



RUSHIL DECOR LIMITED

Corporate Office:  
Rushil House  
Near Neelkanth Green Bungalow,  
Off Sindhu Bhavan Road, Shilaj,  
Ahmedabad-380058, Gujarat, INDIA.

Regd. Office:  
S. No. 125, Near Kalyanpura Patia, Village ITLA,  
Gandhinagar-Mansa Road, Ta. Kalol,  
Dist. Gandhinagar-382845, Gujarat, INDIA.  
CIN: L25209GJ1993PLC019532

+91-79-61400400 +91-79-61400401 www.virlaminate.com

RDL/025/2019-20  
Date: 23.08.2019

To,  
The National Stock Exchange of India Ltd  
Exchange Plaza,  
Bandra – Kurla Complex,  
Bandra (E),  
Mumbai – 400 051

To,  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai- 400 001

ISIN: INE573K01017  
NSE EQUITY SYMBOL: RUSHIL  
BSE SCRIPT CODE: 533470

Dear Sir/Madam,

**Sub: Notice of Annual General Meeting (AGM) and Annual Report of the Company**

Pursuant to Regulation 30 and Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed the **Notice of the 25<sup>th</sup> AGM** of the Company scheduled to be held on Saturday, 21<sup>st</sup> day of September, 2019 at 12.30 P.M at the Registered office of the company situated at S. No. 125, Nr. Kalyanpura Patia, Village ITLA, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar – 382845 and the **Annual Report** of the Company for the Financial Year 2018-19.

Please take the same into your records and do the needful.

Thanking you.

Yours Faithfully,

For, Rushil Decor Limited

Hasmukh K. Modi  
Compliance Officer  
Tele No.: (079) 61400400  
Email: [ipo@rushil.com](mailto:ipo@rushil.com)



Encl.: Notice of the AGM & Annual Report for the FY 2018-19

info@rushil.com www.rushil.com

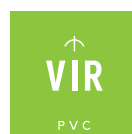
vir laminate | vir mdf | vir prelam | vir wood | vir ext-lam

vir door | vir hdf | vir pvc | vir 90° | vir wpc | vir studio



A circular graphic with a white background and a blue border. Inside the circle, the text "ANNUAL REPORT" is written in white on a red rectangular background, and "2018-19" is written in blue below it. The graphic is decorated with horizontal lines and small colored squares (red, blue, white) around its perimeter.

**ANNUAL REPORT**  
**2018-19**





# ACROSS THE PAGES



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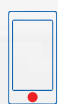
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Please find our online version at  
<https://www.rushil.com/financial>  
Or simply scan to download

### Investor information

Market Capitalisation as at 31st March, 2019	: ₹ 685 Crore
CIN	: L25209GJ1993PLC019532
BSE Code	: 533470
NSE Symbol	: RUSHIL
Bloomberg Code	: RDL:IN
Dividend Declared	: 5% (₹ 0.50 per share)
AGM Date	: Saturday, 21st September, 2019
AGM Venue	Registered office of the Company at S. No. 125, Near Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar-382845, Gujarat INDIA.
Shareholding Structure	Promoters and Promoters Group (52.85%) Public (47.15%)

### Disclaimer

This document contains statements about expected future events and financials of Rushil Décor Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.



# BEAUTIFYING HOMES. GLORIFYING LIVES.

Rushil Décor Limited (referred as 'RDL' or 'the Company'), with a committed journey over twenty-five years since 1993, is a key manufacturer of wood engineered products. The key product categories include Medium Density Fibre (MDF) Board, Laminate Sheets and Poly Vinyl Chloride (PVC) Board.

Our diverse, durable and eco-friendly offerings provide latest awe-inspiring designs to the millennials and next generation customers. All this comes with the highest standards of quality, in an affordable manner. Our essence of innovation and excellence in producing sustainable and world-class products have redefined the residential, commercial and institutional spaces.

**We have successfully positioned ourselves as one of the leading brands in the Laminates segment and the domestic MDF Board manufacturer. We aim to become the first choice in the Laminates and Panel industry in India and in the world.**

₹352.23 Cr

Revenues  
in 2018-19

₹45.14 Cr

EBIDTA  
in 2018-19

₹14.33 Cr

PAT  
in 2018-19

₹9.61

EPS  
in 2018-19

400+

Employee  
strength



## VISION STATEMENT

Create a better everyday life for our customers. Our vision is to offer a wide range of well-designed, environment friendly functional products at affordable prices and commit to deliver growth consistently to our investors and employees. Our objective is to have long-standing and trustful investor, customer and employee relationships by creating 'tangible value' consistently, efficiently and ethically.



## MISSION STATEMENT

Delivering sustainable growth consistently to our investors and employees. Exceed our internal and external customer requirements through continuous improvement, and inspire employees to do their best by offering opportunities for personal development and enabling them realize their full potential.

\*EBIDTA: Earnings before Interest, Depreciation, Tax and Amortization

\*EPS: Earnings Per Share      \*PAT: Profit after Tax





**RUSHIL**

DECOR LIMITED

WE'LL MAKE IT

## OFFERINGS FOR THE GEN-NEXT...

The generation of the millennials and Gen Z is all for 'readymade' due to their swift and busy lifestyle. From tea to table, they need everything readymade. The same applies to the furniture industry as well when it comes to the selection of the furniture. Be it for a house or an office space. This will lead to a strong demand in the modern eco-friendly offerings.

This is where our position as a leading interior infrastructure player in India will be advantageous. Our products are crafted with expertise and excellence to make them best-in-class in their respective categories. Our products – MDF Board, Laminates Sheets and PVC Boards – are manufactured across five state-of-the-art facilities across India. It allows us to encash the budding opportunities from the diverse markets.

### Why are we preferred?



**Affordable**



**User-friendly**



**Best-in-class quality**



**Aesthetic appeal**



**Consistency**



**Convenience**

## Strategic Competitive Advantage:



Design first, quality  
first brand approach



De-risking geographic  
& customer segments



Product innovation  
& value engineering



Customer education and  
smart fashion coupled  
with value-based products





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## ECO-FRIENDLY AND MODERN



We are India's leading manufacturer of Medium Density Fibre Board (MDF). A new-age product, MDF is sourced through Agroforestry, made from dried Eucalyptus and Silver Oaks' wood fibre.

This board is an advanced form of wood panels. It has replaced Plywood industry. It is set to be the future of the furniture industry. MDF board allows precise routing, machining and finishing techniques for a superior finish. It is more stable than solid wood which withstands changes due to heat and humidity better.

Our modern manufacturing unit based in Karnataka has state-of-the-art CNC machines that make MDF with homogeneity and less wastage. The opportunity landscape for MDF in India and other geographies continues to be manifold. The budding business optimism encourages us to enhance capacities to make the most of a flourishing demand scenario. Our products are an ideal choice for making strong and durable furniture and creating unique interiors. Our proposed new unit set up in Andhra Pradesh will allow us to leverage the underlying opportunities.



**4 Ft. X 8 Ft**  
Size

**7 mm  
to 30 mm**  
Thickness

### Uses

The MDF boards for pre-lamination can be used in:

- Kitchen cabinet doors
- Office home furniture
- High gloss digital printing laminated board



## Pre-laminated MDF Board

The Vir pre-laminated MDF Board products are made by compressing decorative Melamine-impregnated paper on to the MDF Boards under controlled heat and pressure.

Being available in various finishes, sizes and designs, they enhance the interiors of homes and work spaces. They are available in wide range of shades, in both, solid and woodgrain textures catering across a range of industries.

### MDF Unit

Chikmagalur,  
Karnataka,  
India

Proposed

### MDF Unit

Atchutapuram,  
Visakhapatnam,  
Andhra Pradesh

**150+**

Distributors

**1,100+**

Dealers

**2**

Branches

**28 States**

pan-India  
presence





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**UNMATCHED DESIGNS.  
UNCOMPROMISED QUALITY.**

**ISO  
9001:2008**

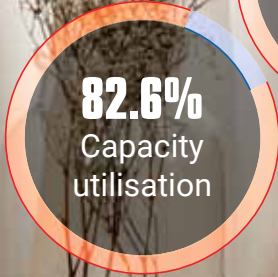
**ISO  
14001:2004**

**BSOHSAS  
18001:2007**



Vir Laminates emerge as the leading brand in the organised Laminates segment. We are the design leaders and quality experts in this segment. Our products find their applications across interior, exterior and heavy-duty industrial utilities. We offer a variety of sheet designs at a competitive price point in the domestic as well as export markets.

We have three best-in-class facilities, all based in Gujarat. Our product excellence is reinstated with quality certificates and compliance of quality systems. Our dedication to innovate and improve our product range of premium quality and designs is what gives us the edge over our competition.





## WORLD PRESENCE



This map is a generalised illustration only for the ease of the reader to understand the locations, and is not intended to be used for reference purposes. The representation of political boundaries and the names of geographical features / states do not necessarily reflect the actual position. The Company or any of its directors, officers or employees cannot be held responsible for any misuse or misinterpretation of any information or design thereof. The Company does not warrant or represent any kind in connection to its accuracy or completeness

**500+**  
Designs

**46**  
Distributors

**2**  
Depots

**5**  
Branches

**28 States**  
pan-India  
presence

**50+**  
Textures &  
finishes in HPL  
segment alone

**4**  
Consignment  
stockists

**1950**  
Dealers





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## **GREEN FUTURE. AGRI-ENGINEERING WAY.**



PVC is a 100% eco-friendly, green product. It is a composition of recycled natural fibres like wood fibre (in powder form usually) or agriculture waste (rice husk, bagasse, wheat straw), mixed with polymers such as Poly Vinyl Chloride (PVC).

We leverage our strengths of being quality and engineering experts to give our customers an efficient product. The PVC boards can be used in both, interior and exterior grades. PVC is the best substrate which can be used without any laminate or coating. The refined surface of PVC gives ready-to-print/paint surface which doesn't need surfacer/putty filling. It can be used with solvent-joining which is the fastest-ever system for furniture making and sandwich construction.

PVC can be used in all modular furniture products e.g. doors, kitchen carcass, wardrobe shutters, bathroom vanities, partitions and many more.





## Applications



### CONSUMER GOODS

Electronic items

**Characteristics:**  
Malleability,  
enables precise  
and speedy  
engineering



### CONSTRUCTION

Decking, siding  
and fencing

**Characteristics:**  
Eco-friendly,  
sturdy, flexible  
and non-  
hazardous



### AUTOMOTIVE

Interiors rear  
shelves and  
trims for trunks  
& spare wheels  
and interior trims  
for vehicle doors

**Characteristics:**  
Eco-friendly,  
lightweight and  
100% recycled  
material



### FURNITURE

PVC Application:  
Interiors, ceilings  
and modular  
furniture

**Characteristics:**  
Strength,  
durability,  
seamless  
workability and  
solvent joinery  
system

**5,760 MT**  
per annum  
Capacity



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## MANAGING DIRECTOR'S MESSAGE

**We have successfully positioned ourselves as one of the leading brands in the Laminates segment and domestic MDF Board manufacturer. We aim to become the first choice in the Laminates and Panel industry in India and in the world.**



Dear Stakeholders,

Let me take the pleasure to report that your Company had an excellent year with improvements across several fronts. Each year brings with it a measurable progress in operational developments as well as expansion of the strategies, policies and processes that are the foundation of our Company. We are privileged to have the time to refine and streamline our operating procedures and make sure that they comply with regulatory compliances.

Since its inception, the Company has focused on operating procedures that consider both the material and intangible aspects for which our business enterprises are responsible. These can range from simple actions like building efficient and 100% green products. Every decision that we make ultimately imposes itself on our operating environment, and thus affects sustainable achievement of corporate goals in the future.

During the year 2018-19, the Company's performance was satisfactory with Total Revenue of ₹ 352.23 Cr. EBIDTA was ₹ 45.14 Cr and EBIDTA Margin was 12.82%. PAT was ₹ 14.33 Cr and PAT Margin was 4.07%.

The steady performance in financial numbers is generated through our consistent drive to achieve beyond the expected aspirational limits and our incessant efforts to become a recognised force in the engineered wood product industry.

India continued to maintain its growth momentum, emerging as sixth largest economy globally and the third largest by purchasing power parity (PPP) (Source: Indian Express and The Economic Times).

The industry has a huge penetration opportunity for India in the MDF segment.

Since its inception, the Company has focused on operating procedures that consider both the material and intangible aspects for which our business enterprises are responsible.



### MDF v/s Plywood consumption

#### GLOBAL



#### INDIA





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According to World Bank Study, the Asian markets are estimated to be the biggest consumer of furniture with large demand generating from India. Stabilisation of GST and several other factors like sectoral transformation from unorganised to organised sector, a variety of the Government-sponsored missions like 'Make in India', 'Housing-for-All' will further boost the positive momentum. The furniture market in India is anticipated to cross \$27 Bn by 2022, on account of expanding working population base, rising number of household units and increasing disposable income. Besides that, increasing number of hotels along with growing tourist footfalls, combined with growing awareness regarding newer designs of furniture and changing consumer lifestyle are also expected to aid the country's furniture market over the next five years.


There is an interesting thing to note that, in India, an average age of home buyer has dropped from 40 to 27, and youth population with unique and individual preferences are opting for modern furniture rather than traditional furniture. Improving literacy rate and growing influence of Western culture are motivating Indian consumers to adopt modern lifestyle. The modernisation of offices, commercial space, educational and medical institutions are also driving the demand for stylish and aesthetic interiors.

