



**CERTIFIED TO BE TRUE
FOR, BLOOM DEKOR LTD.**

DIRECTOR

**BLOOM DEKOR LIMITED
ANNUAL REPORT
2 0 0 8 - 2 0 0 9**

BLOOM DEKOR LIMITED**DIRECTORS**

Shri Mayur Parikh
 Dr. Sunil Gupta
 Mrs. Rupal Gupta
 Shri Chirag Mehta
 Dr. Ramesh Shah

Chairman
Managing Director
Executive Director
Director
Director

LEGAL ADVISORS

C. C. Gandhi & Co.
 2, Prabhat Society,
 Ahmedabad - 380 014.

BANKERS

State Bank of India
 The Karur Vysya Bank Ltd.

AUDITORS

M/s. B. T. Vora & Co.
 Chartered Accountants
 Ahmedabad - 380 009.

HEAD OFFICE

2/F, SUMEL,
 S.G. Highway Road, Thaltej
 Ahmedabad - 380 059.

REGISTERED OFFICE & WORKS

Oran 267, Tal. Prantij, Dist. : Sabarkantha
 National Highway No. 8
 North Gujarat - 383 205.

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NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of Bloom Dekor Limited will be held on 25.09.2009 (Friday) at 11.00 a.m. at the Registered Office of the Company at 267, Village Oran, Tal. Prantij, Dist. Sabarkantha, to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31.03.2009 and the profit and loss account for the period ended on 31.03.2009 and Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Dr. Ramesh Shah who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Ordinary Resolution:-

"RESOLVED THAT pursuant to provisions of Section 257, 260 and other applicable provisions, if any, of Companies Act, 1956 (including any statutory modification and re-enactment thereof for the time being in force) Shri Chirag Mehta who was appointed as an additional Director with effect from 24.10.2008 be and is hereby appointed as Director of the Company liable to retires by rotation.

By order of the Board

Place : Ahmedabad

Date : 30.06.2009

Mayur Parikh
Chairman

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company. Proxies in order to be effective must reach the Registered Office of the Company not less than 48 hours before the time fixed for the Meeting.
2. The relevant Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item No. 4 of Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from (Friday) 18th September, 2009 to (Friday) 25th September, 2009 (both days inclusive).
4. Shareholders desirous of any information on records of accounts are requested to write to the Company before 10 days of Annual General Meeting so as to enable the Management to keep the information ready.
5. The copies of relevant documents can be inspected at the Registered Office of the Company on any working day between 11.00 a.m. to 5.00 p.m.
6. Members are requested: -
 - i) to bring the copy of the Annual Report at the Meeting.
 - ii) to notify any change in address to the Company.
7. Consequent to the amendment to Section 205A of the Companies Act, 1956 and introduction of Section 205C by the Companies (Amendment) Act, 1999, the amount of dividends remaining unclaimed for a period of

BLOOM DEKOR LIMITED

seven years is to be transferred to the Investor Education and Protection Fund. Accordingly the dividend declared for the financial year ended 31st March 2002 will be transferred to investor Education and Protection Fund. Thereafter on transfer of the same Investor Protection Fund the member will not be claim the same.

Members who have not encashed the dividend warrants for the financial year ended 2001-2002 and/or any subsequent year are requested to write to the Registrar and Share Transfer Agent giving the necessary details.

8. Members who hold the shares in dematerialized form are requested to bring their Client ID and DP ID for easier identification of attendance at the AGM.
9. Members holding the shares in physical mode are requested to notify immediately for change of their address and bank particulars to the Company or its Share Transfer Agent.

AND

In case their shares are held in dematerialized form then information should be passed on directly to their respective Depository Participant and not to the Company / Share Transfer Agent without any delay.

10. The annual listing fees of all the Stock Exchanges where Company's shares are listed are generally being paid regularly.
11. Re-appointment of Director.
 - (a) At the ensuing Annual General Meeting Dr. Ramesh Shah, Director retires by rotation and being eligible, offers himself for re-appointment. The information or details pertaining to Dr. Ramesh Shah, to be provided in terms of Clause 49 of the Listing Agreement are furnished in the Statement on Corporate Governance published elsewhere in this Report.
 - (b) Shri Chirag Mehta, who was appointed as additional Director during the year holds office till the conclusion of the ensuing Annual General Meeting and a notice in writing proposing his candidature for appointed as regular Director was received from a shareholders of the Company and has been proposed to be appointed as Director of the Company. In terms of Clause 49 of the Listing Agreement the details are furnished in the Statement on Corporate Governance published elsewhere in this Report.

