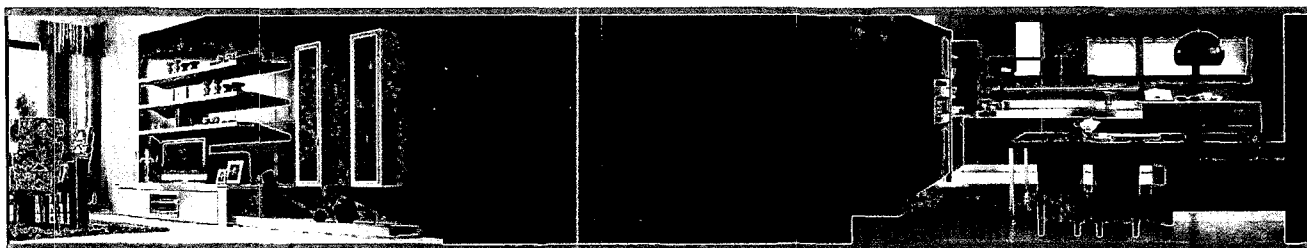




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BLOOM DEKOR LIMITED
ANNUAL REPORT
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DIRECTORS

Shri Mayur Parikh
Dr. Sunil Gupta
Smt. 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.
Punjab National Bank

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.

NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the Members of Bloom Dekor Limited will be held on 07th August, 2010 (Saturday) 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:-

perquisites shall be restricted to annual salary of the appointee."

By order of the Board

Place : Ahmedabad

Date : 29.05.2010

Chairman

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31.03.2010 and the profit and loss account for the period ended on 31.03.2010 and Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Chirag Mehta 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 269,309,314 and other applicable provisions, if any, read with Schedule XIII of the Companies Act,1956 and subject to approval of Shareholders at the ensuing General Meeting of the Company, consent of the company be and hereby accorded for re-appointment and revision in the remuneration of Smt. Rupal Gupta, Executive Director of the Company for a period of three years with effect from 01/05/2010 for a period of 3 years on the following terms and conditions subject to such modifications, if any, as may be acceptable to the Board of Directors of the Company and Smt. Rupal Gupta within the ceiling as laid down under the provisions of the Companies Act, 1956.

- 1] Salary of Rs.48000/- (Rupees Forty Eight Thousand Only) per month and House Rental Allowance of Rs.28800/-(Rupees Twenty Eight Thousand Eight Hundred Only) per month with an annual increment of 15% p.a.
- 2] Perquisites and Benefits: Perquisites may be allowed in addition to salary and/or commission or both permissible under the provisions of the Companies Act, 1956 but

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 3/8/2010 to 6/08/ 2010 (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 seven years is to be transferred to the Investor Education and Protection Fund. Accordingly the dividend declared for the financial year ended 31st March, 2003 will be transferred to Investor Education and Protection Fund. Thereafter on transfer of the same to Investor Protection Fund the members will not be able to claim the same.

Members who have not encashed the dividend warrants for the financial year ended 2002-2003 and /or any subsequent year are requested to write to the Registrar and Share Transfer Agent giving 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 Mr. Chirag Mehta Director retires by rotation and being eligible, offers himself for re-appointment. The information or details pertaining to Mr. Chirag Mehta, 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] At the ensuing Annual General Meeting Smt. Rupal Gupta, who was earlier appointed as an Executive Director for a period of 3 years has been hereby re-appointed for a further period of three years at the meeting of the board of directors held on 29/01/2010 with effect from 01/05/2010 on the following terms and conditions subject to such modifications, if any as may be decided by the members in their meeting.
 - 1] Salary of Rs.48000/- (Rupees Forty Eight Thousand Only) per month and House Rental Allowance of Rs.28800/- (Rupees Twenty Eight Thousand Eight Hundred Only) per month with an annual increment of 15% p.a.

- 2] Perquisites and Benefits: Perquisites may be allowed in addition to salary and/or commission or both permissible under the provisions of the Companies Act, 1956 but perquisites shall be restricted to annual salary of the appointee."