At Rushil, we are strongly poised to leverage this opportunity through our next-gen product offerings. We have devised '4F strategy' that addresses our growth priorities going ahead. Fundamentally, we look forward to penetrate our products into larger segments, strengthen our regional leadership in the South and penetrate deeper into the other markets of Eastern India. The geographical stronghold will be aided by macro factors and capacity expansions that will allow us to build the 'furniture of the future'. Besides that, we shall continue to be nature-friendly through responsible sourcing of wood.

I would like to thank everyone at RDL for their contribution towards the achievements in 2018-2019, the people who used our products for their confidence in us, our stakeholders and partners for their collaboration, and our shareholders for their continued support. Last but not most importantly, our employees, without whom we would not have been able to fulfil our obligations of progressive development in all spheres. It is with a sense of pride that we can look at the achievements of 2018-19 and be even more optimistic of what 2019-20 may bring!

Best Wishes,

**Krupesh Thakkar**



According to World Bank Study, the Asian markets are estimated to be the biggest consumer of furniture with large demand generating from India.





### FUNDAMENTALS OF GROWTH

01

- Product penetration through multiple customer channels
- Housing deficit & macro demand
- Capacity expansion

### FINANCIAL & GEOGRAPHIC STRONGHOLD

02

- Strong financial performance
- Regional leadership (South India)
- Expanding in other markets (East India)

### Future Priorities: 4F Strategy

### FUTURE OF FURNITURE

03

- MDF & PVC led value engineering
- Quality performance
- Design integrity & thinking

### THE AGRO-FORESTRY EDGE

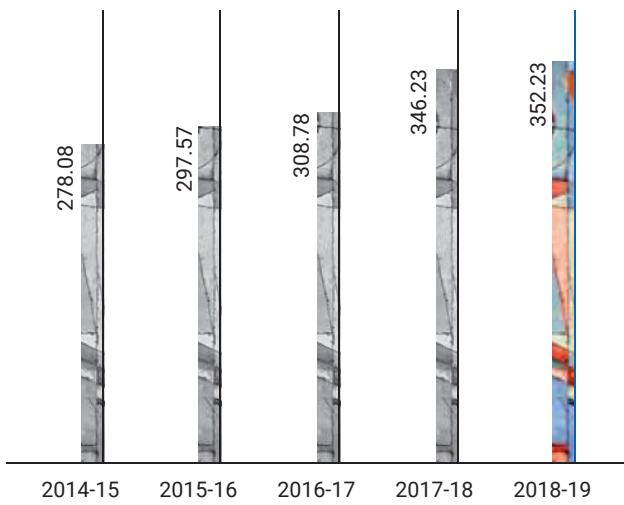
04

- Responsible sourcing of wood
- Access to low-cost raw material
- Second income for farmers

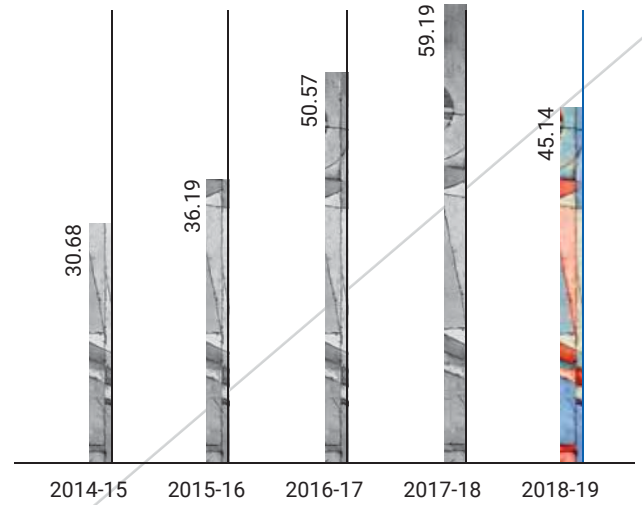


# FINANCIAL OVERVIEW

**TOTAL REVENUE (₹ in Cr)**



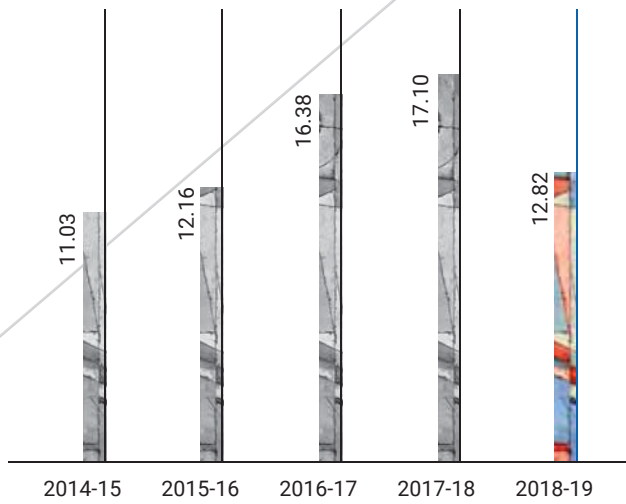
**EBITDA (₹ in Cr)**



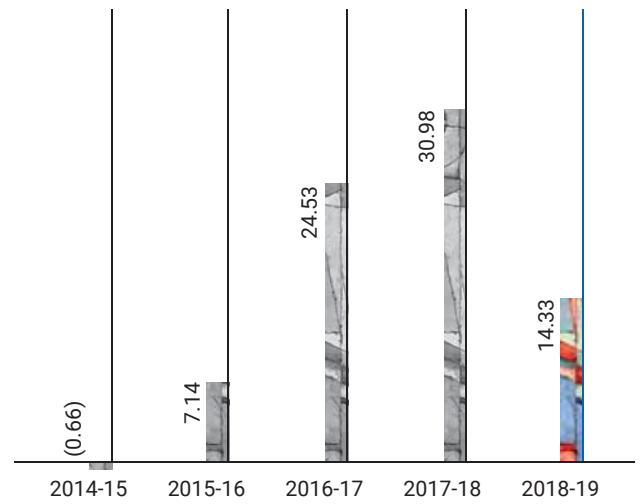




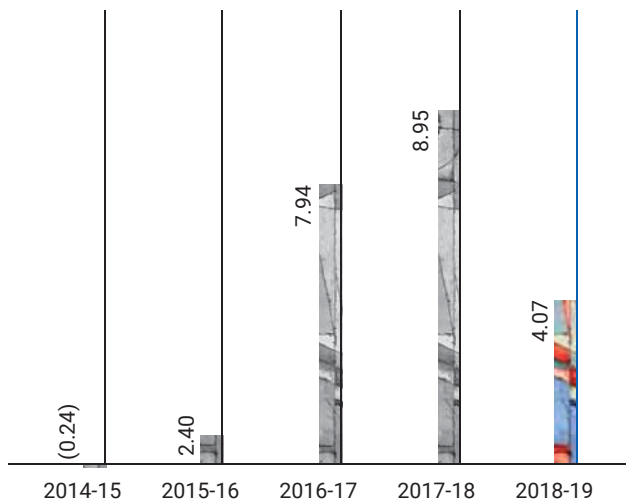
**EBITDA MARGIN (%)**



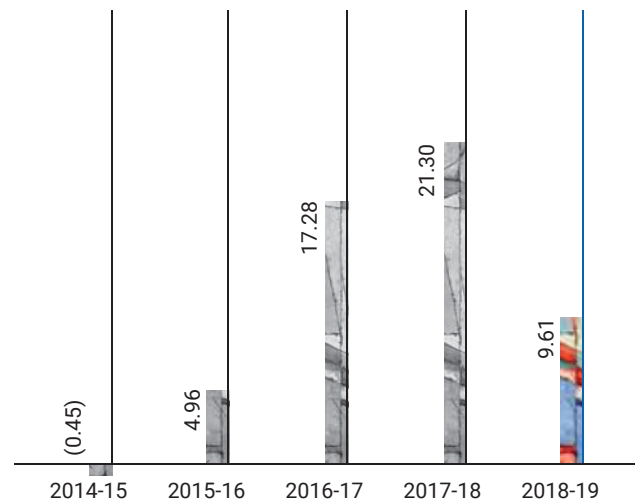
**PAT (₹ in Cr)**



**PAT MARGIN (%)**



**EARNINGS PER SHARE (₹ per share)**



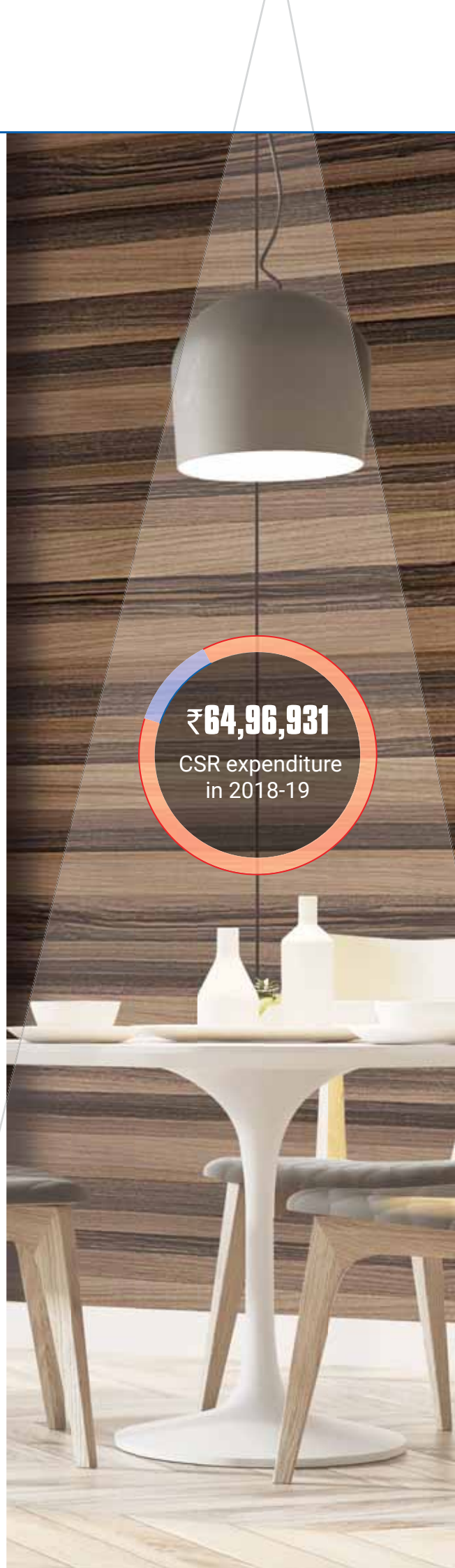
## **GIVING BACK TO OUR COUNTERPARTS FROM WHERE WE GAIN**

### **Our humble offerings towards the community**

We at RDL have a strong belief that a business will flourish if the community from where it evolves, flourishes. Therefore, we have a strong connect with the community in terms of giving back to them as part of our business process.

We have identified some thrust areas, where we can channelise the resources. In that direction, we have taken several initiatives towards education, health, orphanages, animal welfare, rural development projects, , eradication of poverty and hunger. Additionally, our interest in protecting the environment has led us to planting trees and moving towards adopting green products.

We also partner with local communities, women & children, youth, elders, marginalised segments and community heroes. Our CSR expenditure during the year indicates the value that our CSR programmes have been delivering to society. Thus, through all these activities, we seek to provide our posterity with a brighter future.





## Notice of 25Th Annual General Meeting

**NOTICE** is hereby given that the Twenty Fifth Annual General Meeting of the members of Rushil Decor Limited (CIN: L25209GJ1993PLC019532) will be held on Saturday, 21st day of September, 2019 at 12:30 PM at the Registered Office of the Company situated at S. No. 125, Near Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar - 382845, Gujarat, India to transact the following businesses:

### Ordinary Business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019 and the Report of the Board of Directors and Auditors thereon.
2. To declare final dividend on the Equity Shares for the Financial Year ended 31st March, 2019.
3. To appoint a Director in place of Mr. Ghanshyambhai A. Thakkar (DIN: 00208843), who retires by rotation and, being eligible, offers himself for re-appointment.

### Special Business:

#### 4. Appointment of Mr. Ramanik T. Kansagara (Din: 08341541) as a Director

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

**"RESOLVED THAT** pursuant to the provisions of Section 152, Section 161 and other applicable provisions of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014, Mr. Ramanik T. Kansagara (DIN: 08341541), who was appointed as an Additional Director of the Company with effect from 2nd February, 2019 by the Board of Directors of the Company and who holds office up to the date of this Annual General Meeting and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director of the Company be and is hereby appointed as a Director of the Company, liable to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors and/or the Company Secretary be and are hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds and things as may be necessary, proper or expedient for the purpose of giving effect to this resolution".

#### 5. Re-appointment of Mr. Shankar Prasad Bhagat (DIN: 01359807) Independent Director of the Company for a Second term of five years

To consider and if, thought fit, to pass with or without modification the following resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and applicable provision of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Shankar Prasad Bhagat (DIN:01359807), who was appointed as an Independent Director of the Company in the 20th Annual General Meeting of the Company held on 29th September, 2014 and who holds position as an independent director in the Company up to the date of this Annual General Meeting and who also meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed thereunder and Regulation 16(1) of the Listing Regulations and who have submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from a Member under Section 160 of Act proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent director of the Company, not liable to retire by rotation, to hold office for a second term of Five consecutive years upto 21st day of September, 2024 on the Board of the Company.

**RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

#### 6. Re-appointment of Mrs. Jingle Thakkar (DIN: 06941497) Independent director of the Company for a second term of five years

To consider and if, thought fit, to pass with or without modification the following resolution as **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014, and SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mrs. Jingle Thakkar (DIN: 06941497), who was appointed as an Independent Director of the Company in the 20th Annual General Meeting of the Company held on 29th September,

## Notice (Contd.)

2014 and who holds position as an independent director up to 6th August, 2019 and who also meets the criteria for independence as provided in Section 149(6) of the Act along with the rule framed thereunder and Regulation 16(1) of the Listing Regulations and who have submitted a declaration to that effect and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent director of the Company, not liable to retire by rotation, to hold office for a second term of Five consecutive years up to 6th August, 2024 on the board of the Company.

**RESOLVED FURTHER THAT** the Board of Directors and/or Company Secretary of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution."

### 7. Ratification / Approval of Material Related Party Transactions entered into by the Company with Related Party

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

**"RESOLVED THAT** pursuant to Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions if any, consent of the members be and is hereby accorded for ratification / approval of material related party transactions entered into by the Company with related party "M/s. Rushil International, a Partnership Firm" (Promoter of the Company) as set out in the explanatory statement annexed to the notice convening this meeting.

**RESOLVED FURTHER THAT** the Board of Directors and/or Company secretary of the Company be and is hereby, authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

#### NOTES:

1. The explanatory statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013, relating to special business under Item No. 4 to 7 to be transacted at the Meeting is annexed hereto and forms part of the notice.

The relevant details as required under regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting issued by the institute

of Company Secretaries of India of the Person seeking appointment/re-appointment as Director under Item No. 4,5 & 6 of the Notice are also annexed.

### 2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ON HIS/HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Pursuant to Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of members not more than fifty (50) Members holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a proxy for any other member.

The instrument of proxy, in order to be effective, should be deposited either in person or through post at the registered office or Corporate Office of the Company duly completed and signed not later than forty-eight hours before the commencement of the Meeting. A Proxy form is annexed to this report. Proxy forms submitted on behalf of the limited companies or any other entity, etc must be supported by certified true copy of resolution/letter of authority, as applicable. The proxy-holder shall prove his identity at the time of attending the Meeting.

3. Corporate members intending to send their authorised representative(s) to attend the Meeting are requested to send to the Company a certified copy of the relevant Resolution together with the specimen signature(s) of the authorised representative(s) under the said resolution to attend and vote on their behalf at the Meeting.
4. Members / Proxies/Authorised Representatives are requested to bring the Attendance Slip sent herewith, duly filled in, for attending the meeting.
5. In case of joint holders attending the Meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
6. The Final dividend, as recommended by the Board, if approved at the AGM, in respect of equity shares held in electronic form will be payable to the beneficial owners of shares as on Friday, 13th day of September, 2019 as per the details furnished to the Company by Depositories for this purpose. In case of shares held in physical form, dividend will be paid to the shareholders,



## Notice (Contd.)

whose names shall appear on the Register of Members as on Friday, 13th day of September, 2019.

7. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, 14th day of September, 2019 to Saturday, 21st September, 2019 (both days inclusive) for payment of final dividend and Annual General Meeting.
8. Members holding shares in demat form are hereby informed that bank particulars registered with their respective Depository Participants, with whom they maintain their demat accounts will be used by the Company for the payment of Dividend. The Company or its Registrar cannot act on any request received directly from the Members holding shares in demat form for any change of bank particulars. Such changes are to be intimated only to the Depository Participants of the Member. Members holding shares in demat form are requested to intimate all changes pertaining to their bank account details, email address, nominations, power of attorney, change of name, change of address, PIN code etc., only to their Depository Participants if shares held in dematerialised form and to the Registrar and Share Transfer Agents of the Company if shares held in physical form.
9. As per Regulation 40 of SEBI (Listing Obligation and Disclosure requirements), Regulation, 2015 as amended, securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities.  
  
 In view of this and to eliminate all risks associated with the physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holding to dematerialised form. Members can contact the Company or our Registrar and Transfer Agent Bigshare Services Private Limited for assistance in this regard. Members can also visit the Company's Website [https://www.rushil.com/OtherPdf/Guidance\\_on\\_Dematerialization\\_of\\_Physical\\_Shares.pdf](https://www.rushil.com/OtherPdf/Guidance_on_Dematerialization_of_Physical_Shares.pdf) to know the process of Dematerialisation of Shares.
10. Members desiring any information as regards the Financial Statements are requested to write to the Company atleast seven days before the date of AGM so as to enable the management to keep information ready at AGM.
11. Pursuant to provision of Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") and relevant circulars and amendments thereto, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to Investor Education and Protection Fund ("IEPF") constituted by the Central Government. The Company had, accordingly transferred ₹ 9,012/- being unpaid and unclaimed dividend amount pertaining to final dividend for financial year 2010-11 to the IEPF. Details of unpaid /unclaimed dividend are also uploaded on the Company's website [www.rushil.com](http://www.rushil.com). Members, who have not encashed Final Dividend for Financial year 2011-12 or any subsequent dividend declared by the Company, are advised to write to the Company immediately at the Corporate office of the Company or to the Registrars & Share Transfer Agents of the Company Big Share Services Private Limited at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400059, Maharashtra. Tel No.: 022- 62638200, email address: [investor@bigshareonline.com](mailto:investor@bigshareonline.com) and website : [www.bigshareonline.com](http://www.bigshareonline.com).
12. Pursuant to the provisions of IEPF Rules, all equity shares in respect of which dividend has not been paid or claimed for last seven consecutive years shall be transferred by the Company to the designated Demat Account of the IEPF Authority ("IEPF Account") within a period of thirty days of such shares becoming due to be transferred to the IEPF Account. Accordingly, thirty Four equity shares of ₹ 10/- each on which the dividend remained unpaid or unclaimed for last seven consecutive years with reference to the due date of 22nd October, 2018, were transferred during the Financial Year 2018- 19 to the IEPF Account, after following the prescribed procedure. Further, all the shareholders who have not claimed / encashed their dividends in the last seven consecutive years from Financial Year 2011-12 are advised to claim the same. In case, valid claim is not received, the Company will proceed to transfer the respective equity shares to the IEPF Account in accordance with the procedure prescribed under the IEPF Rules.
13. Members holding shares in electronic mode may note that their dividend would be paid through National Electronic Clearing System (NECS) or Electronic Clearing Services (ECS) at the available RBI locations. The dividend would be credited to their bank account

## Notice (Contd.)

- as per the mandate given by the members to their DPs. In the absence of availability of NECS/ECS facility, the dividend would be paid through warrants.
14. In accordance with Section 101 and 136 of the Companies Act, 2013 read with Rules made thereunder, the Notice of the 25th AGM along with Attendance Slip and Proxy Form as a part of the Annual Report 2018-19 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode. All the above documents are also available on the website of the Company i.e [www.rushil.com](http://www.rushil.com).
  15. The Annual Report 2018-19 of the Company circulated to the members of the Company will be made available on the Company's website [www.rushil.com](http://www.rushil.com).
  16. To support the 'Green Initiative', members who have not recorded or registered their email addresses are requested to register their e-mail address and changes, if any, with the Depository Participants, if the shares are held in dematerialised form and with the Company's Registrar & Transfer Agent if the shares are held in physical form.
  17. All documents referred to in the accompanying notice and explanatory statement will be kept open for inspection at the Registered Office and Corporate Office of the Company on all working days during business hours prior to date of Annual General Meeting.
  18. Members can avail the facility of nomination in respect of securities held by them pursuant to the provision of Section 72 of the Companies Act, 2013. Members holding shares in physical form and desiring to avail this facility may send their nomination in the prescribed form duly filled to RTA. Members holding shares in electronic mode may contact their respective Depository Participant (DP) for availing this facility.
  19. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company.
  20. The Company's Registrar and Transfer Agents for its share registry work (physical and electronic) is M/s. Bigshare Services Private Limited located at 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai - 400059, Maharashtra. Tel No.: 022- 62638200, Email: [investor@bigshareonline.com](mailto:investor@bigshareonline.com) and Website: [www.bigshareonline.com](http://www.bigshareonline.com).
  21. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to offer the facility of voting through electronic means and the businesses set out in the Notice above may be transacted through such electronic voting.  
  
The facility of voting through electronic means is provided through the e- voting platform of Central Depository Services (India) Limited ("remote e-voting").
  22. The facility for voting, through the Ballot Paper shall also be made available at the meeting and Members attending the meeting who have not casted their vote by remote e-voting shall be able to exercise their right of Voting at the meeting through the Ballot Paper. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
  23. The Members who avail the facility of voting, through the Remote e-voting, cannot vote at the Meeting. If a member casts vote by both modes, then voting done through e-voting shall prevail and voting done through the Ballot form at meeting shall be treated invalid.
  24. The Members holding shares as on the cut-off date i.e. Friday, 13th day of September, 2019 shall be reckoned for voting purpose and a person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital in the Company as on the cut-off-date.
  25. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the directors are interested maintained under Section 189 of the Companies Act, 2013 will be available for inspection by the members at the Annual General Meeting.



## Notice (Contd.)

26. The Route Map showing directions to reach the venue of the AGM is annexed.
27. The instructions for shareholders voting electronically are as under:
- (i) The voting period begins on Tuesday, 17th day of September, 2019 (9:00 am) and ends on Friday, 20th day of September, 2019 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of Friday, 13th day of September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
  - (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iv) Click on Shareholders.
  - (v) Now Enter your User ID
    - a. For CDSL: 16 digits beneficiary ID,
    - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
  - (vi) Next enter the Image Verification as displayed and Click on Login.
  - (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and 8 digit of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</li> </ul>

## Notice (Contd.)

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
  - (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - (xii) Click on the EVSN against the Company's name for which you choose to vote i.e. Rushil Decor Limited.
  - (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
  - (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
  - (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
  - (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xix) **Note for Non – Individual Shareholders and Custodians:**
    - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
    - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details a compliance user should be created using admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
    - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
28. Other Instructions:
- i) The Remote e-voting period commences on Tuesday, 17th day of September, 2019 (9:00am) and ends on Friday, 20th day of September, 2019 (5:00 pm). At the end of Remote e-voting period, the facility shall forthwith be blocked. Once the vote on a resolution is cast by a shareholder, the shareholder shall not be allowed to change it subsequently.
  - ii) The Scrutiniser shall, immediately after the conclusion of voting at the Meeting, would count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.



## Notice (Contd.)

- iii) The Results on above resolutions shall be declared not later than 48 hours from the conclusion of the Meeting of the Company and the resolutions will be deemed to be passed on the Meeting date subject to receipt of the requisite number of votes in favor of the resolutions.
- iv) The results of voting declared along with Scrutiniser's Report(s) will be published on the website of the Company ([www.rushil.com](http://www.rushil.com)) and on the website of CDSL e-Voting at [www.evotingindia.com](http://www.evotingindia.com) within 48 hours from the conclusion of the Meeting and the same shall also be simultaneously communicated to the BSE Limited and National Stock Exchange of India Limited.
- v) The Company has appointed CS Shalin Jain, Practicing Company Secretary (ACS Membership

No: 30427 & CP No.: 21379) as the Scrutiniser for overseeing the voting and remote e-voting process in a fair and transparent manner.

- vi) The shareholders are requested to write to the Company Secretary at the below mentioned address for resolving their grievances:

Name: Modi Hasmukh Kanubhai

Designation: Company Secretary

Address: Rushil House, Near Neelkanth Green Bungalow, Off. Sindhu Bhavan Road, Shilaj, Ahmedabad -380058

Email: [ipo@rushil.com](mailto:ipo@rushil.com)

Telephone: (079) 61400400

Fax: (079) 61400401

## Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013

### FOR ITEM NO. 4:

Board of Directors appointed Mr. Ramanik T. Kansagara (DIN: 08341541) as an Additional Director of the Company with effect from 2nd February, 2019 under section 161(1) of the Companies Act, 2013 based on the recommendation of the Nomination and Remuneration Committee. In terms of the Companies Act, 2013 Mr. Ramanik Kansagara holds office only up to the date of the ensuing Annual General Meeting ('AGM') but is eligible for appointment as a Director, whose office shall be liable to retire by rotation. The Company has in terms of Section 160(1) of the Companies Act, 2013 received a notice in writing from a Member proposing his candidature for the office of Director of the Company.

Mr. Ramanik Kansagara is associated with the Company at three Laminated Sheets Manufacturing Plants. He was working as Vice President-Production at the three laminate sheet manufacturing plants located at Gujarat. Having a wide experience of around 27 years in the Laminate Industry, he is trust worthy and has given his contribution for expansion and development of the Company. He has entrusted the substantial control of the affairs of the manufacturing Laminate plants of the Company. He has wide experience and expertise about the quality and rate of raw material, functioning of plant and machinery, customer requirements, administration and management, budgeting etc.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. Ramanik T. Kansagra as a Director.

The Company has received from Mr. Ramanik T. Kansagra (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 (ii) Intimation in form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under section 164(2) of the Companies Act, 2013 and (iii) Declaration pursuant to BSE circular No. LIST/COMP/14/2018-19 dated June 20, 2018 that he is not been debarred from holding office of director by virtue of any order passed by Securities and Exchange Board of India or any other such authority.

