



# RUSHIL DECOR LIMITED

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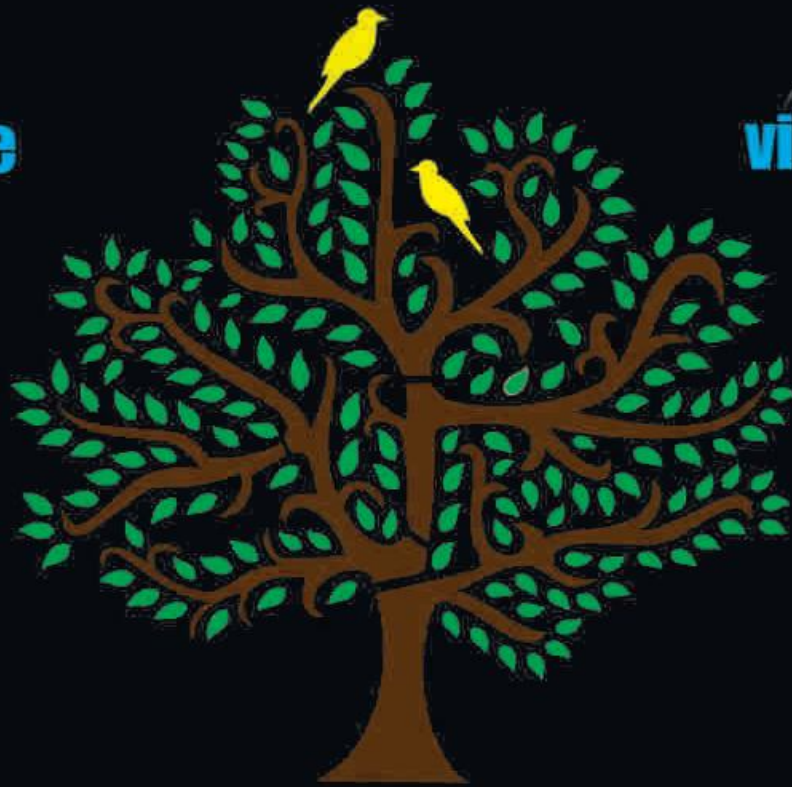
20<sup>th</sup>  
Annual Report  
Year 2013-14



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**CORPORATE INFORMATION:****BOARD OF DIRECTORS**

Shri Ghanshyambhai A. Thakkar	<i>Chairman &amp; Whole time Director</i>
Shri Krupeshbhai G. Thakkar	<i>Managing Director</i>
Shri Harshadbhai N. Doshi	<i>Independent Director</i>
Shri Shankar Prasad Bhagat	<i>Independent Director</i>
Shri Kaushikbhai J. Thakkar	<i>Executive Director</i>
Shri Rohitbhai B. Thakkar	<i>Independent Director</i>
Miss. Jingle P. Thakkar	<i>Additional Director (w.e.f. 7<sup>th</sup> August, 2014)</i>

**COMPANY SECRETARY  
& COMPLIANCE OFFICER**

Mr. Hasmukh K. Modi

**STATUTORY AUDITORS**

M/s. Parikh & Majmudar  
Chartered Accountants  
303, GCP Business Centre,  
Opp. Memnagar Fire Station,  
Near Vijay Cross Road, Navrangpura,  
Ahmedabad -380 009.

**PRINCIPAL BANKERS**

Bank of Baroda  
Kalol Branch, N.G. Road, Kalol.

Allahabad Bank  
S.P. Nagar Branch,  
'ACME CENTRE', Shrimali Society,  
Nr. Navrangpura Railway Crossing,  
Navrangpura, Ahmedabad – 380 009.

**REGISTERED AND CORPORATE OFFICE****Registered Office:**

S. No. 125, Nr. Kalyanpura Patia,  
Gandhinagar Mansa Road, Village Itla,  
Tal. Kalol, Dist. Gandhinagar. PIN - 382845

**Corporate Office:**

1, Krinkal Apartment,  
Opp. Mahalaxmi Temple, Mahalaxmi Society,  
Paldi, Ahmedabad. PIN – 380 007

**REGISTRAR & SHARE TRANSFER AGENT:**

BIGSHARE SERVICES PRIVATE LIMITED  
E/2, Ansa Industrial Estate, Saki vihar Road,  
Saki naka, Andheri(E), Mumbai-400 072

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**NOTICE**

NOTICE is hereby given that the Twentieth Annual General Meeting of the members of Rushil Decor Limited will be held on **Monday, the 29th day of September, 2014** at 3.00 p.m. at the Registered Office of the Company at S. No. 125, Nr. Kalyanpura Patia, Village **Itla**, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar – 382845, Gujarat, India to transact the following businesses:

**Ordinary Business:**

1. To receive, consider and adopt the financial statements of the Company for the year ended March 31, 2014 including the audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and cash flow statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Kaushikbhai J. Thakkar (DIN: 06541630), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint M/s. Parikh & Majmudar, Chartered Accountants (Firm Registration No. 107525W) as Statutory Auditors of the Company from the conclusion of this Annual General Meeting till the conclusion of the Twenty Second Annual General Meeting of the Company subject to ratification at each Annual General Meeting and to fix their remuneration.

**Special Business:****4. CONTINUE THE APPOINTMENT OF SHRI GHANSHYAMBHAI A. THAKKAR (DIN: 00208843) AS WHOLE TIME DIRECTOR**

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 152, 196 and other applicable provisions, if any, of the Company Act, 2013 (Act) and the Rules framed thereunder, as amended from time to time, Shri Ghanshyambhai A. Thakkar (DIN: 00208843), Chairman and Whole time director of the Company, shall continue to hold the office of Chairman and Whole time director of the Company, for the remaining period of his tenure.

RESOLVED FURTHER THAT the other terms and conditions including remuneration of Shri Ghanshyambhai A. Thakkar shall remain unchanged as approved by the shareholders vide ordinary resolution passed in Annual General Meeting dated August 20, 2012.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be reasonable, necessary and expedient to give effect to this resolution.

**5. APPOINTMENT OF SHRI SHANKAR PRASAD BHAGAT (DIN: 01359807) AS AN 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, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Shankar Prasad Bhagat (DIN: 01359807) who was appointed as an independent director of the Company liable to retire by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for 5 (Five) consecutive years from the date of this Annual General Meeting upto the conclusion of the 25<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2019 or upto September 28, 2019 whichever is earlier.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.

**6. APPOINTMENT OF SHRI ROHITBHAI B. THAKKAR (DIN: 06538323) AS AN 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, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Shri Rohitbhai B. Thakkar (DIN: 06538323) who was appointed as an independent director of the Company liable to retire



by rotation and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation and to hold office for 2 (Two) consecutive years from the date of this Annual General Meeting upto the conclusion of the 22<sup>nd</sup> Annual General Meeting of the Company to be held in the calendar year 2016 or upto September 28, 2016 whichever is earlier.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do all acts, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution.

#### 7. APPOINTMENT OF MISS JINGLE P. THAKKAR (DIN: 06941497) AS AN 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, 152 read with Schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Miss Jingle P. Thakkar (DIN: 06941497), who was appointed as an Additional Director by the Board of Directors of the Company with effect from 7<sup>th</sup> August, 2014 pursuant to the provision of Section 161 of the Companies Act, 2013 and who holds office up to 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 Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to August 06, 2019 or date of Annual General Meeting to be held in the Calendar Year 2019 whichever is earlier.

#### 8. RETIREMENT OF A DIRECTOR SHRI HARSHADBHAI N. DOSHI (DIN: 01928520)

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

RESOLVED THAT Shri Harshadbhai N. Doshi (DIN: 01928520), a Director liable to retire by rotation, does not wish to seek re-appointment as a Director of the Company.

RESOLVED FURTHER THAT the vacancy on the Board of Directors of the Company so created be not filled.

#### 9. INCREASE IN BORROWING LIMITS

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 resolution passed by the shareholders of the Company at the Extra Ordinary General Meeting held on December 5, 2007, and pursuant to the provisions of Section 180(1)(c), 180(2) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time read with rules framed there under (including any statutory modification or amendment or re-enactment thereof), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) for borrowing, from time to time, on such terms and conditions and with or without security, any sum or sums of monies whether in Indian rupees or foreign currency (including External Commercial Borrowing) which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves provided that the total amount so borrowed by the Board shall not at any time exceed ₹ 300 crores (Rupees Three Hundred Crores Only) or the aggregate of the paid up capital and free reserves of the Company, whichever is higher.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board or any Committee or person(s) authorized by the Board be and is/are hereby authorised to finalise, settle and execute such documents/ deeds/ writings/ papers/ agreements and to do all acts, deeds, matters and things, as may be required to give effect to this Resolution.

#### 10. AUTHORITY TO MORTGAGE / CHARGE ASSETS 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 in supersession of the resolution passed by the shareholders of the Company at the Extra Ordinary General Meeting held on December 5, 2007, and pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time read with rules framed there under (including any statutory modification or amendment or re-enactment thereof), the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any committee thereof) to mortgage and/or charge (by way of first, second or other subservient charge as may be agreed to between the Company and the lenders), all the immovable and movable properties, present and future, pertaining to any one or more of the Company's Units and any other undertaking of the Company where so ever situate and the whole or



substantially the whole of any one or more of the said undertakings of the Company, to or in favour of any Financial Institutions, Banks and other lending Institutions to secure their respective Loans or other Financial Assistance lent, granted and advances or agreed to be lent, granted and advanced whether in Indian rupees or foreign currency (including External Commercial Borrowing) to the Company of such amount or amounts not exceeding ₹ 300 Crores (Rupees Three Hundred Crores Only) in the aggregate on account of principal, together with interest thereon at the respective agreed rates, compound interest, additional interest, liquidated damages, commitment charges, premia on prepayment, costs, charges and other monies payable by the Company to the respective Financial Institutions, Banks and other lending institutions under the Loan Agreement(s) entered into/to be entered into by the Company in respect of the said term loans or other financial instruments or assistance.

RESOLVED FURTHER THAT the Board of Directors of the Company including a Committee thereof, be and is hereby authorized to finalize with the Financial Institutions, Banks and other lending Institutions the documents for creating mortgage(s) and/or charge(s) as aforesaid and to do all acts, deeds and things in connection therewith and incidental thereto.

#### **11. AUTHORITY FOR KEEPING REGISTERS AND RETURNS AT A PLACE OTHER THAN REGISTERED OFFICE 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 Section 94 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 (including any amendment thereto or enactment thereof for the time being in force), consent of the Company be and is hereby accorded to keep the registers as mentioned under Section 88 and the Annual Return as mentioned under Section 92 of the Companies Act, 2013 at Company's corporate office address at 1, Krinkal Apartment, Opp. Mahalaxmi Temple, Mahalaxmi Society, Paldi, Ahmedabad -380007, Gujarat instead of the Registered Office of the Company.

RESOLVED FURTHER THAT the Board of Directors or any Committee thereof of the Company be and are hereby authorized to do all such things and take all such actions as may be required from time to time for giving effect to the above resolution and matters related thereto.

#### **12. ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION**

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 14 and any other applicable provisions, if any, of the Companies Act, 2013 read with rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all such acts and take such actions as may be necessary, expedient and proper to give effect to this resolution.

#### **13. APPROVAL FOR TRANSACTION WITH RELATED PARTY**

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 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) and clause 49 or any other applicable clauses of the Listing Agreement executed with the Stock Exchange(s), consent of the Company be and is hereby accorded to enter into contracts or arrangements with the related party "Vertex Laminate Private Limited", during the Financial Year 2014-15 and thereafter, up to the maximum amounts of ₹ 20.00 Crores per annum for availing the transportation services by hiring the "trucks" and/or any other "Goods Vehicle" from Vertex Laminate Private Limited on such terms and conditions as the Board may think proper and beneficial to the Company.

RESOLVED FURTHER THAT Shri Krupeshbhai G. Thakkar and Shri Ghanshyambhai A. Thakkar, Directors of the Company be and are hereby severally authorised to do and perform all such acts, deeds and things as may be considered appropriate and reasonably necessary to give effect to the resolution.

#### **14. APPOINTMENT OF MR. RUSHIL K. THAKKAR AS VICE PRESIDENT - GENERAL**

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 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules framed thereunder, (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the Company be and is hereby accorded to the appointment of Mr. Rushil Krupeshbhai Thakkar,



who is son of Shri Krupeshbhai G. Thakkar (Managing Director) & grandson of Shri Ghanshyambhai A. Thakkar (Whole Time Director) on the terms and conditions stated below:

SR NO.	PARTICULARS	DETAILS
1.	Designation	Vice President – General or such other designation as is appropriate for the tasks that to be assigned from time to time.
2.	Effective Date	From 1 <sup>st</sup> October, 2014
3.	Advance payment (if any)	As per policy of the Company for other employees.
4.	Remuneration and Material terms:	
	A. Salary	₹ 70,000/- (Rupees Seventy Thousand only) p.m. including perquisites with annual increment of at least 20% or such higher amount as may be decided by the board from time to time subject to maximum of ₹ 3,00,000/- (Rupees Three Lacs only) p.m.
	B. Perquisites and Benefits	Benefits, perquisites and allowances as may be determined from time to time. But, it may be covered in monthly salary as fixed above. However, some expenses which are incurred for the promotion of business and which are in the routine course like business tour, mobile bill etc. will not be treated as benefits, perquisites or allowances of Mr. Rushil Thakkar. These expenses will be treated as business expenses.
	C. Terms of appointment	I. All personnel policies of the company and the related rule which are applicable to other employees of the company shall also be applicable to the appointee, unless specifically provided otherwise by the Board of Directors. II. The terms and conditions of appointment of the appointee also include clauses pertaining to adherence with the RDL Code of Conduct, no conflict of interest with the company and maintenance of confidentiality.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised, to determine, modify, consolidate and/or revise the terms and conditions of appointment of Mr. Rushil Krupeshbhai Thakkar, including designation and remuneration within the above limits, in any manner from time to time and to delegate all or any of the powers conferred herein to any Committees of Directors or any Officer(s) of the Company.

#### 15. CHANGE IN THE TERMS OF APPOINTMENT OF 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, 196 and any other applicable provisions of the Companies Act, 2013 read with Rules framed thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force) the terms of appointment of Shri Krupeshbhai G. Thakkar (DIN: 01059666), Managing Director is changed from “liable to retire by rotation” to “non-rotational director” for the remaining tenure of his office as Managing Director subject to that other terms and conditions of his appointment will remain the same.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to do the necessary acts and things to give effect to the resolution.

#### Notes:

1. A Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Meeting is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than 48 hours before the time for holding the Meeting. Proxies submitted on behalf of limited companies, societies etc. must be supported by appropriate resolutions/authority, as applicable.

A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other member.



## RUSHIL DECOR LIMITED

3. The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 19th day of September, 2014 to Monday, the 29th day of September, 2014 (both days inclusive) for the purpose of Annual General Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
6. The Annual Report 2013-14 of the Company circulated to the members of the company will be made available on the Company's website [www.virlaminate.com](http://www.virlaminate.com) and also on the website of the respective stock exchanges at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com).
7. To support the 'Green Initiative', Members are requested to register their e-mail address with the Depository Participants, if the shares are held in dematerialized form and with the Company's Registrar & Transfer Agent if the shares are held in physical form, in case you have not registered your e-mail id till now.
8. Members/ proxies are requested to bring the Attendance Slip sent herewith, duly filled in, for attending the meeting.
9. The members who have not encashed their dividend warrants for the past financial years are requested to approach the Company for payment.
10. Members can avail of the facility of nomination in respect of securities held by them pursuant to the provision of Section 72 of the Companies Act, 2013. Members holding shares in physical form and desiring to avail of this facility may send their nomination in the prescribed form duly filled-in to RTA. Members holding shares in electronic mode may contact their respective Depository Participant (DP) for availing this facility.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company.
12. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
13. The Company's Registrar and Transfer Agent for its share registry work is Bigshare Services Private Limited (RTA).
14. Appointment/re-appointment of Directors: A profile containing information to be provided under Clause 49 of the Listing Agreement pertaining to the Directors being appointed/re-appointed is attached with the Notice of Annual General Meeting. Members are requested to kindly refer to the same.
15. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Clause 35B of the Listing Agreement executed with the Stock Exchanges, the members are provided with the facility to cast their vote by electronic means, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.
16. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 read with Rules issued thereunder will be available for inspection by the members at the Annual General Meeting.
17. The instructions for e-voting are as under:
  - i) The voting period begins on Monday, the 22<sup>nd</sup> day of September, 2014 (9.00 a.m.) and ends on Wednesday, the 24<sup>th</sup> day of September, 2014 (6.00 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 Friday, the 22<sup>nd</sup> day of August, 2014, 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](http://www.evotingindia.com) during the voting period
  - iii) Click on "Shareholders" tab.
  - 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](http://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"> <li>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 of the sequence number in the PAN field.</li> <li>In case the sequence 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 sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
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"> <li>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 (iv).</li> </ul>

- viii) 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 against the Company's name for which you choose to vote i.e. RUSHIL DECOR LIMITED
- 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 Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://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](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



## xx) Other Instructions:

- I. A member may exercise his votes at any General Meeting by electronic means and company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014. During the e-voting period, members of the company holding shares either in physical form or dematerialized form, as on the cutoff date i.e., Friday, the 22<sup>nd</sup> day of August, 2014 may cast their votes electronically.
- II. The e-voting period commences at Monday, the 22<sup>nd</sup> day of September, 2014 (9.00 a.m.) and ends on Wednesday, the 24<sup>th</sup> day of September, 2014 (6.00 p.m.). The e-voting module shall be disabled by **CDSL** for voting thereafter. Once the vote on a resolution is cast by a shareholder, the shareholder shall not be allowed to change it subsequently.
- III. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on Friday, the 22<sup>nd</sup> day of August, 2014.
- IV. Ms. Mihika Kaushikbhai Patel, Practicing Company Secretary (ACS Membership No: 35308 & CP No.: 13304) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- V. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VI. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.virlaminate.com](http://www.virlaminate.com) and on the website of CDSL within two (2) days of passing of the resolution at the AGM of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited.

By Order of the Board,  
For **Rushil Décor Limited**

**Hasmukh K. Modi**  
Company Secretary

Date : August 7, 2014  
Registered Office:  
S. No. 125, Nr. Kalyanpura Patia,  
Vill. Ithla, Gandhinagar Mansa Road,  
Tal. Kalol, Dist. Gandhinagar - 382845.  
Corporate Identification Number: L25209GJ1993PLC019532  
E-mail: [cs@virlaminate.com](mailto:cs@virlaminate.com), Website: [www.virlaminate.com](http://www.virlaminate.com)

**STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 ("the Act")**

The following Statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

**In respect of Item no: 4**

As per the provisions of Section 196(3) of the Companies Act, 2013, No Company shall appoint or continue the employment of any person as managing director, whole-time director or manager who has attained the age of seventy years. The same can be done by passing a special resolution in which case the explanatory statement annexed to the notice for such motion shall indicate the justification for appointing such person.

Shri Ghanshyambhai A. Thakkar has attained the age of 72 years, has an experience of more than 40 years in the industry of laminated sheets, plywood, particle board, prelam board and allied items. He is on board since 2007 and is proved an Engine in the growth of a Company. Shri Ghanshyambhai A. Thakkar promoter of our company holds Bachelor of Science degree from Gujarat University and holds Diploma in Civil Engineering from Department of Technical Education from Gujarat State. He is Chairman Cum Whole Time Director in the Company. As a Whole Time Director he is involved in day to day operations of Company. He is looking into the finance management, purchase of raw material etc.

Shri Ghanshyambhai A. Thakkar was reappointed in 2012 for five years whose term will expire in 2017. However, as per Companies Act, 2013 a person can continue as whole time director, even after attaining the age of 70 years, only if it is approved by Special Resolution. So, the resolution is proposed for approval of the shareholders.

Board of Directors believe that continuance of Shri Ghanshyambhai A. Thakkar would be beneficial to the Company and recommend that the aforesaid resolution be passed by the members.



Presently, Shri Ghanshyambhai A. Thakkar is holding 20,25,950 equity shares in the Company in his individual capacity. He is not director in any Company except in Rushil Décor Limited.

Shri Ghanshyambhai A. Thakkar may be deemed to be concerned or interested, financially or otherwise, to the extent of the aforesaid shareholding in respect of continuation of his employment as whole time director. Shri Krupeshbhai G. Thakkar who is his son and Managing Director of the Company may be deemed to be concerned or interested in the continuation of Shri Ghanshyambhai A. Thakkar.

Save and except the above, none of the other directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Special Resolution set out at Item No. 4 of the Notice for approval by the shareholders.