ANNEXURE TO NOTICE

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF
THE COMPANIES ACT, 1956, IN RESPECT OF ITEM NO. 4 OF NOTICE IS ANNEXED HERETO.**

Item No. 4

Shri Chirag Mehta, who was appointed as additional Director during the year holds office till the conclusion of the ensuing Annual General Meeting and a notice in writing proposing his candidature for appointed as regular Director was received from a shareholders of the Company and has been proposed to be appointed as Director of the Company. Pursuant to provisions of Section 257 and 260 of the Companies Act, 1956, it is necessary to pass an ordinary resolution at the Annual General Meeting of the Shareholders of the Company. Therefore the present resolution has been proposed for approval of the Shareholders.

None of the Directors are concerned or interested directly or indirectly in the proposed resolution.

By order of the Board

Place : Ahmedabad
Date : 30.06.2009

Mayur Parikh
Chairman



DIRECTORS' REPORT

Dear BLOOM DEKOR LIMITED members,

The Directors take pleasure in presenting the Eighteenth Annual Report along with the Audited Statement of Accounts for the year ended 31st March 2009, as under:

FINANCIAL HIGHLIGHTS:

Particulars	(Rs. in Lacs)	
	Year Ended 31/03/2009	Year Ended 31/03/2008
Income from operations	3392.00	3050.95
Other Income	51.19	64.78
Total Expenditure	3063.73	2847.86
Interest	197.92	130.92
Profit before Amortisation, Depreciation & Prior Period Adjustment	181.54	136.95
Differed Revenue Expenses Written Off & Prior Period Adjustment	7.44	0.54
Depreciation	121.76	104.67
Provision for Tax - Current / Deferred	21.40	31.30
Net Profit after depreciation and tax	30.94	0.43
Profit / (Loss) brought forward	592.08	591.65
Net Profit / (Loss) carried to Balance Sheet	623.02	592.08

Management Discussions and Analysis

FINANCIAL PERFORMANCE:

Bloom Dekor Limited is engaged in the manufacture of high pressure laminate sheets used in the furniture industry as well as interiors. The Company was mainly exporting its products till 2005-06. The growth in the local market and the continuous strengthening of the Rupee against the USD opened new opportunities for the company to shift focus onto the domestic markets. The result was a steep rise in domestic sales and some reduction in Exports. Domestic sales has shown a growth of 20% over the previous year 07-08. The company is not only growing but has also achieved a change in the ratio of domestic to export sales which is now at 1.7:1

The gross turnover of the company in the year 2008-09 has shown a growth of 9.64% as compared to the previous year which also exceeded the projections. The turnover of the company in the year 2008-09 was Rs.3672.13 Lacs as against Rs.3349.12 Lacs in 2007-2008.

The domestic markets in India have shown tremendous up trends in demand due to boom in the construction industry and new design concepts emerging for sophisticated interiors. This is reason enough for the increase in domestic laminate sales and strategic decisions taken by the management have helped in improving the top line of the company both in domestic and international markets.

During the financial year under review, there had been a number of external factors adversely affecting the performance and profitability of the Company i.e Increase in 1) raw material cost, for chemicals like Phenol, Methanol, Formaldehyde and Melamine due to rising crude oil prices upto 3rd quarter. 2) Unfavourable exchange rates of US Dollar and EURO 3) Increase in both inward and outward freight costs due to high fuel prices. In addition to this, frequent shortage of raw materials also affected the overall production and in turn, the anticipated top line of the Company.

Despite the downturn in the economy Bloom Dekor has returned an increase of 10% on the top line with better margins.

INDUSTRY OVERVIEW AND DEVELOPMENTS:

Globally, the decorative laminate industry is projected to have a marginal growth. However, the domestic market is showing a very healthy double digit growth, which appears to be sustainable for the coming decade mainly on account of boom in the real estate markets which has put a high demand for decorative laminate sheets catering to the interior decoration of the innumerable residential and commercial buildings sector.

At the same time, the Chinese invasion with low prices is adding pressure on the price realizations. The contribution of Indian laminate industry to the world demand is still under utilized and offers a lot of opportunity for the growth in volume but the value growth is not correspondingly high. A lot of cost control in the process will have to be ensured to improve ROI.

BLOOM DEKOR LIMITED**NEW DOOR PROJECT:****OUTLOOK & OPPORTUNITIES :**

The Management of Bloom Dekor Limited is pleased to announce the commencement of the door project located in the same campus as the laminate factory and has a capacity to produce 63000 doors per annum on two shift basis. The market size for Engineered panel doors projected at Rs.1250 Crs. gives very easy market access to achieve a target of Rs. 20 Crs per annum which also happens to be the capacity of the plant.