Brief resume and other details of Mr. Ramanik T. Kansagra whose appointment is proposed here is provided in the annexure to the Explanatory Statement attached herewith.

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

## Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 (Contd.)

The Board recommends the Resolution set out in Item No. 4 of the Notice for approval by the shareholders as an Ordinary Resolution.

### For item No. 5

Mr. Shankar Prasad Bhagat was appointed as an independent director in the 20th Annual General Meeting of the Company for a term of five years. His term was valid upto the conclusion of the 25th Annual General Meeting of the Company or upto September 28, 2019 whichever is earlier. Accordingly, his first term of five years as an independent director will complete on the date of conclusion of this Annual General Meeting.

The Nomination and Remuneration Committee has considered and recommended the re-appointment of Mr. Shankar Prasad Bhagat, as an Independent Director for second term of five consecutive years from the date of this Annual General Meeting i.e. from the date of 21st September, 2019 and the same was also approved by the Board of Directors vide their meeting held on 18.05.2019. The board of directors has carried out performance evaluation of Mr. Shankar Prasad Bhagat as required under clause V of schedule IV to the Companies Act, 2013.

The Company has in terms of Section 160(1) of the Companies Act, 2013 received a notice in writing from a Member proposing his candidature for the office of Director of the Company

The Company has received from Mr. Shankar Prasad bhagat (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 (ii) Intimation in form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under section 164(2) of the Companies, Act, 2013 and (iii) Declaration to the effect that he meets the criteria of independence as provided in section 149 (6) of the Companies Act, 2013 read with Regulation 16(1) and Regulation 25(8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and (iv) Declaration pursuant to BSE circular No. LIST/COMP/14/2018-19 dated June 20, 2018 that he is not been debarred from holding office of director by virtue of any order passed by Securities and Exchange Board of India or any other such authority.

Further, in the opinion of the Board Mr. Shankar Prasad Bhagat fulfills the conditions specified in the Act and the Rules framed thereunder for re-appointment as an Independent Director and is independent of the management.

Brief resume and other details of the Mr. Shankar Prasad Bhagat whose re-appointment is proposed hereby is provided in the annexure to the Explanatory Statement attached herewith.

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

The terms and conditions of re-appointment of Mr. Shankar Prasad Bhagat shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the re-appointment of Mr. Shankar Prasad Bhagat as Independent Director is now being placed before the Members for their approval.

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

The Board recommends the Resolution set out in Item No. 5 of the Notice for approval by the shareholders as a Special Resolution.

### For item No.6:

Mrs. Jingle Thakkar was appointed as an independent director in the 20th Annual General Meeting of the Company for a term of five years with effect from 7th August, 2014. Her term was valid up to 6th August, 2019 accordingly, her first term as an independent director was completed on 6th August, 2019 and she is eligible for re-appointment in the ensuing general meeting for second term of five years commencing w.e.f 7th August, 2019.

The Nomination and Remuneration Committee has considered and recommended the re-appointment of Mrs. Jingle Thakkar, as an Independent Director for second term of five consecutive years w.e.f 7th August, 2019 and the same was also approved by the Board of Directors vide their meeting held on 18.05.2019. The board of directors has carried out performance evaluation of Mrs. Jingle Thakkar as required under clause V of schedule IV to the Companies Act, 2013.

The Company has in terms of Section 160(1) of the Companies Act, 2013 received a notice in writing from a Member proposing her candidature for the office of Director of the Company

The Company has received from Mrs. Jingle Thakkar (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment and Qualification of Directors) Rules, 2014 (ii) Intimation in form DIR-8 in terms of Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under section 164(2) of the Companies, Act, 2013 and (iii) Declaration to the effect that she meets the criteria of independence as provided in section 149(6) of the Companies Act, 2013 read with Regulation 16(1) and Regulation 25(8) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 and (iv) Declaration pursuant to BSE circular No. LIST/COMP/14/2018-19 dated June 20, 2018 that she is not been debarred from holding office of director by virtue of any order passed by Securities and Exchange Board of India or any other such authority.



## Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013 (Contd.)

Further, in the opinion of the Board Mrs. Jingle Thakkar fulfills the conditions specified in the Act and the Rules framed thereunder for re-appointment as an Independent Director and is independent of the management.

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

The Board considers that her continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mrs. Jingle Thakkar as an Independent Director.

The terms and conditions of re-appointment of Mrs. Jingle Thakkar shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the re-appointment of Mrs. Jingle Thakkar as Independent Director is now being placed before the Members for their approval.

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

The Board recommends the Resolution set out at Item No. 6 of the Notice for approval by the shareholders as a Special Resolution.

### For item No. 7:

Pursuant to the provisions of Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, which has come into effect from 1st October, 2015 has also prescribed seeking of shareholder's approval for material related party transactions.

The Company has entered into following material related party transactions with the related party during the year under review:

Name of the related Party	Relationship	Nature of transaction	Transaction done during the year ended 31st March, 2019 (Amount ₹ in Lakhs)
Rushil International, A Partnership Firm	Mr. Krupesh G. Thakkar and Mr. Ghanshyambhai A. Thakkar Directors of the Company are partners in Rushil International, A partnership firm	Loan Taken from Rushil International	5360

This unsecured loan was taken from M/s. Rushil International, Partnership Firm a Promoter of the Company as precondition of credit facility provided by banker of the Company. Mr. Ghanshyambhai A. Thakkar and Mr. Krupesh G. Thakkar directors of the Company are partners in the Partnership Firm.

As per Regulation 23 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, related parties of the Company shall abstain from voting on said resolution.

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

None of the Directors or key managerial personnel or their relatives are, in anyway, concerned or interested in the said resolution except Mr. Krupesh G. Thakkar and Mr. Ghanshyam A. Thakkar directors, of the Company as well as their relatives.

By Order of the Board,  
For Rushil Decor Limited

**Hasmukh K. Modi**  
Company Secretary

Date: 23.07.2019  
Place: Ahmedabad

**Registered Office:** S. No. 125, Nr. Kalyanpura Patia, Village. Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar - 382845.

**Corporate Identification Number:** L25209GJ1993PLC019532

Website: [www.rushil.com](http://www.rushil.com)

## Annexure to Item no. 4 to 6 of the Notice

Information as required under Regulation 36 (3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meeting issued by the institute of Company Secretaries of India with respect to the Appointment / Re-appointment of Directors at the ensuing Annual General Meeting is as under:

Name of the Director	Mr. Ghanshyambhai A. Thakkar	Mr. Ramanikbhai T. Kansagra	Mr. Shankar Prasad Bhagat	Mrs. Jingle Thakkar
Director Identification Number	00208843	08341541	01359807	06941497
Date of Birth	18.11.1943	15.09.1963	10.06.1951	09.04.1991
Date of joining the Board	08.03.2007	02.02.2019	01.10.2009	07.08.2014
Qualification	B.Sc., Diploma in Civil Engineering	Under Graduate	Chartered Accountant	Chartered Accountant
Nature of expertise in specific functional areas	Vast Experience in General Management, Production and Purchase	Vast experience in production of laminate sheets	More than 30 years of experience in the field of Tax, Audit, Accounts and Finance.	More than five years of Experience of Tax, Audit, Finance, VAT etc.
No. of Shares held in the Company	1990900	NIL	NIL	NIL
Directorship in listed Company (Other than Rushil Décor Limited)	NIL	NIL	1.Amrपाली Capital And Finance Services Limited 2.Minal Industries Limited	NIL
Committee Memberships/ Chairmanship held in other listed Companies (Other than Rushil Décor Limited)	NIL	NIL	<b>Chairmanship in Audit Committee-</b> Amrapali Capital And Finance Service Limited <b>Membership in Audit committee-</b> Minal Industries Limited <b>Membership in Stakeholder's relationship Committee-</b> Minal Industries Limited	NIL
Disclosure of relationships between Directors inter-se	Mr. Ghanshyambhai A. Thakkar is a father of Mr. Krupeshbhai G. Thakkar (Managing Director) of the Company	No relationship	No relationship	No relationship

For other details such as the number of meetings of the board attended during the year, remuneration drawn and relationship with other directors and key managerial personnel in respect of above directors, please refer to the Corporate Governance Report which is a part of this Annual Report.



## Route Map to the venue of the AGM:



Prominent Land Mark near Venue of AGM for Easy Location:

Kalyanpura Village Bus Stand on the Gandhinagar Mansa Road which is Next to Bavla Cross Road and six kilometer before the Mansa Bus stand.

## Board's Report

To

The Members,

The Directors are pleased to present the 25th Annual Report of Rushil Décor Limited ("the Company") together with the audited financial statements for the year ended 31st March, 2019.

### FINANCIAL SUMMARY AND HIGHLIGHTS

The financial performance for the year ended 31st March, 2019 is summarized below:

	(₹ in Lakhs)	
Particulars	2018-19	2017-18
<b>Revenue from Operations</b>	<b>34374.21</b>	<b>35097.57</b>
Other Income	849.02	270.68
Profit before Depreciation, Finance Costs and Tax Expense	4513.89	5919.39
Less: Depreciation and Amortization Expenses	862.91	752.93
Profit before Finance Costs and Tax Expense	3650.98	5166.46
Less: Financial Costs	1359.04	870.23
<b>Profit before Tax Expense</b>	<b>2291.94</b>	<b>4296.23</b>
Less: Tax Expense (Current & Deferred)	858.44	1203.82
<b>Profit after Tax</b>	<b>1433.50</b>	<b>3092.41</b>
Add: Other Comprehensive Income/loss for the year	(3.35)	(11.26)
Total Comprehensive Income	1430.15	3081.15
Balance of Retained Earnings for earlier years	7830.92	4837.06
Less: Final Dividend Paid	74.66	72.53
Less: Tax on Final Dividend	15.34	14.76
Balance carried forward	9171.07	7830.92

Net revenue from operations decreased to ₹ 34374.21 Lakhs as against ₹ 35097.57 Lakhs in the previous year showing a decline of ₹ 723.36 Lakhs.

The Profit before Tax for the current year is ₹ 2291.94 Lakhs as against ₹ 4296.23 Lakhs in the previous year showing a decline of ₹ 2004.29 Lakhs.

The Profit after Tax (PAT) for the current year is ₹ 1433.50 Lakhs as against the profit of ₹ 3092.41 Lakhs in the previous year.

The overall financial performance of the Company is affected mainly due to MDF Board revenues gone down from ₹ 172.52 Crores in last year to ₹ 156.46 Crores in the FY 2018-19. Further, MDF Board division's PBIT is also gone down by ₹ 16.34 Crores in the FY 2018-19. During the year, Company reduced the prices of MDF Board in line with overall scenario in the MDF Industry and also carried out some sales promotion expenses for MDF product keeping in mind to capture the market in competition.

The detail about the segment-wise position of business is mentioned in the Management Discussion and Analysis Report.

There are no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year 2018-19 and the date of this Report.

### TRANSFER TO RESERVES

The Board of Directors of your company, has decided not to transfer any amount to the Reserves for the year under review.

### DIVIDEND

The Board of Directors of your company, in its meeting held on 18th day of May, 2019 has recommended a final dividend of ₹ 0.50 (Fifty Paise) (@ 5%) per equity share of the face value of ₹ 10/- each fully paid up for the financial year ended 31st March, 2019, subject to the approval of the Members at the ensuing 25th Annual General Meeting. The Final dividend is payable to those Shareholders whose names appear in the Register of Members as on the Book Closure / Record Date.



## Board's Report (Contd.)

If the dividend as recommended by board of directors is approved by the Shareholders then total outflow of Dividend amount will be ₹ 74,65,666/- excluding dividend distribution tax on the dividend.

### INDUSTRY OVERVIEW

Company has two main business segments, i.e. MDF and laminates. In FY18-19, MDF contributed 46% of Company's revenue and laminates contributed 53% of revenue. During the year, new capacities were added in Thin and Thick MDF Industry which ultimately result in aggressive price cuts. The price cut was largely driven by incremental capacities coming on ground mainly in North and South India.

This very badly impacted to the industry volumes as the dealers were anticipating further price cut by other Companies thereby maintaining thin inventories in the business.

It was ultimately triggered to lower realisations and significant margin pressure in the MDF segment.

The price war in the MDF Segment might be short term till the market absorbed the capacity addition over the next 1 or 2 years.

Our new MDF Board production plant will come in operation in the South India (Andhra Pradesh) with additional capacity of 800 CBM per day in the next year. This is expected to substitute imports in a big way due to logistical savings and a depreciating INR. It is also expected to take position of plywood because there is very big gap between utilisation of plywood and MDF Board.

### CAPITAL STRUCTURE

During the year, Company has issued and allotted 2,13,872 Equity Shares on preferential allotment basis at two different occasions. The detail of allotment made is as under:

Date of Allotment	28.04.2018	19.07.2018
No. of shares allotted	1,90,372	23,500
Issued Price per Share (₹)	945.00	865.00
Total amount	₹ 17.99 Crores	₹ 2.03 Crores

On allotment of these new 2,13,872 equity shares, now the paid up share capital is ₹ 14,93,13,320.00 divided into 1,49,31,332 equity shares of ₹ 10 each.

### CREDIT RATING

India Ratings and Research Private Limited (India Ratings) has downgraded Company's Long-Term Issuer Rating to 'IND BBB' from 'IND A-'. The Outlook is Negative.

