3128	0.2565 0.0031	252123 3128	0.2565 0.0031	'IN30184610283572	AAACL6361J

8	LSC SECURITIES LIMITED																						
	At the beginning of the year 01-Apr-2018	300	0.0003			300	0.0003				300	0.0003											AAACL6361J
	At the end of the Year 30-Mar-2019	0	0.0000			0	0.0000				0	0.0000											
8	RADHA VALLURY																						
	At the beginning of the year 01-Apr-2018	215697	0.2194			215697	0.2194				215697	0.2194											AAVPV8282C
	At the end of the Year 30-Mar-2019	214483	0.2182			214483	0.2182				214483	0.2182											
9	USHA NANDAAKUMAR																						
	At the beginning of the year 01-Apr-2018	112262	0.1142			112262	0.1142				112262	0.1142											ABUPN0948F
	At the end of the Year 30-Mar-2019	112262	0.1142			112262	0.1142				112262	0.1142											
10	DINESHKUMAR HIRJIBHAI BALAR																						
	At the beginning of the year 01-Apr-2018	102000	0.1037			102000	0.1037				102000	0.1037											AGGPB9309P
	At the end of the Year 30-Mar-2019	81130	0.0825			81130	0.0825				81130	0.0825											
	HAVING SAME PAN																						
10	DINESHBHAI HIRJIBHAI BALAR																						
	At the beginning of the year 01-Apr-2018	1828	0.0018			1828	0.0018				1828	0.0018											AGGPB9309P
	At the end of the Year 30-Mar-2019	2698	0.0027			2698	0.0027				2698	0.0027											
	NEW TOP 10 AS ON (30-Mar-2019)																						
11	AMAR SINGH BAID																						
	At the beginning of the year 01-Apr-2018	47370	0.0481			47370	0.0481				47370	0.0481											AACHA1268G
	At the end of the Year 30-Mar-2019	160529	0.1633			160529	0.1633				160529	0.1633											
12	GOWRI SHANKAR .S																						
	At the beginning of the year 01-Apr-2018	82062	0.0834			82062	0.0834				82062	0.0834											AAEPG6444Q
	At the end of the Year 30-Mar-2019	102062	0.1038			102062	0.1038				102062	0.1038											

ANNEXURE

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH 2019

[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 2019, 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 2019 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 w.e.f 16th April 2018.

Date : 10.8.19
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 : 10.8.19
Place: Hyderabad

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

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, 2019:

Board of Directors:-

1. The Board of Directors of the company shall have optimum combination of Executive and Non- Executive directors. As on 31st March 2019, 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 two (2) Women Directors. 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 six (6) 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
26th May 2018	9	6
26th June 2018	9	6
13th August 2018	9	6
10th November 2018	9	4
6th January 2019	9	8
8th February 2019	9	5

7. Independent Directors of the Company separately met once on January 06th, 2019 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, 2019. 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	Name Of The Company	Indian	Foreign
Nalinkant Amratlal Rathod	272129	NP	6	-			No	2		Bell Granito Ceramica Limited	-	
										Atreya Finance Private Limited		
Tribhuvan Simh Rathod	1996833	MD	6	-			Yes	3		Bell Granito Ceramica Limited	-	
										Atreya Finance Private Limited		
										Sologuard Medical Devices Private Limited		
Bharathi Nalin Rathod	2587701	NN	2	-			No	4		Bell Granito Ceramica Limited		
										Atreya Finance Private Limited	-	

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	Name Of The Company	Indian	
										Sologuard Medical Devices Private Limited		
										Avp Trading Private Limited		
Nalandula Srinivasa Rao Ramachandran	00089348	NI	5	4	23	2	Yes	1		Bell Granito Ceramica Limited	2	
Gopalachari Padmanabhan	00101432	NI	4	2			No	1		Bell Granito Ceramica Limited	2	
Tenkasi Ramanarayanan Seetharaman	02385221	NI	5	3	23		No	1		Bell Granito Ceramica Limited	1	
Narayanan Subramanian	02577983	NI	6	4	23	2	Yes	2		Bell Granito Ceramica Limited	2	
										Trans Medica (India) Limited		
Kaushik Dhirajlal Shah	00024305	NI	1	0		0	No	2		Amol Minechem Limited	7	
										W H Brady And Company Limited		
										Brady And Morris Engineering Company Limited		
										Arman Financial Services Limited		
										Global Tradecracker Private Limited		
										Brady Services Private Limited		
										Energy Infrastructure (India) Limited		
Rajendra Prasad Kandikattu	143653	NNo	No Information Received As No Meeting Attended							Andhra Pradesh Heavy Machinery And Engineering Ltd	2	
										Raasi Refractories Ltd.		

NP:- Non- Executive-Promoter
 NI:- Non Executive - Independent
 NNo:- Non Executive - Nominee

NN:- Non- Executive- Non Independent
 MD:- Managing Director

Composition of Committees Membership as on March 31, 2019:

Name of Director	DIN No	Name of Committees of Board		
		Audit Committee	Nomination and Remuneration Committee	Shareholders Relationship and Share Transfer Committee
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	-

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. 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 30, 2019 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, 2019, 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.

Appointment of Key Managerial Personnel during the year is Mrs. Swinky Bathla - Company Secretary

Remuneration of the Managing Director

The remuneration paid during the financial year 2018–2019 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, 2019.	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 2018-19 and the details of shares held by them as on March 31, 2019 are as under:

Name of Director	Amount	No of Shares Held
Nalandula Srinivasa Rao Ramachandran	71000.00	NIL
Gopalachari Padmanabhan	36000.00	NIL
Tenkasi Ramanarayanan Seetharaman	46000.00	NIL
Narayanan Subramanian	56000.00	NIL
Kaushik Dhirajlal Shah	8000.00	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
2016	Registered Office the Company at Malkapur Village, Hatnoora Mandal, Narsapur Taluk, Medak Dist, A.P	September 24, 2016	Saturday	11.30 A.M
2017	Registered Office the Company at Malkapur Village, Hatnoora Mandal, Narsapur Taluk, Medak Dist, A.P	September 21, 2017	Thursday	11.30 A.M
2018	204, Sakar Complex, Opp ABS Tower, Vaccine Crossing, Old Padra Road, Baroda- 390015.	September 17, 2018	Monday	10.00 A.M

The Chairman of the Audit Committee was present at all the above AGMs. No EGM was held in the last three years.

Special Resolutions have been passed in the previous three Annual General Meetings held in 2016, 2017 and 2018. For the year 2017-18 postal ballot was conducted for shifting of registered office.

Compliance with Non-Mandatory Requirements

- 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.
- Shareholders' Rights:** The Financial performances of the Company on quarterly basis including a summary of significant events are published in English and Local Gujarati Newspaper. Hence, this information's are not sent to each household of shareholders individually.
- Audit Qualifications:** The Company endeavors to adopt best practices to ensure regime of unqualified financial statements.