**In respect of Item Nos.: 5 & 6**

Shri Shankar Prasad Bhagat and Shri Rohitbhai B. Thakkar are Independent Directors of the Company appointed at different times as per provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges.

Pursuant to the provisions of Section 149 of the Companies Act, 2013, every listed public company shall have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Nomination and Remuneration Committee has recommended the appointment of Shri Shankar Prasad Bhagat, as an Independent Director not liable to retire by rotation for Five consecutive years from the date of 29<sup>th</sup> day of September, 2014 upto the conclusion of the 25<sup>th</sup> Annual General Meeting of the Company to be held in the calendar year 2019 or upto September 28, 2019 whichever is earlier. The Nomination and Remuneration Committee has also recommended the appointment of Shri Rohitbhai B. Thakkar, as an Independent Director for two consecutive years from the date of 29<sup>th</sup> day of September, 2014 upto the conclusion of the 22<sup>nd</sup> Annual General Meeting of the Company to be held in the calendar year 2016 or upto September 28, 2016 whichever is earlier.

Shri Shankar Prasad Bhagat and Shri Rohitbhai B. Thakkar, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided in sub-section (6) of Section 149 of the Act and clause 49 of the Listing Agreement. In the opinion of the Board, each of these directors fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and are independent of the management. Both persons have also furnished a declaration under Section 152(4) under this Act that they are not disqualified to become a director. Further, as required under section 149(5) of the Act, they also give their consent to hold the office as director. Shri Shankar Prasad Bhagat and Shri Rohitbhai B. Thakkar are not disqualified from being appointed as Director in terms of section 164 of the Companies Act, 2013.

Brief resume and other details of the Independent Directors whose appointment is proposed hereby are provided in the annexure to the Explanatory Statement attached herewith.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Shri Shankar Prasad Bhagat and Shri Rohitbhai B. Thakkar as an Independent Director.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these two directors as Independent Directors is now being placed before the Members for their approval.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Shri Shankar Prasad Bhagat, Shri Rohitbhai B. Thakkar and their relatives to the extent of their shareholding interest, if any, in the Company are deemed to be concerned or interested to the extent of their appointment respectively.

Save and except the above, none of the other directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Ordinary Resolution set out at Item Nos. 5&6 of the Notice for approval by the shareholders.

**In respect of Item No.: 7**

The Board of Directors of the Company appointed, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 Miss Jingle P. Thakkar as an Additional Director of the Company with effect from 7<sup>th</sup> August, 2014. In terms of the provisions of Section 161(1) of the Act, Miss Jingle P. Thakkar would hold office up to the date of the ensuing Annual General Meeting.



## RUSHIL DECOR LIMITED

The Company has received a notice in writing from a member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidature of Miss Jingle P. Thakkar for the office of Director of the Company.

Miss Jingle P. Thakkar 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. As per Section 149, an independent director can hold office for a term upto 5 (five) consecutive years on the Board of a company and she shall not be included in the total number of directors for retirement by rotation. The Company has received a declaration from Miss Jingle P. Thakkar that she meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

Miss Jingle P. Thakkar possesses appropriate skills, experience and knowledge, inter alia, in the field of account, audit and finance. In the opinion of the Board, Miss Jingle P. Thakkar fulfills the conditions for her appointment as an Independent Director as specified in the Act and the Listing Agreement. Miss Jingle P. Thakkar is independent of the management.

Brief resume and other details of Miss Jingle P. Thakkar whose appointment is proposed hereby is provided in the annexure to the Explanatory Statement attached herewith.

Keeping in view her vast expertise and knowledge, it will be in the interest of the Company that Miss Jingle P. Thakkar is appointed as an Independent Director. The terms and conditions of appointment of Miss Jingle P. Thakkar shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Miss Jingle P. Thakkar and her relatives to the extent of their shareholding interest, if any, in the Company are deemed to be concerned or interested to the extent of her appointment.

Save and except the above, none of the other directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution.

The Board commends the Ordinary Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

### **In respect of Item No.: 8**

Shri Harshadbhai N. Doshi, an Independent Director joined with the Company in the year 2007. He is retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of the Companies Act, 1956, and does not seek his re-appointment owing to his personal reasons. Accordingly, Shri Harshadbhai N. Doshi retires at this AGM and the Board has decided not to fill, for the time being, the vacancy caused by his retirement.

No director, Key Managerial Personnel or their relatives, is interested or concerned in the resolution.

The Board commends the resolution set forth at item no. 8 for approval of the members.

### **In respect of Item No.: 9**

The Company, at its Extra Ordinary General Meeting held on 5th December, 2007, authorized the Board of Directors of the Company by way of Ordinary Resolution under Section 293(1)(d) of the Companies Act, 1956 to borrow for the purpose of the Company monies in excess of the paid-up capital of the Company and its free reserves provided the sum or sums so borrowed and remaining outstanding at any point of time shall not exceed ₹ 200 Crores.

Keeping in view the company's future business requirements and growth plans, it is considered to increase the borrowing limit of the Company from ₹ 200 crores to ₹ 300 crores.

However, pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013 (the 'Act'), the Board of Directors of a company can exercise the powers to borrow money, where the money to be borrowed, together with the money already borrowed by the company will exceed aggregate of its paid-up share capital and free reserves, apart from temporary loans obtained from the company's bankers in the ordinary course of business, only with the consent of the company by a special resolution.

The company here by proposed to increase the borrowing limit to ₹300 Crores or the aggregate of the paid up share capital and free reserves of the company, whichever is higher by passing a special resolution of the members of the company.

None of the Directors, Key Managerial Personnel of the Company, and/ or their relatives may be deemed to be concerned or interested in the proposed resolution.

### **In respect of Item No.: 10**

The Company, at its Extra Ordinary General Meeting held on 5th December, 2007, authorized the Board of Directors of the Company by way of Ordinary Resolution under Section 293(1)(a) of the Companies Act, 1956 to create mortgage and/or charge



on the immovable and movable properties of the Company in favour of the lenders to secure the financial assistance not exceeding ₹ 200 Crores as mentioned in the above Resolution.

Keeping in view the company's future business requirements and growth plans, it is considered to increase the borrowing limit of the Company from ₹ 200 crores to ₹ 300 crores.

However, pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 (the 'Act'), the Board of Directors of a company can exercise the powers to create mortgage and/or charge on the immovable and movable properties of the Company, only with the approval of Members of the Company by way of Special Resolution. The resolution is accordingly recommended for approval as a Special Resolution under the Act.

None of the Directors, Key Managerial Personnel of the Company, and/ or their relatives may be deemed to be concerned or interested in the proposed resolution.

**In respect of Item No.: 11**

As per the provisions of Section 94 of the Companies Act, 2013 the registers required to be kept and maintained by a company under section 88 and copies of the annual return filed under section 92 shall be kept at the registered office of the company. It is Provided that such registers or copies of return may also be kept at any other place in India in which more than one-tenth of the total number of members entered in the register of members reside, if approved by a special resolution passed at a general meeting of the company and the Registrar has been given a copy of the proposed special resolution in advance.

At the proposed place of Ahmedabad more than one-tenth of the total number of members entered in the register of members are residing as required under Section 94(1). Accordingly, the approval of the members by a special resolution is sought in terms of Section 94(1) of the Companies Act, 2013, for keeping the aforementioned registers and returns at the Company's corporate office address at 1, Krinkal Apartment, Opp. Mahalaxmi Temple, Mahalaxmi Society, Paldi, Ahmedabad -380007, Gujarat, India.

A copy of the proposed Special Resolution is being forwarded in advance to the Registrar of Companies, Gujarat, Ahmedabad, in prescribed form as required under the said Section 94(1) of the Companies Act, 2013 read with Rule 15 of the Companies (Management and Administration) Rules, 2014.

None of the Directors, Key Managerial Personnel of the Company, and/or their relatives may be deemed to be concerned or interested in the said resolution.

**In respect of Item no: 12**

The Articles of Association (hereinafter referred to as 'AoA') of the Company as presently in force are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the new Companies Act, 2013. The majority sections of new Companies Act, 2013 which deal with the general working of the Company are came into effect.

With the coming into force of majority sections of the Companies Act, 2013, several regulations of the existing AoA of the Company require addition, alteration or deletion. Accordingly, it is proposed to replace the entire existing AoA by a set of new Articles.

The new AoA to be effected is based on Table "F" of the Act. The proposed new draft AoA is being uploaded on the Company's website for perusal by the members of the Company.

As per provisions of Section 14 of the Companies Act, 2013, a company may, by a special resolution, alter its AoA. So, the Board commends the Special Resolution set out at Item no. 12 of the Notice for approval by the Shareholders.

None of the Directors/Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the proposed Special Resolution.

**In respect of Item no: 13**

The Company is proposed to take the transportation services of Vertex Laminate Private Limited, a company in which Shri Krupeshbhai G. Thakkar and Shri Ghanshyambhai A. Thakkar, Directors of the Company are interested.

Pursuant to provisions of Section 188 of the Companies Act, 2013 read with Rules framed thereunder and revised clause 49 of the Listing Agreement which will come into force w.e.f. 01.10.2014, the board believes that Company should obtain approval of the shareholders in ensuing Annual General Meeting by way of special resolution in respect of the proposed transactions of



## RUSHIL DECOR LIMITED

hiring "Trucks" or other "Goods Vehicle" from Vertex Laminate Private Limited. The Brief detail of transactions to be entered into is as follows:

- (I) Name of related party: Vertex Laminate Private Limited
- (II) Nature of transaction: Company will use the transportation services of Vertex Laminate Private Limited by taking on hire its Trucks and other Goods Vehicle for supply from its Medium Density Fibre Board manufacturing Chikmagalur plant and other units to its branches, customers or at any other destination as informed by Company.
- (III) Material terms of arrangement, monetary value of transactions and particulars of the contract or arrangement:
- Value of transaction: Not more than ₹ 20.00 Crores per annum;
  - Tenure of the Contract: There is no any specific tenure; however this arrangement will be continued till the business suits to both the parties. Further, there may not be any assurance for availing the transportation services for minimum amount or for a minimum period.
  - Credit terms: It will be as mutually decided by both the parties from time to time.
  - Advance or security deposit: As mutually decided by both the parties.
- (IV) Name of the director or Key Managerial Personnel who are interested in the proposed transaction:
- Shri Krupeshbhai G. Thakkar, Managing Director; and
  - Shri Ghanshyambhai A. Thakkar, Whole Time Director
- None of the other directors and Key Managerial Personnel and/or their relatives are concerned or interested in the proposed resolution.
- (V) Nature of relationship: Shri Krupeshbhai G. Thakkar is director in the Vertex Laminate Private Limited. Further, Shri Krupeshbhai G. Thakkar and Shri Ghanshyambhai A. Thakkar along with their relatives are holding total shareholding in the Company Vertex Laminate Private Limited.

Considering the provisions as mentioned in second proviso of Section 188(1) of the Companies Act, 2013 and revised Clause 49 of the Listing Agreement, the proposed arrangement(s) may be 'material' related party transactions and accordingly no member of a Company, who is a related party, will vote on the proposed resolution.

Your Board commends passing of the resolution under Item no. 13 of the Notice as a Special Resolution.

### **In respect of Item no: 14**

It is proposed to appoint Mr. Rushil Krupeshbhai Thakkar in the Company as Vice President - General or at such designation as is suitable for the tasks assigned from time to time. The Board of directors had, at their meeting held on 7th day of August, 2014, recommended the appointment of Mr. Rushil Thakkar on the terms and conditions as mentioned in the resolution at Item No. 14 of the Notice.

Mr. Rushil Thakkar, aged 21 years, has completed his graduation in B.Com. from Gujarat University. He is director in the Vir Studdio Private Limited.

The Information as required in Section 188 of the Companies Act, 2013 and Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 is as stated below:

- (a) Details of the Related Party and nature of relationship: Mr. Rushil Thakkar is son of Shri Krupeshbhai G. Thakkar (Managing Director) & Grandson of Shri Ghanshyambhai A. Thakkar (Whole Time Director);
- (b) Nature, material terms, monetary value and particulars of the proposed appointment:
- Mr. Rushil Thakkar is proposed to be appointed at an office or place of profit in the Company. Particulars of terms and conditions for his appointment at an office or place of profit are mentioned in the resolution at Item No. 14 of the Notice.
- A copy of the draft letter of appointment of Mr. Rushil Thakkar as Vice President - General setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.
- (c) Other information which is relevant for the members to take a decision on the said proposed resolution is as under:
- Mr. Rushil Thakkar will be initially, inter alia, being involved in the following activities:
- Market development of Company's various products.



- In association with marketing team, he may enhance the marketing network in India as well as in foreign.
- He may also remain involved in the expansion of existing business as well as implementation of new projects for other allied products.
- Other functions as assigned to him by the management from time to time and accordingly, he will be given such other designation as is appropriate for the functions assigned.

Mr. Rushil Thakkar is proposed to be paid salary in the range of ₹ 70,000/- (Rupees Seventy Thousand only) p.m. including perquisites. His annual increments will be at least 20% or such higher amount as may be determined by the Board of Directors (or the Committees / Officers so authorised) subject to maximum of ₹ 3,00,000/- (Rupees Three Lacs only) p.m.

Further, the benefits, perquisites and allowances as may be determined from time to time may be covered in monthly salary as fixed above. However, some expenses which are incurred for the promotion of business and which are in the routine course like business tour, mobile bill etc. will not be treated as benefits, perquisites or allowances of Mr. Rushil Thakkar. These expenses will be treated as business expenses.

The Board recommends the resolution at Item No. 14, in relation to the appointment of Mr. Rushil Thakkar at an office or place of profit in the Company, for your approval. Mr. Rushil Thakkar is a 'related party' as defined under Section 2(76) of the Companies Act, 2013, and thus the transaction requires the approval of members by way of a special resolution under Section 188 of the Companies Act, 2013.

Mr. Rushil Thakkar is related to Shri Krupeshbhai G. Thakkar (Managing Director) and Shri Ghanshyambhai A. Thakkar (Whole Time Director). Shri Krupeshbhai G. Thakkar, Shri Ghanshyambhai A. Thakkar and their relatives are, therefore, deemed to be interested in the proposed resolution. None of the other Directors or other Key Managerial Personnel (KMP) of the Company or their relatives are in any way concerned or interested in the proposed resolution.

**In respect of Item no: 15**

Shri Krupeshbhai G. Thakkar was reappointed as Managing Director of Company for 5 years in the Annual General Meeting held on 20<sup>th</sup> August, 2012. His term will expire on 31<sup>st</sup> August, 2017. As per terms of his appointment he is liable to retire by rotation.

It is to inform that as per section 152(6)(a) of the Companies Act, 2013, Unless the articles provide for the retirement of all directors at every annual general meeting, not less than two-thirds of the total number of directors of a public company shall be persons whose period of office is liable to determination by retirement of directors by rotation; and one-third of the directors who are liable to retire by rotation to be retire at every Annual General Meeting.

At present Company have total 3 executive directors to whom company can consider as retire by rotation. As per explanation given under section 152(6) of the Act "total number of directors" shall not include independent directors. Now, on change of terms of Shri Krupeshbhai Thakkar from 'liable to retire by rotation' to 'non-rotational director', there will be two directors who can be considered as liable to retire by rotation which is as per requirement of Section 152(6)(a) of the Companies Act, 2013. Out of them, one-third directors will retire at every Annual General Meeting.

It is proposed to change the terms of Shri Krupeshbhai G. Thakkar by changing his terms from "liable to retire by rotation" to "non-rotational director". The other terms and conditions as mentioned in the resolution passed by Equity Shareholders in the Annual General Meeting held on 20<sup>th</sup> August, 2012 will remain the same.

Shri Krupeshbhai G. Thakkar and his father Shri Ghanshyambhai A. Thakkar, directors of the Company are deemed to be interested in the resolution set out at Item No. 15 of the Notice.

Save and except the above, none of the other Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolution.

The Board of Directors commends the said ordinary resolution for your approval.

By Order of the Board,  
For **Rushil Décor Limited**

**Hasmukh K. Modi**  
Company Secretary

Date : August 7, 2014  
Registered Office:  
S. No. 125, Nr. Kalyanpura Patia,  
Vill. Itla, Gandhinagar Mansa Road,  
Tal. Kalol, Dist. Gandhinagar - 382845.  
Corporate Identification Number: L25209GJ1993PLC019532  
E-mail: cs@virlaminate.com, Website: www.virlaminate.com



## RUSHIL DECOR LIMITED

### DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING (PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT)

Name of the Director	Shri Ghanshyambhai A. Thakkar	Shri Kaushikbhai J. Thakkar	Shri Shankar Prasad Bhagat	Shri Rohitbhai B. Thakkar	Miss Jingle P. Thakkar
Director Identification Number	00208843	06541630	01359807	06538323	06941497
Date of Birth	18.11.1943	27.03.1958	10.06.1951	11.04.1955	09.04.1991
Date of joining the Board	08.03.2007	30.03.2013	01.10.2009	30.03.2013	07.08.2014
Qualification	B.Sc. Diploma in Civil Engineering	Higher Secondary	Chartered Accountant	Under Graduate	Chartered Accountant
Expertise	Vast Experience in General Management & Production & Purchase	Having admin & business experience	More than 27 years of experience in the field of Tax, Audit, Accounts and Finance.	Experience of Management	Experience of Tax, Audit, Finance, VAT etc.
Shareholding in Rushil Décor Ltd. in individual capacity as on the date of Notice	2025950	NIL	NIL	55	NIL
Relationship between directors inter-se	Ghanshyambhai A. Thakkar is father of Krupeshbhai G. Thakkar, Managing Director	No relationship	No relationship	No relationship	No relationship
Directorship held in other public companies excluding Private Companies	Nil	Nil	4	Nil	Nil
Chairmanship / Membership of the Committees across all companies	Member of stakeholder Relationship Committee in Rushil Décor Limited	Member of Audit Committee in Rushil Décor Limited	Chairmanship in total 5 committees and membership in 9 committees which cover Audit committee and Stakeholders Relationship Committee	Member of Nomination and Remuneration Committee in Rushil Décor Limited	Nil



## DIRECTORS' REPORT

To,  
The Members,  
Rushil Decor Limited

Your Directors are pleased to present the 20<sup>th</sup> Annual Report on the business and operations of the Company along with the Audited Statement of Accounts for the financial year ended 31st March, 2014.

### FINANCIAL HIGHLIGHTS

The financial performance of the Company, for the year ended March 31, 2014 is summarized below:

(₹ In lacs)

Particulars	2013-14	2012-13
Net Revenue from operations	25567.23	18202.52
Profit before Interest, Depreciation and Tax	2958.46	2491.40
Less: Financial costs	1542.64	1116.66
Profit before Depreciation and Tax	1415.82	1374.74
Less: Depreciation and Amortization Expenses	762.86	512.40
Profit before Tax	652.96	862.34
Provision for Tax:		
Current Tax	130.64	185.66
Deferred Tax	211.78	274.08
Short Provision of Earlier Years	8.89	—
Profit after Tax	301.65	402.60
Add: Balance of Profit brought forward from previous year	1616.96	1298.04
Profit available for appropriation	1918.61	1700.64
Appropriation to:		
Dividend on Equity Shares (including tax on dividends)	0.00	83.68
Balance Carried over to the Balance Sheet	1918.61	1616.96
Basic and Diluted Earnings Per Share	2.09	2.80

### REVIEW OF BUSINESS OPERATION

The Net Revenue from operation of company for the Financial Year 2013-14 is ₹ 25567.23 lacs as against ₹ 18202.52 lacs for the previous Financial Year reflecting a growth of 40.46% in financial year 2013-14. Profit before Interest, Depreciation and Tax in the Financial Year 2013-14 is ₹ 2958.46 lacs compared to ₹ 2491.40 lacs in the previous Financial Year 2012-13 reflecting growth of 18.75% in financial year 2013-14. The detailed operational performance of company has been discussed in detail in the Management Discussion and Analysis Report which is enclosed with this report and forming part of the Directors' Report.

### DIVIDEND

Your directors have not recommended any dividend on equity shares for the Financial Year 2013-14.

**PROJECT & EXPANSION**

During the Financial Year 2013-14 Company has established new plant for manufacturing Pre Lam Medium Density Fiber Board (MDF Board) at Chikmagalur, Karnataka.

**PUBLIC DEPOSITS**

During the Financial Year 2013-14, Your Company has not invited any fixed deposit from the public attracting provisions of Section 58A of the Companies Act, 1956.

**CORPORATE GOVERNANCE REPORT**

The Company is dedicated to maintain the highest standards of Corporate Governance. Your Directors follow to the requirements as provided in clause 49 of the Listing Agreement relating to Corporate Governance.

A detailed report on the Corporate Governance, together with a certificate from a Practicing Company Secretary, confirming compliance with the conditions of Corporate Governance, forms part of this report.

**MANAGEMENT DISCUSSION & ANALYSIS REPORT**

The Management Discussion & Analysis report for the year under review, Pursuant to Clause 49 of the Listing Agreement is presented in a separate section forming part of this Annual Report.

**INSURANCE**

Your Company's properties, including building, plant, machineries and stocks, among others, are adequately insured against risk.

**BOARD OF DIRECTORS**

Shri Harshadbhai N. Doshi and Shri Kaushikbhai J. Thakkar, both are retiring by rotation at the ensuing Annual General Meeting. Shri Harshadbhai N. Doshi has expressed his unwillingness for reappointment at the ensuing Annual General Meeting. Your Directors place on record their deep appreciation and wish to thank him for his fruitful contribution during his tenure as director on the Board. Shri Kaushikbhai J. Thakkar has expressed his willingness for reappointment and being eligible offered himself for reappointment. The Board recommends re-appointment of Shri Kaushikbhai J. Thakkar.

Shri Ghanshyambhai A. Thakkar, Whole time director has crossed the age of 70 years. To comply with the provisions of Section 196 of the Companies Act, 2013; your company is seeking approval of Shareholders by way of Special Resolution for the continuation of the appointment of Shri Ghanshyambhai A. Thakkar as a whole time director of the Company. The brief Resume and other information are mentioned in the Notice.

As per the provisions of section 149, 152 and Schedule IV of the Companies Act, 2013 and rules made thereunder, your Directors are seeking appointment of Shri Shankar Prasad Bhagat, Shri Rohitbhai B. Thakkar and Miss Jingle P. Thakkar as the Independent Directors of the Company for a term of as mentioned in the notice and they shall not be liable to retire by rotation. The Board recommends their appointment. The brief resume and other information are mentioned in the Notice.

Miss Jingle P. Thakkar has been appointed as an additional director w.e.f. 7<sup>th</sup> day of August, 2014.

Appropriate resolutions for the appointment / reappointment of the aforesaid directors are being moved at the ensuing Annual General Meeting, which the board recommends for your approval.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm that;

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departure;
- (b) accounting policies have been applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March, 2014 and of the profit of the Company for the year ended on that date;



- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) The Annual Accounts for the year ended on 31<sup>st</sup> March, 2014 have been prepared on a going concern basis.

**AUDITORS & THEIR REPORT**

M/s. Parikh & Majmudar, Chartered Accountants, (Firm Registration No. 107525W ), statutory auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting. It is proposed to re-appoint them to examine and audit the accounts of the Company for period of Two years to hold office from the conclusion of this AGM till the conclusion of the AGM of the Company to be held in the year 2016 subject to ratification of their appointment at each Annual General Meeting.

The Company has received Certificate from M/s. Parikh & Majmudar, Chartered Accountants, as required under section 139 of the Companies Act, 2013 to the effect that their appointment, if made, would be within the prescribed limits and that they are not disqualified from being appointed as the Statutory Auditors of the Company.

The observations of Auditors in their report, read with the relevant notes to accounts are self-explanatory therefore do not require further clarification.

**COST AUDIT REPORT**

The Board has re-appointed M/s. Kiran J Mehta and Co., Cost Accountants, as the Cost Auditors of the Company to audit the cost records of the company for the financial year 2013-14 and the Central Government also approved said appointment.

The Cost Audit report for the financial year 2012-13 was filed within the due date. The due date for submission of the Cost Audit Report for the year 2013-14 is within 180 days from the date of 31<sup>st</sup> March, 2014.

Pursuant to Section 148 of the companies Act, 2013 read with the Companies (cost records and audit) Rules, 2014 as notified by the Central Government on 30<sup>th</sup> June, 2014, our company is out of preview/scope of said Rule to carry out Cost Audit for the Financial Year 2014-15. However, if any amendment may come in the existing Companies (cost records and audit) Rules, 2014 by the Central Government at a due course, then company will take necessary steps to comply with such provision.

**PARTICULARS OF THE EMPLOYEES**

The Company had not paid any remuneration to any employee attracting the provisions of section 217(2A) of the Companies Act, 1956 read along with the Companies (Particulars of Employees) Rules, 1975. Hence, no information is required to be appended to this report in this regard.

**ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, is annexed hereto and forms part of this report.

**ACKNOWLEDGMENT**

Your Directors place on record their sincere appreciation for the valuable assistance and co-operation received from Customers, Stakeholders, Bankers, Financial Institutions, State and Central Government Regulatory Authorities, Service Providers, Contractors etc. Your Directors also desire to place on record their appreciation for the dedicated services and valuable contribution by the employees of the company at all levels.

**For and on behalf of Board of Directors**

Place : Ahmedabad  
Date : August 7, 2014

**Ghanshyambhai A. Thakkar**  
*Chairman*



ANNEXURE TO DIRECTORS' REPORT

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Under section 217(1) (e) of the Companies Act, 1956

Disclosure of particulars with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

**(A) CONSERVATION OF ENERGY-**

**(a) Energy Conservation Measures Taken:**

- The Company has updated energy saving techniques and reduced the use of conservative energy techniques for consumption of energy at its manufacturing plants and offices.
- The company is doing its best to improve its fuel mixture, fuel burning, steam generation, distribution, and utilization in manufacturing process in all the plants.
- Company always does on regular interval modification in process, maintenance of machine, plant, etc., awareness among employee about energy conservation measures.
- Insulation of MDF forming bin to control fiber temperature.
- Installation of Variable Frequency Drives for pumps as well as blowers for best possible utilization of electric energy as per variable volumes to handle.
- Redesign the process of utilizations of hot air so that it can be used at maximum.
- Introduction of automatic temperature control system which will monitor the furnace temperature and once the temperature is reached at the set value it will automatically cut the fuel feeding.
- Installation of Auto Voltage Regulator to lower the electricity supply losses.
- Company is avoiding utilizing higher rated compressors and generally used lower capacity compressors.
- Utilization of effective and efficient electronic motors, lights, fans etc. at possible level, which ultimately results into energy saving.
- Installation of big air ventilators in some units, which run on wind speed and do not require electricity.
- The manufacturing units are using natural lighting and ventilation system to the extent possible.

**(b) Additional Investments and Proposals, if any, for energy conservation:**

It is a routine process to find out innovative methods, processes, techniques, machines etc. for energy conservation.

**(c) Impact of the Measures taken:**

Energy conservation measures mentioned above is benefited financial as well as non-financial to the Company and are also in the interest of the Nation. Further, it also impact on the quality of product, cost of product and saving of environment

**(B) TECHNOLOGY ABSORPTION-**

**(a) Research and Development (R&D)**

The company always remains aggressive for improvement of quality of product, efficient manufacturing process, search of new products or modification in the existing products, search in new designs by studying the mind of market.

During the year under review, there is no any material capital expenditure on the R&D activity.

**(b) Technology, Absorption, Adoption and Innovation**

Company takes help of consultant, whenever required, to improve manufacturing process or method which ultimately benefit to the quality and cost of product.



Company believes in adoption of new technologies. It regularly participates in national and international conference, seminar, exhibition etc. Company is also launching new catalogs at regular intervals by analyzing the needs of customers.

Company has derived various benefits from new and improved technology i.e. Product (quality) improvement, Reduced cost of final products, Reduction in process time, Conservation of energy, Smooth processing, Saving of Environment, Increase in customer base, Increase in the brand value of Company etc.

**(C) FOREIGN EXCHANGE EARNING AND OUTGO-**

The particulars regarding foreign exchange earnings and outgo are as follows:

(Amount in ₹ Lacs)

Particulars	2013-14	2012-13
<b>Foreign Exchange Inflow:</b>		
Earning in Foreign Exchange	8404.37	8552.30
<b>Foreign Exchange Outflow:</b>		
Purchase of Raw Material	3958.28	3290.71
Purchase of Capital Goods	106.99	185.19
Expenditure in Foreign currency	421.00	303.87

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****GLOBAL ECONOMIC CONDITIONS:**

The global economy developed by 3% in CY 2013, supported by encouraging performance of the US economy as per the World Economic Outlook (WEO) Report published by the International Monetary Fund (IMF) published in the month of April 2014. However, global growth was weighed down by modest growth in the Euro Zone, Japan and Emerging Market and Developing Economies.

Now the scenario is changing, with the advanced world, led by the US, contributing around 20% of global economic growth. China's growth is expected to be around 7.5% in 2014, as the political leadership is ensuring a gradual transition to a more sustainable growth path. Such a situation will surface the way for a period of more balanced global growth.

Above and beyond, in India public has resoundingly voted for political stability and better governance, the country's economy is also likely to pick up pace and contribute significantly towards global recovery.

**INDIAN ECONOMY POSITION IN 2013-14:**

During Financial Year 2013-14, the economy grew 4.7%, against 4.9% as estimated, pulled down by manufacturing, mining, construction and logistics. The performance for 2013-14 is better than the 4.5% growth for 2012-13. It is still a far cry from the above 8% growths witnessed during some part of years 2004 to 2011. The recovery in 2013-14 is largely on the back of revival in agriculture growth due to a steady monsoon. However, recovery in the other areas of the economy appears to be feeble with no clear signs of recovery. Industry continued to be in the midst of a slowdown.

The first half of the year also saw the Rupee in a free fall under pressure from the worsening deficits, current account deficit as well as the fiscal deficit. Coupled with fears of large fund outflows due to the expected Fed tapering, the Rupee breached the ₹ 68 level to the US Dollar in August, 2013. A slew of measures taken by RBI and the Central Government saw the current account situation improving significantly which helped the Rupee to recover from its all time lows during the later part of the year. The elevated levels of inflation since 2010- 11 continued to be a cause of concern for the economy and although the inflation levels eased off over the last quarter of the year, the stickiness in inflation did not provide much room for RBI to lower the interest rates and prime pump the economy.

**INDUSTRY STRUCTURE AND DEVELOPMENT:**

The growth of Company's products (Laminates Sheets, Panel Board & Allied Products) is based on the push-and-pull effects of Demand and Supply determinants like the economic trends in India & Outside, growth of infrastructure and housing. Company's half of the market is also depend on export sales, so it is also impacted by the global economy. It always remains key area of the Company to provide innovative product in design and finishing to the customers without compromising with quality.

Today, the per head income in India is increased which converted into purchasing power of a person and finally resulted into increased spending on the home front. The Indian Laminate Industry, if we compare the turnover with past few years, the growth has come down by 2 to 3%. However, looking to the stability of Central Government, clear vision and mission of Government to provide houses to every family at possible level etc. the growth rate of this industry is expected around 7 to 8% in coming year. The population in India has the youngest persons in the world. The mixture of newness and economic productivity is catalyzing home ownership and investments in interior as well as exterior decoration.

In India urbanization is the big matter which may generate more demand for infrastructure and housing segment and will result into increase in demand of associated products like laminate sheets, plywood, MDF board, veneer, readymade furniture etc.

**OPPORTUNITIES AND THREATS:****OPPORTUNITIES:**

- **Good Brand Image:** Company has good brand image and quality product in the Indian as well as foreign market. Company's products known in the market with brands which have the "VIR" as prefix.
- **Infrastructure development:** Growth in infrastructure and real estate sector i.e. road, bridge, hospitals, Housing, Hotels, Commercial Properties etc, are contributing good portion to the India's GDP. Government is also aggressive for the growth of real estate sector. The growth in the Real Estate sector will lead to the growth of Companies which are connected with Interior Infrastructure items.
- **Expand Market Network:** Your Company continues to expand its marketing networks, by appointing Consignment Agent, branches, distributors, dealers etc. in various states in all over the country.



- **Young Age group:** The population in India has the maximum youngest persons. The mixture of newness and economic productivity is catalyzing home ownership and investments in interior as well as exterior decoration. These persons believe in better lifestyle. Further, average per head income is also increased which will help to improve the lifestyle of a person.
- **Urbanization:** There is a flow of persons from rural area to mega, metro or big cities in India. It changes the lifestyle of persons. With the increasing pace of urbanization in the country, the realty market of India has been witnessing a drastic change in the past few months. There was a record of construction and leasing out of spaces in retail, office space and residential areas. The absorption rate of the Indian realty market is quite strong and currently is in an upward swing position. This has huge implications for providing infrastructure and other civic amenities in urban areas.
- **MDF:** Day by day, MDF is taking place of Plywood in Furniture Industry. People are accepting MDF as substitute of Plywood. Further, Government is also favoring substitution of wood. Presently, there are few players in India of MDF Board manufacturer. So, future of MDF Board is very prospective in India.

#### THREATS:

- Dumping or Cheap import from China and other Countries of laminates, MDF and other furniture products.
- Competition from both unorganized and other organized players, leading to difficulties in improving market share.
- More and more new organized players are entering into market which will increase competition in organized sector also.
- Increase in taxation and strict regulatory norms regarding concerns over the environment
- Now, the bargaining power of customers is increased.
- Threat of substitute products move toward market.

We are well equipped to take benefit of whatever opportunities on hand and also to contest the threats.

#### SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE:

##### LAMINATES & ALLIED PRODUCTS

Decorative, commercial and other Laminate products division is acting very soundly. The company is also focusing to capture rural market along with urban market. The turnover of Laminate segment was up from ₹ 144.76 Crores in 2012-13 to ₹ 155.58 Crores in 2013-14 showing growth of over 7.47%.

##### MEDIUM DENSITY FIBER BOARD

Company started the production of MDF Board from the month of September, 2012. During the year 2012-13, the turnover of MDF was ₹ 14.08 Crores which is ₹ 78.06 Crores in the year 2013-14.

##### EXPORT PERFORMANCE

The Export of the Company including deemed export was up from ₹ 97.12 Crores in 2012-13 to ₹ 99.63 Crores in 2013-14 showing growth of over 2.59% in value.

##### FUTURE OUTLOOK

The Company's outlook for the year 2014-15 is to add more products in the product range as per requirement in the market. After a long time, Country got a fully supported and stable government which may benefit to the Housing, infrastructure and construction sectors. Present Government also believe in development of all these sectors which will ultimately lead to the opportunities for laminate and wood industries. However, there may be possibility of entrance of new organized and unorganized industries in this sector, the supply may beat to demand which can cause price volatility in the market. But, having modern technology and plants, valuable brands, the products of our Company may be in position to capture emerging prospects and to face the market risk or competition.

##### RISKS AND CONCERNS

The company is exposed to the normal industry risk factors of interest rate volatility, economic cycle, credit risk, Asset Risks (natural calamity etc.), Human Resource Risks, Foreign Exchange Fluctuation Risk, Government Policy Change Risk, IT Risks, Locational Risks, Transportation Risks, Competition Risks and Raw Material Availability Risks. The Company manages these risks by maintaining a conservative financial profile, by following prudent business and risk management practices and your Company's properties, including building, plant, machineries and stocks, among others, are adequately insured against risks to the extent possible. The steps taken by the company to minimize the risk is periodically reviewed by the board in its meeting.



**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an adequate system of Internal Controls aimed at achieving efficiency in operations, optimum utilization of resources and compliance with all applicable laws and regulations. Company has internal control Department which is looking all the financial, operational and other related transaction. Company also has the control systems at manufacturing plants. The products manufactured by Company are regularly tested for chemical properties before it is approved for dispatch.

The Internal control system in the Company is commensurate with the size and nature of business of the Company. The Board of Directors verifying its adequacy, effectiveness and application at regular intervals.

**DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The Revenue from operations (Excluding Excise Duty) of company was increased from ₹ 182.02 Crores in 2012-13 to ₹ 255.67 Crores in 2013-14 showing growth of 40.46%.

The Profit before Tax of company was decreased from ₹ 862.34 Lacs in 2012-13 to ₹ 652.96 Lacs in 2013-14. The Profit is impacted mainly due to increase in manufacturing and other expenses.

**MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The Company recognizes the importance of manpower. Company promotes employees to attend outside seminars or programs related to their fields and motivational which encourage them to make contribution toward company, family and nation at large. Company also encourages to the employees to offer their creative suggestions for development in their respective areas which are thoroughly discussed in periodical meetings. The company maintains absolute synchronization with its people. The total manpower strength of the Company as on 31st March, 2014 was nearly 532. The Company has been maintaining cordial and healthy Industrial Relations, which has helped to a great extent in achieving the upper growth.

**CAUTION STATEMENT**

Statements made in the Management Discussion and Analysis describing the various parts may be “forward looking statement” within the meaning of applicable securities laws and regulations. The actual results may differ from those expectations depending upon the economic conditions, changes in Govt. Regulations and amendments in tax laws and other internal and external factors.

**CORPORATE GOVERNANCE REPORT**

(Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges)

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Corporate Governance is all about the Transparency, trust and relationship. We at a Rushil Décor Limited (RDL), Corporate Governance is all about to maintain good relationship with stakeholders, creation and maintenance of trust with persons connected with group be it shareholders, regulators, employees, suppliers, customers, bankers and the society at large. As a good governance our best practice always remain to attain fair, ethical and transparent governance practices by adopting highest standards of professionalism, honesty, integrity and ethical behavior with stakeholders. The Company has a strong legacy or open-minded, crystal clear and ethical governance practices. In accordance with Clause 49 of the Listing Agreement executed with BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE), the report containing the details of corporate governance systems of Rushil décor Limited is providing hereunder.

**2. BOARD OF DIRECTORS****Composition:**

The Board of the company has an optimum combination of Promoter, Independent, Executive and Non-executive Directors as per clause 49 of the Listing Agreement, which maintain the independence of the Board and to separate its functions of governance and management.

As on 31<sup>st</sup> March, 2014, The Board of directors comprises 6 Directors out of which 3 Directors are Non-executive Independent Directors and 3 directors are executive directors. Out of 3 executive directors 2 directors are promoters of the Company. The Chairman of the Board is an Executive Director.

The Board members have expertise in different fields of corporate working i.e. finance, technical, marketing, administration, etc. The Independent Directors are expert/professionals with high credentials and actively contribute in the deliberations of the Board.

Thenon-executive directors have not any pecuniary relationship or transaction with the Company, its promoters, its directors or its senior management. Shri Krupeshbhai G. Thakkar, Managing Director is the Son of Shri Ghanshyambhai A. Thakkar, Chairman of the Company, except this there is no relationship between the directors inter-se.

**Board meetings:**

The Board met 6 times during the Financial Year 2013-14 and the time gap between two meetings is not more than four months. The Board Meetings were held on, 7th May, 2013, 31st July, 2013, 14th August, 2013, 12th November, 2013, 10th January, 2014 and 31st January, 2014.



## RUSHIL DECOR LIMITED

The composition of the Board of Directors and their attendance at the board meetings and at the last Annual General Meeting and also the number of other Boards or Committees in which the directors are holding the position of member/ chairperson as follows:

Sr. No.	Name of the Director	Category	No. of Board meetings attended	Directorship in Public Companies including this Company		Committee position in Companies including this Company (*)		Attendance at last AGM
				As Chairman	As Member	As Chairman	As Member	
1	Shri Ghanshyambhai A. Thakkar	Chairman (Executive Director and Promoter)	6	1	—	—	1	Yes
2	Shri Krupeshbhai G. Thakkar	Managing Director (Executive Director and Promoter)	6	—	1	—	1	Yes
3	Shri Shankar Prasad Bhagat	Non Executive and Independent Director	6	—	5	5	9	Yes
4	Shri Harshadbhai Navnitlal Doshi	Non Executive and Independent Director	6	—	1	—	1	Yes
5	Shri Kaushikbhai Jaykrishnabhai Thakkar	Executive Director	6	—	1	—	1	Yes
6	Shri Rohitbhai Bhailalbhai Thakkar	Non Executive and Independent Director	5	—	1	—	—	No

(\*) This includes only membership / chairmanship in Audit Committee and Shareholders / Investors Grievance Committee of Public Limited Companies governed by the Companies Act, 1956.

None of the Directors is a member of the Board of more than fifteen Companies or a Member of more than ten Committees or a Chairman of more than five Committees as required by the clause 49 of listing Agreement executed with Stock Exchanges.

### Information supplied to the Board of Directors:

During 2013-14, all necessary information, as required under the provisions of the Companies Act, 1956, Listing Agreement and other applicable laws and rules were placed and discussed at the board meetings. The Board is also kept informed of major events/items and approvals taken wherever necessary.

Detailed Agenda of Board Meetings containing all necessary documents / information, as specified in clause 49 of the Listing Agreement and other applicable law, are made available to the Board members for facilitating effective discussion and decision making. The Board members may bring up any matter for consideration of the Board, in consultation with the Chairman. The Meetings of the Board and committees are held at corporate office of the company.

