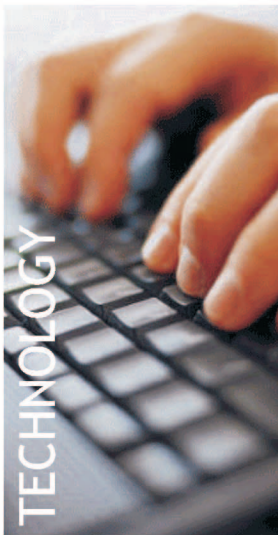




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2010-11
annual report




vir laminate


vir board


vir mdf



CORPORATE INFORMATION

BOARD OF DIRECTORS :

Mr. Ghanshyambhai A. Thakkar	Chairman & Whole time Director
Mr. Krupesh G. Thakkar	Managing Director
Mr. Kabdi Narendra Kumar Jain	Independent Director
Mr. Shankar Prasad Bhagat	Independent Director
Mr. Harshadbhai N. Doshi	Independent Director

AUDIT COMMITTEE :

Mr. Shankar Prasad Bhagat	Chairman
Mr. Kabdi Narendra Kumar Jain	Member
Mr. Harshadbhai N. Doshi	Member

COMPANY SECRETARY & COMPLIANCE OFFICER :

Mr. Hasmukh K. Modi

STATUTORY AUDITORS :

M/s. D.R. Thakkar & Co.
Chartered Accountants
B-102, Adhunik Apartment,
58, Pritamnagar Society,
Ellisbridge, Ahmedabad -380 006.

PRINCIPAL BANKERS :

BANK OF BARODA

Kalol Branch,
N.G. Road, Kalol.

ALLAHABAD BANK

S.P. Nagar Branch,
Opp. S.P. Samaj Seva Hall,
Navrangpura, Ahmedabad.



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 **Seventeenth Annual General Meeting** of the Members of **Rushil Decor Limited** will be held 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 on 21st day of September, 2011 at 11.00 a.m. to transact the following business:

ORDINARY BUSINESS :

1. To consider and adopt the audited Balance Sheet as at March 31, 2011, Profit and Loss Account for the year ended on that date together with the Schedule and Notes attached thereto, and the Reports of the Directors and the Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a director in place of Mr. Harshadbhai N. Doshi, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

NOTE :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON POLL) INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORMS DULY COMPLETED SHOULD REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. Members are requested to inform the Company's Registrars and Share Transfer Agents viz. Bigshare Services Private Limited regarding changes, if any, in their registered addresses with the PIN code number including Email Address and ECS details.
3. Members may please bring the Admission Slip duly filled in and may hand over the same at the entrance to the Meeting Hall.
4. The Register of Members and the Transfer Books of the Company, will be closed from Friday, 16th September 2011 up to Wednesday, 21st September 2011, both days inclusive for the purpose of determining the Members eligible for Dividend.
5. In respect of shares held in electronic form, dividend will be paid to the beneficial holders as per the beneficiary list to be provided by the National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.
6. As per the provisions of Section 109A of the Companies Act, 1956, the facility for making Nomination is available to the shareholders of the Company in respect of the equity shares held by them. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agents, viz. Bigshare Services Private Limited.

By order of the Board

Hasmukh K. Modi
Company Secretary

Date : 18.08.2011

Registered Office :
S.No. 125, Nr. Kalyanpura Patia,
Vill. Itla, Gandhinagar Mansa Road,
Tal. Kalol, Dist. Gandhinagar.

**DIRECTORS' REPORT**

To,
The Members of Rushil Decor Limited

The Directors have pleasure in presenting the Seventeenth Annual Report on the business and operations of the Company along with the Audited Statement of Accounts for the year ended 31st March, 2011:

FINANCIAL HIGHLIGHTS :*(Rs. In lacs)*

Particulars	2010-11	2009-10
Gross Turnover with excise	12236.42	9910.54
Profit before Interest, Depreciation and Taxation	1454.66	1320.52
Less : Interest & Financial Charges	556.50	470.35
Profit before Depreciation and Taxation	898.16	850.17
Less : Depreciation	234.89	175.65
Profit before Tax	663.27	674.52
Provision for Taxation :		
- Current Tax	200.12	289.13
- Short Provision of earlier years	15.63	33.96
Profit after Tax	447.52	351.43
Add : Balance of Profit brought forward from previous year	452.35	438.25
Profit available for appropriation	899.87	789.68
Appropriation to :		
- Dividend/Interim Dividend on Equity Shares (including tax on dividends)	83.96	307.33
- Transfer to General Reserve	0	30.00
Balance Carried over to the Balance Sheet	815.91	452.35

DIVIDEND :

The directors are pleased to recommend 5% dividend on equity shares, subject to approval by the shareholders at the ensuing Annual General Meeting. The dividend payout on equity shares recommended by the directors of the Company is Rs. 72,00,000/- calculated at the rate of 5% (Rs. 0.50 per Share) on 1,44,00,000 equity share of the face value of Rs.10 each.

REVIEW OF BUSINESS OPERATION :

Rushil Décor Limited has delivered one of its best ever performances. Sales income for the year 2010-11 was 12236.42 lacs, registering a growth of 23.47% over previous year's sales of 9910.54 lacs. This growth was attributable to the continued dynamism of the Indian economy resulting in high consumer confidence, favorable demographics.

OUTLOOK :

Keeping in view the performance and future prospects of the Company's business and the booming economy in India coupled with growth in laminate Industry and increasing absorption across the Real Estate Markets, your Company is poised for sustained growth and the outlook is bright.



NEW PROJECT :

Our project at Chikmagalur, Karnataka is at completion stage whereby machineries are under installation stage which will be completed by next month end. Company is planning to start commercial production before the month of November, 2011.

INITIAL PUBLIC OFFER :

The company has made an Initial Public Offering of 56,43,750 Equity Share of Rs. 10/- Each with a premium of Rs. 62/- per Equity Share aggregating to Rs. 40,63,50,000/- in the Month of June, 2011 vide prospectus dated 28th June, 2011. The issue was fully subscribed. The Shares of the Company to be listed in the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.

CHANGES IN CAPITAL STRUCTURE :

Your Company has successfully concluded the Initial Public Offer of 56,43,750 Equity Shares of face value of Rs. 10/- each at a price of Rs.72/- per equity share (including a share premium of Rs. 62/- per equity share). After this public issue, total Issued, subscribed and Paid-up share capital of the Company is increased to Rs.1440.00 Lacs divided into 1,44,00,000 Equity Shares of Rs. 10/- each.

CORPORATE GOVERNANCE :

A detailed report on Corporate Governance has been included as an attachment to this Report.

INSURANCE :

The Company's plant, property, equipments, stocks and workers are adequately insured against major risks.

DIRECTORS :

Mr. Harshadbhai N. Doshi, Director of your Company, retires by rotation and, being eligible, offers him self for re-appointment.

Appropriate resolution for the reappointment of the aforesaid Director is being moved at the ensuing Annual General Meeting, which the Board commends for your approval.

AUDITORS & AUDITORS' REPORT :

M/s. D.R. Thakkar & Co., Chartered Accountants, Ahmedabad, who are to retire at the conclusion of ensuing Annual General Meeting have issued a letter confirming that they have not been subjected to Peer Review Audit process conducted by the Institute of Chartered Accountant of India. Accordingly, they are ineligible to be reappointed in the ensuing Annual General Meeting. The directors wish to place on record their appreciation of the professional services rendered by them during their association with the company.

Further, company has received a letter from M/s. Parikh & Majmudar, Chartered Accountants, having their office at: 204-5-6, Harsh Avenue, Opp. Old High Court, Navjeevan Press Road, Income Tax, Ahmedabad-380014, Gujarat; indicating their willingness to be appointed as the statutory auditors of the Company from the conclusion of forthcoming 17th Annual General Meeting until the conclusion of next Annual General Meeting of the Company and confirming that their appointment, if made, will be in Compliance with the requirements of Section 224 (1B) of the Companies Act, 1956 and holding certificate from ICAI for Peer Review.

The observation of the auditors referred to in the Auditors' Report have been suitably explained in the Notes on Accounts.

AUDIT COMMITTEE :

The members of the Audit Committee are Mr. Shankar Prasad Bhagat, Chairman, Mr. Narendrakumar Jain Kabdi, and Mr. Harshadbhai Navnital Doshi, all are independent Non Executive Director of the Company.



DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to the requirements under section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that,

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure;
- (b) The Directors have selected such accounting policies and have applied them consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- (c) The directors have taken proper and sufficient care 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 Directors have prepared the annual accounts on a going concern basis.

PARTICULARS OF THE EMPLOYEES :

The Company had not paid any remuneration 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 :

Additional information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required, to be disclosed in terms of 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.

ACKNOWLEDGMENTS :

Your Directors are pleased to place on record their sincere appreciation for the valuable assistance and co-operation extended to the company by its Customers, Bankers, Financial Institutions, State and Central Government Authorities, Service Providers, Contractors and the Stake Holders. Your Directors desire to place on record their appreciation of 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 : 04.07.2011**

**Ghanshyambhai A. Thakkar
Chairman**

ANNEXURE - A TO DIRECTORS' REPORT
Under section 217(1) (E) of the Companies Act, 1956

Additional information in terms of notification no. 1029 dated 31.12.98 by the Department of Company affairs.

1. CONSERVATION OF ENERGY :

The Company has successfully implemented various energy conservation techniques in the areas of lighting, vacuum system, air-conditioning and process water cooling / evaporation systems at its manufacturing facilities.

2. RESEARCH AND DEVELOPMENT (R & D) :
1. Specific areas in which R & D has been carried out :

It always remains prime goal of the Company to provide innovative product in design and finishing to the customers without compromising with quality. In the earlier year, Company has started a manufacturing of plain particle board using cotton stalk as raw material.

2. Benefits derived as a result of the above R & D :

- a. Improvement in quality and innovation in the final product.
- b. There are a lot of benefits that may emerge to the farmers and public of small villages because of our cotton stalk based particle board unit. This was totally new concept in India because we were the first manufacturer that producing particle board / chip board from cotton waste and succeed in that.

3. Future plan of action :

To make further progress on areas enunciated above.