General Shareholder Information

Corporate Identification Number	L26931GJ1986PLC102350
Registered Office	204, Sakar Complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, Baroda- 390 015
Name, Contact Details of Compliance Officer	Mrs. Swinky Bathla 204, Sakar Complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, Baroda- 390 015 Email: restile@accountscare.com

Corporate Identification Number	L26931GJ1986PLC102350
Registrar and Share Transfer Agent	M/s. Cameo Corporate Services Ltd, Subramanian Building"1, Club House Road, Chennai 600 002. Telephone No: 044-28460390
Date, Time and Venue of AGM	20th September, 2019 204, Sakar Complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, Baroda- 390 015
Financial Calendar	
Financial Year	1st April-31st March
Financial Report For:	
Quarter Ending 30th June	On or Before August 15th
Quarter Ending 30th September	On or Before November 15th
Quarter Ending 31st December	On or Before February 15th
Quarter Ending 31st March	On or Before May 30th
Cut-off for e-Voting	19/09/2019
E-Voting Window Dates	17/09/2019 to 19/09/2019

Corporate Identification Number	L26931GJ1986PLC102350
Date of Book Closure	15/09/2019 to 20/09/2019 (Both days inclusive)
Equity Shares	
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 2018-2019.

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

Month	Highest (Rs.)	Lowest (Rs.)	Month	Highest (Rs.)	Lowest (Rs.)
April '18	8.40	3.94	October'18	4.20	3.01
May'18	4.84	3.82	November'18	4.80	3.32
June'18	5.44	3.66	December'18	4.80	3.75
July'18	5.64	4.12	January'19	4.65	3.52
August'18	5.87	4.29	February'19	4.44	3.15
September'18	5.09	3.31	March'19	4.15	2.94

Shareholding Pattern as on March 31, 2019

SI 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	550798	0.57
6	Indian Public	8208936	8.37
7	NRIs/OCBs	16764551	17.04
8	Clearing Members	3179	0.00
9	Foreign Bodies	1909750	1.94
	Total	98279239	100.00

List of Persons holding more than 1% of total number of shares as on March 31, 2019

SI No	Name of Shareholders	No. of Shares	% of Share Capital
A. Promoters & Promoter Group			
1.	Solomed Capital Pte. Ltd	62596302	63.6922
2.	Nalinkant Amratlal Rathod	8126383	8.2685
B. Public			
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, 2019

Share or Debenture holding (Rs.)		No. of Holders	% of Total Holders	Total Shares	Total Amount (Rs.)	% of Total Amount
1	5000	22625	96.7955	797802	7978020	0.8117
5001	10000	278	1.1893	242125	2421250	0.2463
10001	20000	178	0.7615	279547	2795470	0.2844
20001	30000	79	0.3379	202177	2021770	0.2057
30001	40000	39	0.1668	142100	1421000	0.1445
40001	50000	52	0.2224	246550	2465500	0.2508
50001	100000	53	0.2267	391745	3917450	0.3986
100001	And Above	70	0.2994	95977193	959771930	97.6576
Total		23374	100	98279239	982792390	100

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, 2019, 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	584631	0.6011
NSDL/CDSL	97688488	99.3989
	98279239	100.00

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@accountscare.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, and 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, 2019.

Place: Mumbai
Date: 10.8.19

For RESTILE CERAMICS LIMITED
Viren Rathod
Managing Director

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

We, Viren Rathod, Managing Director and Tribhuvan Simh Rathod, 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 state of affairs of the Company and of the results of the operations and cash flows. The financial statements have been prepared in all material respects, with the existing Generally Accepted Accounting Principles including 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
CFO**

**Viren Rathod
Managing Director**

Place: Mumbai
Date: 10.8.19

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF RESTILE CERAMICS LIMITED

1. We have examined the compliance of conditions of Corporate Governance by RESTILE CERAMICS LIMITED ("the Company"), for the year ended on March 31, 2019, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations") as amended ("SEBI Listing Regulations").

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI Listing Regulations during the year ended March 31, 2017.
8. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For M.S.Krishnaswami & Rajan

Chartered Accountants
Firm Registration No.01554S

M.S.Murali – Partner

Membership No.026453
UDIN NO:19026453AAAACQ2611

Place : Chennai

Date : 10 Aug, 2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Restile Ceramics Limited having CIN L26931GJ1986PLC102350 and having registered office at 204, Sakar Complex, Opp ABS Tower, Vaccine Crossing, Old Padra Road, Vadodara, Gujarat – 390015 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Tribhuvan Simh Rathod	01996833	04/05/2019
2	Tenkasi Ramanarayanan Seetharaman	02385221	30/08/2008
3	Nalandula Srinivasa Rao Ramachandran	00089348	30/08/2008
4	Nalinkant Amratlal Rathod	00272129	27/01/2003
5	Gopalachari Padmanabhan	00101432	11/07/2009
6	Narayanan Subramanian	02577983	30/01/2010
7	Rajendra Prasad Kandikattu	00143653	31/01/2005
8	Yash Kaushik Shah	02155636	08/02/2019
9	Bharati Nalin Rathod	02587701	29/09/2014
10	Shruti Rathod	01948999	06/01/2019

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

Place: Hyderabad
Date : 10/08/2019

Signature:
Name: N. Madhavi
Membership No: A16866
CP No: 11732

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RESTILE CERAMICS LIMITED

Report on the audit of the Financial Statements

Qualified Opinion

We have audited the accompanying Financial Statements of RESTILE CERAMICS LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in the Basis for qualified opinion paragraph, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and its loss for the year ended on that date.

Basis for Opinion

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 financial statements do not include any adjustments that might result had the above uncertainties been known.

The Company's building is carried in the books at a value of Rs. 711.30 lakhs as at March 31, 2019. Independent valuation of the same during the earlier year had indicated impairment in value of Rs.376.20 lakhs which ought to be recognized in the Statement of Profit and Loss. 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 appropriate authorities. Consequently, the said impairment in value of Building has not been recognized in the Financial Statements.

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

Key Audit Matters

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

Key Audit Matter Description	Response to Key Audit Matter
<p>A. Revenue Recognition</p> <p>Reference may be made to note 3.2 of significant accounting policies and note 3 to the financial statements of the Company.</p> <p>During the year, on account of adoption of new revenue standard Ind AS 115 – Revenue from contracts with customer, there have been changes in revenue recognition policy with regards to timing of recognition and related disclosures.</p> <p>Revenue recognition is inherently an area of audit risk, which we have substantially focused on mainly covering the aspects of cut off.</p> <p>Considering the above impact of Ind AS 115 and cut-off are key audit matters.</p>	<p>Principal Audit Procedures</p> <p>Audit procedures relating to revenue comprised of test of controls and substantive procedures including the following:</p> <ul style="list-style-type: none"> i. We assessed whether the policy of recognizing revenue was in line with Ind AS – 115. ii. We performed procedures to assess the design and internal controls established by the management and tested the operating effectiveness of relevant controls related to the recognition of revenue. iii. Selected a sample of contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, reperformance and inspection of evidence in respect of operation of these controls.

