

RESTILE CERAMICS LIMITED

30th Annual Report 2015-16

BOARD OF DIRECTORS

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

KEY MANAGERIAL PERSONS

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

SHAREHOLDERS' INFORMATION

Annual General Meeting	30th AGM on 24th September, 2016
Venue	At Registered office at Malkapur Village, Hatnoora Mandal, Narsapur Taluk, Medak District-502 296, Telangana.
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 Industrial Finance Branch, Somajiguda Hyderabad - 500 082 Sanga Reddy Branch, Sanga Reddy, Medak – 502 001
Registered Office & Factory Location	Malkapur Village, Hatnoora Mandal, Narsapur Taluk, Medak District-502 296, Telangana. www.restile.com
CIN	L26931TG1986PLC006480
Book Closure Date	17.9.16 to 24.9.16
Listing	Bombay Stock Exchange Ltd
ISIN NO	INE298E01022
Stock Code	515085
Evoting Dates	20.9.16 to 23.9.16
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 30th Annual General Meeting of the Members of the Company will be held at 11.30.A.M on 24th September 2016 at the registered office of the Company situated at Malkapur Village, Hatnoora Mandal, Narsapur Taluk, and Medak District-502 296, Telangana to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss for the year ended on that date along with Cash Flow Statement and notes forming part of accounts, together with the Reports of the Board of Directors and the Auditors thereon.
2. To appoint Sri. Nalinkant Amratlal Rathod (DIN: 00272129) as Director who retires by rotation and is eligible for reappointment.
3. To appoint Smt. Bharathi Nalin Rathod (DIN: 02587701) as Director who retires by rotation and is eligible for re-appointment
4. To appoint Auditors and fix their remuneration.

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

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

SPECIAL BUSINESS

5. Re-appointment of Mr. Tribhuvan Simh Rathod as Managing Director of the Company.

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

“RESOLVED THAT pursuant to the recommendation of the Nomination & Remuneration Committee, the Board of Directors subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Tribhuvan Simh Rathod (DIN: 01996833), as Managing Director of the Company for a period of 2 years with effect from 11th August, 2016 to 12th August, 2018 at **NIL** Remuneration.

6. Appointment of Mr. Gopalachari Padmanabhan as Independent Director of the Company;

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

thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, the consent of the members of the Company be and is hereby accorded to appoint, Mr. Gopalachari Padmanabhan (DIN: 00101432), Director of the Company in respect of whom the Company has received a notice in writing signifying his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of five consecutive years from 08th February, 2016.”

7. Appointment of Mr. Tenkasi Ramanarayanan Seetharaman as Independent Director of the Company:

To consider and if thought fit, to pass with or without modification(s), the following resolution as a 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 reenactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, the consent of the members of the Company be and is hereby accorded to appoint, Mr. Tenkasi Ramanarayanan Seetharaman (DIN: 02385221), Director of the Company, in respect of whom the Company has received a notice in writing signifying his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company to hold the office for a period of five consecutive years from 08th February, 2016.”

8. Appointment of Mr. Kaushik Dhirajlal Shah as Independent Director of the Company.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a 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. Kaushik Dhirajlal Shah (DIN: 00024305), who has been appointed as an Additional Director of the Company by the Board of Directors in terms of section 161 of the Act on 21.05.2016 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 Director, be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years from 21st May 2016.”

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

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

“RESOLVED THAT in supersession of the earlier resolution passed by the Members of the Company in the previous Annual General Meeting, the Board of Directors of the company be and is hereby authorized in accordance with the provisions of Sec.180(1)(c) and other applicable provisions if any, of the Companies Act,2013, to borrow from time to time all such sums of money as may deem requisite for the purpose of the business of the Company provided that the moneys to be borrowed together with the moneys already borrowed by the company apart from temporary loans obtained from the company’s bankers in the normal course of business shall not exceed the aggregate of the paid-up capital and free reserves by More than Rs. 50 Crores (Rupees Fifty Crores only)”.