The information or details pertaining to Smt. Rupal Gupta, 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.

**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

Smt. Rupal Gupta, who was earlier appointed as an Executive Director for a period of 3 years has been hereby re-appointed for a further period of three years at the meeting of the board of directors held on 29/01/2010 with effect from 01/05/2010 on the following terms and conditions subject to such modifications, if any as may be decided by the members in their meeting.

- 1] Salary of Rs.48000/- (Rupees Forty Eight Thousand Only) per month and House Rental Allowance of Rs.28800/- (Rupees Twenty Eight Thousand Eight Hundred Only) per month with an annual increment of 15% p.a.
- 2] Perquisites and Benefits: Perquisites may be allowed in addition to salary and/or commission or both permissible under the provisions of the Companies Act, 1956 but perquisites shall be restricted to annual salary of the appointee."

Pursuant to provisions of Section 269,309,314 and other applicable provisions, if any read with Schedule XIII 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 except Dr. Sunil Gupta and Dr. Ramesh Shah relatives of the appointee are concerned or interested directly or indirectly in the proposed resolution.

By order of the Board

Place : Ahmedabad
Date : 29.05.2010

Chairman

DIRECTORS' REPORT

Dear BLOOM DEKOR LIMITED members,

The Directors take pleasure in presenting the Nineteenth Annual Report along with the Audited Statement of Accounts for the year ended 31st March 2010, as under:

FINANCIAL HIGHLIGHTS:

Particulars	(Rs. in Lacs)	
	Year Ended 31/03/2010	Year Ended 31/03/2009
Income from operations	4123.88	3392.00
Other Income	65.12	51.19
Total Expenditure	3726.13	3063.73
Interest	203.13	197.92
Profit before Amortisation, Depreciation & Prior Period Adjustment	259.74	181.54
Differed Revenue Expenses Written Off & Prior Period Adjustment	0.31	7.45
Depreciation	131.55	121.76
Provision for Tax – Current / Deferred	26.37	21.39
Net Profit after depreciation and tax	101.51	30.94
Profit / (Loss) brought forward	623.02	592.08
Net Profit / (Loss) carried to Balance Sheet	724.53	623.02

Management Discussions and Analysis**FINANCIAL PERFORMANCE:**

Bloom Dekor Ltd. is engaged into the manufacturing of high pressure laminate sheets used in the furniture industry as well as interiors. The Company was mainly exporting its products till 2006-07. 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. Domestic sales has shown a growth of 37.72% over the previous year 08-09.

The gross turnover of the company in the year 2009-10 has shown a growth of 21.58% as compared to the previous year which also exceeded the projections. The turnover of the company in the year 2009-10 was Rs. 4123.88 Lacs as against Rs.3672.13 Lacs for the previous year 2008-09.

The domestic markets in India have shown tremendous up trends in demand due to a 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 the domestic and the 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. 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 21.58% 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.

OUTLOOK & OPPORTUNITIES :

LAMINATES:

Laminate industry in India is growing at a rapid speed, in spite of many new entrants in the market. Although the competition has increased, it has created awareness amongst the consumers and has benefited to the organized players like Bloom. Bloom has its own standing in the market and is known as a premium brand. With the help of versatile product range in Laminates and with two Brands, **BLOOM – Simply d'front and OLIVE – value for money**, it can cater the needs of both the Trade and the Influencers. Company is poised to become a market leader soon. The platform is ready, we just need to take off!

DOORS:

The Company's entry into door business was marked by down trend in construction industry and fierce competition from unorganized sector. Hence, Bloom N'doors going very tough in this business. Hence, Bloom N'doors introduced up-market, environment friendly new generation – engineered doors which found lots of interests in the market. Many builders were interested in using them as entrance doors due to rich and esthetic look of solid door but value for money.

PROFESSIONAL MANAGEMENT

The 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.

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 -0.14%, 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 2009-2010.