Key Audit Matter Description	Response to Key Audit Matter
	<p>iv. We have tested, on a sample basis, whether specific revenue transactions around the reporting date has been recognised in the appropriate period by comparing the transactions selected with relevant underlying documentation, including goods delivery notes, customer acknowledgement/proof of acceptance and the terms of sales.</p> <p>v. We have also validated subsequent credit notes and sales returns up to the date of this Report to ensure the appropriateness and accuracy of the revenue recognition.</p> <p>vi. We tested journal entries on a sample basis to identify any unusual or irregular items.</p> <p>vii. We also considered the adequacy of the disclosures in Company's financial statements in relation to Ind AS 115 and were satisfied they meet the disclosure requirements.</p> <p>Conclusion Based on the procedures performed above, we did not find any material exceptions with regards to adoption of Ind AS 115 and timing of revenue recognition.</p>
<p>B. Inventory valuation Reference may be made to note 3.10 of significant accounting policies and note 14 to the financial statements of the Company.</p> <ul style="list-style-type: none"> Under Ind AS 2 Inventories, materials and other supplies held for use in production are not written down below cost if the finished goods in which they will be incorporated are expected to be sold at or above cost. The valuation of raw material and other supplies held for production have been an area of our focus in view of loss incurred and the inability to have operating margins. The valuation of finished goods has also been focused upon in view of the production of goods having ceased and the passage of time that has lapsed. <p>Valuation of Inventory in accordance with Ind AS 2 has thus been considered as a key audit matter.</p>	<p>Principal Audit Procedures Our audit procedures comprised of the following:</p> <ol style="list-style-type: none"> We have verified the maintenance of Stock Records with respect to Raw materials and Finished Goods and Inventory has being verified physically by management at year end and no material discrepancies have been reported that need to be dealt within the books of accounts. We have selected a sample of items of Raw materials and other supplies held for production to check whether the rate per unit adopted for valuation is reflective of the last purchase rate (Realizable price). Similarly, the rate per unit of various finished goods have been checked on a sample basis as to whether they reflect the net sale price (Realizable price). <p>Conclusion: Based on the procedures performed above, we have concluded that management has complied with the requirements of IND AS 2 "Inventories".</p>
<p>C. Non-Payment/belated payment of Statutory Dues</p> <p>Company has not paid/paid belatedly various Undisputed Statutory dues including Income Tax and applicable Value Added Tax.</p> <p>Payment of statutory dues regularly and within time reflects on the health of the company apart from the need for us to report on issues of non-compliance to members.</p> <p>We have, therefore, considered payment of statutory dues as a key audit matter.</p>	<p>Principal Audit Procedures We have performed the following list of audit procedures.</p> <ol style="list-style-type: none"> Obtained details of payment of various statutory dues to be paid by company. Evaluated the design of internal controls relating to compliance with statutory dues. Verified that whether company has been regular in payment of statutory dues. <p>Conclusion Based on the above procedures performed, we noted that</p> <ol style="list-style-type: none"> The payment of statutory dues depended upon availability of funds and is being paid with applicable interest and delays noted are disclosed elsewhere in this report. The company has to make with respect to AP VAT amounting Rs.18 lakhs and Income Tax amounting Rs. 2.70 lakhs.

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

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures and Shareholder's Information but does not include the financial statements and our auditor's report thereon.

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of the financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to

modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Companies Act, 2013, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Financial Statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with the relevant rules issued thereunder.
- (e) On the basis of the written representations received from the Directors as on March 31, 2019 taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- (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 requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, no remuneration other than applicable sitting fees has been paid by the Company to its directors during the year which is in accordance with and not in excess of the limits laid down under the said section.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanation given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its Financial Statements. (Refer Note 27)

- ii. The company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at March 31,2019.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order,2016 ("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

Date: May 04, 2019

Place: Vadodara

ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 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, 2019)

- (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, under a phased programme of verification which, in our opinion, is reasonable having regard to the nature and value of its assets, and no material discrepancies have been noticed on such verification carried out during the year, in terms of the phased programme.
- (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 by management 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, Goods and Service tax, and other statutory dues with the appropriate authorities during the year. The arrears of statutory dues outstanding for more than six months as at March 31, 2019 are:

Nature of Dues	Amount (Rs. Lakhs)
Sales Tax	18.00
Income Tax	2.70

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

- (b) There are no dues of income tax, service tax, excise duty, goods and services tax, cess and customs duty, which have not been deposited on account of any dispute.
- (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 and hence reporting under clause 3(ix) of the order is not applicable to the company.
- (x) To the best of our knowledge and belief, and according to the information and explanations given to us, no fraud by the Company and no material fraud 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 and hence reporting on the compliance by the company with the provisions of Section 197 read with Schedule V to 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 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 noncash 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

Place: Vadodara
Date: May 04, 2019

BALANCE SHEET AS AT 31ST MARCH, 2019

₹ in lakhs

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
Non-current assets			
(a) Property, plant and equipment	1	2,460.96	3,033.13
(b) Capital work-in-progress		196.14	196.14
(c) Financial assets			
-Other Financial assets	2	4.08	6.74
		2,661.18	3,236.01
Current assets			
(a) Inventories	3	318.13	373.36
(b) Financial assets			
(i) Trade receivables	4	5.76	2.50
(ii) Cash and cash equivalents	5	10.46	17.63
(iii) Others	6	92.05	99.84
(c) Other current assets	7	67.78	76.62
		494.18	569.95
TOTAL ASSETS		3,155.36	3,805.96
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	8	9,827.92	9,827.92
(b) Other equity	9	(10,814.27)	(10,223.95)
TOTAL EQUITY		(986.35)	(396.03)
LIABILITIES			
Non-current liabilities			
(a) Provisions	10	13.84	13.11
(b) Deferred tax liabilities (net)	11	-	-
		13.84	13.11
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	12	3,923.34	3,921.74
(ii) Trade payables	13	86.11	71.13
(iii) Other financial liabilities	14	81.37	139.99
(b) Provisions	15	0.78	1.11
(c) Other current liabilities	16	36.27	54.91
		4,127.87	4,188.88
TOTAL EQUITY AND LIABILITIES		3,155.36	3,805.96

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 M.S. KRISHNASWAMI & RAJAN

Chartered Accountants

Firm Registration No.01554S

M S MURALI

Partner

Membership No.26453

Place: Vadodara

Date: May 04, 2019

For and on behalf of the Board

VIREN RATHOD

Managing Director

DIN:03407158

TRIBHUVAN SIMH RATHOD

Chief Financial Officer

N.S. RAMACHANDRAN

Director

DIN:00089348

SWINKY BATHLA

Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

₹ in lakhs

Particulars	Note	Year ended 31st March, 2019	Year ended 31st March, 2018
INCOME			
Revenue from operations	17	205.95	66.25
Other income	18	87.79	42.53
Total Income		293.74	108.78
EXPENSES			
Cost of materials consumed	19	11.88	-
Purchase of traded goods	20	157.13	85.53
Changes in inventories of finished goods, work-in-progress and stock-in-trade	21	5.67	(27.85)
Excise duty on sale of goods		-	0.18
Employee benefits expense	22	35.46	35.82
Finance costs	23	0.03	0.17
Depreciation and amortisation expense	24	572.17	625.95
Other expenses	25	97.34	46.78
Total expenses		879.68	766.58
Profit / (Loss) before exceptional items and tax		(585.94)	(657.80)
Exceptional items	26	(4.82)	349.98
Profit / (Loss) before tax		(590.76)	(307.83)
Tax expense:			
- Current tax		-	-
- Current tax - Prior year charge		-	6.65
- Deferred tax		-	-
		-	6.65
Profit / (Loss) for the year		(590.76)	(314.48)
Other Comprehensive Income			
A. Items that will not be reclassified to Profit or Loss			
- Remeasurement of defined benefit plans		0.44	0.61
- 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			
Total Other Comprehensive Income		0.44	0.61
Total Comprehensive Income for the year		(590.32)	(313.87)
Earnings per equity share (Face Value of Rs. 10/- each)			
- Basic and Diluted (in Rs.)		(0.60)	(0.32)