### Some of the Reasons which considered by credit rating agency for downgraded credit ratings are as follow:

1. Any significant time and/or cost overruns in the on-going project;
2. Delay or inability to make funding arrangements and/or raw material supply tie-up for the ongoing capex;
3. Lower-than-expected EBITDA margins, leading to the net leverage remaining over 3.5x on a sustained basis;
4. Continuous oversupply of MDF in the industry.

### INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

#### a) Details of unclaimed/unpaid dividend and shares transferred to IEPF

Pursuant to the provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("The Rules"), the Company had sent individual notices to the shareholders who have not claimed their dividends for past seven consecutive years. The Company had also advertised the same in the Financial Express Newspaper of dated June 7, 2018 seeking action from the shareholders who have not claimed their dividends for past seven consecutive years. The Company had transferred Unpaid/Unclaimed Dividend Amount of ₹ 9,012.00 for FY 2010-2011 to Investor Education and Protection Fund (IEPF). In accordance with Section 124(6) of the Companies Act, 2013 read with IEPF Rules, the Company had also transferred total 34 equity shares held by 4 shareholders to the IEPF Authority in the month of November, 2018 who have not claimed their dividends for past seven consecutive years from the date of transfer to the unpaid dividend account.

The details of such shares transferred have been uploaded in the Company's website at [https://www.rushil.com/iepfPdf/Details\\_of\\_Equity\\_Shares\\_due\\_to\\_be\\_Transfer\\_to\\_IEPF\\_22.10.2018.pdf](https://www.rushil.com/iepfPdf/Details_of_Equity_Shares_due_to_be_Transfer_to_IEPF_22.10.2018.pdf).

The Shareholders /claimants whose shares and unclaimed dividend have been transferred to the IEPF Account may claim the shares or apply for refund by making an application to the IEPF Authority in Form IEPF-5 along with requisite fee as decided by the IEPF Authority from time to time.

## Board's Report (Contd.)

### b) Year wise amount of unpaid/unclaimed dividend lying in the unpaid account upto 31.03.2019, which are liable to be transferred to the IEPF and the due dates for such transfer.

The below table gives information relating to various outstanding dividends and the due dates of transfer to IEPF Authority:

<u>Date of dividend declaration</u>	<u>Unclaimed Dividend (As on 31st March, 2019)</u>	<u>Due date of Transfer to IEPF Authority</u>
Final Dividend for FY 2011-12, AGM held on 20-08-2012	3207.00	20-09-2019
Final Dividend for FY 2012-13, AGM held on 27-09-2013	8312.00	28-10-2020
Interim Dividend in FY 2015-16, Board Meeting held on 12-03-2016	11570.00	15-04-2023
Final Dividend for FY 2015-16, AGM held on 27-09-2016	2993.50	29-10-2023
Final Dividend for FY 2016-17, AGM held on 23-09-2017	3648.00	24-10-2024
Final Dividend for FY 2017-18, AGM held on 22-09-2018	58,570.50	22-10-2025

As per above table, the Company will transfer the shares on which the dividend has remained unclaimed for a period of seven consecutive years to the IEPF Authority at the due date. The Company has sent individual letters to the shareholders for claiming the said dividend and has also advertised the same in the newspapers in accordance to the Rules. Members are therefore requested to ensure that they claim the dividends referred above before they are transferred to the IEPF Account.

Details of shares/shareholders in respect of which dividend has not been claimed, are provided on our website at <https://www.rushil.com/iepf>. The same can also be accessed from the website of IEPF Authority at [www.iepf.gov.in](http://www.iepf.gov.in). The shareholders are therefore encouraged to verify their records and claim their dividends of all the earlier seven years, if not claimed.

### c) Details of Nodal Officer

The details of Nodal Officer required under Rule 7(2A) as inserted by the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Second Amendment Rules, 2017 is as under:

- Name of the Nodal Officer: Mr. Hasmukh Kanubhai Modi
- Designation: Company Secretary
- Postal Address: Rushil Décor Limited, Rushil House, Near Neelkanth Green Bungalow, Off Sindhu Bhavan Road, Next to GIHED CREDAI, Shilaj, Ahmedabad – 380058
- Email ID: [ipo@rushil.com](mailto:ipo@rushil.com) and [cs@virlaminate.com](mailto:cs@virlaminate.com)

The aforesaid detail is also available on the web address of the Company at [https://www.rushil.com/iepfPdf/Nomination\\_of\\_Nodal\\_officer.pdf](https://www.rushil.com/iepfPdf/Nomination_of_Nodal_officer.pdf).

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

### Retirement by rotation and subsequent re-appointment:

Mr. Ghanshyambhai A. Thakkar (DIN 00208843), Whole Time Director, is liable to retire by rotation at the ensuing Annual General Meeting, pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and being eligible have offered himself for re-appointment.

Appropriate business for his re-appointment is being placed for the approval of the shareholders of the Company at the ensuing AGM. The brief resume of the Director and other related information has been detailed in the Notice convening the ensuing AGM of the Company.

### Re-appointment of Independent Director:

Pursuant to the provisions of the Companies Act, 2013 ("the Act"), the members at their 20th Annual General Meeting held on 29th September, 2014 had appointed Mr. Shankar Prasad Bhagat (DIN 01359807) and Mrs. Jingle Thakkar (DIN 06941497) as Independent Directors to hold office for five consecutive years. Mr. Shankar Prasad Bhagat and Mrs. Jingle Thakkar are eligible for re-appointment as an Independent Director for the second term of five consecutive years not liable to retire by rotation.

The Board of Directors at their meeting held on 18th May, 2019, subject to the approval of the shareholders at the ensuing 25th AGM and on the recommendation of the Nomination and Remuneration Committee, considered and approved the re-appointment of Mr. Shankar Prasad Bhagat and Mrs. Jingle Thakkar as the Independent Directors of the Company.

Accordingly, pursuant to the provisions of the Act and based on the recommendation of the Nomination and Remuneration Committee, the re-appointment of Mr.



## Board's Report (Contd.)

Shankar Prasad Bhagat and Mrs. Jingle Thakkar for a period of five consecutive years is placed for the approval of the Members through a Special Resolution at the 25th Annual General Meeting.

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

### Change in Board Composition

Mr. Kaushik J. Thakkar (DIN 06541630), Executive director was reappointed in the previous Annual General Meeting held on 22nd September, 2018 as director of the Company for a period of five years with effect from 30th March, 2018. He resigned from the Board with effect from 2nd February, 2019 due to his personal reasons. The Board placed on record its appreciation for the valuable contribution and services rendered by Mr. Kaushik J. Thakkar during his tenure as Whole time Director of the Company.

The Board of Directors of the Company at their meeting held on 2nd February, 2019, based on the recommendation of the Nomination and Remuneration Committee, had approved the appointment of Mr. Ramanik T. Kansagara (DIN 08341541) as an Additional/Executive Director of the Company, subject to approval of shareholders of the Company. Mr. Ramanik T. Kansagara will hold office up to the date of the forthcoming 25th Annual General Meeting.

Approval of the shareholders is sought at the 25th AGM for the appointment of Mr. Ramnik T. Kansagara as the Executive Director of the Company, liable to retire by rotation. The Board and Nomination & Remuneration Committee recommended his appointment.

### Key Managerial Personnel

As per the provisions of Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Mr. Ghanshyambhai A. Thakkar, Whole time Director, Mr. Krupesh G. Thakkar, Managing Director, Mr. Keyur M. Gajjar, Chief Executive Officer, Mr. Vipul S. Vora, Chief Financial Officer and Mr. Hasmukh K. Modi, Company Secretary, are the key managerial personnel of the Company.

### DECLARATION BY INDEPENDENT DIRECTORS

All Independent Directors have submitted the declarations of Independence, as required under Section 149(7) of the Companies Act, 2013 and Regulation 25(8) of the SEBI (LODR) Regulations, 2015 that they meet the criteria of independence as provided in Section 149(6) of the Companies

Act, 2013 as well as clause (b) of sub-regulation (1) of regulation 16 of the SEBI (LODR) Regulations, 2015 and that he/she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact his/her ability to discharge his/her duties with an objective independent judgment and without any external influence and that he/she is independent to management. The Independent directors have complied with the code for independent director as prescribed in schedule IV of the Companies Act, 2013.

The company had formulated and implemented code of conduct for the board of directors and senior management personnel which is available on the Company's website: <https://www.rushil.com/CodesPoliciesPdf/or-management-under-Regulation-17-of-the-SEBI-LODR-Regulation-2015.pdf>

### NUMBER OF MEETINGS OF THE BOARD AND ITS COMMITTEES

The details of the meetings of Board of directors and its Committees convened during the Financial Year 2018-19 are set out in the Corporate Governance Report, which forms part of this Report.

### BOARD COMMITTEES

There are various committees constituted as stipulated under the Companies Act, 2013 and SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility (CSR) Committee. Brief details pertaining to composition, terms of reference, meetings held and attendance thereof of these Committees during the financial year 2018-19 has been enumerated in Corporate Governance Report.

### AUDIT COMMITTEE RECOMMENDATIONS

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

### NOMINATION AND REMUNERATION POLICY

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of Companies Act, 2013 read with the Rules framed thereunder and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.

The Nomination and Remuneration Committee have formulated the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of

## Board's Report (Contd.)

the Company, their remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

The salient aspects covered in the Remuneration policy have been outlined in the corporate governance report which forms part of this report.

### EVALUATION OF THE PERFORMANCE OF THE BOARD, COMMITTEES AND INDIVIDUAL DIRECTORS

Pursuant to the provisions of the Companies Act, 2013 read with Rules framed there under and in compliance with the requirements of SEBI (LODR) Regulations, 2015, the Board has carried out the annual evaluation of the performance of the Board as a whole, Individual Directors including Independent Directors, Non-Independent Directors, Chairperson and the Board Committees. A structured questionnaire was prepared after taking into consideration the inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Meetings of the board, functioning of the board, effectiveness of board processes, Board culture, execution and performance of specific duties, obligations and governance.

The exercise was also carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc.

The performance evaluation of the Independent Directors was carried out by the entire Board excluding the director being evaluated. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Key Managerial Personnel. The Directors expressed their satisfaction with the evaluation process.

Further, based on the performance evaluation of the Independent Directors Mr. Shankar Prasad Bhagat and Mrs. Jingle Thakkar to be reappointed for second term of consecutive five years, the Nomination & Remuneration Committee and the Board of Directors of the Company at their respective Meetings held on 18.05.2019 recommended the re-appointment of the aforesaid directors as Independent Directors for a second term of five consecutive years commencing from the dates on which their present appointments with the Company expire.

### REMUNERATION OF DIRECTORS AND EMPLOYEES OF THE COMPANY

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/employees of the Company is set out in "Annexure - [1]" of this report.

The statement containing the information of the employees as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided to any Member on a written request to the Company Secretary. In terms of Section 136 of the Act, the Reports and Accounts are being sent to the Members and others entitled thereto, excluding the aforesaid information of employees which is available for inspection by the members at the Registered office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

### DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the requirements of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013, Board of Directors of the Company, hereby state and confirm that:

- (a) in the preparation of the annual accounts for the financial year ended 31st March, 2019, the applicable accounting standards have been followed and there are no material departures from the same;
- (b) they have selected such accounting policies and applied them consistently and 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 as at 31st March, 2019 and of the profit and loss of the Company for the financial year ended 31st March, 2019;
- (c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) they have prepared annual accounts on a going concern basis;
- (e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and operating effectively; and
- (f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

## Board's Report (Contd.)

### INTERNAL FINANCIAL CONTROLS SYSTEMS AND THEIR ADEQUACY

The Board has adopted policies and procedure for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

During the year no reportable material weakness in the design or operation were observed.

### FRAUDS REPORTED BY THE AUDITOR

The auditor of the Company has not reported any fraud to the Audit Committee or Board or to the Central Government under Section 143(12) of the Companies Act, 2013.

### PUBLIC DEPOSITS

During the year under review, Company has not accepted any deposit within the meaning of Sections 73 and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Further, Company does not have any deposit which is in violation of Chapter V of the Act.

### PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The details of Loans, guarantee and Investments covered under the provisions of Section 186 of the Act are given in the Notes to the Financial Statements forming part of Annual Report.

### RELATED PARTY TRANSACTIONS

During the FY 2018-19, Company has entered into some transactions with related parties as defined under Section 2(76) of the Companies Act, 2013, which were in the ordinary course of business and at arms' length basis. Further, the transactions were in accordance with the provisions of the Companies Act, 2013, read with rules framed thereunder and the SEBI (LODR) Regulations, 2015. All transactions with related parties were entered with approval of the Audit Committee.

The details of the related party transactions as required under IND AS - 24 are set out in Notes to the financial statements.

The Company has formulated a policy on related party transactions, the same is available on Company's website at [https://www.rushil.com/CodesPoliciesPdf/Rushil\\_Related\\_Party\\_Transaction\\_Policy.pdf](https://www.rushil.com/CodesPoliciesPdf/Rushil_Related_Party_Transaction_Policy.pdf)

The detail disclosure of these transactions in Form AOC- 2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as "Annexure [2]" to this Report.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR initiatives of the Company, during the financial year 2018-19 carried out in areas of promoting education, preventive health care and sanitation, Eradicating hunger, poverty and malnutrition (food supply), plantation activity, old age home and such other facilities for senior citizen, rural development, animal welfare etc. These activities are in accordance with Schedule VII of the Companies Act, 2013 and CSR Policy of the Company.