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. The Industrial relations in the company continued to be cordial in the year 2009-2010.

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.

FIXED DEPOSIT:

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

DIRECTORS:

As per the Articles of Association Mr. Chirag Mehta retires by rotation but being eligible, offers himself for reappointment. Smt. Rupal Gupta was re-appointed as Executive Director for a period of three years w.e.f. 1.5.2010 at remuneration set out in item No.4 to the notice calling AGM subject to approval of shareholders.

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:

There is no employee of the company drawing total remuneration of Rs. 24,00,000 p.a. or Rs.2,00,000 p.m. as required u/s 217(2A) of The Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975

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 previous bankers State Bank of India, The Karur Vysya Bank Ltd. and now Punjab National Bank have been commendable and have helped us through the year. The Management also thanks their share holders.

Place: Ahmedabad Date: 29/05/2010
For and On behalf of the Board
Chairman

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 has decreased to 1.67 units from 1.85 per unit of production in the Financial Year 2009-2010.

(2) TECHNOLOGY ABSORPTION:

NIL

(3) FOREIGN EXCHANGE EARNINGS AND OUTGO: Total Exchange used and earned. (Rs. in Lacs)

	2009-2010	2008-2009
i Foreign Exchange earned including Direct and Indirect exports	1097.82	1201.68
ii Foreign Exchange used	1082.77	987.58

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			(a) Purchase :		
Electricity			Units		
Total Amount (Rs. in Lacs)	18,47,288	15,47,686	Rate/Unit	5.98	6.00
Own Generation			(b) Through Diesel		
Generator Units	14,260	33,004	Unit per liter of Fuel	2.06 Lacs	4.04 Lacs
(Total Diesel used)			Cost/Unit	Rs. 14.48	Rs. 12.24
Through Steam			Generator Units:	NIL	NIL
Unit per litre of Fuel			Cost/Unit		
Coal :			Quantity	NIL	NIL
Total Cost			Average rate		
Lignite :			Quantity	NIL	NIL
Total Cost			Average rate		
Fire Wood & Lignite :			Quantity (in Kgs.)	63,21,133	49,02,560
Total Amount (Rs. in Lacs)	156.28	141.64	Average rate/Kgs.	2.47	2.89

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, 2010 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 2009-2010

The board of directors of the Company met five times on 30th April, 2009, 30th June, 2009, 30th July, 2009, 31st October, 2009 and 29th January, 2010. 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 (out of 5) on 30/09/2009						
Shri Mayur Parikh	Non-Executive / Independent Director / Chairman	5	Yes	2	3	1
Dr. Sunil Gupta	Managing Director	5	Yes	1	Nil	Nil
Smt. Rupal Gupta	Executive / Promoter / Executive Director	5	Yes	Nil	NIL	Nil
Shri Chirag Mehta	Non-Executive / Independent Director	5	Yes	Nil	Nil	Nil
Dr. Ramesh Shah	Non-Executive / Independent Director	5	NO	Nil	Nil	Nil

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

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 details of remuneration paid to directors during the financial year 2009-2010 Meeting of the Remuneration Committee was held on 29/01/2010

Name of the Members	Chairman/Member	No. of meetings attended
Shri Mayur Parikh	Chairman	1
Shri Chirag Mehta	Member	1
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 2009-2010 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	—	17,500/-	17,500/-
Shri Chirag Mehta	—	17,500/-	17,500/-
Dr. Ramesh Shah	—	5,500/-	5,500/-

(ii) Executive Directors:

Dr. Sunil Gupta ** 26.88 Lacs

Smt. Rupal Gupta *** 5.22 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 Reappointment of Executive Directors : 01/05/2010 to 30/04/2013

The Executive Director remuneration detail : Rs.48,000/- per month plus perquisites of a Period of three years w.e.f. 01/05/2010.

III. Audit Committee:

Role and terms of reference

The board terms of reference includes the following as is mandated in Clause 29 of listing agreement and Section 292A of Companies Act, 1956: