

Date: 21<sup>st</sup> February, 2023

To,  
BSE Limited  
Corporate Relationship Department,  
25<sup>th</sup> Floor Phiroze Jeejeebhoy Towers  
Dalal Street, Mumbai - 400001

BSE Scrip Code: 515085  
SECURITY CODE NO: 515085  
ISIN: INE298E01022

Dear Sir/Madam,

**Sub: Outcome of Board Meeting held on Tuesday, 21<sup>st</sup> February, 2023, for considering Scheme of Amalgamation pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

In compliance with Regulation 30 of the Securities and Exchange Board of India (“SEBI”) (Listing Obligations and Disclosures Requirements) Regulations 2015 (**LODR Regulations**) this is to inform you that the Board of Directors of Restile Ceramics Limited (“Company” / “RCL” / “Transferor Company”) at its meeting held today i.e. 21<sup>st</sup> February, 2023, *inter alia*, approved the Scheme of Amalgamation of Restile Ceramics Limited with Bell Granito Ceramica Limited (“BGCL” / “Transferee Company”), pursuant to Sections 230-232 and other applicable provisions, if any, of the Companies Act, 2013 and the rules framed thereunder.

The Scheme provides for the transfer and vesting of the entire undertaking of the Transferor Company into the Transferee Company and the dissolution of the Transferor Company without winding up.

The Transferee Company would be listed on the Bombay Stock Exchange subject to approval of the Scheme by the relevant authorities. The Appointed Date for the Scheme is the opening of business hours on 01<sup>st</sup> April, 2023.

## RESTILE CERAMICS LIMITED

Regd. Office : 204, Sakar Complex, Opp. ABS Tower, Vaccine Crossing, Old Padra Road, Vadodara, Gujarat - 390015, India.  
CIN : L26931GJ1986PLC102350

Branch Office : D.No.1-10-77, 5th Floor, Varun Towers, Opp. Hyderabad Public School, Begumpet, Hyderabad - 500 016.  
E-mail : restile@accountscare.com, works@restile.com, Website : www.restile.com **Ph. No. 9998219763**

The Scheme will come into effect subject to the approval of Stock Exchanges, Hon'ble National Company Law Tribunal, Ahmedabad Bench and such other statutory authorities as may be required.

It may be noted that the proposed Scheme has been reviewed and recommended for approval by Audit Committee and Independent Directors of the Board of the Company at their respective meeting held on 21st February, 2023.

We are enclosing herewith the information pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular number CIR/CFD/CMD/4/2015 dated 9th September, 2015 as **Annexure-A**.

The Scheme will be filed with the Stock Exchange as per applicable provisions of Regulation 37 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The above information is also available on the Company's website at <https://www.restile.com>

The Board Meeting commenced at 04.30 p.m. (IST) and concluded at 05.15 p.m. (IST).

Kindly take the same on record.

Thanking You,  
Yours Faithfully,

**For Restile Ceramics Limited**

*Palak Jais*  


**Palak Kumari**  
**Company Secretary and Compliance officer**  
**Membership No.: A69959**  
**Encl.: As above**

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## ANNEXURE A

**Disclosure of information pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular number CIR/CFD/CMD/4/2015 dated 9th September, 2015:**

**A. Name of the entity (ies) forming part of the amalgamation, details in brief such as size, turnover etc.**

1. Restile Ceramics Limited, is a listed public limited company incorporated on 26th May, 1986 under the Companies Act, 1956 with CIN no. L26931GJ1986PLC102350 having its registered office address at 204, Sakar Complex, Opp Abs Tower, Vaccine Crossing, Old Padra Road, Vadodara 390015, Gujarat.
2. Bell Granito Ceramica Limited, is an unlisted public limited company incorporated on 29<sup>th</sup> January, 1993 under the Companies Act, 1956 with CIN no. U18907GJ1993PLC018901 having its registered office address at AT & Post Village Gavasad taluka, Padra, Baroda – 391430, Gujarat.
3. The proposed Scheme of Amalgamation (“Scheme”) involves amalgamation of the Company with BGCL. The Appointed Date for the Scheme is the opening of business hours on 01st April 2023.
4. Post the approval of the Scheme by the stock exchange, shareholders, creditors and National Company Law Tribunal, the Transferee Company shall be listed on the Bombay Stock Exchange. The name of the Transferee Company will be changed to Restile Ceramics Limited pursuant to the amalgamation.
5. The paid-up capital, net-worth and turnover of the Transferor Company and Transferee Company as on 31st March 2022 and 30th November 2022 / 31st December, 2022 is as follows –

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(INR in Lacs)

Particulars	Transferor Company		Transferee Company	
	As on 31 <sup>st</sup> March 2022 (Audited)	As on 31 <sup>st</sup> December 2022 (Un-audited, limited review)	As on 31 <sup>st</sup> March 2022 (Audited)	As on 30 <sup>th</sup> November 2022 (Audited)
Paid up Capital	9,827.92	9,827.92	36,484.54	38,534.54
Net-worth	(3668.33)*	(3698.28)*	17,896.16	18,940.37
Turnover (Revenue from Operations)	59.34	143.79	5,777.51	4,721.58

\*Other Comprehensive Income has been considered as a part of net-worth.