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

For M.S. KRISHNASWAMI & RAJAN

Chartered Accountants
Firm Registration No.01554S

M S MURALI

Partner
Membership No.26453

Place : Vadodara
Date : May 04, 2019

For and on behalf of the Board

VIREN RATHOD
Managing Director
DIN:03407158

TRIBHUVAN SIMH RATHOD
Chief Financial Officer

N.S. RAMACHANDRAN
Director
DIN:00089348

SWINKY BATHLA
Company Secretary

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2019

₹ in lakhs

Particulars		Year ended March 31, 2019	Year ended March 31, 2018
Cash flow from operating activities			
Profit/ (Loss) before tax		(590.76)	(307.82)
Adjustments for -			-
Depreciation & Amortisation expense		572.17	625.95
Finance cost		0.03	0.17
Profit on sale of Property, Plant & Equipment		-	(385.47)
Unclaimed balances written back		(87.57)	(41.95)
Interest income		(0.18)	(0.48)
Operating profit/ (loss) before working capital changes		(106.31)	(109.60)
Adjustments for changes in -			
Trade receivables		(3.26)	16.95
Inventories		55.23	(21.79)
Non current and current Financial Assets		7.79	(99.48)
Other non current and current Assets		8.84	117.19
Trade payables		34.95	(41.68)
Non current and current Financial Liabilities		11.68	(67.85)
Other Non current and current Liabilities		(18.64)	(434.44)
Other Non current and Current provisions		0.84	0.47
Cash generated from operations		(8.88)	(640.23)
Income Tax (net)		-	-
Net cash from operating activities	A	(8.88)	(640.23)
Cash flow from Investing activities			
Payments for acquisition of Property, plant & equipment		-	-
Proceeds from disposal of Property, plant & equipment		-	880.00
Interest Received		0.18	0.48
Net cash from investing activities	B	0.18	880.48
Cash flow from financing activities			
Proceeds from Non current Borrowings		-	-
Repayments of Non current Borrowings		-	-
Proceeds from current Borrowings		3,924.94	-
Repayments of current Borrowings		(3,923.34)	(224.91)
Interest Paid		(0.03)	-
Net cash (used in) financing activities	C	1.57	(224.91)
Net increase/(decrease) in cash and cash equivalents	[A+B+C]	(7.13)	15.34
Cash and cash equivalents			
At beginning		17.63	2.29
At end		10.46	17.63

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 M. S. KRISHNASWAMI & RAJAN

Chartered Accountants
Firm Regn No.01554S

M.S.MURALI

Partner
Membership No.26453

Place : Vadodara

Date : May 04, 2019

For and on behalf of the Board

VIREN RATHOD
Managing Director
DIN:03407158

TRIBHUVAN SIMH RATHOD
Chief Financial Officer

N.S. RAMACHANDRAN
Director
DIN:00089348

SWINKY BATHLA
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

A. Equity Share Capital

₹ in lakhs

Balance at the beginning of April 1, 2017	Changes in equity share capital during the year	Balance at the end of March 31, 2018	Changes in equity share capital during the year	Balance at the end of March 31, 2019
9,827.92	-	9,827.92	-	9,827.92

B. Other Equity

₹ in lakhs

Particulars	Capital Reduction Reserve	Retained Earnings	Total
	(i)	(ii)	
Balance at the beginning of April 1, 2017	754.44	(10,664.53)	(9,910.09)
Profit/(Loss) for the year	-	(314.48)	(314.48)
Other comprehensive income	-	0.61	0.61
Total Comprehensive Income for the year	-	(313.87)	(313.87)
Balance at the end of March 31, 2018	754.44	(10,978.40)	(10,223.96)
Profit/(Loss) for the year	-	(590.76)	(590.76)
Other comprehensive income	-	0.44	0.44
Total Comprehensive Income for the year	-	(590.32)	(590.32)
Balance at the end of March 31, 2019	754.44	(11,568.72)	(10,814.28)

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

As per our Report attached

For M.S. KRISHNASWAMI & RAJAN

Chartered Accountants
Firm Registration No.01554S

For and on behalf of the Board

M S MURALI

Partner
Membership No.26453

VIREN RATHOD

Managing Director
DIN:03407158

N.S. RAMACHANDRAN

Director
DIN:00089348

TRIBHUVAN SIMH RATHOD

Chief Financial Officer

SWINKY BATHLA

Company Secretary

Place : Vadodara

Date: May 04, 2019

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 1 - Property, Plant And Equipment

₹ in lakhs

2018-19	Gross Carrying Amount				Depreciation/Amortisation				Net Carrying Amount
Description	As at 01.4.2018	Additions	(Deletions)	As at 31.3.2019	As at 01.4.2018	Charge during the year	Disposal	As at 31.3.2019	As at 31.3.2019
Land - Freehold land	65.11	-	-	65.11	-	-	-	-	65.11
Buildings	816.25	-	-	816.25	66.75	38.20	-	104.95	711.30
Plant and Equipment	2,999.76	-	-	2,999.76	781.38	0.14	-	781.52	2,218.24
Furniture and Fixtures	3.94	-	-	3.94	3.80	533.83	-	537.63	(533.69)
Vehicles	0.02	-	-	0.02	0.02	-	-	0.02	-
Total	3,885.08	-	-	3,885.08	851.95	572.17	-	1,424.12	2,460.96
Capital Work in Progress	196.14								196.14

₹ in lakhs

2017-18	Gross Carrying Amount				Depreciation/Amortisation				Net Carrying Amount
Property, plant and equipment	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	-
Total	4,834.21	-	949.13	3,885.08	680.59	625.95	454.59	851.95	3,033.13
Capital Work in Progress	196.14								196.14

Note:

- (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 01.04.2016.
- (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 (2018-Nil). Refer Note.9

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 2 - Non-Current Financial Asset

₹ in lakhs

	As at March 31 2019	As at March 31 2018
Security deposits	4.08	6.74
Total	4.08	6.74

CURRENT ASSETS**Note 3 - Inventories**

₹ in lakhs

	As at March 31 2019	As at March 31 2018
(a) Raw materials	56.55	68.43
(b) Work-in-progress	11.16	18.69
(c) Finished goods	127.73	125.87
(d) Stores and spares	122.69	160.37
	318.13	373.36

Note:

- 3.1. Cost of materials consumed (including cost of purchased goods) during the year is Rs.174.68 lakhs (2017-18 Rs.57.68 lakhs)
3.2 The amount of write down of inventory recognised as expense during the year is Rs. 11.88 Lakhs
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

Note 4 - Trade Receivables

₹ in lakhs

	As at March 31 2019	As at March 31 2018
Trade Receivables - Unsecured		
Considered Good		
-Related Parties	-	-
-Others	5.76	2.50
Considered Doubtful		-
Less : Allowance for Doubtful debts		-
Total	5.76	2.50

Note 5 - Cash And Cash Equivalents

₹ in lakhs

	As at March 31 2019	As at March 31 2018
Balances with banks in current account	10.46	17.10
Cash on hand	0.00	0.53
Total	10.46	17.63

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 6 - Others-Current Financial Assets

₹ in lakhs

	As at March 31 2019	As at March 31 2018
Unsecured, considered good		
(a) Employee advances	-	-
(b) Interest accrued on deposits	0.24	0.63
(c) Receivable for sale of machinery	91.81	99.21
Total	92.05	99.84

Note 7 - Other Current Assets

₹ in lakhs

	As at March 31 2019	As at March 31 2018
(Unsecured, considered good)		
a) Prepaid expenses	0.11	0.07
b) Advances to suppliers	-	-
c) Balances with Government authorities - GST Credit	67.24	74.34
d) Refund of income tax	0.43	1.50
e) Taxes paid under protest	-	0.71
Total	67.78	76.62

Note 8 - Equity Share Capital

₹ in lakhs

	As at March 31 2019	As at March 31 2018
Authorised		
10,00,00,000 (2018: 10,00,00,000) Equity shares of Rs.10 each with voting rights.	10,000.00	10,000.00
Issued		
9,82,79,239 (2018: 9,82,79,239) Equity shares of Rs.10 each with voting rights	9,827.92	9,827.92
Subscribed and fully paid up		
9,82,79,239 (2018: 9,82,79,239) Equity shares of Rs.10 each with voting rights	9,827.92	9,827.92
Total	9,827.92	9,827.92

Notes:

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

₹ in lakhs

	No. of Shares	No. of Shares
Opening balance	982.79	982.79
Add: Shares issued during the period/year	-	-
Balance as at end	982.79	982.79

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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

Name of shareholder	%	No. of shares	%	No. of shares
1. Mr Nalinkant Amratlal Rathod	8.27	81.26	8.27	81.26
2. Solomed Capital Pte Ltd- Holding Company	63.69	625.96	63.69	625.96
3. Spring Board Pacific Enterprises Inc.	14.58	143.36	14.58	143.36

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 (2018-Nil)

Note 9 - Other Equity

₹ in lakhs

		As at March 31 2019	As at March 31 2018
A) Capital Reduction Reserve	A	754.44	754.44
B) Retained earnings	B	(11,568.71)	(10,978.39)
Total		(10,814.27)	(10,223.95)

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 Provisions

₹ in lakhs

	As at March 31 2019	As at March 31 2018
Provision for employee benefits:		
a) Gratuity	13.43	12.75
b) Leave Encashment	0.41	0.36
Total	13.84	13.11

10.1 Details of provisions at the beginning and end of the year/period of employee benefits detailed in Note 10 and Note 15.

Particulars	Balance as at 31.03.2018	Addition/ Reversal	Balance as at 31.03.2019
Gratuity	13.7	0.4	14.09
Leave encashment	0.5	0.0	0.53

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 11 - Deferred Tax Liability

₹ in lakhs

	As at March 31 2019	As at March 31 2018
Deferred Tax (Assets)	(348.76)	(224.68)
Deferred Tax Liability	348.76	224.68
Total	-	-

Refer Note 30.2 for details

Note 12 - Current Financial Liabilities-Borrowings

₹ in lakhs

	As at March 31 2019	As at March 31 2018
Unsecured- Related Parties		
- From Directors	3,923.34	3,921.74
- From other companies		-
Total	3,923.34	3,921.74

Note 13 - Current Financial Liabilities- Trade Payables

₹ in lakhs

	As at March 31 2019	As at March 31 2018
Trade Payables		
Total outstanding dues of micro enterprises and small enterprises *	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	86.11	71.13
Total	86.11	71.13

*Refer Note 27

Note 14 - Current Financial Liabilities - Others

₹ in lakhs

	As at March 31 2019	As at March 31 2018
a) Dues to employees	27.67	88.96
b) Creditors for expenses	8.07	4.39
c) Security Deposits	45.50	46.50
d) Others	0.13	0.14
Total	81.37	139.99

Note 15 - Current Provisions

₹ in lakhs

	As at March 31 2019	As at March 31 2018
Provision for employee benefits:		
a) Gratuity	0.66	0.96
b) Leave encashment	0.12	0.15
Total	0.78	1.11

15.1. Refer Note 10.1 with regard to movement in provisions

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 16 - Other Current Liabilities

₹ in lakhs

	As at March 31 2019	As at March 31 2018
a) Advances from customers	15.04	27.83
b) Statutory remittances due	21.23	27.08
Total	36.27	54.91

Note 17 Revenue from Operations

₹ in lakhs

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
(a) Sale of Goods		
- Virtrified Tiles	190.15	66.25
- Spares	10.19	-
(b) Other Operating Revenue		
- Others	5.61	-
Total	205.95	66.25

Note:

17.1 In accordance with the requirements of Ind AS, Revenue from Operations for the year ended March 31, 2019 is shown net of Goods and Service Tax (GST). However, Revenue from Operations for the three months ended June 30, 2017 (previous financial year) is shown inclusive of excise duty. For comparison purposes revenue excluding excise duty is given below:-

₹ in lakhs

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Revenue from operations (Gross)	205.95	66.25
Less: Excise Duty	-	0.00
Revenue from operations (Net)	205.95	66.25

Note 18 Other Income

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
(a) Interest income	0.18	0.48
(b) Unclaimed balances written back	87.57	41.95
(c) Miscellaneous income	0.04	0.10
Total	87.79	42.53

Note 19. Cost of Materials consumed

₹ in lakhs

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Opening stock	68.43	68.43
Add: Purchases	-	-
	68.43	68.43
Less: Closing stock	56.55	68.43
Cost of material consumed	11.88	-

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 20. Purchase of Stock In Trade

₹ in lakhs

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Unglazed fully vitrified ceramic Tiles	157.13	85.53
Total	157.13	85.53

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

₹ in lakhs

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Inventories at the beginning of the year:		
Finished goods	125.87	102.96
Work-in-progress	18.69	19.81
	144.56	122.77
Inventories at the end of the year:		
Finished goods	127.73	125.87
Work-in-progress	11.16	18.69
	138.89	144.56
(Increase)/decrease in value of Finished goods and Work-in-process	5.67	(21.79)
Increase/(decrease) in excise duty content in Finished Goods	-	(6.06)
Net Movement in Finished goods and Work-in-process	5.67	(27.85)

Note 22 Employee benefits expense

₹ in lakhs

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Salaries, Wages and Bonus	31.22	31.62
Contributions to provident and other funds	1.34	1.38
Gratuity	0.82	0.85
Staff welfare expenses	2.08	1.97
Total	35.46	35.82

Note 23 Finance costs

₹ in lakhs

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Interest expense on:		
Bank Charges	0.03	0.17
Total	0.03	0.17

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Note 24 Depreciation and Amortisation Expense

₹ in lakhs

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
(a) Buildings	38.20	38.04
(b) Plant and Equipment	0.14	587.48
(c) Furniture and Fixtures	533.83	0.43
(d) Vehicles	-	-
(e) Office equipment	-	-
Total	572.17	625.95

Note 25 Other expenses

₹ in lakhs

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Consumption of stores and spare parts	37.68	-
Power and fuel	9.20	11.57
Rent	0.24	-
Repairs and maintenance - Others	2.14	1.12
Insurance	0.64	0.51
Rates and taxes	8.65	1.40
Communication	0.76	1.19
Sales commission	8.26	1.61
Advertisement	-	0.46
Business promotion	1.75	1.24
Legal and professional	4.70	5.54
Payments to auditors	4.10	4.25
Directors Sitting Fees	2.17	2.80
Vehicle expenses	1.38	2.27
Listing Fees	3.60	3.17
AGM Expenses	10.55	8.55
Electricity charges	0.17	0.18
Miscellaneous expenses	1.35	0.92
Total	97.34	46.78

25.1 Payments to the auditors comprises :

₹ in lakhs

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
- Towards Statutory Audit	3.50	3.50
- Towards Tax Audit	-	-
Total	3.50	3.50

Note 26 Exceptional Item

₹ in lakhs

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
Profit/ Loss on sale of Property, Plant and Equipment	-	385.47
Rates and Taxes	(4.82)	(35.49)
Total	(4.82)	349.98

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

27 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.

