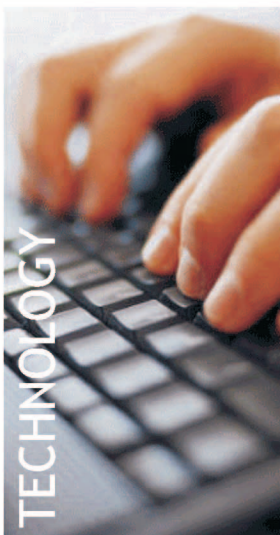




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TECHNOLOGY



INNOVATION



PERFECTION



CUSTOMER
SATISFACTION



**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 Navnitlal 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 Navnitlal Doshi	Member	Independent Director