

Restile®

THE ORIGINAL FULLBODY TILE

RESTILE CERAMICS LIMITED

28th Annual Report 2013-14

BOARD OF DIRECTORS

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

SHAREHOLDERS' INFORMATION

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

NOTICE TO MEMBERS

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

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

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

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

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

7. To appoint Auditors and fix their remuneration.

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

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

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Special Business:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Perquisites:

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

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

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

Other Perquisites:

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

Minimum Remuneration:

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

Other Terms:

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

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

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

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

By Order of the Board of Directors

Place: Chennai
Date: August 12, 2014

Nalinkant Amratlal Rathod
Chairman

NOTES

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

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

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

The instructions for shareholders voting electronically are as under:

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

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

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

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

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are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

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

By Order of the Board of Directors

Place: Chennai
Date: August 12, 2014

Nalinkant Amratlal Rathod
Chairman

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

Item No.4

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

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

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

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

Item No.5

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

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

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

Item No.6

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

Mrs Bharathi Rathod is a BA graduate having vast experience.

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

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