Refer Note 36 for Related party transactions.

28 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.

28.1 The income tax expense for the year can be reconciled to the accounting profit as follows: ₹ in lakhs

	March 31, 2019	March 31, 2018
Profit before tax from continuing operations	(590.76)	(307.82)
Income tax expense calculated at 26% (2017-18: 26%)	-	-
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 2018-19) and 26% (for the year 2017-18) payable by corporate entities in India on taxable profits under tax law in Indian jurisdiction.

28.2 Deferred tax balances

₹ in lakhs

<i>The following is the analysis of deferred tax (assets)/liabilities presented in the consolidated statement of financial position:</i>	March 31, 2019	March 31, 2018
Opening balance		
Impact in Statement of Profit and Loss		
<i>Property, Plant and Equipment</i>	348.76	224.68
<i>Unabsorbed Losses</i>	(348.76)	(224.68)
Closing balance	-	-

28.3 Unrecognised deductible temporary differences and unused tax losses

₹ in lakhs

	March 31, 2019	March 31, 2018
<i>Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:</i>		
- Unused tax losses	2,057.87	3,452.75
- Unabsorbed depreciation	9,763.24	9,465.64
	11,821.11	12,918.39

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.

29 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. 1.34 lakhs (for the year ended March 31, 2018: Rs.1.38 lakhs) represents contribution payable to these plans by the Company at rates specified in the rules of the plan.

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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

Gratuity and Compensated absences	March 31, 2019	March 31, 2018
Discount rate(s)	7.19%	7.29%
Expected rate(s) of salary increase	3.00%	3.00%
Attrition rate	10.00%	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

	March 31, 2019	March 31, 2018
Gratuity		
Current service cost	0.53	0.59
Past service cost	-	-
Net interest expense	0.29	0.26
Components of defined benefit costs recognised in profit or loss	0.82	0.85

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.

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Remeasurement on the net defined benefit liability comprising:		
Actuarial (gains)/losses arising from changes in demographic assumptions	(0.15)	-
Actuarial (gains)/losses arising from changes in financial assumptions	0.02	(0.10)
Actuarial (gains)/losses arising from experience adjustments	(0.31)	(0.51)
Return on plan assets (excluding amounts included in net interest expense)		
Components of defined benefit costs recognised in other comprehensive income	(0.44)	(0.61)
Total	0.38	0.24

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

Compensated Absences		
Current service cost	0.15	0.11
Net interest expense	0.04	0.04
Actuarial (gains)/losses arising from changes in demographic assumptions	-0.02	
Actuarial (gains)/losses arising from changes in financial assumptions	0.00	-0.01
Actuarial (gains)/losses arising from experience adjustments	-0.15	-0.23
Recognised in profit or loss	0.02	(0.09)

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, 2019	March 31, 2018
Gratuity		
Present value of defined benefit obligation	4.39	4.01
Fair value of plan assets		
Net liability arising from defined benefit obligation (unfunded)	4.39	4.01

Compensated Absences		
Present value of defined benefit obligation	0.53	0.51
Fair value of plan assets	-	-
Net liability arising from defined benefit obligation (unfunded)	0.53	0.51

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

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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

₹ in lakhs

	March 31, 2019	March 31, 2018
Gratuity		
Opening defined benefit obligation	4.01	4.03
Current service cost	0.53	0.59
Past service cost	-	-
Interest cost	0.29	0.26
Actuarial (gains)/losses arising from changes in demographic assumptions	(0.15)	
Actuarial (gains)/losses arising from changes in financial assumptions	0.02	(0.10)
Actuarial (gains)/losses arising from experience adjustments	(0.31)	(0.51)
Benefits paid	-	(0.26)
Closing defined benefit obligation	4.39	4.01
Compensated Absences		
Opening defined benefit obligation	0.50	0.64
Current service cost	0.15	0.11
Interest cost	-	0.04
Actuarial (gains)/losses arising from changes in demographic assumptions	(0.02)	-
Actuarial (gains)/losses arising from changes in financial assumptions	-	(0.01)
Actuarial (gains)/losses arising from experience adjustments	(0.15)	(0.23)
Benefits paid	-	(0.05)
Closing defined benefit obligation	0.48	0.50

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

₹ in lakhs

	March 31, 2019	March 31, 2018
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 (2017-18: 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.

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

₹ in lakhs

	March 31, 2019	March 31, 2018
Gratuity		
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would:		
decrease to	4.19	3.85
increase to	4.62	4.19
If the expected salary increases/decreases by 100 basis points, the defined benefit obligation would:		
increase to	4.61	4.18
decrease to	4.19	3.86
Compensated Absences		
If the discount rate is 100 basis points higher/lower, the defined benefit obligation would:		
decrease to	0.51	0.49
increase to	0.56	0.53
If the expected salary increases/decreases by 100 basis points, the defined benefit obligation would:		
increase to	0.55	0.53
decrease to	0.51	0.49

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

₹ 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	0.7834	0.5667	0.5252	0.4937	0.9827	2.7593

Weighted Average remaining duration of Defined benefit obligation as at March 31, 2019 is 4.87 (as at March 31, 2018 : 4.64)

30 Earnings per share

	Year ended March 31, 2019	Year ended March 31, 2018
Basic and diluted earnings per share (Rs.)	(0.60)	(0.32)
Face value per share (Rs.)	10.00	10.00

30.1 Basic and diluted earnings per share

Profit for the year attributable to equity shareholders (Rs. In Lakhs)	(590.76)	(314.48)
Weighted average number of equity shares used in the calculation of basic and diluted earnings per share (Nos. In Lakhs)	982.79	982.79

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

31 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'.

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

Revenue from Customer 1- Rs. 128.98 Lakhs

Revenue from Customer 2- Rs. 21.51 Lakhs

33 Financial risk management objectives and policies

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

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

A) Market risk

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

(i) Foreign Currency Risk

There are no foreign currency transactions during the year.

(ii) Interest rate risk

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

(iii) Other Price risk

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

B) Credit Risk

Credit risk is the risk that counter party 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.

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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.

₹ in lakhs

Contractual Maturities of financial liabilities	1 to 3 years	Beyond 3 years	Total
As at March 31,2019			-
Security deposits received from dealers	45.50		45.50
Trade Payables	86.11		86.11
Loans repayable to Directors	3,923.34		3,923.34
Dues to employees	27.67		27.67
Creditors for expenses	8.07		8.07
Others	0.13		0.13
As at March 31,2018			
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	88.96		88.96
Creditors for expenses	4.39		4.39
Others	0.14		0.14

33.1 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.

