

Restile®

The Original FULL BODY Tiles

CIN: L26931TG1986PLC006480
Email id: restile@accountsare.com

RESTILE CERAMICS LIMITED

Regd. Office : Malkapur Village, Narsapur Taluq, Medak Dist., A.P.

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER 2014

		Rs. Lakhs					
		Three months ended			Nine months ended		Previous year ended
		31.12.2014	30.09.2014	31.12.2013	31.12.2014	31.12.2013	31.03.2014
		Unaudited				Audited	
1.	Part-I						
	Income from Operations						
a.	Net Sales / Income from operations (net of Excise Duty)	6.87	21.89	111.68	62.22	297.07	
b.	Other Operating Income	9.26	13.00	-	38.89	-	
	Total Income from operations (net)	16.13	34.89	111.68	101.11	297.07	
2.	Expenses						
a.	Cost of Materials consumed	3.56	1.17	29.51	4.73	80.30	
b.	Purchase of Stock in Trade-trading Goods	0.01	0.03	-	0.06	-	
c.	Changes in inventories of finished goods, work in progress and stock-in-trade [Refer Note 5]	(2.27)	25.47	6.63	50.96	70.60	
d.	Rawmaterial Procurement Expenses-Net	(1.94)	(2.89)	-	(2.32)	-	
		(0.64)	23.78	36.14	53.43	150.90	
e.	Employee benefits expense	17.45	17.82	59.58	67.17	189.64	
f.	Depreciation and amortisation expenses	211.57	211.05	144.69	634.72	432.50	
g.	Rent	0.24	0.04	0.36	0.64	1.81	
h.	Power and Fuel	3.56	20.04	74.32	52.40	148.80	
i.	Other Expenses	18.13	11.94	24.16	43.86	50.86	
	Total Expenses	250.32	284.67	339.25	852.23	974.51	
3.	Profit/(Loss) from operations before other income, finance costs and exceptional items (1-2)	(234.19)	(249.77)	(227.57)	(751.12)	(677.44)	
4.	Other income	0.71	-	0.13	5.47	2.27	
5.	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(233.48)	(249.77)	(227.44)	(745.65)	(675.17)	
6.	Finance Costs	19.33	28.34	32.56	71.92	79.66	
7.	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(252.81)	(278.11)	(260.00)	(817.57)	(754.83)	
8.	Exceptional items (Refer note-2)	4.80	-	-	33.75	22.18	
9.	Profit/(Loss) from ordinary activities before tax (7-8)	(257.61)	(278.11)	(260.00)	(851.32)	(777.01)	
10.	Tax expense - Current Tax (Refer note-3) - Deferred Tax (Refer note-3)	-	-	-	-	-	
11.	Net Profit/(Loss) from ordinary activities after tax (9-10)	(257.61)	(278.11)	(260.00)	(851.32)	(777.01)	
12.	Extraordinary item (net of tax)	-	-	-	-	-	
13.	Net profit/(Loss) for the period (11-12)	(257.61)	(278.11)	(260.00)	(851.32)	(777.01)	
14.	Paid-up equity share capital (Face value per share Re.10)	9,827.92	9,827.92	9,827.92	9,827.92	9,827.92	
15.	Reserves excluding Revaluation reserve as per Balance Sheet of previous accounting year	-	-	-	-	(7,059.50)	
16.	Basic and Diluted earnings per Share (EPS) (Rs.)	(0.26)	(0.28)	(0.26)	(0.87)	(0.79)	



RESTILE CERAMICS LIMITED

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Part II						
Particulars of Shareholding						
1 Public shareholding						
- Number of shares	27,163,331	27,163,331	27,163,331	27,163,331	27,163,331	27,163,331
- Percentage of shareholding	27.64	27.64	27.64	27.64	27.64	27.64
2 Promoter shareholding						
a. Pledged / Encumbered						
Number of shares	-	-	-	-	-	-
- Percentage of promoter shareholding	-	-	-	-	-	-
- Percentage of total share capital	-	-	-	-	-	-
b. Non-encumbered						
Number of shares	71,115,908	71,115,908	71,115,908	71,115,908	71,115,908	71,115,908
- Percentage of promoter shareholding	100.00	100.00	100.00	100.00	100.00	100.00
- Percentage of total share capital	72.36	72.36	72.36	72.36	72.36	72.36

Particulars		THREE MONTHS ENDED				
		31.12.2014				
B. Investor Compliants						
a.	Pending at the beginning of the quarter	Nil				
b.	Received during the quarter	Nil				
c.	Disposed during the quarter	Nil				
d.	Remaining unsolved at the end of the quarter	Nil				