### Changes in Directors during the Financial Year 2013-14:

There is no change in directorship of company during the Financial Year 2013-14.

Shri Kaushikbhai J. Thakkar is Director liable to retire by the rotation at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

Shri Harshadbhai N. Doshi is a Non-Executive (Independent) Director of the Company. He retires by rotation at the ensuing AGM under the erstwhile applicable provisions of the Companies Act, 1956, and does not seek re-appointment owing to his busy schedule.

### Code of conduct:

The Company's Board has laid down a code of conduct for all Board members and Senior Management of the Company. Details of the Code of Conduct for Board members and senior management of the Company is available on the Company's website [www.virlaminate.com](http://www.virlaminate.com).

All Board members and senior management personnel have affirmed compliance with the code for the year ended 31<sup>st</sup> March, 2014. Annual declaration to this effect signed by the Managing Director forms part of this report.

### 3. AUDIT COMMITTEE

#### Composition & Meetings:

Your Company has set up a qualified and Independent Audit Committee in term of Clause 49 of Listing Agreement executed with Stock Exchanges and Section 292A of the Companies Act, 1956. The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013.

As on March 31st, 2014, Audit Committee comprises three directors out of which two are Non-Executive Independent Director and one is Executive Director. Mr. Hasmukh K. Modi, Company Secretary acts as a secretary to the Audit Committee. Company has reconstituted Audit Committee on 27<sup>th</sup> May, 2014 as per Section 177 of the Companies Act, 2013 and clause 49 of the Listing Agreement.

During the year under review, Audit Committee meetings were held four times on 7th May, 2013, 31st July, 2013, 12th November, 2013 and 31st January, 2014. The name of committee members and their attendance in the committee meetings is as under:

Name of the Directors	Designation	Nature of Directorship	No. of meetings	
			Held	Attended
Shri Shankar Prasad Bhagat	Chairman	Non Executive - Independent Director	4	4
Shri Harshadbhai Navnitlal Doshi	Member	Non Executive - Independent Director	4	4
Shri Kaushikbhai J. Thakkar	Member	Executive – Director	4	4

The members of the committee are well-versed in matters relating to finance, accounts and general management practices. Shri Shankar Prasad Bhagat, Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.

#### Term of reference:

The Brief description of terms of reference of audit committee is as under:

- I. 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.
- II. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- III. Approval of payment to statutory auditors for any other services rendered by the statutory auditors if any.
- IV. Appointment, removal and terms of remuneration of internal auditors.
- V. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
  - Changes, if any, in accounting policies and practices and reasons for the same
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit finding
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report
- VI. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
- VII. Reviewing, with the management, the statement of uses / application of funds raised through an Initial Public Issue (IPO).
- VIII. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- IX. 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.
- X. Discussion with internal auditors any significant findings and follow up there on, if any.
- XI. Reviewing internal audit reports and adequacy of the internal control systems.
- XII. Reviewing with management about letter of internal control weaknesses issued by the Statutory Auditors if any.
- XIII. Reviewing the findings of any internal investigations 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.



- XIV. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- XV. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- XVI. To review the functioning of the whistle blower mechanism, when the same is adopted by the Company and is existing.
- XVII. Carrying out any other function as may be statutorily required to be carried out by the Audit Committee.

**4. NOMINATION AND REMUNERATION COMMITTEE**

The Board has reconstituted Remuneration Committee and fixed the terms of reference in its Meeting held on 27<sup>th</sup> May, 2014, in compliance with provisions of section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Clause 49 of the Listing Agreement. In the said Board Meeting, the nomenclature of the Remuneration Committee was changed to 'Nomination and Remuneration Committee' continuing the same directors of the company as members of the Committee.

**Composition and Meeting:**

During the year under review, a meeting of the Committee was held on May 06, 2013. The composition of the Committee and the details of meetings attended by its members are given below:

Name of the Directors	Designation	Nature of Directorship	No. of meetings	
			Held	Attended
Shri Shankar Prasad Bhagat	Chairman	Non Executive- Independent Director	1	1
Shri Harshadbhai Navnitlal Doshi	Member	Non Executive - Independent Director	1	1
Shri Rohitbhai Bhailalbhai Thakkar	Member	Non Executive - Independent Director	1	1

**The Broad terms of reference of Committee are given below:**

- To formulate and review the criteria for determining qualifications, positive attributes and independence of a director;
- To recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees and to ensure compliance with the remuneration policy set forth by the Company;
- To formulate criteria for evaluation of Independent Directors and the Board;
- To devise a policy on Board diversity;
- To report on the systems and on the amount of the annual remuneration of directors and senior management.
- To carry out such other works as may be defined by the board of directors under the framework of Listing Agreement and Companies Act, 2013, as amended from time to time.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

**Details of remuneration of directors:**

The detail of remuneration paid to the directors during the financial year 2012-13 is as under:

- Executive Directors**

Name	Salary and Allowances	Perquisites	Total
Shri Ghanshyambhai A. Thakkar	36,45,633/-	46,200/-	36,91,833/-
Shri Krupeshbhai G. Thakkar	36,45,632/-	46,200/-	36,91,832/-
Shri Kaushikbhai J. Thakkar	2,53,054/-	—	2,53,054/-

- Non-Executive Directors**

Company is not paying anything to non-executive director except sitting fees for board meeting attended by them. There was no any pecuniary relationship or transactions of Non-executive directors vis-à-vis the Company.



## 5. STAKE HOLDERS RELATIONSHIP COMMITTEE

The Board has reconstituted Shareholders / Investors Grievance Committee in its Board Meeting held on 27<sup>th</sup> May, 2014, in compliance with provisions of section 178(5) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The nomenclature of the "Shareholder/Investor Grievance Committee" is changed to "Stakeholders Relationship Committee" continuing the same directors Shri Shankar Prasad Bhagat, Shri Ghanshyambhai A. Thakkar and Shri Krupeshbhai G. Thakkar, as members of the reconstituted "Stakeholders Relationship Committee".

The Committee reviews shareholders grievances and related requests received from the shareholders. During the Financial Year 2013-14, two meetings of the Committee were held on 7<sup>th</sup> May, 2013 & 12<sup>th</sup> November, 2013.

Name of the Directors	Designation	Nature of Directorship	No. of meetings	
			Held	Attended
Shri Shankar Prasad Bhagat	Chairman	Non Executive Independent Director	2	2
Shri Ghanshyambhai A. Thakkar	Member	Executive Chairman	2	2
Shri Krupeshbhai G. Thakkar	Member	Managing Director	2	2

Mr. Hasmukh K. Modi, Company Secretary, acts as the secretary to the Committee and compliance officer of the Company.

During the Financial Year 2013-14, no complaint was received and as on 31.03.2014, not a single complaint was pending as unresolved.

### The Broad terms of reference of Stakeholders Relationship Committee are given below:

1. To look into, consider and resolve the grievances of shareholders and other security holders, if any, including complaints related to transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.
2. Issue of duplicate / split / consolidated share certificate;
3. Review of cases for transfer / transmission of shares and debentures;
4. Reference to statutory and regulatory authorities regarding investor grievances and to otherwise ensure proper and timely attendance and redressal of investor queries and grievances.
5. Carry out any other function as is referred by the Board from time to time or enforced by any statutory notification / amendment or modification as may be applicable.

## 6. CONSTITUTION OF CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Board has constituted Corporate Social Responsibility Committee in compliance with provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and decided the terms of reference of Committee in its Meeting held on 27<sup>th</sup> May, 2014.

### Composition:

The Composition of CSR Committee is as follows:

- 1) Shri Ghanshyambhai A. Thakkar      Whole Time Director
- 2) Shri Krupeshbhai G. Thakkar      Managing Director
- 3) Shri Shankar Prasad Bhagat      Independent Director

### Terms of Reference of the Committee are given below:

- (a) formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force);
- (b) recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- (c) Monitor the Corporate Social Responsibility Policy of the Company from time to time.
- (d) Adhere to Section 135 of the Companies Act, 2013 & Companies (Corporate Social Responsibility Policy) Rules, 2014 (including any statutory modifications, amendments or re-enactments thereto for the time being in force).
- (e) All other activities as informed or delegated by the Board of Directors from time to time.

**7. GENERAL BODY MEETINGS**

The Location and time of last three Annual General Meetings are as follows:

<i>Financial Year</i>	<i>Location</i>	<i>Date</i>	<i>Time</i>	<i>No. of special Resolutions passed</i>
2012-13 (19 <sup>th</sup> AGM)	At the Registered office of the Company at S. No. 125, Nr. Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar.	27/09/2013	11.00 a.m.	—
2011-12 (18 <sup>th</sup> AGM)		20/08/2012	9:00 a.m.	1(One)#
20010-11 (17 <sup>th</sup> AGM)		21/09/2011	11:00 a.m.	—

# Detail of Special Resolution

Special resolution was passed to vary, alter, modify, revise or amend the terms referred to in the prospectus dated June 28, 2011, filed by the Company with the office of The Registrar of Companies, Ahmedabad, Gujarat (the 'Prospectus').

**8. POSTAL BALLOT**

During the Financial Year 2013-14, Special Resolution pursuant to section 180(1)(a) of the Companies Act, 2013, for sell, lease or otherwise dispose of the selective assets of Particle Board manufacturing unit ("The Navalgad Unit") located at Survey No. 270, Village Navalgad, Taluka Dhrangadhra, Dist. Surendranagar, Gujarat was passed by the Shareholders of the Company through Postal Ballot.

Mr. Hitesh D. Buch, of Hitesh Buch & Associates, Company Secretary in Whole Time Practice was appointed as the Scrutinizer for conducting the Postal Ballot process.

The results of the postal ballot were declared on Wednesday, 26th February, 2014. Details of the voting pattern were as under:

Particulars	No. of Postal Ballot Forms	No. of Equity Shares	% of Total Valid Votes received
Number of valid postal ballot forms received	42	8854780	100.00%
Assent for the Resolution (For)	41	8854438	99.996%
Dissent for the Resolution (Against)	1	350	0.004%

Accordingly the said Resolution was approved by the shareholders, with requisite and overwhelming majority.

**9. DISCLOSURES**

- (i) **Related Party Transactions:** There are no materially significant related party transactions of the Company which have potential conflict with the interests of the Company at large. Other related party transactions have been reported in Notes to Accounts.
- (ii) **Disclosure of Accounting Treatment:** For the preparation of the Financial Statements, the Company has followed the Accounting Policies and Practices as prescribed in the Accounting Standards and has not adopted a treatment different from what is prescribed in the Accounting Standards.
- (iii) **Details of Non-Compliance:** There has been no instance of non-compliance by the Company on any matter related to capital markets and hence no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority since the date of listing.
- (iv) **Whistle Blower Policy:** pursuant to provision of section 177(9) & (10) of the companies, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and clause 49 of the Listing Agreement executed with Stock Exchange, company has established a vigil mechanism policy for their directors and employees to report their genuine concerns or grievances. A Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or Ethics policy of the company. The mechanism provides for adequate safe guards against victimization of employees to avail of the mechanis mandal so provide for direct access to the Chairman of the Audit Committee in exceptional cases.
- (v) **Mandatory Requirement:** The Company had complied with all mandatory requirements and some non-mandatory requirements of Corporate Governance as required by the Listing Agreement.



**(vi) Non-Mandatory Requirement:** The Non-Mandatory requirements as prescribed in Annexure I D to the Clause 49 of the Listing Agreements entered into with the Stock Exchanges are adopted by the Company to the extent and in the manner as stated below:

- **Remuneration Committee:** Company has set up a remuneration committee, the details of which are mentioned earlier in this report.
- **Audit Qualification:** There is no qualification in the Auditor's Report on the Financial Statements for the Financial Year 2013-14.
- **Whistle Blower Policy:** Company has established a vigil mechanism policy, the details of which have been given earlier in this report.

Company has not adopted any other Non-mandatory requirement of the clause 49 of Listing Agreement

**(vii) Certification under Clause 49(V) of the Listing Agreement:** Managing Director and Vice President – Accounts & Finance have certified financial statements to the Board in accordance with Clause 49(V) of the Listing Agreement for the financial year ended March 31, 2014.

## 10. MEANS OF COMMUNICATION

**(i) Financial Results:** The quarterly / half-yearly / annual financial results of the Company are sent to stock exchanges immediately after they are approved by the Board of Directors. Results also published in the prescribed pro-forma within 48 hours of the conclusion of the meeting of the Board in which they are considered, in English newspaper and in one vernacular (Gujarati) newspaper. Company generally published the results in any one newspaper from Financial Express, Economic Times, Business Standard etc. in English and any one newspaper from Financial Express, Economic Times, Prabhat etc. in Gujarati newspapers. In addition, these results are simultaneously posted on the Company's website [www.virlaminate.com](http://www.virlaminate.com).

**(ii) Website:** The Company's website [www.virlaminate.com](http://www.virlaminate.com) also displays required other details / information of interest to various stakeholders. There is a separate section namely "INVESTOR" in the Company's website where shareholders information is available. The Annual Report of the Company is also available on the website of the Company in a downloadable form.

## 11. GENERAL SHAREHOLDER INFORMATION

AGM: Date, Time and Venue	Monday, 29 <sup>th</sup> day of September, 2014 at 3.00 p.m. at the Registered Office of the Company at S. No. 125, Nr. Kalyanpura Patia, Village Itra, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar – 382845, Gujarat, India.																					
Financial Year	Financial Year of the Company is start from April 01 to March 31 and financial results will be declared for the financial year 2014-15 as per the following schedule																					
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>:</th> <th>Tentative and subject to change</th> </tr> </thead> <tbody> <tr> <td colspan="3"><b>Quarterly Unaudited Results</b></td> </tr> <tr> <td>Quarter ending 30th June, 2014</td> <td>:</td> <td>On or before 14th August, 2014</td> </tr> <tr> <td>Quarter ending 30th September, 2014</td> <td>:</td> <td>On or before 14th November, 2014</td> </tr> <tr> <td>Quarter ending 31st December, 2014</td> <td>:</td> <td>On or before 14th February, 2015</td> </tr> <tr> <td colspan="3"><b>Annual Audited Results</b></td> </tr> <tr> <td>Fourth Quarter and Year ending 31st March, 2015</td> <td>:</td> <td>On or before 30th May, 2015</td> </tr> </tbody> </table>	Particulars	:	Tentative and subject to change	<b>Quarterly Unaudited Results</b>			Quarter ending 30th June, 2014	:	On or before 14th August, 2014	Quarter ending 30th September, 2014	:	On or before 14th November, 2014	Quarter ending 31st December, 2014	:	On or before 14th February, 2015	<b>Annual Audited Results</b>			Fourth Quarter and Year ending 31st March, 2015	:	On or before 30th May, 2015
Particulars	:	Tentative and subject to change																				
<b>Quarterly Unaudited Results</b>																						
Quarter ending 30th June, 2014	:	On or before 14th August, 2014																				
Quarter ending 30th September, 2014	:	On or before 14th November, 2014																				
Quarter ending 31st December, 2014	:	On or before 14th February, 2015																				
<b>Annual Audited Results</b>																						
Fourth Quarter and Year ending 31st March, 2015	:	On or before 30th May, 2015																				
Date of Book Closure	From Friday, 19 <sup>th</sup> September, 2014 to Monday, 29 <sup>th</sup> September, 2014 (both days inclusive)																					
Listing of Equity Share at Stock Exchanges	(i) Bombay Stock Exchange Limited (BSE) & (ii) National Stock Exchange of India Limited (NSE)																					
	Annual Listing Fees for the year 2014-15 have been paid by the Company to BSE and NSE.																					
Demat ISIN Numbers in NSDL & CDSL	INE573K01017 Annual Custodial Fees for the year 2014-15 have been paid by the Company to NSDL and CDSL.																					
Stock Code/Symbol	BSE Equity Script Code: 533470    NSE Equity Symbol: RUSHIL																					



## RUSHIL DECOR LIMITED

### Market Price Data:

The monthly high and low prices of your Company's shares at BSE and NSE along with BSE Sensex monthly closing for the year ended 31st March, 2014 are given as follows:

Month	Bombay Stock Exchange (in ₹)		BSE Sensex (Closing)	National Stock Exchange (in ₹)	
	High	Low		High	Low
April 2013	56.60	36.35	19,504.18	56.55	36.20
May 2013	53.30	33.85	19,760.30	53.95	34.35
June 2013	38.00	26.00	19,395.81	38.25	25.90
July 2013	44.00	27.00	19,345.70	44.00	26.25
August 2013	52.05	30.20	18,619.72	52.35	30.05
September 2013	51.00	41.25	19,379.77	51.90	41.45
October 2013	46.40	41.80	21,164.52	45.50	41.55
November 2013	52.40	41.10	20,791.93	52.25	40.50
December 2013	53.95	41.20	21,170.68	53.45	41.00
January 2014	70.60	47.60	20,513.85	70.55	47.05
February 2014	57.55	43.05	21,120.12	57.45	41.40
March 2014	50.95	41.00	22,386.27	51.10	41.40

Share Registrar and Transfer Agent: Bigshare Services Private Limited  
E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai-400 072.  
Tel No.: 022- 40430295 Fax No.: 022- 28475207 Email: bhagwan@bigshareonline.com

### Share Transfer System:

All equity shares except 5 equity share of the Company are in electronic form. Transfer of these dematerialized shares is done through the depositories without intervention of the Company. There was not any request during the last financial year for transfer of physical shares. For transfer of physical shares, powers to approve share transfers and related requests have been delegated by the Shareholders / Investors Grievance Committee to concerned department of the Company for expeditious disposal of shareholders' requests and complaints. It is system that Share transfers / transmission, if any, is taken up for approval and the transferred security is to be dispatched to the transferees within the stipulated time. Detail of transfers / transmission approved by the delegates is to be taken for noting by the Shareholders / Investors Grievance Committee at its next meeting.

Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, the Company obtained a certificate from a Practicing Company Secretary on half yearly basis, for compliance of share transfer formalities. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, a certificate has also been obtained from a Practicing Company Secretary conducting secretarial audit on a quarterly basis for reconciliation of the share capital of the Company. As required, the Company filed copy of these certificates with the stock exchanges at due course.


**Distribution of Shareholding as on 31<sup>st</sup> March, 2014:**

The distribution of shareholding of the Company as on 31<sup>st</sup> March, 2014 was as follows:

**(i) By size of shareholding:**

No. of Shares	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Shareholding
01 to 5000	2282	82.12%	2687514	1.87%
5001 to 10000	209	7.52%	1669540	1.16%
10001 to 20000	105	3.78%	1616690	1.12%
20001 to 30000	48	1.73%	1219010	0.85%
30001 to 40000	25	0.90%	912400	0.63%
40001 to 50000	12	0.43%	551870	0.38%
50001 & 100000	31	1.12%	2313090	1.61%
100001 & above	67	2.41%	133029886	92.38%
<b>Total</b>	<b>2779</b>	<b>100%</b>	<b>144000000</b>	<b>100%</b>

**(ii) Pattern of Shareholding :**

Sr. No.	Category	No. of holders	% of Shareholders	No. of Shares	% of total no. of shares
1	Promoters and Promoter Group	8	0.29	8054590	55.93
2	Public Shareholding:				
	- Financial Institutions / Banks	-	-	-	-
	- Foreign Institutional Investors	4	0.14	1180105	8.20
	- Bodies Corporate	204	7.34	1943889	13.50
	- Individuals				
	i. Holding nominal share capital upto ₹ 1 lakh	2450	88.16	809711	5.62
	- Individuals				
	ii. Holding nominal share capital in excess of ₹ 1 lakh	29	1.04	2295690	15.94
	- Clearing Member	65	2.34	109862	0.76
	- Non Resident Indians	19	0.68	6153	0.04
	<b>Total</b>	<b>2779</b>	<b>100.00</b>	<b>144000000</b>	<b>100.00</b>

**Dematerialization of shares:**

Equity shares of the Company can be traded in dematerialized form only. The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Demat security (ISIN) code for the equity shares is INE573K01017. As on 31<sup>st</sup> March, 2014, all the equity shares of the Company have been dematerialized except 5 equity shares which were rematerialized by one of the shareholders.

Outstanding GDRS / ADRS / Warrants or any Convertible Instruments, conversion date and likely impact on equity: Nil



## RUSHIL DECOR LIMITED

### Registered office:

At S. No. 125, Nr. Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar – 382845, Gujarat, India.

### Plant Locations:

- 1 Unit – RDL : 608, GIDC Mansa, Dist. Gandhinagar, Gujarat.
- 2 Unit – MRPL : At Dholakuva Patia, Gandhinagar Mansa Road, Mansa, Dist. Gandhinagar.
- 3 Unit – RHPL : S. No. 125, Nr. Kalyanpura Patia, Gandhinagar Mansa Road, Vill. Itla, Tal. Kalol, Gandhinagar.