The CSR expenditure incurred by the Company during the FY 2018-19 as well as other details of initiatives undertaken by the Company during the Financial Year in CSR has detailed in this Annual Report. The Annual Report on CSR activities is attached as **Annexure - [3]** to this Report.

The Policy on CSR of the company Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 is available on <https://www.rushil.com/CodesPoliciesPdf/Corporate-Social-Responsibility-Policy-of-RDL.pdf>.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014, is annexed here with as "Annexure - [4]".

### RISK MANAGEMENT POLICY

The Company has a robust Risk Management policy. The Company through Board and Audit Committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of the mitigation plans and risk reporting. Risk Management forms an integral part of the Company's planning process.

The Audit Committee has additional oversight in the area of financial risks and controls. Major risks identified by the business and functions are systematically addressed through mitigating actions on continuing basis.

There are no risks, which in the opinion of the Board threaten the existence of the Company.



## Board's Report (Contd.)

### VIGIL MECHANISM

Your Company has established a Vigil Mechanism/ Whistle Blower Policy which is in compliance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 4(2)(d)(iv) read with Regulation 22 of the SEBI (LODR) Regulations, 2015. The policy enables stakeholders, including individual employees, directors and their representative bodies, to freely communicate their concerns about illegal or unethical practices, instances of unethical behavior, actual or suspected fraud or violation of the company's code of conduct. The Policy provides adequate safeguards against victimization of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in appropriate or exceptional cases. The Protected Disclosures, if any reported under this Policy will be appropriately and expeditiously investigated by the Chairman.

Your Company hereby affirms that no Director, employee or any other personnel has been denied access to the Chairman of the Audit Committee and that no complaint was received during the year.

The Whistle Blower Policy has been disclosed on the Company's website under the web link [https://www.rushil.com/CodesPoliciesPdf/Whistle\\_Blower\\_Policy.51.pdf](https://www.rushil.com/CodesPoliciesPdf/Whistle_Blower_Policy.51.pdf) and circulated to all the Directors / employees.

### SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS

Company received closure notices from Gujarat Pollution Control Board (GPCB) to stop the Manufacturing process of two Laminate Sheet manufacturing units in Gujarat at two different occasions and on two different dates. Later, GPCB temporarily revoked the said closure notice on both the manufacturing units with some conditions. The manufacturing process of both the manufacturing units were disturbed during the closure period.

Except as mentioned above, there are no other significant/ material orders passed by the Regulators, Courts, Tribunals, Statutory and quasi-judicial body impacting the going concern status of the Company and its operations in future.

The details of litigation on tax and other relevant matters are disclosed in the Auditors' Report and Financial Statements which forms part of this Annual Report.

### AUDITORS

#### STATUTORY AUDITOR

M/s. Parikh & Majmudar, Chartered Accountants were appointed as Statutory Auditors of the Company at the AGM held on September 27, 2016 for a term of five consecutive years.

The Notes on financial statement referred to in the Auditors' Report are self-explanatory and do not call for any further comments. The Auditors' Report dated 18th May, 2019 is unmodified and does not contain any qualification, reservation or adverse remark.

No fraud has been reported by the Auditors to the Audit Committee or the Board.

#### SECRETARIAL AUDITOR

Mrs. Mihika S. Jain, Practicing Company Secretary resigned as secretarial auditor of the Company during the year. The Board has appointed M/s. Shalin Jain & Associates, Company Secretaries, to undertake the Secretarial Audit of the Company for the financial year 2018-19 pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and the SEBI (LODR) Regulations, 2015 as amended.

#### SECRETARIAL AUDIT REPORT

The Secretarial Audit Report in the prescribed Form No. MR – 3 for the Financial Year 2018-19 is annexed herewith as "**Annexure - [5]**" to this Report. The Secretarial Auditor has not reported any qualification, reservation or adverse remark or disclaimer in his report.

#### COMPLIANCE WITH SECRETARIAL STANDARD

The Company has complied with Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India on Board meetings and General Meetings respectively.

#### IMPLEMENTATION OF CORPORATE ACTION

During the year under review, the Company has not failed to implement any Corporate Actions within the specified time limit.

## Board's Report (Contd.)

### ANNUAL RETURN

Extract of the Annual Return in Form No. MGT-9 forms part of the Board's Report and is annexed herewith as "Annexure - [6]".

The Company has placed a copy of the annual return for the FY 2017-18 on the website of the company. The web-link of such annual return as prepared in Form No. MGT-7 for the FY 2017-18 is [https://www.rushil.com/AnnualResultPdf/Form\\_MGT-7\\_Annual\\_Return.50.pdf](https://www.rushil.com/AnnualResultPdf/Form_MGT-7_Annual_Return.50.pdf) The Company will also place the Annual Return for the FY 2018-19 on the website of the Company in due course.

### COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

### DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT:

The detail about the utilisation of funds raised by Company through Preferential Allotment for an amount of ₹ 20.02 Crores during the FY 2018-19 has been covered in the Corporate Governance Report which forms part of this Report.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per requirements of SEBI (LODR) Regulations, 2015, a detailed review of the developments in the industry, performance of the Company, opportunities and risks, segment wise and product wise performance, internal control systems, outlook etc. of the Company is given under the head Management Discussion and Analysis Report, which forms part of this Annual Report.

### CORPORATE GOVERNANCE REPORT

The report on Corporate Governance along with a certificate from the Practicing Company Secretary on its compliance for the Financial Year 2018-19, as per Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations, 2015 forms part of the Annual Report and

annexed to this Report.

### Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has adopted zero tolerance for sexual harassment at workplace and has formulated a policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules thereunder for prevention and Redressal of complaints of sexual harassment at workplace.

The policy aims to provide protection to employees at workplace and prevent and redress complaints of sexual harassment and for the matters connected and incidental thereto, with the objective of providing safe working environment, where employees feel secure.

An Internal Complaints Committee has been set up to Redress complaints related to sexual harassment. During the Financial year 2018-19, the company has not received any complaint of sexual harassment at workplace. Further, there was not any complaint pending at the beginning of the year or at the end of the year.

### ACKNOWLEDGEMENT

The Board wishes to place on record its sincere appreciation to the Company's customers, vendors, central and state government bodies, auditors, legal advisors, consultants, registrar and bankers for their continued support to the Company during the year under review. The Directors also wish to place on record their appreciation for the dedicated efforts of the employees at all levels. Finally, the Board expresses its gratitude to the members for their continued trust, co-operation and support.

For and on behalf of the  
Board of Directors,

**Mr. Ghanshyambhai A. Thakkar**

*Chairman*

(DIN: 00208843)

Date: 23.07.2019

Place: Ahmedabad

## Annexure [1] TO BOARD'S REPORT

### Information required under Section 197 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

#### A. Ratio of remuneration of each Director to the median remuneration of all the employees of the Company for the Financial Year 2018-19 is as follows:

(Amount in ₹)

Name of Director	Designation	Total Annual Remuneration (₹)	Ratio of remuneration of director to the Median remuneration
Mr. Ghanshyambhai A. Thakkar	Whole Time Director	1,19,99,403.00	45.54
Mr. Krupesh G. Thakkar	Managing Director	1,19,99,806.00	45.54
Mr. Kaushik J. Thakkar*	Whole Time Director	3,75,653.00	1.69
Mr. Ramanik T. Kansagara*	Executive Director	3,06,118.00	7.44

- \*Mr. Kaushik J. Thakkar has resigned from the Company w.e.f. 02.02.2019. Further, Mr. Ramanik T. Kansagara is appointed as additional Director of the Company w.e.f. 02.02.2019 who was till the date of his appointment working in the Company as Vice President (Production) for Laminate Sheet division. His remuneration is mentioned for his term as director w.e.f. 02.02.2019 to 31.03.2019.
- Independent Directors receiving only sitting fees for attending the board meeting. The sitting fees paid to Independent Directors is not covered in the above table.
- Median remuneration of the Company for all its employees is ₹ 2,63,519/- per annum for the financial year 2018-19.
- The aforesaid details are calculated on the basis of remuneration for the financial year 2018-19.

#### B. Details of percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer & Company Secretary in the financial year 2018-19 is as follows:

(Amount in ₹)

Name of Director	Designation	Remuneration (in ₹)		Increase(%)
		2018-19	2017-18	
Mr. Ghanshyambhai A. Thakkar	Whole Time Director	1,19,99,403.00	1,05,69,278.00	13.53%
Mr. Krupesh G. Thakkar	Managing Director	1,19,99,806.00	1,05,58,679.00	13.65%
Mr. Kaushik J. Thakkar**	Director	375653.00	4,79,784.00	--
Mr. Ramanik T. Kansagara**	Director	3,06,118.00	--	--
Mr. Keyur M. Gajjar	CEO	57,59,099.00	50,49,658.00	14.05%
Mr. Vipul S. Vora	CFO	39,65,758.00	33,26,728.00	19.21%
Mr. Hasmukh K. Modi	CS	17,89,799.00	15,48,151.00	15.61%

#### Notes:

- \*\*Mr. Kaushikbhai J. Thakkar has resigned from the Company w.e.f. 02.02.2019. Further, Mr. Ramanikbhai T. Kansagara is appointed as additional Director of the Company w.e.f. 02.02.2019. So, in the above table increase percentage of these directors is not mentioned.
  - Independent directors receiving only sitting fees for attending the board meeting. So, in the above table, sitting fees paid to independent directors are not considered.
  - The remuneration to Directors is within the overall limits approved by the shareholders.
- C. Percentage increase in the median remuneration of all employees in the Financial Year 2018-19: 10.70%**
- D. Number of permanent employees on the rolls of the Company as on 31st March, 2019: 453 employees**
- E. Comparison of average percentage increase in salary of employees other than the Managerial personnel and the percentage increase in the managerial remuneration:**  
Remuneration to Managerial Personnel (MD & WTD) is increased by 13.60% in FY 2018-19 compared to FY 2017-18. While Average salary of all employees other than Managerial Personnel is increase by 8.8% in FY 2018-19 compared to FY 2017-18.
- F. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.**



## Annexure [2] TO BOARD'S REPORT

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and  
Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

Nil

2. Details of material contracts or arrangement or transactions at arm's length basis:

Nil

For and on behalf of the Board of Directors,

(Ghanshyambhai A. Thakkar)

Chairman

(DIN: 00208843)

Date: 23.07.2019

Place: Ahmedabad

## Annexure [3] To Board's Report

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITIES (CSR) ACTIVITIES

**1. Brief outline of the Company's CSR policy including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

The CSR policy of the company outline aims for signifying care for the community by identifying some thrust area around, which focus on the company's CSR initiatives and channelizing the resources which include providing Health, education, hygienic food, clean water, medical aid or any other financial help to needy persons.

The CSR Activities undertaken by the Company is within the broad framework of Schedule VII of the Companies Act, 2013. Company has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and approved by Board of Directors, is placed on the Company's website, which can be accessed through the following link: <https://www.rushil.com/CodesPoliciesPdf/Corporate-Social-Responsibility-Policy-of-RDL.pdf>

**2. The Composition and meetings of the CSR Committee:**

The composition of the CSR Committee as on 31st March, 2019 is as follows:

Name of the Member	Position in Committee	Nature of Directorship
Mr. Ghanshyambhai A. Thakkar	Chairman	Whole time Director & Chairman
Mr. Krupesh G. Thakkar	Member	Managing Director
Mr. Shankar Prasad Bhagat	Member	Non-Executive/Independent Director

Mr. Hasmukh K. Modi, Company Secretary, acts as Secretary to the CSR Committee. During the FY 2018-19, one meeting of CSR Committee was held on 10th August, 2018.

**3. Average Net Profit of the company for the last three financial years: ₹ 31,64,36,196.00**

**4. Prescribed CSR expenditure (2% of this amount as in Sr. No. 3 above): ₹ 63,28,724.00**

**5. Details of CSR spent for the financial year:**

- Total amount to be spent for the financial year: ₹ 63,28,724.00
- Actual amount spent for the financial year: ₹ 64,96,931.00
- Amount unspent, if any: NIL
- Extra amount spent for the financial year: ₹ 1,68,207.00
- Manner in which the amount spent during the financial year is detailed below:

(₹ in Lakhs)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2)Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*
1	Promoting education by providing educational materials, school fees, tuition support etc.	Cl. (ii) promoting education	(1) At Mansa, Dist.- Gandhinagar, Gujarat, and (2) At city & district - Ahmedabad, Gujarat.	12.00	12.40	12.40	Direct and through implementing agency

## Annexure [3] TO BOARD'S REPORT (Contd.)

(₹ in Lakhs)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2)Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*
2	Providing grocery, food, clean drinking water, medical help etc.	Cl. (i) Eradicating hunger, poverty and malnutrition	(1) At Mansa, Dist.- Gandhinagar, Gujarat, and (2) At city & district - Ahmedabad, Gujarat.	35.00	34.77	34.77	Direct and through implementing agency
3	Orphans & Old age Facility	Cl. (iii) setting up old age homes and such other facilities for senior citizens	At Ahmedabad, Gujarat	17.00	16.89	16.89	Through implementing agency
4	Animal Welfare	Cl. (iv) animal welfare	At Ahmedabad, Gujarat	0.20	0.26	0.26	Through implementing agency
5	Rural Development Projects	Cl. (x) Rural Development	At Gandhinagar Gujarat	0.60	0.65	0.65	Direct
	<b>Total</b>			<b>64.80</b>	<b>64.97</b>	<b>64.97</b>	

\*Company has carried out some of the CSR expenses through implementing agency namely Ghanshyam Parivar Trust. This trust has the some common objects as covered in Schedule VII and has an established track record of more than five years in undertaking such activities.