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

10. Authority to create mortgages, charges and hypothecations

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

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

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

By Order of the Board of Directors

Sd/-

Place: Vadodara

Date: 6th August 2016

Nalinkant Amratlal Rathod

(DIN 00272129)

CHAIRMAN

NOTES

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The proxy in order to be effective must be received by the Company at its registered office not less than 48 hours before the commencement of the meeting.
3. Members/proxies are requested to bring their copies of Annual Report and the attendance slip duly filled in for attending the meeting. Copies of the Annual Reports will not be provided at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 17th September 2016 to 24th September 2016.
5. Members are requested to notify any change in their addresses to the Company's Share and Depository Transfer Agents. Members are also requested to intimate their email to the Company's Share and Depository Agent.
6. Members holding shares in physical form are requested to convert their holdings into Demat. The Company's Id with CDS (I) L and NSDL is INE298E01022. The Company's Registrar and Share Transfer Agents are M/s. CAMEO CORPORATE SERVICES LIMITED, "Subramanian Building" 1- Club House Road, Chennai 600 002.
7. Members desiring any information as regards accounts are requested to write to the Company at least seven days before the date of the meeting to enable the management to keep the information ready at the meeting.
8. Copies of Annual Report are being sent by electronic mode only to all the members whose email address are registered with Company/Depository participant for communication purposes unless any member requested for a hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2016 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 2015-2016 has been paid to Stock Exchange.
10. Brief resume of the Directors seeking reappointment and other details as stipulated under under SEBI (LODR) Regulation, 2015, are provided as part of the AGM notice.
11. Shareholders holding shares in physical form are invited to contribute to the cause of Green Initiative by registering their e-mail ID, by submitting the E- COMMUNICATION REGISTRATION FORM inserted in the Annual Report.
12. Voting through Electronic Means:

In compliance with provisions of Section-108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to inform you the facility to exercise your voting right at the Annual General Meeting by electronic means (e-Voting) and the business may be transacted through e-voting Services provided by Central Depository Services Ltd (CDSL).
13. The procedure and instruction for e-voting are as under:
 - (i) The voting period begins on 20th September, 2016 on 09:00 A.M. and ends on 23rd September, 2016 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 16/09/2016, 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	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.
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).

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) **Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xx) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com.
 - 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/-

Place: Vadodara

Date: 6th August 2016

Nalinkant Amratlal Rathod

(DIN 00272129)

CHAIRMAN

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 forming part of the 30th Annual General Meeting of the Company

Item No.2

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

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

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

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

Item No.3

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

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

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

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

Item No. 5

The shareholders at their 28th AGM held on 29.09.2014 have appointed Mr. Tribhuvan Simh Rathod as Managing Director of the Company till 11.08.2016. As the term of his office is due for re-appointment, the Board at their meeting held on 06.08.2016 have re-appointed him for another term of 2 years w.e.f. 12.08.2016 without any remuneration, on the terms conditions as mentioned in the resolution, subject to the approval of shareholders.

Approval of the members is required by way of Ordinary Resolution for appointment and payment of remuneration.

Keeping in view that Mr. Tribhuvan Simh Rathod is a Chartered Accountant and has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, it would be in

the interest of the Company to continue the employment of Mr. Tribhuvan Simh Rathod as Managing Director of the Company.

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

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

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

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

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

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 in the Business of manufacturing of Vetrified Tiles. The Company was incorporated in 1986 and is based in Telangana, India.

- **Date of Commencement of Commercial Production:**

The commercial operations of the Company started during the year 1986.

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

(Rs. in Lakhs)			
Item	2014-15 (Rs.)	2013-14 (Rs.)	2012-13 (Rs.)
Income from Operations (Gross)	296.08	428.30	384.13
Profit / (Loss) before Tax	(1084.26)	(1274.61)	(1077.80)
Profit / (Loss) after Tax	(1095.00)	(1274.61)	(1077.80)

- **Export Performance and net foreign exchange earnings : NIL**

- **Foreign Investments or Collaborations, if any : NIL**

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

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