As a strategic decision the management decided to add designer flush doors to the product profile to keep the order position healthy for the organization and you will be pleased to learn that orders have started multiplying and the plant will be in full swing by the third quarter of 2009.

PROFESSIONAL MANAGEMENT

Your company is poised for phenomenal growth and has also started the Management restructuring process and introduction of modern systems to ensure total professional approach to business. Bloom Dekor Limited enjoys a Brand reputation of holding the No.2 position in India. The company is also planning an official tie-up overseas for enhancing the laminate business.

RISK PERCEPTION:

Looking at the price movement of world crude oil prices, there would be noticeable variations in prices and supply of various chemicals and raw materials. Considering the current inflation index at -1.75% business will tend to be good but competitive and challenging.

However, the company is determined and focused to gain momentum in growth and to improve their profit margins substantially for the coming financial year.

For the doors division competition will come in from cheaper doors being marketed by Chinese companies and not to forget the growth of new companies which would be wanting to tap the huge market that exists for the eco-friendly engineered panel doors and designer flush doors. This will induce heavy pressure on the cost control during the manufacturing process.

INTERNAL CONTROLS & THEIR ADEQUACY:**a) Internal Audit & Inspection:**

A comprehensive system of internal inspection and audit is in place in the company to monitor internal control systems. The scope and coverage of the Audit is reviewed from time to time to make it more focused and effective. The system of both out-sourcing and in-house audit continued during the year 2008-2009.

HUMAN RESOURCES:

During the year under review the employee attrition was minimal. The management continues its efforts in imparting professional training to Executives and Staff members at various levels with the view to upgrade their competence and managerial abilities. New HR manager and a financial controller will be inducted this year to cater to the increased business projected for Bloom Dekor Limited. The Industrial relations in the company continued to be cordial in the year 2008-2009.

New focus is being given to improve safety for the workers and improve awareness of work place management through training on 5S principles.

CAUTIONARY STATEMENT:

The statements and observations made in this analysis are reflective of the collective opinion of the company. Wherever possible, conservative estimates have been considered.

Certain statements in this section relating to estimates, projections and expectations may be forward looking within the meaning of applicable laws and regulations. The actual results could differ marginally from what the directors envisage in terms of the future performance and outlook. The factors that may affect the performance of the company will be changes pertaining to government policies, tariff barriers, delays in registrations, changes in local and overseas markets and the related factors there of.

"OLIVE" LAMINATES: A NEWLY INTRODUCED BRAND

The launching of the new brand "OLIVE" laminates, has been very well received with very good response from the market. This is the result of research and development carried out over the years to offer to the customer an excellent value for money product. New Distributors have been appointed in all major cities of India.

**FIXED DEPOSIT:**

During the year under review, the Company has not accepted any Deposits from Public.

DIRECTORS:

As per the Articles of Association Dr. Ramesh Shah retires by rotation but being eligible, offers himself for reappointment. Shri Ashok Gandhi resigned from the directorship of the Company during the year due to his other pre-occupations. Board took on record appreciation for the services of Shri Ashok Gandhi to the Company. Shri Chirag Mehta was appointed as an additional director during the year and holds office till the conclusion of the ensuing of the Annual General Meeting. A proposal for his appointment as regular director has been received and the same is being considered at the ensuing AGM of the Company.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to sub-section (2AA) of Section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- (i) In the preparation of the Annual Accounts, the applicable accounting standards were followed:
- (ii) The Directors had selected such accounting policies and applied them consistently, 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 that period;
- (iii) The Directors had 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.
- (iv) The Directors had prepared the annual accounts on a going concern basis.

CORPORATE GOVERNANCE:

Your Company strives to incorporate the appropriate standards for corporate governance. Pursuant to Clause-49 of listing agreement to the Stock Exchange Corporate Governance Report and Auditors' Certificate on its compliance is annexed and forms part of this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO:

The details of Conservation of energy, Technology Absorption and Foreign Exchange earnings and outgo as per section 217(1) (e) read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 as amended are given in the Annexure-I forming part of this report.

AUDITORS:

The Company's Auditors M/s. B.T. Vora & Co., Chartered Accountants, Ahmedabad will retire at the conclusion of ensuing Annual General Meeting and offer themselves for reappointment.

AUDITORS' REPORT:

Notes forming part of the Accounts, which are specifically, referred to by Auditors in the Report are self-explanatory and therefore do not call for any further comments.

PARTICULARS OF EMPLOYEES:

Information to be provided under Section 217(2A) of the Companies Act, 1956 read with Companies (particulars of employees) Rules, 1975 as amended has been attached forming part of this report

ACKNOWLEDGEMENT:

The Directors take this opportunity to thank all their valued customers; business associates and vendors for their kind support. The Directors also record their appreciation for the sincere and dedicated efforts put in by all the employees at all levels for their contribution towards this performance. The co-operation of our bankers State Bank of India and The Karur Vysya Bank Ltd. have been commendable and have helped us through the year. The Management also thanks their share holders.

For and On behalf of the Board

Place : Ahmedabad

Date : 30/06/2009

Mayur Parikh
Chairman

BLOOM DEKOR LIMITED**ANNEXURE TO THE DIRECTORS' REPORT****Annexure-I**

Information pursuant to the Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 as amended.

(1) CONSERVATION OF ENERGY:

The average consumption of Electricity per unit of production is increased / decreased to 1.85 units from 1.64 per unit of production in the Financial Year 2008-2009.

The steps taken to replace fuel requirements from Thermax Boiler to Fire Wood and Lignite was effective. The fuel consumption per unit of production has increased to 5.89 units per unit of production from 5.24 as recorded in the financial year 2008-2009.

(2) TECHNOLOGY ABSORPTION:**NIL****(3) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Total Exchange used and earned.

	2008-2009	(Rs. in Lacs) 2007-2008
i Foreign Exchange earned including Direct and Indirect exports.	1201.68	1217.59
ii Foreign Exchange used	987.58	1554.04

FORM - A**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSUMPTION OF ENERGY:**

	Current Year	Previous Year		Current Year	Previous Year
(A) Power and Fuel Consumption			5). Others		
1) Electricity :			(a) Gas :		
a) Purchase :			Quantity Consumed in M3	NIL	NIL
Units	15,47,686	16,12,692	Total Cost		
Total Amount	92.93	76.72	Rate		
(Rs. in Lacs)			(b) L.P.G. :		
Rate/Unit	6.00	4.75	Quantity Consumed	NIL	NIL
(b) Own Generation			Total Cost		
i. Through Diesel			Rate		
Generator Units	33,004	20,764	(B) Consumption per Unit of Production		
Unit per liter of Fuel	4.04 Lacs	2.62 Lacs	ELECTRICITY (UNITS/UNIT OF PRODUCTION).	1.85	1.64
(Total Diesel used)			FIRE WOOD & LIGNITE		
Cost/Unit	Rs. 12.24	Rs. 12.64	(LTS, KGS/UNIT OF PROD.)	5.89	5.24
ii. Through Steam					
Generator Units:	NIL	NIL			
Unit per litre of Fuel					
Cost/Unit					
2) Coal :					
Quantity	NIL	NIL			
Total Cost					
Average rate					
3) Lignite :					
Quantity	NIL	NIL			
Total Cost					
Average rate					
4) Fire Wood & Lignite :					
Quantity (in Kgs.)	49,02,560	52,05,155			
Total Amount (Rs. in Lacs)	141.64	108.89			
Average rate/Kgs.	2.89	2.09			

FORM - B**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION OF TECHNOLOGY, RESEARCH & DEVELOPMENT.****RESEARCH AND DEVELOPMENT (R&D)**

1. Specific areas in which R & D is carried out by the Company	Nil	Nil
2. Benefits derived as a result of the above R & D	Nil	Nil
3. Future plan of action	Nil	Nil
4. Expenditure on R & D	Nil	Nil
(a) Capital	Nil	Nil
(b) Benefits derived as a result of the above R & D	Nil	Nil
(c) Future plan of action	Nil	Nil
(d) Total R & D expenditure as a percentage of total turnover adaptation and innovation.	Nil	Nil



CORPORATE GOVERNANCE REPORT

In compliance with the Corporate Governance requirements as stipulated in Clause 49 of the Listing Agreement with the Stock Exchanges, the Company has been incorporating a separate section on Corporate Governance for the last few years, in its Annual Report. The Shareholders and Investors of the Company would have found the information very informative & useful.

The Company's policies on the Corporate Governance and due compliance report on specific areas wherever applicable for the year ended 31st March, 2009 are given hereunder divided into the following areas:-

I. Company's philosophy on Corporate Governance:-

The Company continues to commit itself to maintaining the highest standards of integrity, transparency and accountability in all facets of its operations and to create Shareholders' value on a sustainable basis. Bloom believes that good Corporate Governance, with transparency and independence as its key ingredients, provides a market-oriented framework for the running of Companies. It can ensure a proper balance between management, board and shareholders, adequate levels of transparency, appropriate compensation schemes and the prevention of conflict of interests.