**6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.**

Not Applicable

**7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.**

The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

Date: 23.07.2019  
 Place: Ahmedabad

(Krupesh G. Thakkar)  
 Managing Director

(Ghanshyambhai A. Thakkar)  
 Chairman of CSR Committee



## Annexure [4] To Board's Report

### PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

#### (A) CONSERVATION OF ENERGY

##### (i) Steps taken for conservation of energy as well as the steps taken by the Company for utilizing alternate sources of energy:

1. The existing maximum demand controller interlock with process load system result in decline of demand to 300 KVA per month without disturbing company's process system.
2. Company has installed PVC foam board plant with connected load 1440 KW. The approximate savings are ₹ 7,56,000/- per year.
3. In Financial Year 2018-19 company had purchased 73,59,152 units by open access power through INDIAN ENERGY EXCHANGE, with this the company's overall cost was reduced by ₹ 0.28/- per unit. The power cost was reduced from ₹ 8.02 per unit to ₹ 7.74 per unit. Therefore, company got the benefits of ₹ 61 lakhs.
4. Company has introduced VFD for the following motors at the MDF Board manufacturing plant of the Company at Chikmagalur, Karnataka
  - 5.5 KW Sanding RAV motors- 2 nos
  - 11 KW RAV motor for fibre bin motor- 1 nos

After introducing the VFD, Company made saving in energy cost by reducing the power consumption of Approximately 24,000 units per year.
5. Company has installed solar panel at the corporate office of the company which results in significant power and energy saving.
6. Company has replaced ordinary MH/MB lights with LED lights inside the building premises in first phase. The total saving are 28,000 units per annum.

7. The company is doing on Regular basis Preventive and corrective maintenance of machines as proactive measures to optimize energy usage and available time of machines.
8. On the regular basis, Company is doing check in the electricity distribution network for safe and efficient performance.
9. Company has fixed Air Ventilation on top roof of factory premises running through wind energy in replacement of exhaust fans which were running through electricity.
10. Company is doing shift wise power consumption analysis to control the consumptions. Along with that Company is doing quarterly In-house energy audit for electrical and utility systems.

##### (ii) Capital Investment on energy conservation equipment: NIL

##### (iii) Impact of energy conservation measures:

Energy conservation measures undertaken by the company have resulted in savings in power cost which ultimately resulted into overall cost savings of the company.

#### (B) TECHNOLOGY ABSORPTION

##### (i) The efforts made by the Company towards technology absorption:

1. Company had Install new Resin dosing system of IMAL at glue kitchen for reduction of resin consumption. Due to this company has saved 6% resin during the FY 2018-19. Further calibration is going on and company is expecting another 3% saving per annum. As well as company's product quality was also improved. As a result the approximate resin savings are 1,130 MT.
2. The Process modification at MDF plant in Chikmagalur, Karnataka results in increase of MDF board production to 27% and Lamination board production to 25% over the machine design capacity that resulted in reduction of Power and Thermal energy cost.

## Annexure [4] TO BOARD'S REPORT (Contd.)

3. Company on continuous basis modifies and upgrades the manufacturing process/ parameters which resulted into cost effectiveness, better productivity in terms of quantity without compromising quality of the products.
    - Sanding Dust Fan -2 nos (90KW and 75 KW)
    - Vacuum fan (75 KW)
    - Secondary Exhaust Fan (30 KW)
  4. Company has introduced Interlocking of flue gas temperature system with hot air discharge system has resulted in reduction of fuel consumption to 1000 MT per annum. As a result the saving is ₹ 25 lakhs per annum. The fire accident due to over temperature is also avoided after the installation of this system.
  5. Development of new products, design, concept and processes at regular intervals.
  6. Company on continuous basis upgrades the chemical formula, new and alternate Raw Material consumption etc. for better quality and cost effectiveness.
  7. The Company on an on-going basis interacts with markets, for technical expertise for our industry.
  8. Company has undertaken in house R&D activities to improve the quantity and quality of products.
  9. Upgradation of handling system of hot press machine with latest technology which resulted into saving in production loss and increase in productivity.
  10. Company modified / propose to modify the following process systems which will result into increase in the production and/ or improvement in quality of the products:
    1. Installation of Roof Top solar panel for Solar Power generation in PVC unit.
    2. VFD installation in cooling tower Fan and interlock with the water temperature control in RO plant.
    3. Installations of new VFD's for following motors
      - Installation of servo motors system in lamination machine for loading and unloading motors for better productivity and quality.
      - To install LED lighting system in entire plant outdoor in next phase.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:**
- Company is covered under the design products industry. New designs and varieties in products has always remained the demand of customers. So, development of new products and creativity in the processes are the basic requirements to sustain and increase the market share of the company. Company has derived various benefits from new and improved technology and R&D activities i.e. Product (quality) improvement, reduced cost of final products, Reduction in process time, Conservation of energy, Smooth processing, conservation of environment, Increase in customer base, Increase in the brand value of Company etc.
- (iii) Imported Technology (imported during the last 3 years reckoned from the beginning of the financial year):**
- The Company has not imported any technology during the last three years.
- (iv) Expenditure on Research and Development: NIL**
- (C) FOREIGN EXCHANGE EARNINGS AND OUTGO**
- Foreign exchange earned in terms of actual inflows during the Financial Year 2018-19 was ₹ 101.17 Cr (equivalent value of various currencies).
- Foreign exchange outgo in terms of actual outflows during the Financial Year 2018-19 was ₹ 9.60 Cr (equivalent value of various currencies).

## Annexure [5] To Board's Report

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
Rushil Decor Limited  
(CIN: L25209GJ1993PLC019532)  
Ahmedabad.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Rushil Decor Limited (hereinafter called the "**Company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion and to the best of my understanding, the Company has, during the audit period covering the financial year ended on 31st March, 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019, according to the provisions of:

- (i) The Companies Act, 2013 ("**the Act**") and the rules made thereunder;
- (ii) Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder;
- (iii) The Depositories Act, 2018 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India

Act, 1992 ("**SEBI Act**") to the extent applicable to the Company:-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- (d) The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agent) Regulations, 1993 regarding the Act and dealing with Client;
- (vi) Laws specifically applicable to the industry to which the Company belongs, as identified by the management, that is to say:
  - a) Environment Protection Act, 1986
  - b) The Hazardous Wastes (Management, Handling and Trans boundary Movement) Rules, 2008
  - c) The Water (Prevention & Control of Pollution) Act, 1974 and Rules made thereunder
  - d) The Air (Prevention & Control of Pollution) Act, 1981
  - e) Intellectual Property Acts
  - f) Customs Act, 1962
  - g) Indian Boilers Act, 1923
  - h) Indian Forest Act read with State Rules
  - i) Bureau of Indian Standards Act, 1986

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI).
- ii. The Listing Agreements entered into by the Company with Stock Exchange(s) read with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.



## Annexure [5] TO BOARD'S REPORT (Contd.)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

### I further Report that:

- i. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- ii. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- iii. None of the directors in any meeting dissented on any resolution and hence there was no instance of recording any dissenting member's view in the minutes.

**I further report that** there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period there were no specific events/actions having a major bearing on the affairs of the Company in pursuance of the above referred laws, Rules, regulations, guidelines, standards, etc. except as follow:

During the year, Company has issued and allotted 2,13,872 Equity Shares on preferential basis at two different occasions as follows:

Date of Allotment	28.04.2018	19.07.2018
No. of shares allotted	1,90,372	23,500
Issue Price per Share (₹)	945.00	865.00
Total amount	₹ 17.99 Crores	₹ 2.03 Crores

For, Shalin Jain & Associates

**Shalin M. Jain**

Practicing Company Secretary

Date: 23.07.2019

ACS No: 30427

Place: Ahmedabad

CP No: 21379

This Report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.

## Annexure [5] TO BOARD'S REPORT (Contd.)

### Annexure A

To,  
The Members,  
Rushil Decor Limited  
(CIN: L25209GJ1993PLC019532)  
Ahmedabad.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management

representation about the Compliance of laws, rules and regulations and happening of events etc.

5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For, Shalin Jain & Associates

**Shalin M. Jain**

Practicing Company Secretary

ACS No: 30427

CP No: 21379

Date: 23.07.2019

Place: Ahmedabad

## Annexure [6] to Board's Report

**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31.03.2019**

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

<b>I.</b>	<b>REGISTRATION AND OTHER DETAILS:</b>	
i)	CIN	L25209GJ1993PLC019532
ii)	Registration Date	24-05-1993
iii)	Name of the Company	Rushil Decor Limited
iv)	Category / Sub-Category of the Company	Company Limited by shares/ Non-Government Company
v)	Address of the Registered office and contact details	S. No. 125, Near Kalyanpura Patia, Village Itla, Gandhinagar-Mansa Road, Taluka Kalol, Dist.: Gandhinagar – 382845, Gujarat, India Tel: (079) 61400400 Fax: (079) 61400401
vi)	Whether listed company	Yes / No
	Details of the Stock Exchanges where shares are listed:	
	Sr. No. Name of Stock Exchange	BSE Equity Script Code / NSE Equity Symbol
	1 BSE Limited (BSE)	533470
	2 The National Stock Exchange of India Limited (NSE)	RUSHIL
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Big Share Services Pvt. Ltd. 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai-400059, Maharashtra, India Tel: (022) 62638200 Fax: (022) 62638299 Email: <a href="mailto:bhagwan@bigshareonline.com">bhagwan@bigshareonline.com</a>
<b>II.</b>	<b>PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY</b>	
	All the business activities contributing 10% or more of the total turnover of the company	As per attachment - A
<b>III.</b>	<b>PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES</b>	Company has no Holding, Subsidiary or Associate Company.
<b>IV.</b>	<b>SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)</b>	
	i) Category-wise Share Holding	As per attachment – B
	ii) Shareholding of Promoters	As per Attachment – C
	iii) Change in Promoters' Shareholding ( please specify, if there is no change)	As per Attachment – D
	iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)	As per Attachment – E
	v) Shareholding of Directors and Key Managerial Personnel	As per Attachment – F
<b>V.</b>	<b>INDEBTEDNESS</b>	
	Indebtedness of the Company including interest outstanding/accrued but not due for payment	As per Attachment – G
<b>VI.</b>	<b>REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL</b>	
A.	Remuneration to Managing Director, Whole-time Directors and/or Manager	As per Attachment – H
B.	Remuneration to other directors	As per Attachment – I
C.	Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD	As per Attachment – J
<b>VII.</b>	<b>PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES</b>	As per Attachment – K



## Annexure [6] to Board's Report (Contd.)

### ATTACHMENT - A

#### PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company is as follows:

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% of total turnover of the company
1	Laminated Sheets and other allied items	1709	53.22%
2	Medium Density Fiber Board	1621	45.25%

### ATTACHMENT – B

#### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual / HUF	6045914	0	6045914	41.08	6045914	0	6045914	40.49	(0.59)
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt (s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other....									
f-1) Firm representing through its Partners	1845770	0	1845770	12.54	1845770	0	1845770	12.36	(0.18)
<b>Sub-total (A) (1):-</b>	<b>7891684</b>	<b>0</b>	<b>7891684</b>	<b>53.62</b>	<b>7891684</b>	<b>0</b>	<b>7891684</b>	<b>52.85</b>	<b>(0.77)</b>
<b>(2) Foreign</b>									
a) NRIs – Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other....	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A)(1)+(A)(2)</b>	<b>7891684</b>	<b>0</b>	<b>7891684</b>	<b>53.62</b>	<b>7891684</b>	<b>0</b>	<b>7891684</b>	<b>52.85</b>	<b>(0.77)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	3775	0	3775	0.03	3792	0	3792	0.03	0.00
c) Central Govt	0	0	0	0	34	0	34	0.00	0.00
d) State Govt(s)	0	0	0	0	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0	0	0	0	0.00	0.00
g) FIs	170167	0	170167	1.16	121621	0	121621	0.81	(0.35)
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0.00	0.00
i) Others (Foreign Portfolio Investor)	2093066	0	2093066	14.22	1785490	0	1785490	11.96	(2.26)
<b>Sub-total (B)(1):-</b>	<b>2267008</b>	<b>0</b>	<b>2267008</b>	<b>15.41</b>	<b>1910937</b>	<b>0</b>	<b>1910937</b>	<b>12.80</b>	<b>(2.61)</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	2310472	0	2310472	15.70	2523196	0	2523196	16.90	1.2
ii) Overseas	175000	0	175000	1.19	472912	0	472912	3.17	1.98

## Annexure [6] to Board's Report (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2018)				No. of Shares held at the end of the year (As on 31.03.2019)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	365198	5	365203	2.48	375719	5	375724	2.52	0.04
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	921168	0	921168	6.26	756022	0	756022	5.06	(1.20)
c) Others (Partnership Firm)	317460	0	317460	2.16	317460	0	317460	2.13	(0.03)
Clearing Members	357399	0	357399	2.43	324843	0	324843	2.18	(0.25)
NRI	520	0	520	0.00	70	0	70	0	0.00
NRI (REPAT)	39730	0	39730	0.27	25314	0	25314	0.17	(0.10)
NRI (NON REPAT)	71701	0	71701	0.49	333050	0	333050	2.23	1.74
Corporate Body NBFC	115	0	115	0.00	120	0	120	0	0
<b>Sub-total (B)(2):-</b>	<b>4558763</b>	<b>5</b>	<b>4558768</b>	<b>30.98</b>	<b>5128706</b>	<b>5</b>	<b>5128711</b>	<b>34.35</b>	<b>3.37</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>6825771</b>	<b>5</b>	<b>6825776</b>	<b>46.38</b>	<b>7039643</b>	<b>5</b>	<b>7039648</b>	<b>47.15</b>	<b>0.77</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>14717455</b>	<b>5</b>	<b>14717460</b>	<b>100.00</b>	<b>14931327</b>	<b>5</b>	<b>14931332</b>	<b>100.00</b>	<b>0.00</b>

Note: During the FY 2018-19, total 2,13,872 new Equity Shares were allotted to non-promoter shareholder through Preferential issue basis. Therefore, The Total Paid up Share Capital is increased from 1,47,17,460 equity shares to 1,49,31,332 equity shares.