### Particle Board Division :

- 4 Unit – Navalgadh : S. No. 270, At Village Navalgadh, Tal. Dhrangadhra, Dist. Surendranagar.

### MDF Board Division :

- 5 Unit – Karnataka : Plot No. 58, 59 & 60p, Amble Industrial Estate, Village Amble, Tal. & Dis. Chikmagalur State Karnataka.

Note: Unit – Navalgadh is given on lease from the month of March, 2014 and Company is not doing manufacturing process there.

### Address for correspondence:

#### To contact R&TA for all matters relating to Shares, Dividends, Annual Reports

Bigshare Services Private Limited  
E/2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400 072.  
Email: bhagwan@bigshareonline.com Tel No.: 022- 40430295 Fax No.: 022- 28475207

#### For any other general matters or in case of any difficulties / grievances

Secretarial Department  
Rushil Décor Limited  
1, Krinkal Apartment, Opp. Mahalaxmi Temple, Mahalaxmi Society, Paldi, Ahmedabad – 380 007.  
Email: ipo@rushil.com Tel No.: 079- 26622323 Fax No.: 079- 26640969

### Name of the Compliance Officer

Mr. Hasmukh K. Modi Company Secretary

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE****To The Members of Rushil Decor Limited**

We have examined the compliance of the conditions of Corporate Governance by Rushil Decor Limited (“the Company”) for the year ended 31st March, 2014 as stipulated in clause 49 of the Listing Agreement of the said Company entered into with the concerned Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and explanations given to us and the representations made by the Management, we certify that the Company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance 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 : Ahmedabad.  
Date : August 07, 2014

**(CS Mihika Kaushikbhai Patel)**  
Membership No.: 35308  
C.P. No. 13304

**DECLARATION ON CODE OF CONDUCT**

This is to certify that your Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management Personnel and that the same has been uploaded on the Company’s website ‘www.virlaminate.com’. All the board Members and the Senior Management personnel have affirmed compliance with the Code of Conduct for the Financial Year 2013-14.

Place : Ahmedabad  
Date : May 27, 2014

**Krupesh G. Thakkar**  
*Managing Director*

**INDEPENDENT AUDITORS REPORT**

To, The Members of  
RUSHIL DÉCOR LIMITED,

**Report on the Financial Statements**

We have audited the accompanying financial statements of RUSHIL DÉCOR LIMITED ('the Company') which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 {'the Act'} read with General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control 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.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of companies internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (ii) in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date and
- (iii) In the case of the cash flow statement, of the cash flows for the Year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report), Order, 2003 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section(4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. in our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books,



- c. the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account,
- d. in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Companies Act, 1956 {"the Act"} read with General Circular 15/2013 dated 13<sup>th</sup> September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013
- e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For **Parikh & Majumdar**  
*Chartered Accountants*  
Firm Reg. No. 107525W

**[C.A (Dr) Hiten M. Parikh]**  
*PARTNER*  
Membership No. 040230

Place : Ahmedabad  
Date : 27<sup>th</sup> May, 2014



## RUSHIL DECOR LIMITED

### ANNEXURE TO AUDITORS' REPORT

**The Annexure referred to in our report to the members of Rushil Décor Ltd. ("The Company") for the year ended on 31<sup>st</sup> March, 2014, We report that:**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the fixed assets have been physically verified by the management, during the year in a phased periodical manner which, in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the Company has not disposed off substantial part of its fixed assets during the year and therefore, the going concern status of the Company is not affected.
- (ii) (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the Company and the nature of its business.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the records of the company, we are of the opinion that the company has maintained proper records of inventory. The discrepancies noticed on verification between physical stocks and the book records were not material.
- (iii) In respect of loans secured or unsecured taken by the company from companies or firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
  - (a) There are twelve parties covered under register maintained under section 301 of the Companies Act 1956 from whom the company has taken loan and the maximum amount involved during the year was ₹ 3,45,66,455/- and the year-end balance of loan taken from such parties was ₹ 1,13,18,102/-.
  - (b) As explained to us, rate of interest and other terms and conditions on which loans have been taken from companies/ parties covered under register maintained under section 301 of the Companies Act 1956 are not prima facie prejudicial to the interest of the company. In respect of loan taken from Companies/Parties, the principal amount is repayable on demand.
  - (c) The company has not granted unsecured loan to any party covered under register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion, and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and with regards to the sale of goods. During the course of audit, no major weaknesses have been noticed in the internal control.
- (v) In respect of particulars of contracts or arrangements referred to in Section 301 of Companies Act, 1956;
  - (a) In our opinion and according to the information & explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register required to be maintained under section 301 of the Companies Act, 1956
  - (b) In our opinion, and according to information and explanation given to us, the transactions of purchase of goods materials & Services, sales of goods, materials & Services, made in pursuance of contract or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 aggregating during the year ₹ 5.00 Lacs or more in respect of such parties have been made at prices which are reasonable having regard to the prevailing market prices for such goods, materials & Services, or the prices at which the transactions for similar goods, materials & Services, have been made with other parties
- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 58A and 58AA or any other relevant provision of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from public.
- (vii) For the year under review, the company has appointed an in-house internal auditor. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government for maintenance of Cost records has been prescribed u/s 209(1) clause (d) of the Companies Act 1956 and we are of the opinion that prima facie, the prescribed accounts & records have been maintained. We have however, not made a detailed examination of the records.
- (ix) a) According to the information and explanations given to us, *except for the minor delays in few instances of Deposit of Provident Fund and Tax Deducted at Source*, the Company is generally regular in depositing with appropriate authorities



undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, Value Added Tax, Commercial Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it. As informed to us, for the relevant financial year, Company is not liable to pay wealth tax. According to the information & explanation given to us, no undisputed amount in respect of aforesaid dues were outstanding as at 31<sup>st</sup> march 2014, for a period of more than six months from due date they become payable.

- b) On the basis of records produced before us, for our verification and according to the information and explanation given to us, the details of Income Tax (penalty) and Factory Act dues aggregating to ₹ 14,56,878/- that have not been deposited as on 31<sup>st</sup> March, 2014 on account of matters pending before appropriate authorities, the details of which are as under.

Sr. No.	Nature of Dues	Financial Year to which relates	From where the matter is pending	Amount (₹)
1	Income Tax (penalty)	2003-04	Commissioner of Appeal -XI, Ahmedabad	1,39,999/-
2		2004-05		4,50,292/-
3		2005-06		6,66,587/-
4	Factory Act	2012-13	Additional Civil Judge, Senior Division, Chikmagalur	1,00,000/-
5	Factory Act	2013-14	Judicial Magistrate (first class) court, Dhrangadhra	1,00,000/-

- (x) The Company does not have accumulated losses at the end of the financial year and has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.
- (xi) According to information & explanations given to us, the company has not defaulted in repayment of its dues to Banks.
- (xii) In our opinion and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) According to the information and explanations given to us, the Company is not a Chit Fund or a Nidhi/Mutual Benefit fund/Society. Therefore the provisions of clause 4(xiii) of the Companies (Auditors Report) Order 2003, are not applicable to the company.
- (xiv) According to the information & explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Therefore the provisions of clause 4(xiv) of the Companies (Auditors Report) Order 2003, are not applicable to the company.
- (xv) According to the information & explanations given to us, the company has not given any guarantee for loans taken by other from banks or financial institution.
- (xvi) In our opinion and according to the Information & explanations given to us the term loans have been applied for the purpose for which they were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investment.
- (xviii) The Company has not made any preferential allotment of shares during the year under review.
- (xix) The Company has not issued any debentures during the year under review.
- (xx) The company has not raised any money by way of public issue during the year.
- (xxi) According to the information & explanations given to us, no fraud on or by the company has been noticed or reported during the course of our Audit.

For **Parikh & Majumdar**  
Chartered Accountants  
Firm Reg. No. 107525W

**[C.A (Dr) Hiten M. Parikh]**  
PARTNER  
Membership No. 040230

Place : Ahmedabad  
Date : 27<sup>th</sup> May, 2014



**RUSHIL DECOR LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2014**

(Amount In ₹)

Particulars	Note No	As at 31st March, 2014	As at 31st March, 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	1	144000000	144000000
(b) Reserves and Surplus	2	604631178	574280922
<b>(2) Non-Current Liabilities</b>			
(a) Long-term borrowings	3	762134947	683782344
(b) Deferred tax liabilities (Net)	4	108015345	86837633
(c) Other Long term liabilities	5	59114247	57127307
(d) Long term provisions	6	6139162	4171447
<b>(3) Current Liabilities</b>			
(a) Short-term borrowings	7	513458134	430046389
(b) Trade payables	8	547003831	485063351
(c) Other current liabilities	9	213526377	166072233
(d) Short-term provisions	10	6556406	14690857
<b>Total</b>		<b>2964579627</b>	<b>2646072483</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		1545280046	1485695285
(ii) Intangible assets		561472	537866
(iii) Capital work-in-progress		4948896	3962341
(b) Non-current investments	12	87148	87148
(c) Long term loans and advances	13	53402058	30897913
(d) Other non-current assets	14	34715987	17617324
<b>(2) Current assets</b>			
(a) Inventories	15	653202829	502556961
(b) Trade receivables	16	421120308	391901223
(c) Cash and cash equivalents	17	55899713	46994666
(d) Short-term loans and advances	18	195361170	165821756
(e) Other Current Assets		-	-
<b>Total</b>		<b>2964579627</b>	<b>2646072483</b>

Significant Accounting Policies  
Notes on Financial Statements

A  
1 to 47

As per our Report of even date  
For **Parikh & Majmudar**  
Chartered Accountants  
Firm Reg. No. 107525W

**For, and on behalf of the Board**  
**Rushil Décor Limited**

**[C.A.(Dr) Hiten M. Parikh]**  
PARTNER  
M. No. 040230

**[Ghanshyambhai A.Thakkar]**  
Chairman

**[Krupeshbhai G. Thakkar]**  
Managing Director

Place : Ahmedabad  
Date : 27th May, 2014

**[H. K. MODI]**  
Company Secretary

## STATEMENT OF PROFIT AND LOSS FOR YEAR ENDED 31ST MARCH, 2014

Particulars	Note No	(Amount In ₹)	
		2013-2014	2012- 2013
<b>I. Revenue from operations</b>			
Sale of Products	19	2613976302	1824336449
Other operating revenues		115906181	95624935
Gross Revenue from Operations		<b>2729882483</b>	<b>1919961384</b>
Less: Excise duty		173159428	99709640
Revenue from operations		2556723055	1820251744
<b>II. Other Income</b>	20	16264747	14806687
<b>III. Total Revenue (I +II)</b>		<b>2572987802</b>	<b>1835058431</b>
<b>IV. Expenses:</b>			
Cost of materials consumed	21	1635348115	1156466204
Purchase of Stock-in-Trade	22	16662302	8603561
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	23	-65836709	-34487789
Employee benefit expenses	24	144579119	94141622
Manufacturing and Other expenses	25	546388989	361195383
Financial costs	26	154263513	111665962
Depreciation and amortization expenses		76286345	51239502
<b>Total Expenses</b>		<b>2507691674</b>	<b>1748824445</b>
<b>V. Profit before exceptional and extraordinary items and tax (III - IV)</b>		65296128	86233986
<b>VI. Profit before extraordinary items and tax</b>		65296128	86233986
<b>VII. Extraordinary Items</b>		-	-
<b>VIII. Profit before tax (VI - VII)</b>		65296128	86233986
<b>IX. Tax expense:</b>	27		
(1) Current tax		13064286	18566043
(2) Deferred tax		21177712	27407600
(3) Short/(Excess) provision of earlier years		889131	-
<b>X. Profit for the period from continuing operations (VIII-IX)</b>		30164999	40260343
<b>XI. Profit for the year (XI)</b>		30164999	40260343
<b>XII. Earning per equity share:</b>			
(1) Basic & diluted		2.09	2.80

Significant Accounting Policies  
Notes on Financial Statements

A  
1 to 47

As per our Report of even date  
For **Parikh & Majmudar**  
Chartered Accountants  
Firm Reg. No. 107525W

**[C.A.(Dr) Hiten M. Parikh]**  
PARTNER  
M. No. 040230

Place : Ahmedabad  
Date : 27th May, 2014

For, and on behalf of the Board  
Rushil Décor Limited

**[Ghanshyambhai A.Thakkar]**  
Chairman

**[Krupeshbhai G. Thakkar]**  
Managing Director

**[H. K. MODI]**  
Company Secretary



## RUSHIL DECOR LIMITED

### CASH FLOW STATEMENT FOR THE YEAR 2013-14

PARTICULARS	2013-2014 (in ₹)	2013-2014 (in ₹)	2012-2013 (in ₹)	2012-2013 (in ₹)
<b>(A) Cash Flow From Operating Activities</b>				
Profit before tax		65296129		86233986
Adjustments for				
Depreciation and amortization expense	76286345		51239502	
Interest and Finance cost	154263513		111665962	
Loss on Sale of Fixed Assets	1864059		293642	
Preliminary Exp., W/off (deferred, amalgamation)	-		337183	
Dividend Income	(2400)		(2400)	
		232411517		163533889
Operating Profit Before Working Capital Changes		297707646		249767875
Adjustment for Change In:				
Inventories	(150645868)		(109983660)	
Receivable	(40366082)		(68213455)	
Loans & Advances	(56915267)		9754047	
Current liabilities	102144177		73113615	
Provisions	4167852	(141615188)	1310607	(94018846)
		156092458		155749029
Income Taxes Paid		(15158158)		(16442181)
<b>Net Cash Generated From Operations</b>		<b>140934300</b>		<b>139306848</b>
<b>(B) Cash flow from Investing activities</b>				
Purchase Of Fixed Assets	(138945327)		(184833697)	
Proceeds From Sale Of Fixed Assets	200000		422500	
Dividend Income	2400		2400	
Preliminary Exp written off	-		1124395	
<b>Net Cash Generated From Investing Activities</b>		<b>(138742927)</b>		<b>(183284402)</b>
<b>(C) Cash Flow From Financing Activities</b>				
Security Premium	185257		(3302627)	
Secured Loans	154789290		111455927	
Unsecured Loans	14370660		57731530	
Interest and Finance cost	(154263513)		(111665962)	
Dividend Paid (Including Tax On Dividend)	(8368020)		(8368020)	
<b>Net Cash Generated From Financing Activities</b>		<b>6713674</b>		<b>45850848</b>
<b>Net Increase In Cash &amp; Cash Equivalents</b>		<b>8905047</b>		<b>1873294</b>
<b>Cash &amp; Cash Equivalents At The Beginning Of The Period</b>		<b>46994666</b>		<b>45121372</b>
<b>Cash &amp; Cash Equivalents At The End Of The Period</b>		<b>55899713</b>		<b>46994666</b>



## CASH FLOW STATEMENT FOR THE YEAR 2013-14

Particulars	2013-2014 (in ₹)	2012-2013 (in ₹)
<b>Cash and cash equivalents :</b>		
Cash On Hand	5692463	6130651
Balances with Scheduled Banks (including Margin Money Deposit)	50207250	40864015
<b>Cash And Cash Equivalents</b>	<b>55899713</b>	<b>46994666</b>

**Notes to Cash Flow:-**

1. All figures in bracket are outflow.
2. The above Cash Flow Statement has been prepared under the ' Indirect Method' as set out in Accounting Standard 3 on " Cash Flow Statement " issued by The Institute of Chartered Accountants of India.

As per our Report of even date attached  
For **Parikh & Majmudar**  
*Chartered Accountants*  
Firm Reg. No. 107525W

**[C.A.(Dr) Hiten M. Parikh]**  
*PARTNER*  
M. No. 040230

Place : Ahmedabad  
Date : 27th May, 2014

**For, and on behalf of the Board**  
**Rushil Décor Limited**

**[Ghanshyambhai A.Thakkar]**  
*Chairman*

**[Krupeshbhai G. Thakkar]**  
*Managing Director*

**[H. K. MODI]**  
*Company Secretary*

**SIGNIFICANT ACCOUNTING POLICIES****(a) Method of Accounting :**

The Financial Statements are prepared as per historical cost convention and in accordance with the Generally Accepted Accounting Principles in India, the provisions of the Companies Act 1956 , and the applicable Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006. All Income and Expenditures having material bearing on the Financial Statements are recognized on accrual basis.

**(b) Use of Estimates :**

The preparation of the financial statements in conformity with GAPP requires the Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**(c) Revenue Recognition :**

Sales are stated inclusive of rebate and trade discount and excluding Central Sales Tax, State Value Added Tax. With regard to sale of products, income is reported when practically all risks and rights connected with the ownership have been transferred to the buyers. This usually occurs upon dispatch, after the price has been determined.

Export Benefits are accounted on accrual basis.

**(d) Fixed Asset :**

(i) Tangible Fixed Assets acquired by the Company are reported at acquisition value, with deductions for accumulated depreciation [other than "freehold land" where no depreciation is charged] and impairment losses, if any. The acquisition value includes the purchase price (excluding refundable taxes), and expenses directly attributable to assets to bring it to the factory and in the working condition for its intended use. Where the construction or development of any such asset requiring a substantial period of time to set up for its intended use, is funded by borrowings if any, the corresponding borrowing cost are capitalized up to the date when the asset is ready for its intended use.

(ii) Intangible Fixed assets are stated at cost of acquisition or developed.

(iii) All indirect expenses incurred during project implementation and on trial run are treated as incidental expenditure during construction and capitalized.

(iv) Capital Works in Progress are stated at Cost.

**(e) Impairment of Assets :**

The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal. An impairment loss for an asset other than goodwill is reversed if, and only if, the reversal can be related objectively to an event occurring after the impairment loss recognized. The carrying amount of an asset other than goodwill is increased to its revised recoverable amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment losses been recognized for the asset in prior years.

**(f) Depreciation and Amortisation :**

a) Depreciation on fixed assets is provided on SLM method under Section 205 (2) (b) of the Companies Act, 1956 at the rate and in the manner prescribed in schedule XIV of the said Act.

b) Computer Software costs are amortized using the Straight Line Method over estimated useful life of 5 years, as estimated at the time of capitalization.

(i) Depreciation on additions/disposals during the period is provided on prorata basis according to the period during which assets are put to use/ being used.

(ii) No Depreciation has been provided in respect of Capital Work in Progress.



## SIGNIFICANT ACCOUNTING POLICIES

### (g) Investments :

Investments are classified as Long Term & Current Investments. Long Term Investments are:

- valued at cost less provision for diminution other than temporary, in value, if any.
- Current Investments, if any, are valued at cost or fair value whichever is lower.

### (h) Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows.. The Cash flows from operating, investing and financing activities of the Group are segregated.

Cash and Cash equivalents presented in the Cash Flow Statement consist of cash on hand and demand deposits with banks.

### (i) Foreign Currency Transactions

Transactions in the foreign currency which are covered by forward contracts are accounted for at the contracted rate; the difference between the forward rate and the exchange rate at the date of transaction is recognized in the statement of profit & loss over the life of the contract. Foreign currency denominated monetary assets and liabilities are translated into the relevant functional currency at exchange rates in effect at the Balance Sheet date. Exchange differences arising on settlement or restatement of long term foreign currency monetary items, in so far as they relate to acquisition of depreciable assets are adjusted to carrying cost of such assets and depreciated over balance life of the assets. The gains or losses resulting from such translations are included in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction. Revenue, expense and cash-flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

### (j) Valuation of Inventories

- i) Raw materials are valued at lower of **cost** or **net realizable value**.
- ii) Work in progress has been valued at cost of materials and labour charges together with relevant factory overheads.
- iii) Finished Goods are valued at lower of **cost** or **net realizable value** .
- iv) Stores & Fuel stocks are valued at **cost**,

### (k) Employee Benefit:

#### i. **Short Term**

Short Term employee benefits are recognized as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the company.

#### ii. **Long Term**

The Company has both defined contribution and defined benefit plans. These plans are financed by the Company in the case of defined contribution plans.

#### iii. **Defined Contribution Plans**

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to Employees Provident Fund. The Company's payments to the defined contribution plans are reported as expenses during the period in which the employees perform the services that the payment covers.

**SIGNIFICANT ACCOUNTING POLICIES****iv. Defined Benefit Plans**

Expenses for defined benefit gratuity payment plans are calculated as at the balance sheet date by independent actuaries in the manner that distributes expenses over the employees working life. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discounted rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on Government Bonds with a remaining term i.e. almost equivalent to the average balance working period of employees.

**v. Other Employee Benefits**

Compensated absences which accrue to employees and which can be carried to future periods but are expected to be encashed or availed in twelve months immediately following the year end are reported as expenses during the year in which the employees perform the services that the benefit covers and the liabilities are reported at the undiscounted amount of the benefits after deducting amounts already paid.

**(l) Earning per Share :**

Basic earning per share is calculated by dividing the net profit after tax for the year attributable to Equity Shareholders of the Company by the weighted average number of Equity Shares outstanding during the year. Diluted earning per Share is calculated by dividing net profit attributable to equity Shareholders (after adjustment for diluted earnings) by average number of weighted equity shares outstanding during the year.

**(m) Taxation**

Income –tax expense comprises of current tax, and deferred tax charge or credit. Provision for current tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets arising mainly on account of brought forward business losses, capital losses and unabsorbed depreciation under tax laws, are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred tax assets on account of other timing differences are recognized only to the extent there is a reasonable certainty of its realization. At each balance sheet date, the carrying amount of deferred tax assets is reviewed to reassure realization.

**(n) Provisions/ Contingencies**

A provision is recognized when the Company has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding long term benefits) are not discounted to its present value and are determined based on 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. Contingent liabilities are not recognized but are disclosed in the notes to the Financial Statements. A contingent asset is neither recognized nor disclosed.

**(o) Borrowing Cost**

Borrowing costs are recognized in the period to which they relate, regardless of how the funds have been utilized, except where it relates to the financing of construction or development of assets requiring a substantial period of time to prepare for their intended future use. Interest on borrowings if any is capitalized up to the date when the asset is ready for its intended use. The amount of interest capitalized for the period is determined by applying the interest rate applicable to appropriate borrowings

**(p) Proposed Dividend & Corporate Dividend Tax**

Dividend if proposed by the Board of Directors along with corporate dividend tax, if any, is provided in the books of accounts.

## NOTES ON FINANCIAL STATEMENTS

NOTE NO : 1 Share Capital :	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
<b>Authorised :</b> 20000000 (p.y 20000000) Equity Shares of ₹ 10/- each		200000000		200000000
		200000000		200000000
<b>Issued &amp; Subscribed and Paid up :</b> 14400000 (P.Y 14400000 )Equity Shares of ₹ 10/- each fully paid up		144000000		144000000
		144000000		144000000

## 1) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

	In numbers	31.03.2014 (in ₹)	In numbers	31.03.2013 (in ₹)
At the beginning of period	14400000	144000000	14400000	144000000
Issued vide Initial Public Offer	-	-	-	-
Outstanding at the end of year	14400000	144000000	14400000	144000000

Note : The company has only one class of shares having Par value of ₹ 10 per share Each Share Holder ie eligible for one vote Per Share.

## 2) Details of shares held by each shareholder holding more than 5% shares:

	As at 31 March, 2014	As at 31 March, 2014	As at 31 March, 2013	As at 31 March, 2013
Equity shares with voting rights	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Ghanshyambhai Ambalal Thakkar	2025950	14.07	2004113	13.92
Krupesh Ghanshyambhai Thakkar and Ghanshyambhai Ambalal Thakkar Repre. Rushil International (Partnership Firm)	1845770	12.82	1845770	12.82
Krupesh Ghanshyambhai Thakkar	1542484	10.71	1533567	10.65
Krupesh G. Thakkar Karta of Krupesh Ghanshyambhai Thakkar (HUF)	1389693	9.65	1389693	9.65

NOTE NO : 2 Reserves and Surplus :	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
<b>Securities Premium Account</b>				
Opening Balance	403147099		406449726	
Add : Addition on account of expenses earlier written off now written back	185257		-	
	403332356		406449726	
Less : Expense in connection with issue of equity shares written off	-	403332356	3302627	403147099
<b>Amalgamation Reserve</b>		3300000		3300000
<b>Capital Redemption Reserve (For Redemption of Preference Share Capital)</b>		50000		50000
<b>General Reserve</b>				
Opening Balance	6087500		6087500	
Add : Transfer from Profit & Loss Account	-	6087500	-	6087500
<b>Profit &amp; Loss Account</b>				
Balance Brought Forward From Previous Year	161696323		129804000	
Add: Profit for the year	30164999		40260343	
Proposed Final Dividend on equity share	-		7200000	
(amount per share ₹ Nil (31st March, 2013 ₹ 0.50)				
Tax on proposed Equity Dividend	-	191861322	1168020	161696323
		604631178		574280922



## RUSHIL DECOR LIMITED

### NOTES ON FINANCIAL STATEMENTS

NOTE NO : 3 Long-term borrowings :	31.03.2014	31.03.2014	31.03.2013	31.03.2013
	(in ₹)	(in ₹)	(in ₹)	(in ₹)
	Current maturities	Non-Current Portion	Current maturities	Non-Current Portion
(a) Term Loan (refer note 1 below)				
From Banks				
I. Bank of Baroda (refer note 1 below)				
(a) Term Loan A/c no 01500600020468	2000000	1000000	2000000	3000000
(b) Term loan A/c no 01500600020467	26134829	104539318	26134829	130674147
(c) Term loan-iii External Commercial Borrowing (USD 63,00,000 ) (Note :1)	62884500	251538000	57108764	284855236
(d) Term loan A/c no 01500600020603	4000000	10333333	4000000	14333333
(e) Term loan A/c no 01500600020690	37500000	50000000	12500000	87500000
(f) Corporate loan A/c no 01500600020796	-	150000000	-	-
II. Allahabad Bank A/c no 50069950994 & 50004433096 & 50133442107 (refer note 2 below)	18110000	21250000	26970000	27700949
(b) Unsecured Loans from related parties				
From Directors and related parties	234492	13194478	1722827	15041757
(c) From Others				
Vehicle Loans (refer note 3 below)	8508363	9176109	4122183	5375616
Loan from LIC (refer note 4 below)	-	3516250	-	3167500
Loan from Financial Institution	1794722	960908	9284160	4056898
Public deposit	-	38838650	-	43230489
Inter corporate loans	-	107787901	7820000	64846419
	161166906	762134947	151662763	683782344

#### Note:1

##### Term loan from Bank of Baroda

Secured by way of hypothecation of raw material, stocks, book debt, movable assets of the company (except financed by Allahabad bank) and also secured by way of equitable mortgage of a) land and building and plant and machinery of the company b) office premises situated at flat no 1 & 2 Kinkal apartment, Paldi, Ahmedabad belonging to the company c) residential bungalow situated 4, Pushpa Dhanwa Owners Association, Vastrapur, Ahmedabad belonging to Shri Ghanshyambhai Thakkar d) plot situated at Lati Bazar, Ahmedabad in the name of Shri Ghanshyambhai Thakkar e) Pledge of fixed deposit of ₹ 0.73 crore f) Pledge of fixed deposit of ₹ 0.20 crore and also secured by way of personal guarantee of Shri Ghanshyambhai Thakkar and Shri Krupeshbhai Thakkar.

##### Term of Repayment

Particulars	Repayment Schedule															
Term loan A/C NO. 01500600020468	20 quarterly installments of ₹. 5.00 lacs plus interest (with 3 months moratorium)															
Term loan A/C NO. 01500600020467	24 quarterly installments (23 installments of ₹ 0.65 Crs plus interest and last installment of ₹ 0.73 Crs) Interest will be charged as and when due. The repayment was proposed to start after 33 months (including moratorium period of 15 months from the date of first disbursement)															
ECB TERM LOAN	24 quarterly installments (24 installments of USD 262500 plus interest) The repayment started from April, 2013. The repayment was proposed to start after 33 months initial moratorium from the date of first disbursement															
Term loan A/C NO. 01500600020603	Term loan is to be repaid in 60 monthly installments after completion of moratorium period of 12 months from the date of first disbursement. The term loan is to be repaid by 59 equal monthly installments each of ₹ 3.34 lacs and last installment of ₹ 2.94 lacs. The interest is to be served on monthly basis.															
Term loan A/C NO. 01500600020690	Term loan is to be repaid in 8 quarterly installments after completion of moratorium period of 12 months from the date of first disbursement in <b>ballooning method</b> as under. The interest is to be served on monthly basis.															
	<table border="1"> <thead> <tr> <th>No. of installments</th> <th>Amt. of each installments (₹ in lacs)</th> <th>Total (₹ in lacs)</th> </tr> </thead> <tbody> <tr> <td>1 &amp; 2</td> <td style="text-align: right;">62.50</td> <td style="text-align: right;">125</td> </tr> <tr> <td>3,4,5 &amp; 6</td> <td style="text-align: right;">93.75</td> <td style="text-align: right;">375</td> </tr> <tr> <td>7&amp;8</td> <td style="text-align: right;">250.00</td> <td style="text-align: right;">500</td> </tr> <tr> <td></td> <td></td> <td style="text-align: right;"><b>1000</b></td> </tr> </tbody> </table>	No. of installments	Amt. of each installments (₹ in lacs)	Total (₹ in lacs)	1 & 2	62.50	125	3,4,5 & 6	93.75	375	7&8	250.00	500			<b>1000</b>
No. of installments	Amt. of each installments (₹ in lacs)	Total (₹ in lacs)														
1 & 2	62.50	125														
3,4,5 & 6	93.75	375														
7&8	250.00	500														
		<b>1000</b>														

**NOTES ON FINANCIAL STATEMENTS**

Particulars	Repayment Schedule																								
Corporate loan A/C NO. 01500600020796	Corporate loan is to be repaid in 24 quarterly installments after completion of moratorium period of 18 months from the date of first disbursement as under. The interest is to be served on monthly basis.																								
	<table border="1"> <thead> <tr> <th>Year</th> <th>No. of installments (₹ in lacs)</th> <th>Total (₹ in lacs)</th> </tr> </thead> <tbody> <tr> <td>2015-16</td> <td>37.50x4</td> <td>150</td> </tr> <tr> <td>2016-17</td> <td>50.00x4</td> <td>200</td> </tr> <tr> <td>2017-18</td> <td>62.50x4</td> <td>250</td> </tr> <tr> <td>2018-19</td> <td>75.00x4</td> <td>300</td> </tr> <tr> <td>2019-20</td> <td>75.00x4</td> <td>300</td> </tr> <tr> <td>2020-21</td> <td>75.00x4</td> <td>300</td> </tr> <tr> <td><b>Total</b></td> <td></td> <td><b>1500</b></td> </tr> </tbody> </table>	Year	No. of installments (₹ in lacs)	Total (₹ in lacs)	2015-16	37.50x4	150	2016-17	50.00x4	200	2017-18	62.50x4	250	2018-19	75.00x4	300	2019-20	75.00x4	300	2020-21	75.00x4	300	<b>Total</b>		<b>1500</b>
Year	No. of installments (₹ in lacs)	Total (₹ in lacs)																							
2015-16	37.50x4	150																							
2016-17	50.00x4	200																							
2017-18	62.50x4	250																							
2018-19	75.00x4	300																							
2019-20	75.00x4	300																							
2020-21	75.00x4	300																							
<b>Total</b>		<b>1500</b>																							

**Note:2**

**Term loan from Allahabad Bank**

Secured by way of hypothecation of entire current assets and plant and machineries and other fixed assets to be created out of bank finance of the company's unit at Navalgadh, secured by way 2nd charge on entire fixed assets of the company finance by Bank of Baroda and also secured by way of equitable mortgage of land and building, plant and machinery situated at Navalgadh and also secured by way of personal guarantee of Krupeshbhai G. Thakkar and Ghanshyambhai A. Thakkar.

**Term of Repayment**

Particulars	Repayment Schedule
Term loan A/C No.50004433096	20 quarterly installments of ₹ 55.55 lacs each . Interest will be served on monthly basis.
Term loan A/C No.50069950994	20 quarterly installments of ₹ 10.00 lacs each starting after 12 months from the date of first disbursement. Interest shall be served on monthly basis.
Term loan A/C No.50133442107	20 quarterly installments of ₹ 7.50 lacs each after moratorium period of 1 year from the date of first disbursement. Interest shall be served on monthly basis.

**Note :3** Secured by hypothycation on vehicle purchased under hire purchase agreements.Repayment schedule as under.

Name of Bank	Monthly installments including interest (In ₹)	Period	Commencing Date
AXIS BANK LTD A/C NO.AUR000300953460	15800	1.4.2014 TO 1.3.2017	2.4.2014
AXIS BANK LTD A/C NO.CER000300882185	33965	10.1.2014 TO 10.12.2016	10.1.2014
HDFC BANK LTD A/C NO.20423495	48512	7.2.2012 TO 7.1.2015	7.2.2012
HDFC BANK LTD A/C NO.20423572	105552	7.2.2012 TO 7.1.2015	8.2.2012
HDFC BANK LTD A/C NO 20486809	18123	7.2.2012 TO 7.1.2015	8.2.2012
HDFC BANK LTD A/C NO. 80443588	9377	4.11.2012 TO 4.7.2016	4.11.2012
HDFC BANK LTD A/C NO. 80426930	13789	4.11.2012 TO 4.7.2016	4.11.2012
ICICI BANK LTD A/C NO.LAABD00024629551	14563	15.12.2011 TO 15.10.2014	15.12.2011
ICICI BANK LTD A/C NO.LAABD00026558943	12129	15.7.2012 TO 15.5.2015	17.7.2012
ICICI BANK LTD A/C NO. LQABD00023295282	22965	22.2.2011 TO 22.12.2014	22.2.2011
ICICI BANK LTD A/C NO.LQABD00022957977	19263	22.12.2010 TO 22.10.2014	22.12.2010
ICICI BANK LTD A/C NO. LAABD00026872157	15276	15.6.2013 TO 15.5.2016	15.6.2013
ICICI BANK LTD A/C NO. LAABD00026876610	32315	15.8.2013 TO 15.7.2016	15.8.2013
ICICI BANK LTD A/C NO LQABD00023875424	21063	7.6.2011 TO 7.4.2015	7.6.2011
ICICI BANK LTD A/C NO LQABD00023931678	21020	22.6.2011 TO 22.4.2015	22.6.2011
RELIANCE CAPITAL LTD A/C NO.RLCEAHM000242303	29098	1.7.2013 TO 1.5.2016	1.7.2013
RELIANCE CAPITAL LTD A/C NO. RLCEAHM000241504	19806	5.7.2013 TO 5.5.2016	5.7.2013
RELIANCE CAPITAL LTD A/C NO. RLCEAHM000241505	19806	5.7.2013 TO 5.5.2016	5.7.2013



## RUSHIL DECOR LIMITED

### NOTES ON FINANCIAL STATEMENTS

Name of Bank	Monthly installments including interest (In ₹)	Period	Commencing Date
RELIANCE CAPITAL LTD A/C NO. RLCEAHM000241506	11988	5.7.2013 TO 5.5.2016	5.7.2013
RELIANCE CAPITAL LTD A/C NO. RLCEAHM000247127	28280	1.9.2013 TO 1.7.2016	1.9.2013
RELIANCE CAPITAL LTD A/C NO. RLCEAHM000247134	55588	1.9.2013 TO 1.7.2016	1.9.2013
RELIANCE CAPITAL LTD A/C NO. RLCEAHM000247137	16442	1.9.2013 TO 1.7.2016	1.9.2013
RELIANCE CAPITAL LTD A/C NO. RLCEAHM000247140	16446	1.9.2013 TO 1.7.2016	1.9.2013
RELIANCE CAPITAL LTD A/C NO. RLCEAHM000247141	16446	1.9.2013 TO 1.7.2014	1.9.2013
RELIANCE CAPITAL LTD A/C NO. RLCEAHM000247142	125072	1.9.2013 TO 1.7.2016	1.9.2013
THE AHMEDABAD MERCANTILE CO-OPERATIVE BANK LTD A/C NO.066015351000367	25600	3.12.2012 TO 10/12/2015	11.1.2013
THE AHMEDABAD MERCANTILE CO-OPERATIVE BANK LTD A/C NO.066015351000384	28170	21.2.2013 TO 31.1.2016	1.4.2013
THE AHMEDABAD MERCANTILE CO-OPERATIVE BANK LTD A/C NO.066015351000400	69407	29.8.2013 TO 31.8.2016	31.10.2013

**Note :4** Secured against pledge of keyman Insurance policies of directors.

<b>NOTE NO : 4</b> <b>Deferred tax liabilities (Net) :</b>	<b>Amount (in ₹)</b>	<b>31.03.2014 (in ₹)</b>	<b>Amount (in ₹)</b>	<b>31.03.2013 (in ₹)</b>
Deferred tax liabilities (Net)		108015345		86837633
		108015345		86837633

<b>NOTE NO : 5</b> <b>Other Long term liabilities :</b>	<b>Amount (in ₹)</b>	<b>31.03.2014 (in ₹)</b>	<b>Amount (in ₹)</b>	<b>31.03.2013 (in ₹)</b>
	Current maturities	Non-Current Portion	Current maturities	Non-Current Portion
(a) Trade Deposit	1108000	35048483	970341	37624082
(b) Others				
Creditors for capital goods		17823103		16316986
Trade Payables		3818660		710210
Advance from customers		2424001		2476029
	1108000	59114247	970341	57127307

<b>NOTE NO : 6</b> <b>Long term provisions :</b>	<b>Amount (in ₹)</b>	<b>31.03.2014 (in ₹)</b>	<b>Amount (in ₹)</b>	<b>31.03.2013 (in ₹)</b>
(a) Provision for Gratuity		6139162		4171447
		6139162		4171447

<b>NOTE NO : 7</b> <b>Short-term borrowings :</b>	<b>Amount (in ₹)</b>	<b>31.03.2014 (in ₹)</b>	<b>Amount (in ₹)</b>	<b>31.03.2013 (in ₹)</b>
(a) Loans repayable on demand				
<b>Working Capital From Banks</b>				
Bank of Baroda - Cash Credit Loans (refer note.1)		278604730		149031957
Bank of Baroda - Packing Credit (refer note no.1)		192782000		212940000
Bank of Baroda - Packing Credit (Foreign currency) (refer note no.1)		-		20355000
Bank of Baroda - Foreign Bills Purchase (refer note.1)		27241209		-
Allahabad Bank - Cash Credit Loans (refer note.2)		14580619		47140456
Bank of Baroda Export A/c-01500200000602 (refer note no.1)		249576		431158
Bank of Baroda Export A/c-09230200000156 (refer note no.1)		-		147818
		513458134		430046389

## NOTES ON FINANCIAL STATEMENTS

## Note:1

## Working Capital facility from Bank of Baroda

Secured by way of hypothecation of raw material, stocks, book debt, movable assets of the company (except financed by Allahabad bank) and also secured by way of equitable mortgage of a) land and building and plant and machinery of the company b) office premises situated at flat no 1 & 2 Krinkal apartment, Paldi, Ahmedabad belonging to the company c) residential bungalow situated 4, Pushpa Dhanwa Owners Association, Vastrapur, Ahmedabad belonging to Shri Ghanshyambhai Thakkar d) plot situated at Lati Bazar, Ahmedabad in the name of Shri Ghanshyambhai Thakkar e) Pledge of fixed deposit of ₹ 0.73 crore f) Pledge of fixed deposit of ₹ 0.20 crore in the name of Shri Ghanshyam Thakkar and also secured by way of personal guarantee of Shri Ghanshyambhai Thakkar and Shri Krupeshbhai Thakkar.

## Note:2

## Working Capital facility from Allahabad Bank

Secured by way of hypothecation of entire current assets and plant and machineries and other fixed assets to be created out of bank finance of the company's unit at Navalgadh, secured by way 2nd charge on entire fixed assets of the company financed by Bank of Baroda and also secured by way of equitable mortgage of land and building, plant and machinery situated at Navalgadh and also secured by way of personal guarantee of Krupeshbhai G. Thakkar and Ghanshyambhai A. Thakkar.

NOTE NO : 8 Trade payables :	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
Trade payables (refer note no.41)		547003831		485063351
		547003831		485063351

NOTE NO : 9 Other Current Liabilities :	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
(a) Current maturities of long-term debt; ( also Refer Note No 3 & 5)		162274906		152633104
(b) Interest accrued but not due on borrowings;		3089465		1734023
(c) Other payables				
Advance from customers		42538402		5199411
Duties and taxes		4293015		5661448
Provision for expenses		1330589		844247
		213526377		166072233

NOTE NO : 10 Short Term Provisions:	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
<b>Provision of Income tax (Net of Advance Tax &amp; TDS)</b>				
Income Tax for 2013 - 2014	3361577		-	
Income Tax for 2012 - 2013	-	3361577	3486361	3486361
Provision for Dividend		-		7200000
Tax on Proposed Dividend		-		1168020
Provision for employee benefit		3194829		2836476
		6556406		14690857

**NOTES ON FINANCIAL STATEMENTS**
**FIXED ASSETS**
**NOTE - 11**

Sr. No.	Assets	Gross Block				Depreciation				Net Block			
		Balance as on 1.04.2013	Addition during the Year	Deduction during the Year	Transfer Written off during the year	Closing Balance as on 31.03.2014	Balance as on 1.04.2013	Addition during the Year	Deduction during the Year	Transfer Written off during the year	Closing Balance as on 31.03.2014	As on 31.03.2013	As on 31.03.2014
(i)	<b>Tangible assets</b>												
1	Land	10258823	-	-	-	10258823	-	-	-	-	-	10258823	10258823
2	Leasehold Land	12718166	-	-	-	12718166	-	-	-	-	-	12718166	12718166
3	Building	447626423	28557954	-	-	476184377	24647949	15660032	-	40307981	435876396	422978474	422978474
4	Plant & Machinery	1146834717	98474049	10028977	-	1235279789	131805943	55609743	722028	186693658	1048586131	1015028774	1015028774
5	Computer & Accessories	5700991	922596	-	-	6623587	4546849	755555	-	5302404	1321183	1154142	1154142
6	Vehicles	26232452	18667826	4677800	-	40222478	7787183	3471450	1851711	9406922	30815556	18445269	18445269
7	Furniture & Fixture	7356738	1084413	-	-	8441151	2245101	492259	-	2737360	5703791	5111637	5111637
	<b>Total tangible assets</b>	<b>1656728310</b>	<b>147706838</b>	<b>14706777</b>	<b>-</b>	<b>1789728371</b>	<b>171033025</b>	<b>75989039</b>	<b>2573739</b>	<b>244448325</b>	<b>1545280046</b>	<b>1485695285</b>	<b>1485695285</b>
(ii)	<b>Intangible assets</b>	941521	320912	-	-	1262433	403655	297306	-	700961	561472	537866	537866
(iii)	<b>Capital work in progress</b>	3962341	21264259	-	20277704	4948896	-	-	-	-	4948896	3962341	3962341
	<b>Total (i + ii + iii)</b>	<b>1661632172</b>	<b>169292009</b>	<b>14706777</b>	<b>20277704</b>	<b>1795939700</b>	<b>171436680</b>	<b>76286345</b>	<b>2573739</b>	<b>245149286</b>	<b>1550790414</b>	<b>1490195492</b>	<b>1490195492</b>
	Previous Year's Total	1483567760	1272378223	1508526	1092805285	1661632172	124182612	48016483	762415	171436680	1490195492	1359385148	1359385148

Note: Addition to vehicle is yet to be transferred in the Name of the Company

## NOTES ON FINANCIAL STATEMENTS

NOTE NO : 12 Non-current investments :	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
(a) Investment in equity instruments Shares of Ahmedabad Mercantile Corporation Ltd		20000		20000
(b) Investment in government securities / trust securities National savings certificate		10000		10000
(c) Other non current instruments FDR given to prohibition dept.		57148		57148
		87148		87148

NOTE NO : 13 Long Term Loan and Advances :	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
(a) Advance for Capital goods		26192293		9711330
(b) Security Deposit Unsecured, considered good		23282010		19692806
(c) Inter corporate deposits		2450000		-
(d) Other Loan and advances Unsecured, considered good		1477755		1493777
		53402058		30897913

NOTE NO : 14 Other non-current assets :	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
(a) Advance receivable in cash or in kind for value to be received				
- Due from officers		3121622		2368723
- Trade receivables		18932885		7785887
(b) Others				
Plantation		7587084		6087937
Advance to Suppliers		5074396		1374777
		34715987		17617324

NOTE NO : 15 Inventories : (As taken, valued & certified by a director)	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
(a) Raw Materials		304328045		232370002
(b) Work in progress		92011588		37450142
(c) Finished goods (includes stock lying with third parties ₹ 10,78,26,932 /- and ₹ 8,58,84,811/- (p.y.))		220254264		208979001
(d) Stores and spares		35373093		23464980
(e) Power & Fuel		1235839		292836
		653202829		502556961

NOTE NO : 16 Trade receivables :	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
(i) Outstanding for a period exceeding six months un Secured, considered good		30700260		18704573
(ii) Others un Secured, considered good		390420048		373196650
		421120308		391901223



## RUSHIL DECOR LIMITED

### NOTES ON FINANCIAL STATEMENTS

NOTE NO : 17 Cash and cash equivalents	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
(a) Balances with scheduled banks				
On current Account		10471998		4215362
In Fixed Deposit/Margin money account		39735252		36648653
(b) Cash on hand		5692463		6130651
		55899713		46994666

NOTE NO : 18 Short-term loans and advances :	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
Balance with government authorities		22859725		30336902
Advance Income Tax & TDS		2530825		1450868
Licence & Licence Receivables		73939124		46795389
Advance to Suppliers		17634013		11683849
Prepaid Expenses		5052102		1504396
Inter corporate deposits		58552853		58652853
Other Advances		14792528		15397499
		195361170		165821756

NOTE NO : 19 Revenue from operations	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
<b>A. Sale of Products</b>				
Direct Export Turnover		869346781		883211763
Deemed Export Turnover		140166896		98234375
Domestic Turnover		1604462625		842890311
Gross Turnover		2613976302		1824336449
Less : Excise Duty		173159428		99709640
<b>Net Turnover</b>		<b>2440816874</b>		<b>1724626809</b>
<b>B. Other Revenue from operations</b>		<b>115906181</b>		<b>95624935</b>
Total Revenue from operations		<b>2556723055</b>		<b>1820251744</b>

Details of product sold (net)	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
- Decorative laminate sheet		1555781925		1447622738
- Particle Board		88870887		126729312
- Medium Density Fiber Board		780591574		140821246
- Trading				
Base Paper	-		5243684	
Kraft Paper	573353		673513	
Phenol	4591535		-	
TG Urea	-		3328316	
Melamine Formaldehyde Resin	-		208000	
Methanol	1956241		-	
Baggase	8451359	15572488	-	9453513
<b>Total</b>		<b>2440816874</b>		<b>1724626809</b>

Other operating revenue as under	31.03.2014 (in ₹)	31.03.2013 (in ₹)
- Licence due income	95446829	81690648
- Insurance claim received	-	27480
- Export incentive	20459352	13906807
<b>Total</b>	<b>115906181</b>	<b>95624935</b>

## NOTES ON FINANCIAL STATEMENTS

NOTE NO : 20 Other Income :	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
Dividend		2400		2400
Foreign Exchange Gain		-		3055060
Interest Income (TDS ₹ 7,02,709/-and P.Y. ₹ 7,13,639/-)		9014663		9187227
Keyman policy maturity amount		1602700		2562000
Rent Income (TDS ₹ 4000/-)		200000		-
Bank Charges Refund		5444984		-
		16264747		14806687

NOTE NO : 21 Cost of Material:	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
<b>Raw Material Consumed:</b>				
Opening Stock of Raw Material	232370002		171879822	
<b>Add :</b> Purchases (Net of Excise, Discount Rate Diff. & Material for Resale ₹ 1,66,62,302/- previous year ₹ 86,03,561/-)	1559816191		1089778644	
Freight, Octroi, and Clearing & Forwarding	85674985		69816368	
C.V.D., Other Duty & Licence Use	61814982		57361372	
	1939676160		1388836206	
Less : Closing Stock of Raw Material	304328045		232370002	
		1635348115		1156466204

Details of raw material and its components	31.03.2014 (in ₹)	31.03.2013 (in ₹)
BASE PAPER	274947983	274872315
KRAFT PAPER	275443258	275276104
PHENOL	180999902	158393320
METHANOL	40584093	34837591
FORMALDEHYDE	102362344	82667513
MELAMINE	99915897	73145567
UF RESIN	18343301	42659844
MALESIYAN PINE	349649	16568706
COTTON STALK	-	850054
FIRE WOOD WASTE	-	422227
BAGGASE	36919542	11262861
WOOD	264452338	68191626
AMINO RESINS	173745670	28848891
OTHERS	167284138	88469585
<b>Total</b>	<b>1635348115</b>	<b>1156466204</b>

NOTE NO : 22 Purchase of Stock-in-Trade	31.03.2014 (in ₹)	31.03.2013 (in ₹)
Base Paper	-	4749000
Kraft Paper	274015	632641
Phenol	4423013	-
TG Urea	-	3013920
Melamine Formaldehyde Resin	-	208000
Methanol	1925648	-
Baggase	10039626	-
<b>Total</b>	<b>16662302</b>	<b>8603561</b>



NOTES ON FINANCIAL STATEMENTS

NOTE NO : 23 Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
<b>Opening Stock</b>				
Finished Goods	208979001		172026887	
Stock-in-Progress	37450142		39914467	
	246429143		211941354	
<b>Less : Closing Stock</b>				
Finished Goods	220254264		208979001	
Stock-in-Progress	92011588		37450142	
	312265852		246429143	
Increase/(Decrease) in Stock of Finished Goods & Stock-in-Progress		-65836709		-34487789

Details of Finished Goods	31.03.2014 (in ₹)	31.03.2013 (in ₹)
- Decorative laminate sheet	147557440	159457775
- Particle Board	6865681	25623387
- Medium Density Fiber Board	65831143	23897839
<b>Total</b>	<b>220254264</b>	<b>208979001</b>

NOTE NO : 24 Employee benefits expenses	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
Salary & Bonus		141814668		91771526
Contribution to Provident Fund etc.		2764451		2370096
		144579119		94141622

## NOTES ON FINANCIAL STATEMENTS

NOTE NO : 25 Manufacturing /Other expenses	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
<u>Stores &amp; Spares Consumed :</u>				
Opening Stock	23464980		8312948	
Add : Purchases	65784905		41039948	
	89249885		49352896	
Less: Closing Stock	35373093	53876792	23464980	25887916
Commission on Imports		1132450		1119920
Central Excise Duty Expenses		701066		222116
Jobwork Charges		9292731		8709212
<u>Power &amp; Fuel Consumed :</u>				
Opening Stock	292836		385204	
Add : Purchases	192918559		108590614	
	193211395		108975818	
Less: Closing Stock	1235839	191975556	292836	108682982
<u>Repairs &amp; Maintenance :</u>				
Machinery	4336534		2842596	
Building	348304		417630	
Others	200403	4885241	10971	3271197
Wages		36489126		32228543
Transport Charges		5205051		975215
Factory Expenses		16778206		9631915
Advertisement Expenses		1901738		1099985
Audit Fees*		375000		375000
Sales Commision		49455253		35060762
Computer Maintenance Expenses		814421		1095056
Donation		950700		606644
General/ Miscellaneous Expenses		6243042		4898253
Insurance Expenses		1478694		2451888
Legal & Professional Charges		5999403		7327906
Loss on Sale of Fixed Assets		1864059		293642
Postage and Telephone Expenses		2873823		2152405
Preliminary Expenses Written Off		-		337183
Printing and Stationary Expenses		2947555		1545867
Rent,Rate and Taxes		4838425		1975785
Selling Expenses		125129878		95495770
Travelling, Conveyance and Vehicle Expenses		21180779		15750221
		<b>546388989</b>		<b>361195383</b>

	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
As auditors - Statutory audit		250000		250000
Tax audit		125000		125000
Taxation Matters		-		-
Management Services		-		-
Company Law Matters		-		-
Certification fees & other services		2000		7500
Reimbursement of expenses		-		-
		<b>377000</b>		<b>382500</b>

NOTE NO : 26 Financial costs	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
Interest on Cash Credit		55066078		50187081
Interest on Term Loan		65769916		41004968
Interest to Depositors		8531995		5036980
Interest to Financial Institution		8135112		8597659
Other Financial Charges		13798003		6839274
Foreign Exchange Fluctuation		2962409		-
		<b>154263513</b>		<b>111665962</b>



## RUSHIL DECOR LIMITED

### NOTES ON FINANCIAL STATEMENTS

NOTE NO : 27 Provision For Taxation :	Amount (in ₹)	31.03.2014 (in ₹)	Amount (in ₹)	31.03.2013 (in ₹)
Current Tax		13064286		18566043
Total Tax provision		13064286		18566043

#### 28. Capital Commitments and Contingent Liabilities:

##### a. Contingent liabilities :

PARTICULARS	As At 31st March, 2014 (in ₹)	As At 31st March, 2013 (in ₹)
Outstanding Letter of Credit	6029033	28221500
Disputed Income Tax Demand- Matter under Appeal	1256878	1256878
There is a case u/s.92 of the Factories Act,1948 as well as u/s. 304A of the Indian Penal Code for accidents at Chikmagalur, Medium density fiber board manufacturing plant. The case is at additional Civil Judge, Senior Division, Chikmagalur. The matter is pending for decision by court.	100000	100000
There is a case of the Factories Act,1948 for accidents at Navalgadh, Particle board manufacturing plant. The case is at Judicial Magistrate (first class) court,Dhrangadhra. The matter is pending for decision by court.	100000	-
Theft of Cash ( Also refer note no 32 of Notes on Financial Statements)	600000	-

##### b. Commitments:

- (i) Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances, ₹ 2,38,10,646/- (previous year ₹ NIL)

#### 29. Financial and derivative instruments

Derivative Contracts entered into by the company and outstanding as at March 31, 2014.

##### (a) For hedging currency

PARTICULARS	As At 31st March, 2014 (in ₹)	As At 31st March, 2013 (in ₹)
Outstanding Forward Contract	Nil	Nil

##### (b) The year-end foreign currency exposure that have not been hedged by any derivative instruments or otherwise are as under

Particular	Amount receivable in Foreign Currency		Amount Payable in Foreign Currency	
	Foreign Currency (in Millions)	Indian Currency (in lacs)	Foreign Currency (in Millions)	Indian Currency (in lacs)
31-03-2014	1.719923 USD	1049.98	3.211714 USD 0.429454 EURO 20.94487 JPY	2517.58
31-03-2013	2.506367 USD	1347.39	3.510659 USD 0.414977 Euro 21.367626 JPY	2371.28

30. The Previous year's figures have been regrouped reworked, rearranged and reclassified wherever necessary to make them comparable with current year figures.

31. Balances of Unsecured Loans, Trade Receivables, Payables and Loans and Advances are subject to Confirmation.

## NOTES ON FINANCIAL STATEMENTS

32. A theft of Rs.6 lacs while carrying the cash from the bank account had taken place during the year under review. The company has lodged First Information Report with the Police authorities as well as lodged the claim with the insurance company for the same. Pending the settlement of the claim, no entry for the loss on account of theft of cash has been made in the books of accounts.
33. During the year under review, the company has discontinued its particle board manufacturing activities at its Navalgadh Unit with effect from 22.02.2014. The company has also surrendered necessary licenses under excise authorities and with effect from 01.03.2014 the said Navalgadh unit has been leased out to third party for carrying out the operations.

## 34. Segment Reporting:

**Primary**

The primary segment of the Company, comprising of 'Decorative Laminates' , 'Particle Board' and 'Medium Density Fiber Board'.

**Segment wise Revenue, Results and capital employed**

Primary business segments – Revenue by nature of products:

Details	2013-14			2012-13		
	Sq. Mtr.	Nos	Amount (in ₹)	Sq. Mtr.	Nos	Amount (in ₹)
Decorative Laminated Sheets	N.A.	2880001	1555781925(*)	N.A.	2862338	1447622738(*)
Particle Board	736373.993	247371	88870887(*)	934298.448	313860	126729312
Medium Density Fiber Board	3585769.930	1204572	780591574	626232.393	210371	140821246
Total	4322143.920	4331944	2425244386	1560530.841	3386569	1715173296

(\*) Does not include trading Sales of ₹ 1,55,72,488/- (Previous year ₹ 94,53,513/-)

Revenue by geographical regions

## (i) Decorative Laminated Sheets

Details	2013-14		2012-13	
	Nos.	Amount (in ₹)	Nos.	Amount (in ₹)
India	1181957	702182392(*)	1054738	574645439(*)
Outside India	1698044	853599533	1807600	872977299
<b>Total</b>	<b>2880001</b>	<b>1555781925</b>	<b>2862338</b>	<b>1447622738</b>

(\*) Does not include Trading sales of ₹ 71,21,129/- (Previous year ₹ 94,53,513/-)



## RUSHIL DECOR LIMITED

### NOTES ON FINANCIAL STATEMENTS

(ii) Plain Particle Board

Details	2013-14			2012-13		
	Sq. Mtr.	Nos	Amount (in ₹)	Sq. Mtr.	Nos	Amount (in ₹)
India	732801.833	246171	88212978(*)	934298.448	313860	126729312
Outside India	3572.160	1200	657909	-	-	-
<b>Total</b>	<b>736373.993</b>	<b>247371</b>	<b>88870887</b>	<b>934298.448</b>	<b>313860</b>	<b>126729312</b>

(\*) Does not include Trading sales of ₹ 84,51,359/- (Previous year ₹ Nil)

(iii) Medium Density Fiber Board

Details	2013-14			2012-13		
	Sq. Mtr.	Nos	Amount (in ₹)	Sq. Mtr.	Nos	Amount (in ₹)
India	3578783.380	1202225	778662773	626232.393	210371	140821246
Outside India	6986.550	2347	1928801	-	-	-
<b>Total</b>	<b>3585769.930</b>	<b>1204572</b>	<b>780591574</b>	<b>626232.393</b>	<b>210371</b>	<b>140821246</b>

Segmentwise Revenue, Results and Capital Employed

(Amount in ₹)

Sr. No	Particulars	Year ended on 31.03.2014	Year ended on 31.03.2013
1	<b>Segment Revenue</b>		
a	Laminates & allied products	1577721138	1457946618
b	Particle Board	101176014	127974375
C	Medium Density Fiber Board	784154605	140821246
	Total	2463051757	1726742239
	Less: Inter segment revenue	22234883	2115430
	Sales	2440816874	1724626809
2	<b>Segment Results</b>		
	Profit before Interest and Tax:		
a	Laminates & allied products	247539190	247316443
b	Particle Board	-55077140	-5407425
C	Medium Density Fiber Board	43686604	-27511216
	Total	236148654	214397802
	<b>Less:</b>		
i	Interest	154263513	111665962
ii	Other Unallocable expenditure	16589013	16497854
	Total Profit Before Tax	65296128	86233986
3	<b>Capital employed</b>		
a	Laminates	250312591	292005964
b	Particle Board	255318049	231883695
C	Medium Density Fiber Board	1179234991	1036713507
D	Unallocated	-830752	-10403513
	Total	1684034879	1550199653

## NOTES ON FINANCIAL STATEMENTS

## 35. Related Party transaction:

(a) Names of related parties and description of relationship:

Sr. No	Nature of Relationship	Name of Related Parties
1	Associate Companies/Enterprise	Rushil International Vertex Laminate Pvt. Ltd. Decoply Agency Shri Krupa Decorative Veneer Pvt. Ltd. Ghanshyam Sales Agency Vir Studdio Pvt. Ltd. Ratnatej Infrastructure Pvt. Ltd.
2	Key Management Person	Ghanshyambhai A. Thakkar Krupeshbhai G. Thakkar Kaushikbhai J. Thakkar Krupaben K Thakkar Keyurbhai Gajjar Rushil K. Thakkar
3	Relative of key management person	Ghanshyambhai A. Thakkar HUF Krupeshbhai G. Thakkar HUF Saraswatiben N. Thakkar Dinuben G. Thakkar Rushil K. Thakkar Alka G. Thakkar Ambalal D. Thakkar HUF Aditi V. Thakkar Dhara V. Thakkar Dhvanil V. Thakkar Mrunal Keyur Gajjar Manthan K. Thakkar

## Related Party Transactions for the Year Ended on 31.03.2014

(Amount In ₹)

Nature of Transaction	Associate Companies/ Enterprises		Key Management Personnel & Relatives of such Personnel		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
<b>(A) Volume of Transactions</b>						
<b>1) Sales of Goods</b>						
Rushil International	80729	477889	-	-	80729	477889
Vertex Laminate Pvt. Ltd.	-	17357704	-	-	-	17357704
Shree Krupa Decorative Veneer Pvt. Ltd.	2131593	44527	-	-	2131593	44527
Vir Studio Pvt. Ltd.	95436	273914	-	-	95436	273914
Krupeshbhai G thakkar	-	-	1773	-	1773	-
Keyurbhai Gajjar	-	-	12058	-	12058	-
<b>2) Goods Purchased</b>						
Vertex Laminate Pvt. Ltd.	2037007	2185102	-	-	2037007	2185102
Shree Krupa Decorative Veneer Pvt. Ltd.	18271100	114620	-	-	18271100	114620



## RUSHIL DECOR LIMITED

### NOTES ON FINANCIAL STATEMENTS

(Amount In ₹)

Nature of Transaction	Associate Companies/ Enterprises		Key Management Personnel & Relatives of such Personnel		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
<b>3) Capital Service Purchased</b>						
Vertex Laminate Pvt. Ltd.	7865200	-	-	-	7865200	-
<b>4) Capital Goods Sales</b>						
Vertex Laminate Pvt. Ltd.	-	19910	-	-	-	19910
<b>5) Loan Taken/Granted</b>						
<b>(A) Loan Taken</b>						
i) Ghanshyambhai Thakkar-HUF						
Loan taken	-	-	240721	232691	240721	232691
Loan repaid	-	-	203275	140000	203275	140000
Balance at 31st March	-	-	404988	323888	404988	323888
Balance at 1st April	-	-	323888	197843	323888	197843
ii) Alka G. Thakkar						
Loan taken	-	-	-	-	-	-
Loan repaid	-	-	-	-	-	-
Balance at 31st March	-	-	1680900	1680900	1680900	1680900
Balance at 1st April	-	-	1680900	1680900	1680900	1680900
iii) Ambalal D. Thakkar-HUF						
Loan taken	-	-	150030	216928	150030	216928
Loan repaid	-	-	206148	319092	206148	319092
Balance at 31st March	-	-	423939	432834	423939	432834
Balance at 1st April	-	-	432834	484287	432834	484287
iv) Aditi V Thakkar						
Loan taken	-	-	-	1111600	-	1111600
Loan repaid	-	-	60375	-	60375	-
Balance at 31st March	-	-	1111600	1171975	1111600	1171975
Balance at 1st April	-	-	1171975	60375	1171975	60375
v) Dhara V Thakkar						
Loan taken	-	-	-	-	-	-
Loan repaid	-	-	60375	-	60375	-
Balance at 31st March	-	-	-	60375	-	60375
Balance at 1st April	-	-	60375	60375	60375	60375
vi) Dhvanil V Thakkar						
Loan taken	-	-	-	-	-	-
Loan repaid	-	-	60439	-	60439	-
Balance at 31st March	-	-	-	60439	-	60439
Balance at 1st April	-	-	60439	60439	60439	60439

## NOTES ON FINANCIAL STATEMENTS

(Amount In ₹)

Nature of Transaction	Associate Companies/ Enterprises		Key Management Personnel & Relatives of such Personnel		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
vii) Krupeshbhai G. Thakkar-HUF						
Loan taken	-	-	694847	694847	694847	694847
Loan repaid	-	-	726275	100000	726275	100000
Balance at 31st March	-	-	665541	649658	665541	649658
Balance at 1st April	-	-	649658	12000	649658	12000
viii) Saraswatiben Thakkar						
Loan taken	-	-	152292	204262	152292	204262
Loan repaid	-	-	691539	115000	691539	115000
Balance at 31st March	-	-	-	526362	-	526362
Balance at 1st April	-	-	526363	389563	526363	389563
ix) Smt.Dinuben G. Thakkar						
Loan taken	-	-	299268	660044	299268	660044
Loan repaid	-	-	401400	591270	401400	591270
Balance at 31st March	-	-	57796	146261	57796	146261
Balance at 1st April	-	-	146261	52925	146261	52925
x) Krupaben K. Thakkar						
Loan taken	-	-	1875969	654590	1875969	654590
Loan repaid	-	-	-	39285	-	39285
Balance at 31st March	-	-	3091570	1000000	3091570	1000000
Balance at 1st April	-	-	1000000	323616	1000000	323616
xi) Rushil K. Thakkar						
Loan taken	-	-	1380137	10796	1380137	10796
Loan repaid	-	-	812567	63141	812567	63141
Balance at 31st March	-	-	619667	3328	619667	3328
Balance at 1st April	-	-	3328	53007	3328	53007
xii) Krupeshbhai G Thakkar						
Loan taken	-	-	8238440	5456104	8238440	5456104
Loan repaid	-	-	6297174	4162935	6297174	4162935
Balance at 31st March	-	-	3665787	1587529	3665787	1587529
Balance at 1st April	-	-	1587529	208214	1587529	208214
xiii) Ghanshyambhai A Thakkar						
Loan taken	-	-	12656652	11525592	12656652	11525592
Loan repaid	-	-	20563479	1583093	20563479	1583093
Balance at 31st March	-	-	2718781	10232635	2718781	10232635
Balance at 1st April	-	-	10232634	54637	10232634	54637



## RUSHIL DECOR LIMITED

### NOTES ON FINANCIAL STATEMENTS

(Amount In ₹)

Nature of Transaction	Associate Companies/ Enterprises		Key Management Personnel & Relatives of such Personnel		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
xiv) Kaushikbhai J Thakkar						
Loan taken	-	-	-	-	-	-
Loan repaid	-	-	-	-	-	-
Balance at 31st March	-	-	100000	100000	100000	-
Balance at 1st April	-	-	100000	100000	100000	-
xv) Manthan K. Thakkar						
Loan taken	-	-	200000	-	200000	-
Loan repaid	-	-	-	-	-	-
Balance at 31st March	-	-	200000	-	200000	-
Balance at 1st April	-	-	-	-	-	-
xvi) Vir Studdio Pvt. Ltd.						
Loan taken	1486737	10555000	-	-	1486737	10555000
Loan repaid	11153156	1014998	-	-	11153156	1014998
Balance at 31st March	-	9666419	-	-	-	9666419
Balance at 1st April	9666419	-	-	-	9666419	-
xvii) Shree Krupa Decorative Veneer Pvt. Ltd.						
Loan taken	4000000	-	-	-	4000000	-
Loan repaid	4000000	-	-	-	4000000	-
Balance at 31st March	-	-	-	-	-	-
Balance at 1st April	-	-	-	-	-	-
<b>6) Managerial Remuneration</b>						
Ghanshyambhai Thakkar	-	-	4170725	3261655	4170725	3261655
Krupeshbhai G. Thakkar	-	-	4159221	3263867	4159221	3263867
Kaushik J Thakkar	-	-	253054	-	253054	-
<b>7) Dividend Paid</b>						
Ghanshyambhai Thakkar	-	-	1474418	1463499	1474418	1463499
Ghanshyambhai Thakkar HUF	-	-	192691	192691	192691	192691
Krupeshbhai G. Thakkar	-	-	1232685	1228226	1232685	1228226
Krupeshbhai Thakkar HUF	-	-	694847	694847	694847	694847
Saraswatiben N. Thakkar	-	-	104262	104262	104262	104262
Smt. Dinuben G. Thakkar	-	-	123258	118838	123258	118838
Krupaben K. Thakkar	-	-	205136	197590	205136	197590
<b>8) Interest Expenses</b>						
Ghanshyambhai Thakkar HUF	-	-	48504	33354	48504	33354
Krupeshbhai G. Thakkar	-	-	152215	86146	152215	86146
Krupeshbhai Thakkar HUF	-	-	52568	42811	52568	42811
Saraswatiben N. Thakkar	-	-	12885	47538	12885	47538
Smt. Dinuben G. Thakkar	-	-	15186	24562	15186	24562
Ambalal D. Thakkar-HUF	-	-	52187	50711	52187	50711
Krupaben K. Thakkar	-	-	239557	61079	239557	61079
Rushil K. Thakkar	-	-	54188	2666	54188	2666
Ghanshyambhai Thakkar	-	-	517804	235499	517804	235499
Vir Studdio Pvt. Ltd.	-	140463	-	-	-	140463

## NOTES ON FINANCIAL STATEMENTS

(Amount In ₹)

Nature of Transaction	Associate Companies/ Enterprises		Key Management Personnel & Relatives of such Personnel		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
<b>9) Interest Income</b>						
Shree Krupa Decorative Veneer Pvt. Ltd.	-	102968	-	-	-	102968
<b>11) Equity Contribution</b>						
Ghanshyambhai A. Thakkar	-	-	-	870000	-	870000
Krupeshbhai G. Thakkar	-	-	-	1567500	-	1567500
<b>12) Salary to Key Management Personal</b>						
Krupaben K. Thakkar	-	-	2301864	2767476	2301864	2767476
Keyurbhai Gajjar	-	-	2277620	1992028	2277620	1992028
Rushil k Thakkar	-	-	446071	-	446071	-
<b>13) Rent Expense</b>						
Ratnatej Infrastructure Pvt. Ltd.	120000	120000	-	-	120000	120000

**36. Disclosures Regarding Employee Benefits**

As per Accounting Standard 15 "Employee Benefits" the disclosures are given below :

Defined Contribution Plan

Contribution to defined contribution plan, recognized as expense for the year is as under :

Particulars	2013-2014 (Amount In ₹)	2012-2013 (Amount In ₹)
Employers contribution to provident fund	27,64,451/-	23,70,096/-

- (i) Defined Contribution Plan: Employee benefits in the form of Provident Fund are considered as defined contribution plan and the contributions to Employees Provident Fund Organization established under The Employees Provident Fund and Miscellaneous Provisions Act 1952 and Employees State Insurance Act, 1948, respectively, are charged to the profit and loss account of the year when the contributions to the respective funds are due.
- (ii) Defined Benefit Plan: Retirement benefits in the form of Gratuity are considered as defined benefit obligation and are provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet. As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation. Defined Benefit Obligation for the year ended 31<sup>st</sup> March, 2014 amounted to ₹ 61,39,162/- (Previous year ₹ 41,71,447/-)
- (iii) Actuarial assumptions :
- |                                 |   |
|---------------------------------|---|
| Retirement Age to be assumed at | 58  |
| Rate of Discounting (p.a.)      | 9.25%   |
| Future Salary rise (p.a.)       | 8.00%   |
| Attrition Rates (p.a.)          | For ages 40 yrs & Below 5.00 % p.a. & For ages 41 yrs and above 1.00 % p.a. |
| Mortality Table                 | Indian Assured Lives Mortality (2006-08) Ultimate                           |
| Vesting Period                  | 5 Years   |
- (iv) The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market.
- (v) The above details are certified by the actuary.
- (vi) Para 132 of Accounting Standard 15 (revised 2005) does not require any specific disclosure except where expense resulting from compensated absence is of such size, nature or incidence that its disclosure is relevant under Accounting Standard 15 or Accounting Standard 18. In the opinion of the management the expense resulting from compensated absence is not significant and hence no disclosures are prepared under various paragraphs of AS 15 (revised 2005).



NOTES ON FINANCIAL STATEMENTS

37. Earnings Per Share [EPS] :

Earnings Per Share has been computed as under :

Particulars	For the Year ended 31-03-2014 (₹)	For the Year ended 31-03-2013 (₹)
a) Profit after tax as per Profit & Loss Account	30164999	40260343
b) Weighted average number of Equity Shares	14400000	14400000
c) Nominal Value of Equity Shares	10	10
d) Earning per share: (Basic & Diluted) Annualized	2.09	2.80

38. In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business and the provisions for depreciation and all known and ascertained liabilities are adequate and not in excess of the amounts reasonably necessary.

39. Inventories are as taken, valued and certified by the management.

40. Deferred Tax Assets/(Liability)

The breakup of Deferred Tax as at 31.03.2014 is as under.

(Amt in ₹)

PARTICULARS	Amount (As on 31/03/2014)	Amount (As on 31/03/2013)
<b>DEFERRED TAX LIABILITIES.</b>		
- Depreciation Difference	15,52,70,521	13,33,82,654
- Others	62,84,268	62,84,268
<b>DEFERRED TAX ASSETS.</b>		
- Unabsorbed Depreciation & Business Loss	5,35,39,444	5,28,29,289
<b>NET DEFERRED TAX LIABILITY</b>	<b>10,80,15,345</b>	<b>8,68,37,633</b>

41. In absence of the complete information regarding the status of the suppliers as micro, small or medium enterprise as per the micro, small and medium enterprise development act, 2006 the information regarding the amount due to such parties as on the balance sheet date and provision for interest if any required by the said act is not been made.

42. (a) Consumption of Raw Materials in terms of Value and Percentage :

Sr.No.	Particulars	2013-14		2012-13	
		Value in ₹	%	Value in ₹	%
i)	Imported (*)	795016795	48.61	675613044	58.42
ii)	Indigenous	840331320	51.39	480853160	41.58
	<b>TOTAL</b>	<b>1635348115</b>	<b>100.00</b>	<b>1156466204</b>	<b>100.00</b>

(\*) Includes high seas purchase/bond transfer

(b) Consumption of stores and spares in terms of Value and Percentage:

Sr.No.	Particulars	2013-14		2012-13	
		Value in ₹	%	Value in ₹	%
i)	Imported	5644246	10.48	2618334	10.11
ii)	Indigenous	48232546	89.52	23269582	89.89
	<b>TOTAL</b>	<b>53876792</b>	<b>100.00</b>	<b>25887916</b>	<b>100.00</b>

## NOTES ON FINANCIAL STATEMENTS

## (c) Trading goods

Sr.No.	Particulars	2013-14		2012-13	
		Value in ₹	%	Value in ₹	%
i)	Imported (*)	4423013	26.55	-	-
ii)	Indigenous	12239289	73.45	8603561	100.00
	<b>TOTAL</b>	<b>16662302</b>	<b>100.00</b>	<b>8603561</b>	<b>100.00</b>

(\*) Includes high seas purchase/bond transfer

## 43. Particulars of Power and Fuel Cost

Sr. No.	Particulars	2013-2014 (in ₹)	2012-2013 (in ₹)
1	Electricity	152090715	80170456
2	Firewood	0	1056800
3	Lignite & Coal	37721520	25284984
4	Diesel Expense	2163321	2170742
	<b>Total</b>	<b>191975556</b>	<b>108682982</b>

## 44. CIF VALUE OF IMPORTS

Sr. No.	Particulars	2013-2014 (in ₹)	2012-2013 (in ₹)
i)	Raw Material	395828456	329070654
ii)	Capital Goods	10699828	18519074

## 45. Expenditure in Foreign Currency

Sr. No.	Particulars	2013-2014 (in ₹)	2012-2013 (in ₹)
i)	Travelling Expenses	249316	110366
ii)	Exhibition Expenses	2934358	Nil
iii)	Bank charges, Interest & Commission	29891320	27557033
iv)	Membership subscription	122980	101686
v)	Stores Purchase	8902440	2618334

## 46. Earning in Foreign Exchange

(Amount in ₹)

		2013-14	2012-13
-	FOB Value of exports	840437123	855230333

47. As per the practice consistently followed, Cenvat Duty on finished goods lying in the plants at the end of the period is neither included in expenditure nor valued in such stock, but is accounted for upon clearance of goods.

**Significant accounting policies - A**  
**Notes on Financial Statements 1 to 47**

For **Parikh & Majmudar**  
Chartered Accountants  
Firm Reg. No. 107525W

For and on behalf of the Board  
**Rushil Décor Limited**

**[C.A.(Dr) Hiten M. Parikh]**  
PARTNER  
M. No. 040230

**[Ghanshyambhai A.Thakkar]**  
Chairman

**[Krupeshbhai G. Thakkar]**  
Managing Director

Place : Ahmedabad  
Date : 27th May, 2014

**[H. K. MODI]**  
Company Secretary





**RUSHIL DECOR LIMITED**

**Corporate Identification No.: L25209GJ1993PLC019532**

**Regd. Office:** S. No.125, Near Kalyanpura Patia, Gandhinagar – Mansa Road, Village Itla, Tal: Kalol, Dist. Gandhinagar – 382845, Gujarat.

**Tel.: (079) 26651346, 26622323 Fax: (079) 26640969**

**Email ID: cs@virlaminate.com Website: www.virlaminate.com**

**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/ Client Id : \_\_\_\_\_ DP Id : \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ shares of the **RUSHIL DÉCOR LIMITED**, hereby appoint:

1. Name : \_\_\_\_\_ Email Id : \_\_\_\_\_

Address : \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him

2. Name : \_\_\_\_\_ Email Id : \_\_\_\_\_

Address : \_\_\_\_\_

Signature: \_\_\_\_\_, or failing him

3. Name : \_\_\_\_\_ Email Id : \_\_\_\_\_

Address : \_\_\_\_\_

Signature: \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20<sup>th</sup> Annual General Meeting of the Company to be held on Monday, the 29<sup>th</sup> September, 2014 at 3:00 p.m. at S. No. 125, Near Kalyanpura Patia, Gandhinagar Mansa Road, Village Itla, Tal. Kalol, Dist. Gandhinagar – 382845, Gujarat and at any adjournment thereof in respect of such resolutions as are indicated below:

[PTO]

**RUSHIL DECOR LIMITED**

**Corporate Identification No.: L25209GJ1993PLC019532**

**Regd. Office:** S. No.125, Near Kalyanpura Patia, Gandhinagar – Mansa Road, Village Itla, Tal: Kalol, Dist. Gandhinagar – 382845, Gujarat.

**Tel.: (079) 26651346, 26622323 Fax: (079) 26640969**

**Email ID: cs@virlaminate.com Website: www.virlaminate.com**

**ATTENDANCE SLIP**

(To be presented at the entrance)

DP ID No. : \_\_\_\_\_ Folio No. : \_\_\_\_\_

Client ID No. : \_\_\_\_\_ No. of Share : \_\_\_\_\_

I/We hereby record my/our presence at the **20<sup>th</sup> Annual General Meeting** of the Company held on Monday, the 29<sup>th</sup> September, 2014 at 3:00 p.m. at S. No. 125, Near Kalyanpura Patia, Gandhinagar Mansa Road, Village Itla, Tal. Kalol, Dist. Gandhinagar – 382845, Gujarat.

\_\_\_\_\_  
Name of the Member /Proxy holder

\_\_\_\_\_  
Signature of the Member / Proxy holder

1. Only Member/Proxy holder can attend the meeting
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the meeting.



Resolution No.	Resolutions
1	To consider and adopt the financial statements of the Company for the year ended March 31, 2014 including the audited Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and cash flow statement for the year ended on that date and the Reports of the Board of Directors and Auditors thereon
2	Reappointment of Shri Kaushikbhai J. Thakkar who retires by rotation
3	Appointment of Statutory Auditors and fixing their remuneration
4	Continue the appointment of Shri Ghanshyambhai A. Thakkar as Whole Time Director
5	Appointment of Shri Shankar Prasad Bhagat as an Independent Director
6	Appointment of Shri Rohitbhai B. Thakkar as an Independent Director
7	Appointment of Miss Jingle P. Thakkar as an Independent Director
8	Retirement of a Director Shri Harshadbhai N. Doshi
9	Increase in Borrowing Limit under section 180(1)(c) of the Companies Act, 2013
10	Authority to Mortgage / Charge assets of the Company under section 180(1)(a) of the Companies Act, 2013
11	Authority for Keeping Registers and Returns at a place other than Registered Office of the Company
12	Adoption of New set of Articles of Association
13	Approval for Transaction with Related Party for availing Transportation Services
14	Appointment of Mr. Rushil K. Thakkar as Vice President - General
15	Change in the Terms of Appointment of Managing Director

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Affix  
Revenue  
Stamp

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of Proxy holder(s)

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

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# Our Catlounge Range

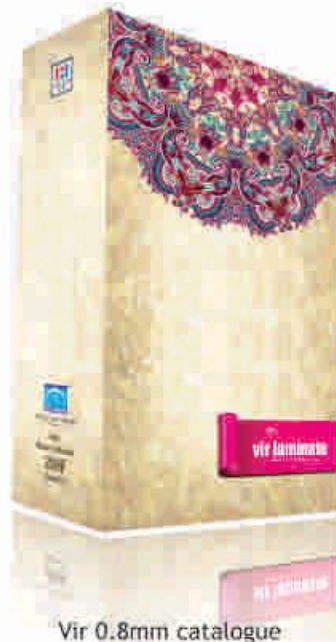
1 mm Master catalogue  
volume 1



Vir Digi Lam catalogue  
volume 1



1 mm Architect catalogue  
volume 1



Vir 0.8mm catalogue



Prelam catalogue



Vintage catalogue



# Our Certification



Certification Number: 302-012  
"Environmentally registered Low Carbon Footprint Product"

IS : 2046-1995  
HGS-s 333



CM/L : 7439785



IS 12406 : 2003



CM/L : 4737475



design your lifestyle



### Registered Office

S. No. 125, Nr. Kalyanpura Patia, Gandhinagar Mansa Road, Village Itla, Tal: Kalol, District: Gandhinagar - 382845

CIN : L25209GJ1993PLC019532


### Corporate Office

Rushil Decore Ltd., 1, Krinkal Apartment, Mahalaxmi Society, Opp Mahalaxmi temple, Paldi, Ahmedabad - 380 007, Gujarat, INDIA

### Contact Details

 [info@rushil.com](mailto:info@rushil.com)

 +91-79-2665 1346/2662 2323

 +91-79-2664 0969

 [www.virlaminate.com](http://www.virlaminate.com)