**B. Whether the transaction would fall within related party transactions, if yes, whether the same is done at arms-length**

Under the Companies Act 2013, it has been noted that Ministry of Corporate Affairs vide its Circular No 30/2014 dated July 17, 2014 has clarified that transactions arising out of compromises, arrangements and amalgamations dealt with under specific provisions of the erstwhile Companies Act, 1956 or the Companies Act, 2013 (as the case may be) will not attract the requirements of Section 188 of the Companies Act, 2013 (Related Party Transactions).

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In the instant case, wherein the Scheme of Amalgamation between the Company and BGCL and their respective shareholders and creditors as per the provisions of Sections 230-232 and other applicable provisions of the Companies Act, 2013 read with relevant rules framed thereunder, is proposed to be presented before the jurisdictional National Company Law Tribunal under Sections-230 to 232 of the Companies Act 2013 it may be stated that the same may not be required to comply with the requirements specified under Section 188 of the Companies Act, 2013 as a related party transaction.

However, the Transferor Company and the Transferee Company come under common control and are therefore treated as associate companies for related party transactions. In light of the same, the present transaction may be deemed to be a related party transaction under the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other related rules and regulations (as amended from time to time).

Thereby the Board of Directors of Restile Ceramics Limited has, in its meeting held today, based on the recommendations of the Audit Committee and Independent Directors, approved the amalgamation of the Company with BGCL by way of and in accordance with the Scheme basis the following documents in order to maintain fairness and arms-length basis:

- a) Share Exchange Valuation Report dated 21<sup>st</sup> February, 2023 issued by Shreyansh M. Jain, Registered Valuer, having IBBI Registration No IBBI/RV/03/2019/12124 providing the share exchange ratio in connection with amalgamation of the Company with BGCL under the Scheme; and
- b) Fairness Opinion dated 21<sup>st</sup> February, 2023 issued by Kunvarji Finstock Private Limited a SEBI Registered Category I Merchant Banker, having SEBI Registration

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No INM000012564, on the share exchange ratio in connection with amalgamation of the Company with BGCL under the Scheme.

**C. Area of business of the entities**

- (i) The Company is engaged in the business of manufacturing flooring tiles and full body homogenous vitrified tiles.
- (ii) The Transferee Company is also in the similar business of manufacturing of flooring tiles and vitrified flooring tiles.

**D. Rationale for the Scheme of amalgamation**

The Transferor Company is engaged in the business of vitrified ceramic tiles since last 3 decades. The Transferor Company has been closely associated with the Transferee Company (engaged in the similar business) and as on date is directly or indirectly held by the same promoter group. The Transferor Company due to non-availability of natural gas (a key component) for its production process at its Hyderabad plant has been dependent on the Transferee Company for its sustainability, supplies and continuity of business.

In this regard, the proposed amalgamation of Transferor Company into Transferee Company shall result into several advantages to both the companies and their stakeholders. Some of them, inter alia, are:

- (i) The Transferor Company is listed on BSE and having 24,605 public shareholders holding 28.04% stake in the Transferor Company. The proposed amalgamation would provide sustainability and viability to business of Transferor Company and thereby would be in interest of such public shareholders;
- (ii) The proposed amalgamation of the Transferor Company with Transferee Company would achieve the following: –

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- a. Reduction in overheads, administrative, managerial and other expenditure;
  - b. Significant reduction in the multiplicity of legal and regulatory compliances;
  - c. Rationalization of inter-company / related party transactions; and
  - d. Streamlining the cashflow, effective utilization of the tax credits.
- (iii) The proposed amalgamation would provide a greater financial strength base for the Transferor Company, which would result in maximizing overall public shareholders value, and will improve the overall position of the entity;
- (iv) Subsequent to the proposed amalgamation, the Transferee Company would be listed on a recognized stock exchange and this would overall improve the position / marketability and enhance branding and corporate value of the merged entity; and
- (v) The proposed amalgamation shall not be prejudicial to the interest of the shareholders including public shareholders and shall not have any adverse impact on creditors and other stakeholders of the Transferor Company and Transferee Company.

**E. In case of cash consideration, amount otherwise share exchange ratio**

Based upon the Share Exchange Report, the Fairness Opinion and the recommendations received from Audit Committee and Independent Directors, the Board of Directors have approved the following share swap ratio -

Upon the Scheme becoming effective, in consideration of the amalgamation of the Transferor Company with the Transferee Company, the Transferee Company shall, without any further act or deed, issue and allot its shares, credited as fully paid up to the extent indicated below, to the members of Transferor Company, whose name is recorded in the register of members of the Transferor Company on the Record Date in the following ratio:

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With respect to Equity Shareholders of Transferor Company -

“1 (One) new equity share of the Transferee Company of the face value of INR.10/- (Rupees Ten Only) each, credited as fully paid-up for every 2 (Two) equity shares of INR.10/- (Rupees Ten Only) each fully paid-up held by such member in the Transferor Company”

**F. Brief Details of the change in shareholding of the Transferor Company**

The brief details of the shareholding of the Transferor Company pre and post the Scheme is as follows –

**Transferor Company – Restile Ceramics Limited**

Particulars	Pre-Scheme		Post-Scheme	
	No of shares	%	No of shares	%
Promoter	7,07,22,715	71.96%	Not Applicable, as the Transferor Company will be wound up	
Public	2,75,56,524	28.04%		
Total	9,82,79,239	100.00%		

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