33.2 Financial Instruments by Category

₹ in lakhs

	31-Mar-19 Amortised Cost	31-Mar-18 Amortised Cost
Non-current Assets		
(a) Other Financial assets	4.08	6.74
Current Assets		
(b) Financial assets		
(i) Trade receivables	5.76	2.50
(ii) Cash and cash equivalents	10.46	17.63
(iii) Bank balances other than (ii) above	-	-
(iv) Others	92.05	99.84
Current Liabilities		
(a) Financial liabilities		
Other financial liabilities		
(b) Financial liabilities		
(i) Borrowings	3,923.34	3,921.74
(ii) Trade payables	86.11	71.13
(iii) Other financial liabilities	81.37	139.99

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

33.3 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 though gearing ratio which considers Debt (net of cash and cash equivalents) and equity.

₹ in lakhs

Particulars	March 31,2019	March 31,2018
Net debt	3,923.34	3,921.74
Equity	(986.35)	(396.03)
Gearing ratio	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.

34 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 - Director
Mr.Nalinkant Amratlal Rathod - Chairman
Mr. Subba Rao Maddula - Chief Financial Officer
Ms.Rekha Singh -Compliance Officer and Company Secretary till March 2018
Ms. Swinky Bathla - 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".

34.1 Related Party Transactions and Outstanding Balances - summary

₹ in lakhs

Particulars	2019	2018
(i) Companies under Common control		
<u>Bell Granito Ceramica Ltd</u>		
a) Purchase of Materials	151.89	101.68
b) Sales	15.80	-
c) Advance to BGCL -Balance	91.81	99.21

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

Particulars	2019	2018
(ii) Key management Personnel		
<u>Mr. Tribhuvan Simh Rathod</u>		
a) Gratuity	9.69	9.69
b) Loans Received during the year	2.00	-
c) Repayment of Loans during the year	2,339.74	872.74
d) Loan Outstanding	-	2,337.74
<u>Ms. Shruti Rathod</u>		
Loans Received during the year	2,339.74	-
Loan outstanding	2,339.74	-
<u>Mr. Subba Rao Maddula</u>		
a) Remuneration	1.52	1.52
b) Remuneration payable	-	4.99
<u>Ms. Rekha Singh</u>		
a) Remuneration	-	0.76
b) Remuneration payable	-	0.13
<u>Ms. Swinky Bathla</u>		
a) Remuneration	-	-
b) Remuneration payable	0.75	-
<u>Ms. Bharati Rathod</u>		
Loans Received during the year	0.40	648.00
Loan outstanding	1,584.00	1,584.00

Companies under Common control with whom there are no transactions :-

- (i) Solocare Medical Devices (P) Limited
- (ii) Transmedica (India) Limited.

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

₹ in lakhs

36 Contingent liabilities and Commitments	As at March 31, 2019	As at March 31, 2018
Claims against the Company not acknowledged as debts		
Income Tax	-	0.57

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

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

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

37 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.

38 Revenue from contract with customers**(a) Disaggregated revenue information**

₹ in lakhs

Particulars	March 31,2019*
Type of goods and service	
a) Sale of products	
- Vitrified Tiles	190.15
- Spares	10.19
b) Other operating revenues	
- Others	5.61
Less: Rebates and discounts	-
Total revenue from contract with customers	205.95
India	205.95
Outside India	-
Total revenue from contract with customers	205.95

Timing of revenue recognition

₹ in lakhs

Particulars	March 31,2019*	
	At a point in time	Over a period of time
- Sale of products and other operating income	205.95	-
Less: Rebates and discounts	-	-
Total revenue from contract with customers	205.95	-

(b) Contract balances

₹ in lakhs

Particulars	March 31,2019*
Trade receivables	5.76
Contract assets	-
Contract liabilities	-

Trade receivables are non-interest bearing and are generally on approval terms.

(c) Reconciliation of revenue recognised in the statement of profit and loss with the contracted price

₹ in lakhs

Particulars	March 31,2019*
Revenue as per contracted price	205.95
Adjustments:-	
Rebates and discounts	-
Revenue from contract with customers	205.95

* Pursuant to transitional provision in Ind AS 115, the relevant disclosures for the comparative period are not disclosed

NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(d) Changes in accounting policy - on account of adoption of Ind AS 115

The Company applied Ind AS 115 for the first time by using the modified retrospective method of adoption with the date of initial application of 1 April 2018. Under this method, the company recognised the cumulative effect of initially applying Ind AS 115 as an adjustment to the opening balance of retained earnings as at 1 April 2018. Comparative prior period has not been adjusted. The Company has applied the revenue standard only to contracts that are not completed as at the date of initial application. The impact on account of applying the erstwhile Ind AS 18 Revenue instead of Ind AS 115 Revenue from Contracts with customer on the financial results of the company for the year ended March 31, 2019 and other adjustments as at March 31, 2019 on adoption of Ind AS 115 is Nil.

39 Net debt reconciliation

₹ in lakhs

Particulars	As at March 31, 2019	As at March 31, 2018
Cash and cash equivalents	10.46	17.63
Current borrowings	(3,923.34)	(3,921.74)
Non-current borrowings	-	-
Net Debt	(3,912.88)	(3,904.11)

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and Bank Balances	Non-current borrowings	Current borrowings	
Net debt as at March 31, 2018	17.63	-	(3,921.74)	(3,904.11)
Cash flows	(7.17)	-	(1.60)	(8.77)
Net debt as at March 31, 2019	10.46	-	(3,923.34)	(3,912.88)

40 Previous year figures have been regrouped / reclassified wherever necessary to correspond to current year's classification / disclosure.

On Behalf of Board

VIREN RATHOD

Managing Director
DIN:03407158

N.S. RAMACHANDRAN

Director
DIN:00089348

TRIBHUVAN SIMH RATHOD

Chief Financial Officer

SWINKY BATHLA

Company Secretary

Date: May 04, 2019

Place: Vadodara

STATEMENT ON SIGNIFICANT ACCOUNTING POLICIES

1A. General information

Company Background:

Restile Ceramics Limited (“the Company”) is a public limited company incorporated and domiciled in India and governed by Companies Act, 2013. The Company’s registered office is located at 204, Sakar Complex, Vaccine Crossing, Old Padra Road, Vadodara, Gujarat-390 015.

The Company is engaged in manufacturing of Vitrified unglazed and glazed ceramic floor.

1B. Basis of Preparation and Presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

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

The financial statements were approved for issue by the board of directors on May 04, 2019.

Compliance with Ind AS

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

Recent accounting pronouncements

The Company applied Ind AS 115 for the first time. The Indian Accounting Standard (Ind AS) 116, Lease is applicable from FY 2019-20. The management believes that the adoption of Ind AS 116 would not have any significant Profit & Loss impact on the financial statements. The Company has not early adopted any standards or amendments that have been issued but are not yet effective.

1B.2 Property, Plant and Equipment depreciation

Cost of all assets, where the cost exceeds Rs. 10,000 and the estimated useful life is two years or more, is capitalized. Property Plant and Equipment are carried at cost less accumulated depreciation and impairment losses, if any. Cost of property Plant and Equipment is net of eligible credits under applicable Indirect Tax Scheme. Expenditure directly related and incidental to construction are capitalized up to the date of attainment of commercial production. Interest and other related costs, including amortized cost

of borrowings attributable only to qualifying assets are capitalized as part of the cost of the respective assets. Expenses incurred on major refurbishment extending the life of Plant and Machinery has been capitalized to the respective Asset. Capital work-in-progress is carried at cost, comprising direct cost, related incidental expenses and attributable interest.