4. Expenditure on R & D :

- a. Capital : Nil
- b. Recurring : As of Now, it is being maintained as an ongoing part of production activities and a separate head of account is not maintained.
- c. Total : Not Applicable
- d. Total R & D expenditure as a percentage of total turnover : Not Applicable.

3. TECHNOLOGY ABSORPTION AND INNOVATION :

1. Company has started production of particle / chip board from cotton stalk which is eco friendly concept. Using of cotton stalk will become earning for the farmers who were earlier making cost for its disposal.

2. Benefits derived as a result of above efforts :

- Surrounding public will be benefited more due to particle board unit.
- Product improvement
- Reduced cost of final products
- Comparable quality and performance with products produced using imported materials

3. Details of technology imported during the last five years reckoned from the beginning of the financial year :

- a. Technology imported : Nil
- b. Year of import : Not applicable
- c. Has technology been fully absorbed : Not Applicable
- d. If not, fully absorbed areas where this has not taken place. Give reasons for the same and explain future plan of action, if any : Not Applicable

4. FOREIGN EXCHANGE EARNING AND OUTGO:

The particulars regarding foreign exchange earnings and outgo are given in Schedule forming part of the Accounts.

**ANNEXURE - B TO DIRECTORS' REPORT
CORPORATE GOVERNANCE REPORT**

Note : Though not applicable in the Financial Year 2010-11, Company is providing this report voluntarily.

The report on Corporate Governance is pursuant to Clause 49 of the Listing Agreement to be entered into with the Stock Exchanges. The Company has complied with the applicable requirements of Clause 49 of the Listing Agreement as far as possible. In the fast changing business scenario, good Corporate Governance helps in achieving long term Corporate Goals of enhancing Stakeholders' value. Corporate Governance focuses on commitment to values, adhering to ethical business practices. This includes corporate structures, culture, policies and the manner in which the corporate entity deals with various stakeholders, with transparency being the key word.

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE :

The Company came out with its Initial Public Offer of equity shares in the month of June, 2011 and the shares of the Company will get listed on National Stock Exchange of India Limited and Bombay Stock Exchange Limited in this month. However, the Company complied voluntarily with the norms of Corporate Governance, as stipulated under Clause 49 of the Listing Agreement, to the extent practicable, even before the shares of the Company are actually listed. This report includes the relevant compliances relating to the year under Report.

BOARD OF DIRECTORS :

The Composition of the Board is in total conformity with Clause 49 of the Listing Agreement, as amended from time to time. The constitution of the Board aims at ensuring Directors' commitment to participate in the affairs of the Company with understanding and Competence to deal with current and emerging business issues.

Composition of the Boards as on 31st March, 2011 is as follows :

Name of the Director	Category	Position
Mr. Ghanshyambhai A. Thakkar	Promoter	Executive and Whole Time Director
Mr. Krupesh Thakkar	Promoter	Executive and Managing Director
Mr. Narendra Kumar Jain Kabdi	-----	Independent and Non Executive Director
Mr. Harshadbhai Doshi	-----	Independent and Non Executive Director
Mr. Shankar Prasad Bhagat	-----	Independent and Non Executive Director

CODE OF CONDUCT :

The Board of Directors of the Company has laid down a code of conduct for all Board members and Senior Management of the Company. The Code of Conduct has also been posted on the Website www.virlaminate.com of the Company.

AUDIT COMMITTEE :

As a measure of good Corporate Governance and pursuant to compliance with Provisions of Section 292A of the Companies Act, 1956 and to provide assistance to the Board of Directors in fulfilling the Board's oversight responsibilities, an Audit Committee had been constituted by the Board comprising of 3 independent Directors.

The terms of reference of Audit Committee comply with the requirements of Clause 49 of the Listing Agreement. The committee consists of the following Directors:

Name of the Directors	Designation	Nature of Directorship
Mr. Shankar Prasad Bhagat	Chairman	Independent Director
Mr. Narendra Kumar Jain Kabdi	Member	Independent Director
Mr. Harshadbhai Navnital Doshi	Member	Independent Director

The terms of reference of our Audit Committee are given below :

- i. Overseeing 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.
- 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 Directors 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 findings;
 - Compliance with listing and other legal requirements relating to the 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. To monitor the utilization of proceeds of the initial public offering of the Company and any other issue of shares of the Company, reviewing the report submitted by monitoring agency, if any, and to make appropriate recommendations to the Board in this regard.
- viii. Monitoring the use of the proceeds of the initial public offering of the Company.
- ix. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- x. 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.
- xi. Discussions with internal auditors on any significant findings and follow up thereon.
- xii. Reviewing internal audit reports and adequacy of the internal control systems.
- xiii. Reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors.
- xiv. 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.
- xv. 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.
- xvi. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
- xvii. To review the functioning of the whistle blower mechanism, when the same is adopted by the Company and is existing.
- xviii. Carrying out any other function as may be statutorily required to be carried out by the Audit Committee.

As at the year-end, the Audit Committee of the Board comprised of three members, all of them being independent Directors. All members are financially literate and have relevant finance exposure. Mr. Shankar Prasad Bhagat is a Chartered Accountant.

OTHER SUB-COMMITTEES OF THE BOARD OF DIRECTORS :
A. REMUNERATION COMMITTEE :

The Remuneration Committee was constituted on December 04, 2007 and the same has been reconstituted on October 05, 2009.

The terms of reference of Remuneration Committee comply with the requirements of Clause 49 of the Listing Agreement. The committee consists of 3 independent Directors.

The following Directors are the members of the Remuneration Committee :

Name of the Directors	Designation	Nature of Directorship
Mr. Shankar Prasad Bhagat	Chairman	Independent Director
Mr. Narendra Kumar Jain Kabdi	Member	Independent Director
Mr. Harshadbhai Navnitlal Doshi	Member	Independent Director

B. SHAREHOLDERS/ INVESTOR'S GRIEVANCES COMMITTEE :

The Shareholders / Investors Grievance Committee was constituted on October 05, 2009 in compliance with Clause 49 of the Listing Agreement. The Shareholders' / Investors' Grievance Committee has been constituted with the following Directors:

Name of the Director	Designation	Nature of Directorship
Mr. Shankar Prasad Bhagat	Chairman	Independent Director
Mr. Ghanshyambhai Ambalal Thakkar	Executive	Non Independent Director
Mr. Krupesh Ghanshyambhai Thakkar	Executive	Managing Director

PARTICULARS OF THE PAST THREE ANNUAL GENERAL MEETINGS :

a) Location, date and time of Annual General Meetings held during the last 3 years :

Year	Location	Date	Time
2007-08	S. No. 125, Nr. Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar.	27.09.2008	11.00 a.m.
2008-09	-do-	29.09.2009	11.00 a.m.
2009-10	-do-	13.09.2010	11.00 a.m.

b) All the Special Resolutions placed before the shareholders at the above meetings were approved. No Special Resolution is proposed to be conducted through postal ballot.

DISCLOSURES :

There have been no materially significant related party transactions with the Company's Promoters, Directors, the Management or their relatives which may have potential conflict with the interests of the Company. The necessary disclosures regarding the transactions with related parties are given in the Notes to the Annual Accounts for the year 2010-11.

There have been no instances of non-compliance by the Company on any matters related to the capital markets, nor have any penalty/strictures been imposed on the Company by any statutory authority on such matters during the last three years. The Company had no subsidiary company as on March 31, 2011.

**GENERAL SHAREHOLDER INFORMATION :**

AGM :	Day, Date, Time and Venue : Wednesday, September 21 2011 11.00 a.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.
Financial Year	1 st April 2010 to 31 st March 2011
Date of Book Closure	16th September 2011 to 21st September 2011 (both days inclusive)
Dividend Payment Date	On or after 21st September 2011 (within the statutory time limit) subject to shareholders approval.
Financial Calendar Period (tentative) - Quarter ending 30 th Jun 2011 - Quarter ending 30 th Sep 2011 - Quarter ending 31 st Dec 2011 - Quarter ending 31 st Mar 2012	Board Meeting to approve quarterly financial results - End July 2011 - End October 2011 - End January 2012 - Before end of May, 2012
Listing of Equity Share on Stock Exchanges (proposed)	- Bombay Stock Exchange Limited - National Stock Exchange of India Limited
Demat ISIN Numbers in NSDL & CDSL	INE573K01017
Listing Fees	Listing Fees will be paid at the time of listing.
Share Registrar and Transfer Agent	Bigshare Services Private Limited E/2, Ansa Industrial Estate, Saki vihar Road, Saki naka, Andheri (E), Mumbai – 400 072. Tel No.: 022- 40430295, Fax No.: 022- 28475207
Company Secretary & Contact Address	Mr. Hasmukh K. Modi Company Secretary & Compliance Officer 1, Krinkal Apartment, Opp. Mahalaxmi Temple, Mahalaxmi Society, Paldi, Ahmedabad – 380 007. Email: ipo@rushil.com Tel No.: 079- 26622323, Fax No.: 079- 26640969

SHARE TRANSFER SYSTEM :

Transfer of shares in physical form and allied work relating to servicing of investors have been delegated by the Board to the Shareholders'/ Investors Grievance Committee which consists of Mr. Shankar Prasad Bhagat- Chairman, Mr. Ghanshyambhai Ambalal Thakkar and Mr. Krupesh Ghanshyambhai Thakkar. The Company has appointed M/s. Bigshare Services Private Limited as Registrar and Transfer Agent of the Company for all aspects of investor servicing relating to shares in both physical and demat form.

Distribution of share holding

Shareholding pattern as on 31st March, 2011 is as under :

Sr. No.	Category	No. of holders	No. of Shares	%
1	Promoter	6	7307931	83.46
2	Promoter Group	3	448223	5.12
3	Public (Individuals)	7	1000096	11.42
	TOTAL	16	8756250	100.00



DISTRIBUTION OF SHARE HOLDING :

LAMINATE DIVISIONS :

- 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.

ADDRESS FOR CORRESPONDENCE :

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

Bigshare Services Private Limited
E/2, Ans Industrial Estate,
Sakivihar Road, Sakinaka, Andheri (E),
Mumbai - 400 072.

Email : ipo@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



AUDITORS' REPORT

To,
The Shareholders,
Rushil Décor Ltd.
Ahmedabad.

We have audited the attached Balance Sheet of Rushil Décor Ltd., as at **31st March, 2011**, the Profit and Loss Account and also the Cash Flow Statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides reasonable basis for our opinion.