- Notes :**
- The above Financial Results were reviewed by the Audit Committee and then approved by the Board of Directors at the meeting held on 7th February, 2015
 - (i) The Draft Modified Rehabilitation Scheme with regard to merger of certain associate companies with the company effective April 1, 2014 as approved by the members is pending with the Board for Industrial and Financial Reconstruction (BIFR).
 - (ii) As part of the merger plans and restructuring of operations, a separation scheme for workers at factory was announced in the last quarter of the financial year 2014 and all the workers at the factory have opted to separate under the said scheme. Even earlier, the company had assisted employees who wished to separate from employment with the company. All dues to the aforesaid separating employees have been fully settled. Considering the nature and amounts involved, additional amounts paid towards settlement is reflected as "Exceptional Item" for the nine months ended December 31, 2013 and year ended March 31, 2014.
 - (iii) For the quarter ended 31.12.2014 and nine months ended December, 31, 2014 Exceptional Item represents disputed excise duty and sales tax dues discharged.
 - There is no Current Tax expense for the Quarter/ Year in view of admissible deductions/allowances. Accrual of Deferred tax asset has been restricted to quantum of deferred tax liability and comprises timing difference on account of unabsorbed depreciation.
 - (i) The Auditors have qualified the financial statements for the year ended March 31, 2014 and their Limited Review Report for the nine months ended December 31, 2014 regarding adoption of Going Concern principles in drawing up the financial statements for the said year/Statement of Unaudited Financial Results for the said period, non-recognition of estimated impairment in value of Building (Rs. 22.17 lakhs) and Plant and Machinery (Rs. 110.07 lakhs) and provision for gratuity and leave encashment for the said year/period not being made as per actuarial valuation. The issue of negative operating cash flows and Incurrence of operating losses over the years highlighted by Auditors are being addressed through proposed restructuring of operations and merger with another company which is pending approval of BIFR. 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 identified impairment in value of fixed assets. Steps have been initiated to adjust the impairment in value against the reserve with the approval of BIFR. The settlement of workers during the earlier year means that the actuarial valuation of employee benefits for remaining few employees would not be materially different from that provided for. In the circumstances and considering the revised useful life being adopted from Financial year 2014-15 indicated in (ii) below the qualification made by the Auditors would get addressed.
 - (ii) The company had reworked the depreciation during quarter ended March 31, 2014, in respect of fixed assets whose economic useful lives are longer than that prescribed in Schedule II to the Companies Act, 2013 ('Act'), to comply with the provisions thereof. Accordingly, the unamortized depreciable amounts as at April 1, 2014 of such fixed assets are charged over the remaining useful life as prescribed under Schedule II. As a result, the depreciation charged for the quarter ended September 30, 2014 and that for the quarter ended December 31, 2014 is higher by Rs. 69.08 lakhs and Rs. 69.08 lakhs respectively. For the nine months ended December 31, 2014 the said higher depreciation is Rs. 207.24 lakhs. The written down value of fixed assets whose revised lives have expired as at April 1, 2014 as a consequence of application of useful life prescribed in schedule II would be appropriately dealt with after considering Capital reduction Reserve earmarked under BIFR Scheme in 2002 for Impairment in value of assets and referred to in (i) above upon approval by BIFR.
 - The proposed restructuring entails continuation of certain high-end products and discontinuance of some of the existing range. Consequently, the management has taken steps to clear a major portion of the older range of products at a lower rate during the year ended March 31, 2014 incurring an estimated loss of Rs. 38.52 lakhs. This has been followed by a write down in value of such materials in stock to the extent of Rs. 48.20 lakhs during the said year, both of which are reflected in the aforesaid Results for the year ended March 31, 2014 as 'changes in inventories'.
 - The Company's primary segment is identified as business segment based on nature of Products, risks, returns and the internal business reporting system. The Company is operating in only a single business segment viz. vitrified tiles
 - Other expenses for nine months ended December, 31, 2014 includes freight expenditure of Rs. 2.37 Lakhs relating to prior year.
 - The Previous year/period figures have been regrouped wherever necessary.

For and on behalf of the Board of Directors

Place : Chennai
Date : 7th February, 2015

RESTILE CERAMIC PRIVATE LIMITED
 Managing Director
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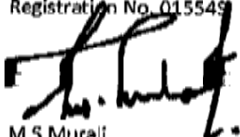
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INDEPENDENT AUDITORS' REVIEW REPORT

To the Board of Directors of
RESTILE CERAMICS LIMITED

1. We have reviewed the accompanying Statement of Standalone Unaudited Financial Results of Restile Ceramics Limited ("the Company") for the Quarter and nine Months ended December 31, 2014 ("the Statement"), being submitted by the Company pursuant to Clause 41 of the Listing Agreements with the Stock Exchanges, except for the disclosure in Part II of the Statement referred to in paragraph 4 below. This Statement (Initialled by us for identification) is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financials and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement prepared (subject to our comments in Para 4 below) in accordance with the Accounting standards specified under the Companies Act, 1956 (which are deemed to be applicable as per section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of clause 41 of the Listing Agreements with the stock exchanges, including the manner in which it is to be disclosed, or that it contains any material misstatement.
4. (i) 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 statement does not include any adjustments that might result had the above uncertainties been known.
(ii) The Company has not recognised estimated impairment in value of building and plant and equipment aggregating to Rs.642.04 lakhs as detailed in Note 4(i) of the statement as required by the Accounting standard 28- Impairment of Assets.
5. Further, we also report that the particulars relating to the number of shares as well as the percentage of shareholdings in respect of aggregate amount of Public shareholding, pledged/encumbered shares and non-encumbered shares of promoter shareholders (in terms of clause 35 of the Listing Agreement) and the particulars relating to the investor complaints as per the details furnished by the Company/ Registrars.

For M.S. KRISHNASWAMI & RAJAN
Chartered Accountants
Registration No. 015549


M.S.Murali
Partner

(Membership No. 26453)
Chennai,
February 07, 2015