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

- (a) Assets subject to impairment, on the asset's revised carrying amount, over its remaining useful life.
- (b) Other assets over the estimated useful life prescribed in Schedule II to the Companies Act, 2013.

Deemed cost on transition to Ind AS:

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2016 (the transition date) measured as per the previous GAAP and use such carrying value as its deemed cost as of the transition date.

Depreciation/ amortisation:

Depreciation is recognised so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Freehold land is not depreciated

De-recognition:

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Impairment losses

At the end of each reporting period, the Company determines whether there is any indication that its assets (property, plant and equipment, intangible assets and investments in equity instruments in subsidiaries carried at cost) have suffered an impairment loss with reference to their carrying amounts. If any indication of impairment exists, the recoverable amount (i.e. higher of the fair value less costs of disposal and value in use) of such assets is estimated and impairment is recognised, if the carrying amount exceeds the recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

When an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

1B.3 Inventories

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

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

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

Cost includes taxes and duties and is net of eligible credits under Indirect taxes applicable.

Obsolete / slow moving inventories are adequately provided for.

1B.4 Foreign currency transactions and derivatives

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

1B.5 Revenue recognition

Ind AS 115 Revenue from Contracts with Customers

Ind AS 115 is applicable from FY 2018-19 and it replaces Ind AS 18. It applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. It also specifies the accounting for the incremental costs of obtaining a contract and the costs directly related to fulfilling a contract. The company has adopted the modified retrospective method of applying Ind AS 115 Revenue from Contract with customers in its initial year of application.

Revenue is measured at the fair value of the consideration received or receivable.

Sale of goods

Revenue from sale of products is recognised at the point in time when control of the asset is transferred to the customer, generally when the product is shipped to the customer. The revenue from sale of vehicles is based on the terms of the tender.

The Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less. Thus, there is no significant financing component.

Other Revenues

Other operating revenues comprise of income from ancillary activities (eg: scrap sales) incidental to the operations of the Company and is recognised when the right to receive the income is established as per the terms of the contract.

Revenue in excess of invoicing (referred to also as unbilled revenue) are classified as Contract Assets while invoicing in excess of revenues (referred to also as unearned revenue) are classified as Contract liabilities.

1B.6 Employee benefits

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

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

Retirement benefit costs and termination benefits:

Payments to defined contribution plans i.e., Company's contribution to provident fund, employee state insurance and other funds are determined under the relevant schemes and/ or statute and charged to the Statement of Profit and Loss in the period of incurrence when the services are rendered by the employees.

For defined benefit plans i.e. Company's liability towards gratuity (unfunded), other retirement/ terminations benefits and compensated absences, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Defined benefit costs are comprised of:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

Re-measurement of net defined benefit liability/ asset pertaining to gratuity comprise of actuarial gains/ losses (i.e. changes in the present value resulting from experience adjustments and effects of changes in actuarial assumptions) and is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss.

A liability for a termination benefits like expenditure on Voluntary Retirement Scheme is recognised at the earlier of when the Company can no longer withdraw the offer of termination benefit or when the Company recognises any related restructuring costs.

Short-term and other long-term employee benefits:

A liability is recognised for benefits accruing to employees in respect of salaries, wages, performance incentives, medical benefits and other short term benefits in the period the related service is rendered, at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

1B.7 Income taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current tax: Current tax is determined on taxable profits for the year chargeable to tax in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 including other applicable tax laws that have been enacted or substantively enacted.

Deferred tax: Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

1B.8 Provisions and contingencies

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

1B.9 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss. Financial assets: All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Classification of financial assets

The financial assets are initially measured at fair value. Transaction costs that are directly attributable to the acquisition of financial assets are added to the fair value of the financial assets on initial recognition.

Initial recognition:

(i) Financial assets (other than investments) are subsequently measured at amortised cost using the effective interest method. Effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income

over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition. Investments in debt instruments that meet the following conditions are subsequently measured at amortised cost

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments on principal and interest on the principal amount outstanding.

Impairment of financial assets:

A financial asset is regarded as credit impaired when one or more events that may have a detrimental effect on estimated future cash flows of the asset have occurred. The Company applies the expected credit loss model for recognising impairment loss on financial assets (i.e. the shortfall between the contractual cash flows that are due and all the cash flows (discounted) that the Company expects to receive).

De-recognition of financial assets:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the Statement of profit and loss.

The Company has applied the de-recognition requirements of financial assets prospectively for transactions occurring on or after April 1, 2016 (the transition date).

Financial liabilities and equity instruments:

Classification as debt or equity Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a group entity are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are subsequently measured at amortised cost using the effective interest method. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the "Finance Costs".

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

De-recognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

The Company has applied the de-recognition requirements of financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

1C. Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements in conformity with Ind AS requires the Company's Management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) and recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the Management in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements and/or key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Inventories

An inventory provision is recognised for cases where the realisable value is estimated to be lower than the inventory carrying value. The inventory provision is estimated taking into account various factors, including prevailing sales prices of inventory item, changes in the related laws / emission norms and losses associated with obsolete / slow-moving / redundant inventory items. The Company has, based on these assessment, made adequate provision in the books.

Taxation

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profit and all tax bases of assets and liabilities, the Company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations. Any difference is recognised on closure of assessment or in the period in which they are agreed.

Deferred income tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, unabsorbed depreciation and unused tax credits could be utilized.

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

ATTENDENCE SLIP

I/We hereby record my/our presence at the 33rd Annual general meeting of the company on Friday, September 20th 2019 at 4.00 P.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 2018-19 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 2018-19 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 33rd Annual General Meeting of the Company, to be held on 20th September 2019 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 2019	<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 appoint Auditors and fix their remuneration.	<input type="checkbox"/>	<input type="checkbox"/>
5.	To Appointment Mr. Viren Rathod as Managing Director	<input type="checkbox"/>	<input type="checkbox"/>
6.	To Appoint Mrs. Shruthi Rathod (Din:01948999) as a Director of the company	<input type="checkbox"/>	<input type="checkbox"/>
7.	To Appoint Mr. Yash Kaushik Shah (Din:02155636) as a independent Director of the company	<input type="checkbox"/>	<input type="checkbox"/>
8.	Re-Appointment of Mr. Mani as Independent Director of the Company.	<input type="checkbox"/>	<input type="checkbox"/>
9.	Appointment of Mr.Nandula Srinivasa Rao Ramachandran (00089348) as non Rotational Independent Director	<input type="checkbox"/>	<input type="checkbox"/>
10.	Appointment of Mr.Rajendra Prasad Kandikattu as non Rotational Independent Director	<input type="checkbox"/>	<input type="checkbox"/>
11.	Authority to borrow in excess of the paid up capital and reserves.	<input type="checkbox"/>	<input type="checkbox"/>
12.	Authority to create mortgages, charges and hypothecations	<input type="checkbox"/>	<input type="checkbox"/>
13.	Approval for Related party Transactions	<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.

PRINTED MATTER

Registrars & Share Transfer Agents

M/s Cameo Corporate Services Ltd.

“Subramanian Building”

1-Club House Road, Chennai-600002

***All Correspondence may kindly 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- 500016**