As required by The Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that :

1. 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;
2. In our opinion , proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books;
3. The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
4. In our opinion the Balance sheet, Profit and Loss Account and Cash Flow Statement dealt with by this Report comply with the accounting standards referred to in sub-section (3C) of section 211 of Companies Act, 1956;
5. On the basis of written representation received from the directors of the Company as at **31st March, 2011** and taken on record by the Board of Directors , we report that none of the directors is disqualified as on **31st March, 2011** from appointed as director in terms of clause (g) of sub-section (1) of section 274 of The Companies Act, 1956;
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by The Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - a) in the case of the Balance Sheet , of the state of affairs of the Company, as at **31st March, 2011**;
 - b) in the case of the Profit & Loss Account, of the Profit for the period ended on that date
 - c) in the case of the Cash Flow Statement, of the cash flows, for the period ended on that date.

Place : Ahmedabad
Date : 4th July, 2011.

For, D. R. Thakkar & Co.
Chartered Accountants

[Dipak R. Thakkar]
PROPRIETOR
M. No. 43166
Firm Reg. No. 110895W

ANNEXURE TO AUDITORS' REPORT

STATEMENT REFERRED TO IN PARAGRAPH ABOVE OF OUR REPORT OF EVEN DATE

- (i) **In respect of its fixed assets :**
- The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - 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 the assets. No material discrepancies were noticed on such verification.
 - In our opinion, the Company has not disposed off substantial parts of its fixed assets during the year and the going concern status of the Company is not affected.
- (ii) **In respect of inventories :**
- 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.
 - 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.
 - The Company has maintained proper records of inventory, except in the case of process stock (Refer Note No. 15 of schedule 23). As explained to us, there were no material discrepancies noticed on physical verification of stocks, as compared to book records.
- (iii) **In respect of loan from/to parties referred to in section 301 of The Companies Act, 1956:**
- The Company has taken loan from Fourteen Parties covered in register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the period was Rs. 11,86,47,642/- and the period end balance of loan taken from such party was Rs. 6,31,67,018/- We are informed that the Company has not granted loan to any person covered in register maintained under section 301 of The Companies Act, 1956. The maximum amount involved during the period was Rs. NIL and the period end balance of loan granted to such party was Rs. NIL/- secured or unsecured, firms, other parties listed in the register maintained under section 301 of The Companies Act.
 - In our opinion, the rate of interest and other terms and conditions on which loans have been taken from/granted to Companies, firms or other parties listed in the register maintained under section 301 of The Companies Act, 1956 are not, prima facie prejudicial to the interest of the Company.
 - The Company is regular in repaying the principal amount as stipulated and has been regular in the payment of interest. The parties have repaid the principal amounts as stipulated and have been regular in the payment of interest.
 - There is no overdue amount of loans taken from or granted to companies, firms or other parties listed in the 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 for the purchase of inventory and fixed assets and for the sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weakness in internal control.
- (v) In respect of particulars of contracts or arrangements referred to in Section 301 of The Companies Act, 1956;
- In our opinion and according to the information and explanations given to us, particulars of contracts or agreements that needed to be entered in the register have been so entered.
 - In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of The Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of said financial year.
- (vi) In our opinion and according to the information and explanations given to us, the Company has complied with the provision 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) In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (viii) As informed to us the company is not required to maintain the cost records pursuant to rules made by the Central Government for the maintenance of cost records under Section 209 (1) (d) of The Companies Act, 1956 in respect of product produced by the Company.
- (ix) According to the information and explanation given to us, in respect of statutory and other dues :
- According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees' State Insurance, Income tax, VAT Tax, Commercial Tax, Service Tax, Wealth tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it.
 - According to the information and explanations given to us , there are no undisputed statutory dues payable in respect of Provident Fund, Employees' State Insurance, VAT Tax, Service Tax, Wealth tax, Custom Duty, Excise Duty, Cess which are outstanding as at **31-03-2011** for a period of more than six months from the date they became payable.
 - According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, VAT Tax, Commercial Tax, Customs Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
- (x) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
- (xi) Based on audit procedures and according to the information and explanation given to us, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions, banks or debenture holders.
- (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) In our opinion, the Company is not a Chit Fund or a Nidhi/Mutual Benefit fund/Society. Therefore the provision of clause 4 (xiii) of The Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of The Companies (Auditors Report) Order,2003 are not applicable to the Company.
- (xv) The Company has given guarantees for loans taken by others from banks or financial institutions. According to the information and explanation given to us, we are of the opinion that the terms and conditions thereof are not prima facie prejudicial to the interest of the Company.
- (xvi) In our opinion and according to the information and 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) According to the information and explanations given to us no preferential allotment of shares has been made by the Company to companies, firms or other parties covered in the register maintained under section 301 of The Companies Act, 1956.
- (xix) The Company has not issued any debentures during the period. Accordingly the requirements of clause (xix) of paragraph 4 of The Companies(Auditors Report) Order 2003 are not applicable to the Company.
- (xx) The Company has not raised any money by public issue. Accordingly the requirements of clause (xx) of paragraph 4 of The Companies (Auditor's Report) Order 2003 are not applicable to the Company.
- (xxi) In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

Place : Ahmedabad
Date : 4th July, 2011

For, D. R. Thakkar & Co.
Chartered Accountants

[Dipak R. Thakkar]
PROPRIETOR
M. No. 43166
Firm Reg. No. 110895W

**BALANCE SHEET AS AT 31ST MARCH, 2011**

PARTICULARS	SCHEDULE	Amount (in Rs.)	31.03.2011 (in Rs.)	Amount (in Rs.)	31.03.2010 (in Rs.)
SOURCES OF FUNDS :					
1. SHAREHOLDERS ' FUNDS					
Share Capital	1		87562500		87562500
Reserve & Surplus	2		167028909		130672346
2. LOAN FUNDS :					
Secured Loans	3	711118618		464950188	
Unsecured Loans	4	182265055	893383673	122178280	587128468
Deferred Tax Liability			53145765		46372095
TOTAL			1201120847		851735409
APPLICATION OF FUNDS :					
1. FIXED ASSETS :					
Gross Block	5	533764715		487641028	
Less : Depreciation		98930641		76559630	
NET BLOCK		434834074		411081398	
Add : Capital Work In Progress & Pre Operative Expenses		450755463	885589537	12387824	423469222
2. INVESTMENTS :	6		87148		82915
3. CURRENT ASSETS, LOANS & ADVANCES :					
Inventories	7	386422813		308851117	
Sundry Debtors	8	262929609		292102713	
Cash & Bank Balances	9	112080411		37191154	
Loans & Advances	10	123195339		123586689	
Less :		884628172		761731673	
CURRENT LIABILITIES & PROVISIONS :					
Current Liabilities	11	551576884		300192785	
Provisions	12	20876325		36722374	
		572453209		336915159	
NET CURRENT ASSETS			312174963		424816514
MISCELLANEOUS EXPENDITURE : (To the extent not written off)	13		3269199		3366758
TOTAL			1201120847		851735409

Significant Accounting Policies 22

Notes on Accounts 23

Schedule 1 to 23 form part of this Balance Sheet
As per separate report of even date attached.

For, and on behalf of the Board

For D. R. Thakkar & Co.
Chartered Accountants[Dipak R. Thakkar]
PROPRIETOR
M. No. 43166
Firm Reg. No. 110895W
Place : Ahmedabad
Date : 4th July, 2011[Ghanshyambhai A.Thakkar]
Chairman[Krupeshbhai G. Thakkar]
Managing Director[H. K. MODI]
Company Secretary

**PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2011**

PARTICULARS	SCHEDULE	Amount (in Rs.)	31.03.2011 (in Rs.)	Amount (in Rs.)	31.03.2010 (in Rs.)
INCOME :					
Turnover	14	1223642237		991054195	
Less : Excise Duty Recovered on Sales		<u>58674232</u>		<u>36430859</u>	
Net Turnover			1164968005		954623336
Other Income	15		<u>73664582</u>		<u>62441124</u>
			1238632587		1017064460
EXPENDITURE :					
Cost of Material	16		774034419		640696221
Manufacturing and Other Expense	17		142903264		106811367
Employee Costs	18		29855636		24676668
Administrative, Selling, Distribution and Other Expenses	19		142042887		108554923
Interest & Finance Charges	20		55650275		47035075
Director's Remuneration			4330549		4272949
Depreciation			<u>23488544</u>		<u>17565440</u>
TOTAL			1172305574		949612643
PROFIT BEFORE TAXES					
			66327013		67451817
Provision for Taxation	21		20011815		28913578
Short/(Excess) Provision Of Earlier Years			1562805		3395687
NET PROFIT FOR THE YEAR			44752393		35142552
Balance Brought Forward From Previous Year			45234846		43825419
AMOUNT AVAILABLE FOR APPROPRIATION			<u>89987239</u>		<u>78967971</u>
APPROPRIATIONS :					
Interim Dividend			0		8756250
Tax On Interim Dividend			0		1488125
Proposed Dividend			7200000		17512500
Tax On Proposed Dividend			1195830		2976250
Transfer To General Reserve			0		3000000
Balance Carried To Balance Sheet			<u>81591409</u>		<u>45234846</u>
			<u>89987239</u>		<u>78967971</u>
Earning Per Share - Basic & Diluted					
			5.11		4.01
Weighted Average Number Of Shares			8756250		8756250

Significant Accounting Policies 22

Notes on Accounts 23

Schedule 1 to 23 form part of this Balance Sheet
As per separate report of even date attached.

For, and on behalf of the Board

For D. R. Thakkar & Co.
Chartered Accountants

[Dipak R. Thakkar]
PROPRIETOR
M. No. 43166
Firm Reg. No. 110895W
Place : Ahmedabad
Date : 4th July, 2011

[Ghanshyambhai A. Thakkar]
Chairman

[Krupeshbhai G. Thakkar]
Managing Director

[H. K. MODI]
Company Secretary

**SCHEDULE FORMING PART OF THE BALANCE SHEET**

	Amount (in Rs.)	31.03.2011 (in Rs.)	Amount (in Rs.)	31.03.2010 (in Rs.)
<u>SCHEDULE : 1 : SHARE CAPITAL :</u>				
Authorised :				
20000000 Equity Shares of Rs. 10 each (Previous year 2,00,00,000 shares of Rs. 10/- each)		200000000		200000000
		200000000		200000000
Issued & Subscribed and Paid up :				
Equity Shares of Rs. 10/- each , 87,56,250 Shares		87562500		87562500
		87562500		87562500
<u>SCHEDULE : 2 : RESERVE & SURPLUS :</u>				
<u>Secutiry Premium Account</u>				
Opening Balance	76000000		76000000	
Add : premium on issue of Equity share capital		0		0
	<u>76000000</u>	76000000	76000000	76000000
Amalgamation Reserve		3300000		3300000
Capital Redemption Reserve (For Redemption of Preference Share Capital)		50000		50000
<u>General Reserve</u>				
Opening Balance	6087500		3087500	
Add : Transfer from Profit & Loss Account	0	6087500	3000000	6087500
Profit & Loss Account		81591409		45234846
		167028909		130672346
Note : Security Premium represents premium of Rs. 40/- per share on issue of 19,00,000 equity shares.				
<u>SCHEDULE : 3 : SECURED LOANS :</u>				
<u>Term Loans :</u>				
I. Bank of Baroda (Note : 1) (Principal repayment of Rs 93,88,962/- in period April-2011 to March-2012)		16388962		19037362
II. Bank of Baroda (a) Term loan		145458423		0
(b) Term loan-External Commercial Borrowing (USD 25,50,733) (Note : 2) (Refer note-8 of Schedule-23)		114469097		0
III. Allahabad Bank (Note : 3) (Principal repayment of Rs 2,20,00,000/- in period April-2011 to March-2012)		77780000		100000000
<u>Working Capital :</u>				
- Allahabad Bank - Cash Credit Loans (Note : 4)		18788066		31033267
- Bank of Baroda - Cash Credit Loans (Note : 5)		146585967		141525535
- Bank of Baroda - Packing Credit (Note : 5)		156500000		141105000
- Bank of Baroda - Foreign Bills Purchase- (Note : 5)		18848025		20117192
<u>From Others :</u>				
Motor Car Loans (Note : 6) (Principal repayment of Rs 39,53,149/- in period April-2011 to March-2012)		11783078		9276082
Personal Guarantee Loans (Note : 7)		4517000		2855750
		711118618		464950188

**SCHEDULE FORMING PART OF THE BALANCE SHEET**

	Amount (in Rs.)	31.03.2011 (in Rs.)	Amount (in Rs.)	31.03.2010 (in Rs.)
SCHEDULE : 3 : SECURED LOANS : (CONTD.....)				
01. Secured by way of first and exclusive charge on movable plant and machineries acquired through term loan and extension of charge on Fixed assets/current assets of the company and collateral securities provided by way of legal mortgage on immovable properties of the company, director's and their relatives and FDR's put in lieu of properties on which equitable mortgage could not be created, and personal guarantee of Ghanshyambhai A. Thakkar, Krupeshbhai G. Thakkar and Saraswatiben N.Thakkar.				
02. The facility is secured by way of first and exclusive charge on movable plant and machineries acquired through term loan and extension of charge on Fixed assets/current assets of the and equitable mortgage of factory land and building situated at 58 & 59, Rev. Survey No 296 in Amble I Chikmagalur and collateral securities provided by way of legal mortgage on immovable properties of the company, director's and their relatives and FDR's put in lieu of properties on which equitable mortgage could not be created, and personal guarantee of Ghanshyambhai A.Thakkar, Krupesh Thakkar and Saraswatibe N.Thakkar				
03. Secured by way of exclusive charge on plant and machineries at Navalgadh Unit acquired through term loan and further secured by way of collateral securities of 39 acres of land and building at Navalgadh, FDR worth Rs 30 lakh and extension of charge on current assets of unit Navalgadh, and personal guarantee of Ghanshyambhai A. Thakkar and Krupeshbhai G. Thakkar				
04. Secured by way of Hypothecation of stock and bookdebts of Navalgadh Unit further secured by collateral securities of 39 acres of land and building at Navalgadh, FDR worth Rs. 30 lakh and extension of charge over fixed assets of the project. And personal guarantee of Ghanshyambhai A. Thakkar and Krupeshbhai G. Thakkar				
05. Secured by way of hypothecation of current assets and extension of charge on Fixed Assets of the company, and further colletrally secured by way of equitable mortgage of company's land and building and director's and their relatives immovable properties. FDR's put in lieu of properties on which equitable mortgage could not be created. And personal guarantee of Ghanshyambhai A. Thakkar, Krupeshbhai G. Thakkar and Saraswatiben N. Thakkar				
06. Secured by lien on vehicles purchased under hire purchase agreements.				
07. Secured against pledge of Life Insurance policies of directors.				
SCHEDULE : 4 : UNSECURED LOANS :				
From Directors		61415772		35068656
From Others		93527075		59848875
From Financial Institution		27322208		27260749
		182265055		122178280

SCHEDULE FORMING PART OF THE BALANCE SHEET

Sr. Assets No.	Balance as on 1.04.2010			Gross Block			Depreciation			Net Block		
	Balance as on 1.04.2010	Addition during the Year	Deduction during the Year	Transfer Written off during the year	Closing Balance as on 31.03.2011	Balance as on 1.04.2010	Addition during the Year	Deduction during the Year	Transfer Written off during the year	Closing Balance as on 31.03.2011	As on 31.03.2011	As on 31.03.2010
1 Land	10197823	61000	0	0	10258823	0	0	0	0	0	10258823	10197823
2 Leasehold Land (Including Land Development)	5107137	6094306	0	0	11201443	0	0	0	0	0	11201443	5107137
3 Building	85414517	8512229	0	0	93926746	8463031	2910577	0	0	11373608	82553138	76951486
4 Plant & Machinery	359644254	27047527	65000	0	386626781	60843522	17687795	4932	0	78526385	308100396	298800732
5 Computer & Accessories	3765634	235700	0	0	4001334	2923266	547915	0	0	3471181	530153	842368
6 Vehicles	18007120	6042351	2502202	0	21547269	3177780	2013138	1112601	0	4078317	17468952	14829340
7 Furniture & Fixture	4813161	607269	0	0	5420430	1152031	329119	0	0	1481150	3939280	3661130
8 Intangible Asset	691382	400000	0	309493	781889	0	0	0	0	0	781889	691382
Total-A	487641028	49000382	2567202	309493	533764715	76559630	23488544	1117533	0	98930641	434834074	411081398
Capital Work In Progress and Pre-operative Expenses	12387824	438367639	0	0	450755463	0	0	0	0	0	450755463	12387824
Total-B	12387824	438367639	0	0	450755463	0	0	0	0	0	450755463	12387824
Total A+ B	500028852	487368020	2567202	309493	984520178	76559630	23488544	1117533	0	98930641	885589537	423469222
Previous Year's Total	298932319	241908995	1078707	39733755	500028852	59186706	17565440	192516	0	76559630	423469222	239745613

SCHEDULE FORMING PART OF THE BALANCE SHEET

	Amount (in Rs.)	31.03.2011 (in Rs.)	Amount (in Rs.)	31.03.2010 (in Rs.)
<u>SCHEDULE : 6 : INVESTMENTS : (AT COST)</u>				
<u>In Shares :</u>				
400 Shares of Ahmedabad Merc. Co-op. Bank Ltd. of Rs. 50/- each		20000		20000
<u>Other Investments : (Pledge with Government Authorities)</u>				
National Savings Certificate		10000		10000
FDR		57148		52915
		87148		82915
<u>SCHEDULE : 7 : INVENTORIES :</u>				
(As taken, valued and certified by the Management)				
[Raw Material, Process Stock and Finished Goods are valued at lower of cost or net realisable value]				
Raw Material		124674062		108417911
Stores & Spares		7943344		6640049
Process Stock		47764302		40100653
Finished Goods (Refer Note No. 8 of Schedule 22)		206041105		153692504
		386422813		308851117
<u>SCHEDULE : 8 : SUNDRY DEBTORS :</u>				
(Unsecured & considered good)				
Over Six months	19683423		17405615	
Others	<u>243246186</u>		<u>274697098</u>	
		262929609		292102713
<u>SCHEDULE : 9 : CASH & BANK BALANCES :</u>				
(a) Cash on Hand		4266871		892077
(c) <u>Bank Balances :</u>				
- With Current Accounts		32178394		5244571
- In Fixed Deposit Accounts (Including Bank Deposit under Lien Rs.123 Lakh (P.Y.Rs 123 lakh)		75635146		31051902
- Dividend Accounts		0		2604
		107813540		36299077
		112080411		37191154

**SCHEDULE FORMING PART OF THE BALANCE SHEET**

	Amount (in Rs.)	31.03.2011 (in Rs.)	Amount (in Rs.)	31.03.2010 (in Rs.)
<u>SCHEDULE : 10 : LOANS & ADVANCES :</u>				
(Unsecured & considered good unless otherwise stated)				
Balance with Excise, Custom & Service Tax Department		13538149		12240512
Licence Receivables		38039395		53084713
Employee Loans		650818		461392
Advance to Suppliers		7838401		2156282
Advance to Suppliers of Capital Goods		0		0
Advance Income Tax & TDS (Net of Provision for Income Tax)				
Income Tax 2009-10	878272		0	
Income Tax Interest F.Y.03-04,04-05 & 05-06	1512786	2391058	0	0
Deposits		9295054		6789984
Prepaid Expenses		382533		708141
Other Advances		51059931		48145665
		123195339		123586689
<u>SCHEDULE : 11 : CURRENT LIABILITIES :</u>				
Sundry Creditors for goods & others		534916095		283139757
Sundry Creditors for capital goods		0		0
Advance from customers		3235109		4931629
Duties & Taxes		4271323		2245077
Other Liabilities		9154357		9876322
		551576884		300192785
<u>SCHEDULE : 12 : PROVISIONS :</u>				
<u>Provision of Income tax (Net of Advance Tax & TDS)</u>				
Income Tax for 2010 - 2011	7139362		0	
Income Tax for 2008 - 2009	122218		23265	
Income Tax for 2009 - 2010	0		5982506	
Income Tax provision for F.Y.03-04, 04-05 & 05-06	0	7261580	0	6005771
Wealth Tax for 2010-2011		18840		6018
Proposed Dividend		7200000		17512500
Tax on Proposed Dividend		1195830		2976250
Unpaid Expenses		5200075		10221835
		20876325		36722374
<u>SCHEDULE : 13 : MISCELLANEOUS EXPENSES :</u>				
(To the extent not written off or adjusted)				
Amalgamation Expenses	297418		425663	
Less : written off	128244	169174	128245	297418
Preliminary Expenses	2473646		2206928	
Add : Addition during year	557531		595000	
Sub Total	3031177		2801928	
Less : written off	328282	2702895	328282	2473646
Deferred Revenue Expenses	595694		794258	
Less : written off	198564	397130	198564	595694
		3269199		3366758

**SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT**

	Amount (in Rs.)	31.03.2011 (in Rs.)	Amount (in Rs.)	31.03.2010 (in Rs.)
<u>SCHEDULE : 14 : SALES :</u>				
Direct Export Turnover		452033601		504783126
Deemed Export Turnover		205904800		111855566
Domestic Turnover		565703836		374415503
Total Turnover (including Excise)		1223642237		991054195
Less : Excise Duty Recovered on Sales		58674232		36430859
Total Turnover (net of excise)		1164968005		954623336
<u>SCHEDULE : 15 : OTHER INCOME :</u>				
Dividend		3900		1500
Foreign Exchange Gain		7238424		14929526
Interest Income (TDS Rs 3,79,943 and P.Y. Rs 4,17,494)		4463856		3498388
Insurance Claim Received		29700		9273
Miscellaneous Income, Penalty Income Commission & Kasar Vatav		36588575		17564807
Licence Income		25340127		26437630
		73664582		62441124
<u>SCHEDULE : 16 : COST OF MATERIAL :</u>				
<u>Raw Material Consumed :</u>				
Opening Stock of Raw Material	108417911		95491747	
Add : Purchases (Net of Excise, Discount Rate Diff.) & (including Material for Resale Rs 1,08,44,239/- previous year Rs 97,20,842/-) Freight, Octroi, and Clearing & Forwarding C.V.D., Other Duty & Licence Use	792906121		617534551	
	22240028		21426612	
	35156671		23863282	
	958720731		758316192	
Less : Closing Stock of Raw Material	124674062	834046669	108417911	649898281
Opening Stock				
Finished Goods	153692504		143928176	
Stock-in-Progress	40100653		40662921	
	193793157		184591097	
Less : Closing Stock				
Finished Goods	206041105		153692504	
Stock-in-Progress	47764302		40100653	
	253805407		193793157	
Increase/Decrease in Stock of Finished Goods & Stock-in-Progress		-60012250		-9202060
Cost of Material		774034419		640696221

SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT

	Amount (in Rs.)	31.03.2011 (in Rs.)	Amount (in Rs.)	31.03.2010 (in Rs.)
<u>SCHEDULE : 17 : MANUFACTURING & OTHER DIRECT EXPENSES :</u>				
<u>Stores & Spares Consumed :</u>				
Opening Stock	6640049		5572396	
Add : Purchases	19416611		16923239	
	<u>26056660</u>		<u>22495635</u>	
Less : Closing Stock	7943344		6640049	
		18113316		15855586
Commission on Imports		1013605		354640
Commission on Local Purchase		75500		64900
Central Excise Duty (incl. Edu.Cess)		857748		659980
Jobwork Charges		10029080		10754348
Power & Fuel		69267631		46530856
Wages & Bonus		36526645		28255206
Factory Water Charges		113976		67475
Pollution Control Expenses		29131		45100
Transport Expenses		1628636		1159699
Laboratory Expenses		182936		245283
Machinery Maintenance Expenses		2667911		934986
Factory Expenses		2397149		1883309
		<u>142903264</u>		<u>106811367</u>
<u>SCHEDULE : 18 : EMPLOYEE COST :</u>				
Salary & Bonus		28496518		23529946
Contribution to Provident Fund etc.		1359118		1146722
		<u>29855636</u>		<u>24676668</u>
<u>SCHEDULE : 19 : ADMINISTRATIVE, SELLING, DISTRIBUTION & OTHER EXPENSES :</u>				
Advertisement Expenses		1392260		722973
Agency Commission on Exports		307476		363536
Appeal Fees		3000		0
Audit Fees		300000		300000
Amalgamation Expenses written off		128244		128245
Bad Debts Written off		0		301322
Bank Charges and Commission		4541483		6716419
Books and Periodical Expenses		26816		23277
Commission on Sales		21561580		9890401
Computer Maintenance Expenses		521005		458686
Conveyance Expenses		1395133		1243336
Consignee Entry Tax		60335		141000

**SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT**

	Amount (in Rs.)	31.03.2011 (in Rs.)	Amount (in Rs.)	31.03.2010 (in Rs.)
<u>SCHEDULE : 19 : ADMINISTRATIVE, SELLING, DISTRIBUTION & OTHER EXPENSES : (CONTD.....)</u>				
Central Sales Tax		13730		37951
Clearing and Forwarding Charges on export		26974391		21360600
Club Expenses		33465		0
Deferred Revenue Expenses Written off		198564		198564
DGFT Application Fees		521305		473435
Director Insurance (Keyman)		1253760		1296527
Donation		205785		285239
ECGC Insurance		2135931		3244849
E TDS Filling Charges		1272		1716
Exhibition and Marketing Expenses		60513		2761902
Foreign Exchange loss		765062		4178513
GCCI Expense		10300		15210
Gift Articles		28065		705664
General/ Miscellaneous Expenses		124815		53900
Godown Expenses		590957		381196
I.S.I. & I.S.O. Expenses		1178480		738169
Insurance Expenses		1849769		1637303
Intangible Assets W/off		309493		229494
Kasar Vatav		116595		0
L.C. Charges		2049716		2418697
Land Revenue		119740		0
Legal & Professional Charges		4004664		3563709
Legal Expenses		286070		1603069
Legalization Charges		19500		102250
Leadership Training Charges		256900		4500
Licence Expenses		59100		160840
Loss on Sale of Fixed Assets		654652		161657
MOT Charges		37335		15277
Municipal Tax		91821		91821
Office Expenses		695489		806838
Office Electric Expenses		693648		735758
Penalty Expenses		27500		25793
Postage and Courier Expenses		605178		641528
Preliminary Expenses Written Off		328282		328282
Printing and Stationary Expenses		1474920		1496952
Prior Period Expenses		406287		77266
Professional Tax		4800		4800
Recruitment Charges		66251		40250
Rent		201100		1629140

SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT

	Amount (in Rs.)	31.03.2011 (in Rs.)	Amount (in Rs.)	31.03.2010 (in Rs.)
<u>SCHEDULE : 19 : ADMINISTRATIVE, SELLING, DISTRIBUTION & OTHER EXPENSES : (CONTD.....)</u>				
Repairing & Maintenance :				
Building	692176		370706	
Other	254094	946270	624908	995614
ROC Filing Charges		10670		12638
Sample Expenses		407209		720388
Sales Promotion Expenses		17590172		11529705
Security Service Charges		1351738		885233
Service Charges		1923		1485
Service Tax		120951		60114
Sitting Fees		7000		0
Staff Medical Expenses		194083		104062
Staff Welfare Expenses		1456197		1412753
Subscription and Membership Fees		118160		124802
Telephone, Mobile and Fax Expenses		1487656		1508532
Transportation/ Delivery Charges		30909796		12427240
Trademark Expenses		40000		5000
Travelling Expenses		7034494		6196986
Uniform Expenses		0		7379
Vehicle Maintenance Expenses		1674031		765138
		142042887		108554923
<u>SCHEDULE : 20 : INTEREST & FINANCE CHARGES :</u>				
Bank Interest		43805485		33503011
Interest to Depositors		3543052		3178861
Interest to Financial Institution		8301738		10353203
		55650275		47035075
<u>SCHEDULE : 21 : PROVISION FOR TAXATION :</u>				
Current Tax		13219305		11500000
Wealth Tax		18840		6018
Deferred Tax		6773670		17407560
		20011815		28913578

SCHEDULES TO THE ACCOUNTS**SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS****SCHEDULE - 22 : SIGNIFICANT ACCOUNTING POLICIES :****1. Accounting Convention :**

The financial statements are prepared on historical cost basis and based on accrual method of accounting, and applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of The Companies Act 1956.

2. Use of Estimates :

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date the financial statements and the reported amounts of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known/ materialized.

3. Fixed Asset :

- a) Tangible Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets are net of MODVAT/CENVAT/Value Added Tax and includes non refundable taxes, levies, freight and other incidental expenses related to acquisition and installation of the respective assets. When assets are sold or discarded, their cost and accumulated depreciation are removed from the accounts and any gain or loss resulting there from is included in Profit And Loss Account.
- b) Intangible Fixed assets are stated at cost of acquisition or developed.
- c) None of the fixed assets have been revalued during the period.
- d) All indirect expenses incurred during project implementation and on trial run are treated as incidental expenditure during construction and capitalized.

4. Impairment of Assets :

At each balance sheet date, the Management evaluates the impairment losses on the fixed assets whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. If such assets are considered to be impaired the impairment loss is less than recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the higher of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the smallest level for which there is separately identifiable cash flows.

5. 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.
- c) 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.

6. Investments :

- a) Investments are stated at cost.

7. Revenue Recognition :

- a) Sales are recognized when goods are supplied and are recorded net of trade discounts, rebates, sales tax and excise duties.
- b) Benefit on account of entitlement to import goods free of duty under Duty Entitlement Pass Book (DEPB), and Duty Exemption Entitlement Certificate (DEEC) under the provisions of Duty Exemption Scheme are accounted for in the year of export.
- c) Interest income is accounted on its accrual on a time on proportionate basis taking into account the amount outstanding and rate applicable.

- d) Other items of revenue recognized are in accordance with the AS-9 'Revenue Recognition' issued by The Institute of Chartered Accountants of India. Accordingly, other income is recognized when no significant uncertainty as to its determination or realization exists.

8. Inventories :

- a) Raw Materials, Process stock and Finished Goods are valued at cost or net realizable value whichever is lower.
- b) Cost of Raw Material determined on FIFO basis, net of cenvat credit availed, except base paper which are determined on actual basis.
- c) Cost of Finished Goods and Process stock is determined taking material cost [Net of cenvat credit availed], labour and relevant appropriate overheads.

9. Cenvat :

Cenvat benefit is accounted gross of cenvat benefit availed on inputs of raw material and fixed assets and appropriated against on payment of cenvat duty on clearance of finished goods.

10. Prior Period Expenses/ Income :

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

11. Foreign Currency Transactions :

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of transaction.
- (ii) Monetary items denominated foreign currencies at the year end are restated at year end rates. In case of monetary items which are covered forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts has been recognized over the life of the contract.
- (iii) any income or expenses on account of exchange either on settlement or on translation is recognized in the profit and loss account except in cases where they relate to acquisition on fixed assets, in which case they adjusted to the carrying cost of such assets.

12. Borrowing Cost :

Interest and other costs in connection with the borrowings of the funds to the extent related / attributed to the acquisition/ construction of qualifying fixed assets are capitalised up to the date when such assets are ready for their intended use. Other borrowing costs are charged to Profit & Loss Account.

13. Employees Retirement Benefits :

- (i) Short term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the period in which the related service is rendered.
- (ii) Post employment and other long term employee benefits are charged off in the period in which the employee has rendered services. The amount charged off is recognized at the present value of the amounts payable determined using actuarial valuation techniques.

14. Miscellaneous Expenditure :

Preliminary expense are amortised over a period of five years.

15. Taxes on Income :

- a) Current Tax is the amount of tax payable on the taxable income for the period as determined in accordance with provisions of Income Tax Act, 1961.
- b) Deferred tax resulting from " timing difference" between book and taxable profit is accounted for using the tax rates and laws that have been enacted or subsequently enacted as on the balance sheet date. The Deferred tax asset is recognized and carried forward only to the extent that there is reasonable certainty that sufficient taxable income will be available to realize these assets.
- c) Advance taxes and provision for current income tax are represented in the balance sheet after off-setting advance taxes paid and income tax provisions arising in the same tax jurisdiction.

16. Earnings Per Share :

The Company reports basic and diluted Earnings Per Share (EPS) in accordance with Accounting Standard 20 published by The Institute of Chartered Accountants of India. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.

17. Provisions, Contingent Liabilities and Contingent Assets :

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

18. Turnover :

Turnover includes sale of goods, excise duty, adjusted for discount (net).

SCHEDULE - 23 : NOTES TO ACCOUNTS :

1. Estimated account of contracts remaining to be executed on capital account and not provided for net of advances, **Rs. 2,38,64,322/-** (previous year Rs. 19,99,77,175/-)

2. Contingent Liability :

- (i) Claim against the Company not acknowledged as debts for L.C. issued by bank **Rs. 2,03,00,014/-** (Previous Year Rs. 7,57,86,015/-)
- (ii) Custom Duty of Rs 7.70 lakh (Rs 3.85 lakh each for Unit MRPL and Unit RHPL) demanded by the Central Excise and Customs Authority being disputed by the company, has not been accounted for. The company has deposited Rs 4.08 lakh (Rs 2.04 lakh each for Unit MRPL and Unit RHPL) till the date of our audit under protest and the same has been clubbed under the head Loans & Advances.
- (iii) Interest of **Rs. 15,12,986/-** (unit MRPL) on amount of income tax payable raised by income tax department being disputed by the company has not been accounted. The company has deposited **Rs. 15,12,986/-** and the same has been clubbed under the head Loans & Advances.

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

4. Auditors Remuneration :

	2010-2011 (Rs.)	2009-2010 (Rs.)
As an Auditor	3,30,900	3,30,900
For Taxation & Other matters	5,40,470	1,10,300
Total	8,71,370	4,41,200
Less : Service Tax Credit taken/to be taken	81,370	41,200
Total	7,90,000	4,00,000

5. Managerial Remuneration: Rs. 43,30,549/- (Previous Year Rs. 42,72,949/-)

6. Confirmation of balances received / to be received from debtors, creditors, consignment agents and advances are required to be reconciled whenever necessary and suitably adjusted.

7. Sundry debtors considered good include Rs 3,51,090/- for the recovery of which the Company has initiated legal actions.

8. As per information and explanation given to us, company has started installation of plant and machineries for the production of Medium Density Fibre Board at Chikmagalur, in state of Karnataka and has obtained Term loan for the said purpose. Said project is under process. All the expenditure including interest incurred till the last day of the year are capitalized under the head "Pre Operative Expenditure"

9. Disclosures Regarding Employee Benefits :

- (i) **Defined Contribution Plan :** Employee benefits in the form of Provident Fund and ESIC 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 benefit 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 31st March, 2011 amounted to Rs. 22,54,241/- (Previous year Rs. 16,51,039/-)
- (iii) **Actuarial assumptions :**
- | | |
|--|---------------|
| Mortality Table (LIC) | LIC 1994-1996 |
| Discount Rate (per annum) | 8 |
| Expected rate of return on plan assets (per annum) | -- |
| Rate of escalation in salary (per annum) | 6 |
- (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 information is 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 5 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).

10. Earnings Per Share [EPS] :

Earnings Per Share has been computed as under :

Particulars	For the	For the
	Year ended 31-03-2011 (Rs.) 12 months	Year ended 31-03-2010 (Rs.) 12 months
(a) Profit after tax as per Profit & Loss Account (a)	44752393	35142552
(b) Weighted average number of Equity Shares* (b)	8756250	8756250
(c) Nominal Value of Equity Shares	10	10
(c) Earning per share : (Basic & Diluted) * (a)/(b)	NA	NA
(d) Earning per share : (Basic & Diluted) Annualised	5.11	4.01

11. Figures have been rounded to the nearest rupee value.
12. Trade deposit received from Dealers/Customers, consignment agents are clubbed under unsecured loans received from others.
13. Company has raised equity share capital of Rs 5,64,37,500/- divided into 56,43,750 Shares of Rs 10/- each with a premium of Rs 62/- per share, through Initial Public Offer during the Financial Year 2011-2012. Such shares are allotted on 2nd July, 2011 . Provision for proposed dividend @ 5 % on equity share capital i.e. on total 1,44,00,000 equity shares have been made.

14. All items of inventories as on 31st March, 2011 is taken as inventories taken, value and certified by management of the company.
15. During the Year company has started to maintain inventory record of process stock.
16. **Deferred Tax :**
- a) Consequent to the issuance of Accounting Standard 22 ' Accounting for Taxes on Income the Institute of Chartered Accountant of India , the Company has recognized the **deferred tax liability** aggregating to **Rs. 67,73,670/-** in the profit and loss account in the current year.
- b) Break up of Deferred Tax Liabilities and Deferred Tax Assets into major components of the respective balances are as under :

Particulars	As On 01/04/2010 (Rs.)	Addition during the year (Rs.)	Balance as on 31/03/2011 (Rs.)
Deferred Tax Liabilities :			
On account of timing differences			
[i] Depreciation	46372095	6773670	53145765
[ii] Others	0	0	0
TOTAL	46372095	6773670	53145765
Deferred Tax Assets	0	0	0
Net Deferred Tax Liability/(Asset)	46372095	6773670	53145765

17. **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. Shri Krupa Eco Products Pvt. Ltd. Ghanshyam Sales Agency
2	Key Management Person	Ghanshyambhai A. Thakkar Krupeshbhai G. Thakkar
3	Relative of key management person	Ambalal D. Thakkar (Estate Account) Ambalal D. Thakkar HUF Ghanshyambhai A. Thakkar HUF Krupeshbhai G. Thakkar HUF Saraswatiben N. Thakkar Dinuben G. Thakkar Krupaben K. Thakkar Rushil K. Thakkar Alpaben S. Thakkar Snehal K. Thakkar Dhara V. Thakkar Dhvanil V. Thakkar Aditi V. Thakkar Alkaben G. Thakkar



Nature of Transaction	Associate Companies /Enterprises		Key Management Personnel & Relatives of such Personnel		Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
(A) Volume of Transactions						
1) Sales of Goods			0	0	0	0
Rushil International	6918857	2097715	0	0	6918857	2097715
Vertex Laminate Pvt. Ltd.	1407980	888485	0	0	1407980	888485
Shree Krupa Decorative Veneer Pvt. Ltd.	579050	714059	0	0	579050	714059
2) Capital Goods Purchased						
Decoply Agency	46617	158497	0	0	46617	158497
Rushil International	191511	24908	0	0	191511	24908
3) Loan Taken/Granted						
i) Ambalal D. Thakkar						
Loan taken	0	0	0	0	0	0
Loan repaid	0	0	14874	0	14874	0
Balance at 31st March	0	0	0	14874	0	14874
Balance at 1st April	0	0	14874	190967	14874	190967
ii) Ambalal D. Thakkar HUF						
Loan taken	0	0	223537	0	223537	0
Loan repaid	0	0	70000	37000	70000	37000
Balance at 31st March	0	0	230746	66424	230746	66424
Balance at 1st April	0	0	66424	94314	66424	94314
iii) Ghanshyambhai Thakkar - HUF						
Loan taken	0	0	68410	0	68410	0
Loan repaid	0	0	0	15902	0	15902
Balance at 31st March	0	0	68410	0	68410	0
Balance at 1st April	0	0	0	24591	0	24591
iv) Krupeshbhai G. Thakkar - HUF						
Loan taken	0	0	100000	50000	100000	50000
Loan repaid	0	0	100000	50766	100000	50766
Balance at 31st March	0	0	0	0	0	0
Balance at 1st April	0	0	0	766	0	766
v) Saraswatiben Thakkar						
Loan taken	0	0	235140	0	235140	0
Loan repaid	0	0	70000	0	70000	0
Balance at 31st March	0	0	165140	0	165140	0
Balance at 1st April	0	0	0	59255	0	59255

Nature of Transaction	Associate Companies /Enterprises		Key Management Personnel & Relatives of such Personnel		Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
vi) Smt.Dinuben G. Thakkar						
Loan taken	0	0	5282960	20620000	5282960	20620000
Loan repaid	0	0	15142500	10699082	15142500	10699082
Balance at 31st March	0	0	140460	10000000	140460	10000000
Balance at 1st April	0	0	10000000	71545	10000000	71545
vii) Krupaben K. Thakkar						
Loan taken	0	0	11514346	20964264	11514346	20964264
Loan repaid	0	0	10649545	21332589	10649545	21332589
Balance at 31st March	0	0	864801	0	864801	0
Balance at 1st April	0	0	0	368325	0	368325
viii) Rushil K. Thakkar						
Loan taken	0	0	100500	0	100500	0
Loan repaid	0	0	0	0	0	0
Balance at 31st March	0	0	100500	0	100500	0
Balance at 1st April	0	0	0	13242	0	13242
ix) Alpaben S. Thakkar						
Loan taken	0	0	0	0	0	0
Loan repaid	0	0	0	437085	0	437085
Balance at 31st March	0	0	0	0	0	0
Balance at 1st April	0	0	0	479717	0	479717
x) Alkaben G. Thakkar						
Loan taken	0	0	0	0	0	0
Loan repaid	0	0	0	0	0	0
Balance at 31st March	0	0	0	0	0	0
Balance at 1st April	0	0	0	23975	0	23975
xi) Alpaben G. Thakkar						
Loan taken	0	0	0	0	0	0
Loan repaid	0	0	0	0	0	0
Balance at 31st March	0	0	0	0	0	0
Balance at 1st April	0	0	0	15240	0	15240
xii) Krupeshbhai G Thakkar						
Loan taken	0	0	39826795	41765430	39826795	41765430
Loan repaid	0	0	12031600	37206560	12031600	37206560
Balance at 31st March	0	0	32858046	5062851	32858046	5062851
Balance at 1st April	0	0	5062851	444909	5062851	444909

Nature of Transaction	Associate Companies /Enterprises		Key Management Personnel & Relatives of such Personnel		Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
xiii) Ghanshyambhai A Thakkar						
Loan taken	0	0	114240427	32152933	114240427	32152933
Loan repaid	0	0	115688506	3125104	115688506	3125104
Balance at 31st March	0	0	28557727	30005806	28557727	30005806
Balance at 1st April	0	0	30005806	589750	30005806	589750
xiv) Snehal K. Thakkar						
Loan taken	0	0	0	300000	0	300000
Loan repaid	0	0	326593	245979	326593	245979
Balance at 31st March	0	0	0	326593	0	326593
Balance at 1st April	0	0	326593	269971	326593	269971
xv) Dhvanil V. Thakkar						
Loan taken	0	0	0	59506	0	59506
Loan repaid	0	0	0	0	0	0
Balance at 31st March	0	0	60439	60439	60439	60439
Balance at 1st April	0	0	60439	0	60439	0
xvi) Aditi V. Thakkar						
Loan taken	0	0	0	59443	0	59443
Loan repaid	0	0	0	0	0	0
Balance at 31st March	0	0	60375	60375	60375	60375
Balance at 1st April	0	0	60375	0	60375	0
xvii) Dhara V. Thakkar						
Loan taken	0	0	0	59443	0	59443
Loan repaid	0	0	0	0	0	0
Balance at 31st March	0	0	60375	60375	60375	60375
Balance at 1st April	0	0	60375	0	60375	0
4) Managerial Remuneration						
Ghanshyambhai Thakkar	0	0	2170843	2142043	2170843	2142043
Krupeshbhai G. Thakkar	0	0	2159706	2130906	2159706	2130906
5) Dividend Paid						
Ambalal D. Thakkar	0	0	0	0	0	0
Ambalal D. Thakkar HUF	0	0	4048	2024	4048	2024
Ghanshyambhai Thakkar	0	0	5675948	2837974	5675948	2837974
Ghanshyambhai Thakkar HUF	0	0	770764	385382	770764	385382
Krupeshbhai G. Thakkar	0	0	4599404	2299702	4599404	2299702
Krupeshbhai Thakkar HUF	0	0	2779386	1389693	2779386	1389693
Saraswatiben N. Thakkar	0	0	417048	208524	417048	208524
Smt. Dinuben G. Thakkar	0	0	475350	237675	475350	237675
Krupaben K. Thakkar	0	0	790360	395180	790360	395180

Nature of Transaction	Associate Companies /Enterprises		Key Management Personnel & Relatives of such Personnel		Total	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
6) Interest Expenses						
Ambalal D. Thakkar	0	0	0	15452	0	15452
Ambalal D. Thakkar HUF	0	0	10785	10122	10785	10122
Ghanshyambhai Thakkar HUF	0	0	0	2705	0	2705
Krupeshbhai G. Thakkar	0	0	0	65935	0	65935
Krupeshbhai Thakkar HUF	0	0	0	199	0	199
Saraswatiben N. Thakkar	0	0	0	6266	0	6266
Smt. Dinuben G. Thakkar	0	0	0	8374	0	8374
Krupaben K. Thakkar	0	0	0	14239	0	14239
Rushil K. Thakkar	0	0	0	1457	0	1457
Alpaben S. Thakkar	0	0	0	52769	0	52769
Alkaben G. Thakkar	0	0	0	2637	0	2637
Alpaben G. Thakkar	0	0	0	1676	0	1676
Ghanshyambhai Thakkar	0	0	0	79816	0	79816
Snehal K Thakkar	0	0	0	59441	0	59441
Dhvanil V Thakkar	0	0	0	933	0	933
Aditi V Thakkar	0	0	0	932	0	932
Dhara V Thakkar	0	0	0	932	0	932
<u>Partner of Rushil International</u>		0	0	0	0	0
Krupesh Thakkar						
Ghanshyambhai Thakkar						
7) Coporate Gurantee						
Given By Company						
Vertex Laminate Pvt Ltd	60000000	60000000	0	0	60000000	60000000
Balance as at 31st March	39636050	47672104	0	0	39636050	47672104
8) Equity Contribution						
Ghanshyambhai A. Thakkar	0	0	0	0	0	0
Krupeshbhai G. Thakkar	0	0	0	0	0	0
9) Salary to Relative						
Krupaben K. Thakkar	0	0	1077312	819259	1077312	819259
(B) Balance at the end of the period						
1) Current Liabilities	0	0	0	0	0	0
2) Current Assets						
Rushil International	0	0	0	0	0	0
Vertex Laminate Pvt. Ltd.	0	0	0	0	0	0

18. Information required by Part II of Schedule VI to the Companies Act, 1956

- (a) Quantitative and value analysis of stock, production and sales turnover of finished goods :
* Net of trading sales of Rs 1,09,11,247/- (previous year Rs 1,04,74,728/-).

DECORATIVE LAMINATE SHEETS :

Particulars	Unit	2010-2011		2009-2010	
		QUANTITY	VALUE	QUANTITY	VALUE
Opening Stock	Nos	363629	142272314	382476	143928176
Production	Nos	2495318	901318885	2343958	726824729
Purchase	Nos	120	110197	232	105672
Sales	Nos	2400998	1024574357	2362115	928726523
Transfer (Self Consumption)	Nos	659	0	922	0
Closing Stock	Nos	457410	188207383	363629	142272314

PARTICLE BOARD :

Particulars	Unit	2010-2011			2009-2010		
		NOS.	SQ. MTR.	VALUE	NOS.	SQ. MTR.	VALUE
Opening Stock	Sq. Mtr.	32544	96876.935	11420190	0	0	0
Production	Sq. Mtr.	358185	1066245.108	64786810	79266	235959.029	20164077
Purchase	Sq. Mtr.	0	0	0	0	0	0
Sales	Sq. Mtr.	343927	1023801.894	129482400	46722	139082.094	15422085
Transfer (Self Consumption)	Sq. Mtr.	0	0	0	0	0	0
Closing Stock	Sq. Mtr.	46802	139320.194	17833722	32544	96876.935	11420190

- (b) Particulars of Consumption of major Raw Materials :

i) **Consumption of Raw Materials in terms of Value* and Percentage :**

Sr. No.	Particulars	2010-2011 Value	2009-2010 Value
i)	Imported	413166132 (50.19%)	289993806 (45.30%)
ii)	Indigenous	410036298 (49.81%)	350183633 (54.70%)

* Net of Trading Purchase Rs 1,08,44,239/- (Previous Year Rs 97,20,842/-)

- (c) Particulars of Power and Fuel Cost :

Sr. No.	Particulars (in Rs)	2010-2011 (in Rs)	2009-2010
1	Electricity	38893452	20078209
2	Firewood	6543200	8914630
3	Lignite & Coal	19923108	13783973
4	Diesal Expense	3673872	3202770
5	Rent for Diesal Generator	234000	531774
	Total	69267632	46530856

ii) **Consumption of Raw Materials in terms of quantity and value :**
DECORATIVE LAMINATES

Name of Raw Material	2010-2011		2009-2010	
	Qty.(Kgs.)	Amount (Rs.)	Qty.(Kgs.)	Amount (Rs.)
Base Paper	954311	807661475	817370	634335346
Tissue Paper	80073		51154	
Kraft Paper	9016246		8240187	
Padding Paper	34385		29538	
Phenol	1531936		1575400	
Melamine	918865		829019	
Formaldehyde	6057994		6210338	
Methanol	1564335		1423965	
Bopp Films	25893		18051	
Urea	772320		593263	
D.E.G.	22247		25959	
PTS Acid/Amide	1319		1165	
T.E.A.	1869		1215	

PARTICLE BOARD

Name of Raw Material	2010-2011		2009-2010	
	Qty.(Kgs.)	Amount (Rs.)	Qty.(Kgs.)	Amount (Rs.)
U.F.Resin	1933272	15540955	553342	5842093
M.F.Resin	111500		---	
Malesiyan Pine	6592005		1905875	
Fire Wood Waste	2275700		427995	
Santhi	5297654		2554265	

19. Foreign Currency Transactions :

* Expenditure in Foreign Currency :	<u>2010-2011</u>	<u>2009-2010</u>
- CIF Value For Import Raw Material	19,46,22,772/-	123661382/-
- CIF Value For Import Capital Goods	12,71,90,996/-	42057002/-
- Travelling Expenses	3,25,124/-	208667/-
- Exhibition Expenses	Nil/-	764401/-
- Bank charges & Commission	25,40,282/-	1586956/-

Earning in foreign Currency :

- C.I.F Value of sales	46,91,39,922/-	562631684/-
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* This includes actual inflow and outflow in foreign currency

20. Segment Reporting :

Primary

'Business' is the primary segment of the Company, comprising of 'Decorative Laminates' and 'Particle Board'.

Primary business segments – Revenue by nature of products: * Net of trading Sales of Rs. 1,09,11,247/- (previous year Rs 1,04,74,728/-)

Details	Sq. Mtr.	Nos.	Amount (in Rs)
Decorative Laminated Sheets *	N.A	2400998	1024574357
Particle Board	1023801.894	343927	129482400
Total	1023801.894	2744925	1154056757

Revenue by geographical regions (i) Decorative Laminated Sheets * Net of Trading sales of Rs 1,09,11,247/- (previous year Rs 1,04,74,728/-)

Details	Decorative Laminated Sheets	
	Nos.	Amount (in Rs)
India *	1314771	578564399
Outside India	1086227	446009958
Total	2400998	1024574357

Revenue by geographical regions (ii) Plain Particle Board

Details	Plain Particle Board		
	Sq. Mtr.	Nos	Amount (in Rs)
India	1023801.894	343927	129482400
Outside India	0	0	0
Total	1023801.894	343927	129482400

21. The balance due to directors during the period. Maximum Balance Rs.10,63,80,157/- Cr and Minimum Balance Rs.6,37,357/- (Previous Year : Maximum Balance Rs. 5,43,09,065/-Cr and Minimum Balance Rs. 22,157/-)
22. The following disclosures are made for the amounts due to the Micro, Small and Medium Enterprises :

(Rs. In lakhs)

(a)	i	Principal amount due and remaining unpaid	---
	ii	Interest due thereon	---
(b)	i	The delayed payments of Principal amount paid beyond the appointed date during the entire accounting year	---
	ii	Interest actually paid under Section 16 of the due thereon Micro, Small and Medium Enterprises Development Act,2006	---
(c)	i	Normal interest accrued during the year, for all the delayed payments, as per the agreed terms.	---
	ii	Normal interest payable for the period of delay in making payment as per agreed terms.	---
(d)	i	Total interest accrued during the year	---
	ii	Total interest accrued during the year and remaining unpaid	---

The above information regarding Micro, Small and Medium enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the Auditors.

23. Sundry creditors includes Rs. 10,16,289/- due to Small Scale & Ancillary industrial unit which is outstanding for more than 30 days as at the Balance Sheet date. (Previous year Rs. 6,01,088 /-) This disclosure is based on the information available with the company, regarding the status of the suppliers.



Sr. No.	Party's Name	Outstanding as on 31-03-11 (in Rs)
1.	S.P. Wood Works	742143
2.	Cooline Mfg Pvt Ltd	74121
3.	Sahil Enterprise	200025
4.	Arvind Rub-Web Controls Limited	-

24. 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 on clearance of goods. This has no effect on profit/loss for the period.

Signature to Schedules 1 to 23

As per separate report of even date attached.

For, and on behalf of the Board

For D. R. Thakkar & Co.
Chartered Accountants

[Dipak R. Thakkar]
PROPRIETOR
M. No. 43166
Firm Reg. No. 110895W

[Ghanshyambhai A.Thakkar]
Chairman

[Krupeshbhai G. Thakkar]
Managing Director

Place : Ahmedabad
Date : 4th July, 2011

[H. K. MODI]
Company Secretary

CASH FLOW STATEMENT

PARTICULARS	2010-2011 (in Rupees)	2010-2011 (in Rupees)	2009-2010 (in Rupees)	2009-2010 (in Rupees)
(A) Cash Flow From Operating Activities :				
Profit before tax		66327013		67,451,817
Adjustments for				
- Depreciation	23488544		17,565,440	
- Interest paid	55650275		47,035,075	
- Profit on Sale of Fixed Assets	(3535)		0	
- Loss on Sale of Fixed Assets	654652		161,657	
- Preliminary Exp., W/off	655090		655,091	
- Misc. Assets W/off	309493	80754519	229,494	65,646,757
Operating Profit Before Working Capital Changes		147081532		133,098,574
Adjustment for Change In:				
- Inventories	(77571696)		(23,195,877)	
- Receivable	29173104		28,161,990	
- Loans & Advances	2782408		2,787,663	
- Current liabilities	251384099		8,643,784	
- Provisions	(5021760)	200746155	3,707,253	20,104,813
		347827687		153,203,387
Income Taxes Paid	(15928109)		(20,492,498)	
Less : Income Tax Refund	4732	(15923377)	16,404	(20,476,094)
Net Cash Generated From Operations		331904310		132,727,293
(B) Cash flow from Investing activities :				
Purchase Of Fixed Assets	(487368020)		(202,329,998)	
Proceeds From Sale Of Fixed Assets	798552		649,798	
Purchase of Investments	(4233)		(2,915)	
Pre-Project Expenses	---		---	
Net Cash Generated From Investing Activities		(486573701)		(201,683,115)
(C) Cash Flow From Financing Activities :				
New Shares Issued	---		---	
Security Premium On Newly Issued Shares	---		---	
Secured Loans	246168430		114,622,970	
Unsecured Loans	60086775		20,939,732	
Interest Paid	(55650275)		(47,035,075)	
Interim - Dividend Paid (Including Tax on Interim Dividend)	-		(10,244,375)	
Dividend Paid (Including Tax On Dividend)	(20488750)		(11,732,500)	
Preference Share Capital Redeemed	0		---	
Amalgamation & Preliminary Exp.	(557531)		(595,000)	
Net Cash Generated From Financing Activities		229558649		65,955,752



PARTICULARS	2010-2011 (in Rupees)	2010-2011 (in Rupees)	2009-2010 (in Rupees)	2009-2010 (in Rupees)
Net Increase In Cash & Cash Equivalents		74889257		(3,000,070)
Cash & Cash Equivalents At The Beginning Of The Period		37191154		40,191,224
Cash & Cash Equivalents At The End Of The Period		112080411		37,191,154
Cash On Hand		4,266,871		892,077
Balances With The Banks		107,813,540		36,299,077
Cash And Cash Equivalents		112,080,411		37,191,154

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 Accountant of India.

As per separate report of even date attached.

For, and on behalf of the Board

For D. R. Thakkar & Co.
Chartered Accountants

[Dipak R. Thakkar]
PROPRIETOR
M. No. 43166
Firm Reg. No. 110895W

[Ghanshyambhai A.Thakkar]
Chairman

[Krupeshbhai G. Thakkar]
Managing Director

Place : Ahmedabad
Date : 4th July, 2011

[H. K. MODI]
Company Secretary

**FOR THE PERIOD 1-4-10 TO 31-03-11****BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE**

1	REGISTRATION DETAILS :	
	Registration No.	U25209GJ1993PLC019532
	State Code	4
	Balance Sheet Date	31-03-2011
2	CAPITAL RAISED DURING YEAR :	
	Public Issue	NIL
	Right Issue	NIL
	Bonus Issue	NIL
	Pvt. Placement	NIL
3	POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS :	
	Total Liabilities	1201120847
	Total Assets	1201120847
4	SOURCES OF FUNDS :	
	Paid up Capital	87562500
	Secured Loan	711118618
	Reserves & Surplus	167028909
	Unsecured Loan	182265055
	Deferred Tax Liability	53145765
5	APPLICATION OF FUNDS :	
	Net Fixed assets	885589537
	Net Current Assets	312174963
	Investments	87148
	Preliminary Expenses	3269199
6	PERFORMANCE OF THE COMPANY :	
	Total Income	1238632587
	Total Expenses	1172305574
	Profit Before Tax	66327013
	Profit After Tax	44752393
	Earning Per Share	5.11
	Dividend Rate	5%
7	GENERIC NAMES OF PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY :	
	Item Code	N.A.
	Item Description :	Manufacturing of Decorative Laminate Sheets and Plain Particle Board

Signatures to Schedule " 1 " to " 23 " forming the part of the Balance SheetFor D. R. Thakkar & Co.
Chartered Accountants

For, and on behalf of the Board

[Dipak R. Thakkar]
PROPRIETOR
M. No. 43166
Firm Reg. No. 110895W[Ghanshyambhai A.Thakkar]
Chairman[Krupeshbhai G. Thakkar]
Managing DirectorPlace : Ahmedabad
Date : 4th July, 2011[H. K. MODI]
Company Secretary



RUSHIL DECOR LIMITED

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

PROXY FORM

Folio No. : _____

*DP ID : _____

*Client ID : _____

I/we _____ of _____ being
a member / members of RUSHIL DÉCOR LIMITED, hereby appoint _____ of
_____ or failing him/her _____
of _____ as my/our proxy to vote for me/us on my/our
behalf at the 17th Annual General Meeting of the Company to be held on Wednesday, 21st September,
2011 at 11.00 a.m. and at any adjournment thereof.

Signed this _____ day of _____ 2011

Affix
Rs. 1/-
Revenue
Stamp

Signature _____

* Applicable in case of shares held in Demat.

Notes :- The proxy should be deposited with the Company not later than 48 hours before the commence-
ment of the meeting. The proxy need not be a Member of the Company.

_____ (TEAR HERE) _____

RUSHIL DECOR LIMITED

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

ATTENDANCE SLIP

(To be presented at the entrance)

I hereby record my presence at the 17th Annual General Meeting of the Company held on Wednesday,
21st September, 2011 at 11.00 a.m. at the Registered Office of the Company

Folio No. _____ DP ID No. _____ Client ID No. _____

Name of the Member : _____ Signature : _____

Name of the Proxy holder : _____ Signature : _____

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.

Successful Present. Promising Future.

Proposed Layout for Rushil's Ambitious MDF Project in Karnataka



Rushil Décor - the name with innovative and quality streak has been surging ahead by adding newer benchmarks to its exemplary profile. Ever since the inception, the group has stood firm on the grounds of ultimate quality. With the flagship brand Vir Laminate, Rushil Décor has touched new horizons of excellence. An ISO 9001 and 14001 certified company, Rushil Décor offers solutions class apart. Apart from Vir Laminate, the company is exploring new frontiers to excel by adding more brands to its portfolio. The latest to enter is MDF Board project. An ambitious project with the huge setup at Chikmagalur, Karnataka will soon be operational. Having installed capacity of 90000 M3 per annum, MDF Board plant will take Rushil in to the next orbit of advancement.



Rushil Decor Limited

Corporate Office : 1, Krinkal Apt., Mahalaxmi Society,
Paldi, Ahmedabad-380007, Gujarat, India.
Ph : 91-79-26651346, 26651732, 26622323
Fax : 91-79-26640969

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