II. Board of Directors:-

(a) Composition of the Board:

The Board of Directors of the Company comprises two Executive Directors and three Non-Executive Directors.

(b) Board Procedure:

Board members are provided appropriate documents and information pertaining to the matters to be considered at each Board and Committee meetings, to enable the Board to discharge its responsibilities effectively and the Chairman and Managing Director reviews the overall performance of the Company.

Board meeting held during the financial year 2008-2009

The board of directors of the Company met five times on 30th May 2008, 30th June 2008, 06th August 2008, 24th October 2008 and 22nd January 2009. The directors' attendance record, directorships and committee positions are noted below:

Name of Director	Position	Attendance at Meetings	Directorships in other Public Limited Companies	Committee Membership of other Companies	Board Committee Chairmanship of other Companies	
Board 16th AGM (out of 5) on 06/09/2008						
Shri Mayur Parikh	Non-Executive / Independent Director / Chairman	5	Yes	2	2	1
Dr. Sunil Gupta	Managing Director	5	Yes	1	Nil	Nil
Smt. Rupal Gupta	Executive / Promoter / Executive Director	4	Yes	Nil	NIL	Nil
Shri Chirag Mehta (w.e.f. 24/10/2008)	Non-Executive / Independent Director	2	NO	Nil	Nil	Nil
Dr. Ramesh Shah	Non-Executive / Independent Director	4	NO	Nil	Nil	Nil
Shri Ashok Gandhi (Till 24/10/2008)	Non-Executive / Independent Director	4	Yes	Nil	Nil	Nil

Excluding Directorships in Foreign Companies and those under Section 25 of the Companies Act, 1956.

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All the Directors who are on various Committees are within the permissible limits of the listing agreement. The Directors have intimated from time to time their membership in various Committees in other Companies.

(c) Code of Conduct:

The Company has framed a code of conduct for the members of the Board of Directors and Senior Management personnel of the Company. The said code of conduct is available on the website of the Company. The declaration by Dr. Sunil Gupta, Managing Director of the Company regarding compliance by the Board members and Senior Management personnel with the said code of conduct is given as Annexure I and Annexure II to this Report. In addition to this a separate code of conduct for dealing in equity shares and other securities having voting rights of the Company is also in place.

(d) Remuneration Committee:

Remuneration to executive directors has been decided based on the years of experience and contribution made by the respective executive directors and is consistent with the existing industry practice. As regard payment of sitting fees to non-executive directors, the same is within the limits prescribed by the Companies Act, 1956. The committee was reconstituted during the year due resignation of Shri Ashok Gandhi. Shri Chirag Mehta, newly appointed director was replaced as member of the committee in place of Mr. Gandhi. The details of remuneration paid to directors during the financial year 2008-2009.

Name of the Members	Chairman/Member	No. of meetings attended
Shri Mayur Parikh	Chairman	1
Shri Ashok Gandhi (Till 24/10/2008)	Member	1
Shri Chirag Mehta (w.e.f. 24/10/2008)	Member	Nil
Dr. Ramesh Shah	Member	1

(e) Details of sitting fees, commission and remuneration paid/payable to Directors:

The details of remuneration paid to directors during financial year 2008-2009 is mentioned below:

(i) Non-Executive Directors:

The non-executive directors are not paid any remuneration except sitting fees for attending the meetings of the board of directors and/or committees thereof.

Name of the Directors	Commission Payable for the year	Sitting fees paid during the year	Total
Shri Mayur Parikh	—	26,000/-	26,000/-
Shri Ashok Gandhi	—	22,000/-	22,000/-
Shri Chirag Mehta	—	Nil	Nil
Dr. Ramesh Shah	—	34,000/-	34,000/-

(ii) Executive Directors:

Dr. Sunil Gupta ** 24.39 Lacs

Smt. Rupal Gupta *** 4.95 Lacs

** Period of re-appointment of Managing Director : 01/09/2008 to 31/08/2011

The Managing Director remuneration detail : Not exceeding Rs.1,40,000/- over and above perks per month for a period of three years w.e.f. 01/09/2008

*** Period of Appointment of Executive Director : 01/05/2007 to 30/04/2010

The Executive Director remuneration detail : Rs.20,000/- per month plus perquisites of a Period of three years w.e.f. 01/05/2007