### (ii) Shareholding of Promoters and promoter group

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2018)			Shareholding at the end of the year (As on 31.03.2019)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Ghanshyambhai Ambalal Thakkar	1990900	13.53	0	1990900	13.33	0	(0.20)
2	Krupesh Ghanshyambhai Thakkar and Ghanshyambhai Ambalal Thakkar Repr. Rushil International (Partnership Firm)	1845770	12.54	0	1845770	12.36	0	(0.18)
3	Krupesh Ghanshyambhai Thakkar	1542484	10.48	0	1927866	12.91	0	2.43
4	Krupesh G. Thakkar Karta of Krupesh Ghanshyambhai Thakkar (HUF)	1389693	9.44	0	1389693	9.31	0	(0.13)
5	Krupa Krupesh Thakkar	282415	1.92	0	282415	1.89	0	(0.03)
6	Ghanshyambhai A. Thakkar Karta of Ghanshyambhai Ambalal Thakkar (HUF)	385382	2.62	0	0	0	0	(2.62)
7	Dinuben Ghanshyambhai Thakkar	246516	1.67	0	246516	1.65	0	(0.02)
8	Rushil Krupesh Thakkar	208524	1.42	0	208524	1.40	0	(0.02)
<b>Total</b>		<b>7891684</b>	<b>53.62</b>	<b>0</b>	<b>7891684</b>	<b>52.85</b>	<b>0</b>	<b>(0.77)</b>

## Annexure [6] to Board's Report (Contd.)

### (iii) Change in Promoters and promoter Group' Shareholding (please specify, if there is no change)

Sr. No.	Name of the Promoter	Shareholding at the beginning of the year (As on 01-04-2018)		Cumulative Shareholding during the year (01-04-2018 to 31-03-2019)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1</b>	<b>Ghanshyambhai A. Thakkar Karta of Ghanshyambhai Ambalal Thakkar (HUF)</b>				
	At the beginning of the Year	385382	2.62	--	--
	Transferred the shares on Partition of HUF vide Partition Deed dated 07.11.2018	(385382)	(2.58)	--	--
	At the end of the Year	--	--	--	--
<b>2</b>	<b>Krupesh Ghanshyambhai Thakkar</b>				
	At the beginning of the Year	1542484	10.48	--	--
	Acquired the shares on Partition of Ghanshyambhai Ambalal Thakkar (HUF) vide Partition Deed dated 07.11.2018	385382	2.58	1927866	12.91
	At the end of the Year	--	--	1927866	12.91

**Note:** There is no change in the promoter's shareholding except as mentioned above. During the Financial year, due to partition of Ghanshyambhai Ambalal Thakkar (HUF) vide HUF Partition Deed dated 07.11.2018, 3,85,382 Equity shares of Ghanshyambhai Ambalal Thakkar (HUF) was transferred in favour of Mr. Krupesh Ghanshyambhai Thakkar as per Partition Deed.

### (iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters/Promoter Group and Holders of GDRs and ADRs)

Sl. No.	Shareholder's Name	No. Of Shares At The Beginning/ End Of The Year	Increase/ Decrease In Share-Holding		Reason for Increase/ Decrease	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
			Date	No. of Shares		Number of Shares	Percentage of Total Shares of The Company
1	Elara India Opportunities Fund Limited	5,50,200	01-Apr-18	0	Transfer	5,50,200	3.68
			06-Apr-18	55,000	Transfer	6,05,200	4.05
			13-Apr-18	10,000	Transfer	6,15,200	4.12
			27-Apr-18	10,000	Transfer	6,25,200	4.19
			08-Jun-18	75,000	Transfer	7,00,200	4.69
			29-Jun-18	10,000	Transfer	7,10,200	4.76
			06-Jul-18	10,000	Transfer	7,20,200	4.82
			13-Jul-18	(10,000)	Transfer	7,10,200	4.76
			31-Aug-18	67,500	Transfer	7,77,700	5.21
			24-Sep-18	(7,77,700)	Transfer	0	0
			28-Sep-18	7,77,700	Transfer	7,77,700	5.21
	7,77,700	31-Mar-19	0	Transfer	7,77,700	5.21	
2.	IL and FS Securities Services Limited	37,943	01-Apr-18	0	Transfer	37,943	0.25
			06-Apr-18	11785	Transfer	49,728	0.33
			13-Apr-18	(1008)	Transfer	48,720	0.33
			20-Apr-18	30	Transfer	48,750	0.33
			27-Apr-18	(12760)	Transfer	35,990	0.24
			11-May-18	(87)	Transfer	35,903	0.24
			18-May-18	(3134)	Transfer	32,769	0.22
			25-May-18	(1584)	Transfer	31,185	0.21
			30-May-18	26200	Transfer	57,385	0.38
			01-Jun-18	15993	Transfer	73,378	0.49
			08-Jun-18	402087	Transfer	4,75,465	3.18
			15-Jun-18	(3513)	Transfer	4,71,952	3.16
			22-Jun-18	(2816)	Transfer	4,69,136	3.14



## Annexure [6] to Board's Report (Contd.)

Sl. No.	Shareholder's Name	No. Of Shares At The Beginning/ End Of The Year	Increase/ Decrease In Share-Holding		Reason for Increase/ Decrease	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
			Date	No. of Shares		Number of Shares	Percentage of Total Shares of The Company
			29-Jun-18	131670	Transfer	6,00,806	4.02
			06-Jul-18	(4302)	Transfer	5,96,504	4.00
			13-Jul-18	1000	Transfer	5,97,504	4.00
			20-Jul-18	466	Transfer	5,97,970	4.00
			27-Jul-18	(239)	Transfer	5,97,731	4.00
			03-Aug-18	(7575)	Transfer	5,90,156	3.95
			10-Aug-18	6065	Transfer	5,96,221	3.99
			17-Aug-18	(7156)	Transfer	5,89,065	3.95
			24-Aug-18	(5519)	Transfer	5,83,546	3.91
			31-Aug-18	(18387)	Transfer	5,65,159	3.79
			07-Sep-18	(730)	Transfer	5,64,429	3.78
			14-Sep-18	(258)	Transfer	5,64,171	3.78
			21-Sep-18	8120	Transfer	5,72,291	3.83
			24-Sep-18	(572291)	Transfer	0	0
			28-Sep-18	47957	Transfer	47,957	0.32
			29-Sep-18	(141)	Transfer	47,816	0.32
			05-Oct-18	30505	Transfer	78,321	0.52
			12-Oct-18	(3226)	Transfer	75,095	0.50
			19-Oct-18	(15006)	Transfer	60,089	0.40
			26-Oct-18	(14750)	Transfer	45,339	0.30
			02-Nov-18	(4700)	Transfer	40,639	0.27
			09-Nov-18	(114)	Transfer	40,525	0.27
			16-Nov-18	(100)	Transfer	40,425	0.27
			23-Nov-18	1041	Transfer	41,466	0.28
			30-Nov-18	277	Transfer	41,743	0.28
			07-Dec-18	(32)	Transfer	41,711	0.28
			14-Dec-18	553262	Transfer	5,94,973	3.98
			21-Dec-18	(2663)	Transfer	5,92,310	3.97
			28-Dec-18	938	Transfer	5,93,248	3.97
			04-Jan-19	110	Transfer	5,93,358	3.97
			18-Jan-19	(10687)	Transfer	5,82,671	3.90
			25-Jan-19	(22247)	Transfer	5,60,424	3.75
			01-Feb-19	(3430)	Transfer	5,56,994	3.73
			08-Feb-19	(15382)	Transfer	5,41,612	3.63
			15-Feb-19	9984	Transfer	5,51,596	3.69
			22-Feb-19	3836	Transfer	5,55,432	3.72
			01-Mar-19	(597)	Transfer	5,54,835	3.72
			08-Mar-19	(1635)	Transfer	5,53,200	3.71
			15-Mar-19	(8033)	Transfer	5,45,167	3.65
			22-Mar-19	(5)	Transfer	5,45,162	3.65
			29-Mar-19	(305)	Transfer	5,44,857	3.65
		<b>5,44,857</b>	31-Mar-19	0	Transfer	5,44,857	3.65

## Annexure [6] to Board's Report (Contd.)

Sl. No.	Shareholder's Name	No. Of Shares At The Beginning/ End Of The Year	Increase/ Decrease In Share-Holding		Reason for Increase/ Decrease	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
			Date	No. of Shares		Number of Shares	Percentage of Total Shares of The Company
3	Anand Rathi Global Finance Limited	5,35,605	01-Apr-18	0	Transfer	5,35,605	3.59
			25-May-18	(1239)	Transfer	5,34,366	3.58
			01-Jun-18	(524912)	Transfer	9,454	0.06
			08-Jun-18	1234	Transfer	10,688	0.07
			27-Jul-18	34500	Transfer	45,188	0.30
			03-Aug-18	(45188)	Transfer	0	0
			10-Aug-18	16841	Transfer	16,841	0.11
			24-Sep-18	(16841)	Transfer	0	0
			28-Sep-18	16841	Transfer	16,841	0.11
			29-Sep-18	553259	Transfer	5,70,100	3.82
			23-Nov-18	(553259)	Transfer	16,841	0.11
			04-Jan-19	9459	Transfer	26,300	0.18
			18-Jan-19	(4800)	Transfer	21,500	0.14
			25-Jan-19	7131	Transfer	28,631	0.19
			08-Feb-19	(7131)	Transfer	21,500	0.14
			15-Feb-19	(5000)	Transfer	16,500	0.11
			29-Mar-19	93750	Transfer	1,10,250	0.74
30-Mar-19	113996	Transfer	2,24,246	1.50			
	<b>2,24,246</b>	31-Mar-19	0	Transfer	2,24,246	1.50	
4	Tirthankar Shares And Services Private Limited	5,04,100	01-Apr-18	0	Transfer	5,04,100	3.38
			24-Sep-18	(504100)	Transfer	0	0
			28-Sep-18	504100	Transfer	5,04,100	3.38
			31-Mar-19	0	Transfer	5,04,100	3.38
5	Shriram insight share brokers ltd.	4,61,206	01-Apr-18	0	Transfer	4,61,206	3.09
			06-Apr-18	893	Transfer	4,62,099	3.09
			13-Apr-18	(4269)	Transfer	4,57,830	3.07
			20-Apr-18	(93)	Transfer	4,57,737	3.07
			11-May-18	6	Transfer	4,57,743	3.07
			18-May-18	(6)	Transfer	4,57,737	3.07
			25-May-18	143290	Transfer	6,01,027	4.03
			01-Jun-18	600	Transfer	6,01,627	4.03
			08-Jun-18	(68494)	Transfer	5,33,133	3.57
			15-Jun-18	1150	Transfer	5,34,283	3.58
			22-Jun-18	5141	Transfer	5,39,424	3.61
			06-Jul-18	8590	Transfer	5,48,014	3.67
			13-Jul-18	6310	Transfer	5,54,324	3.71
			20-Jul-18	(6310)	Transfer	5,48,014	3.67
			03-Aug-18	10624	Transfer	5,58,638	3.74
			10-Aug-18	13887	Transfer	5,72,525	3.83
			17-Aug-18	(8315)	Transfer	5,64,210	3.78
24-Aug-18	34394	Transfer	5,98,604	4.01			
31-Aug-18	(48044)	Transfer	5,50,560	3.69			
07-Sep-18	(48695)	Transfer	5,01,865	3.36			
21-Sep-18	16650	Transfer	5,18,515	3.47			
24-Sep-18	(518515)	Transfer	0	0			

## Annexure [6] to Board's Report (Contd.)

Sl. No.	Shareholder's Name	No. Of Shares At The Beginning/ End Of The Year	Increase/ Decrease In Share-Holding		Reason for Increase/ Decrease	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
			Date	No. of Shares		Number of Shares	Percentage of Total Shares of The Company
			28-Sep-18	539873	Transfer	5,39,873	3.62
			05-Oct-18	17652	Transfer	5,57,525	3.73
			12-Oct-18	(10383)	Transfer	5,47,142	3.66
			07-Dec-18	36204	Transfer	5,83,346	3.91
			14-Dec-18	2	Transfer	5,83,348	3.91
			21-Dec-18	(12395)	Transfer	5,70,953	3.82
			28-Dec-18	(95)	Transfer	5,70,858	3.82
			31-Dec-18	1	Transfer	5,70,859	3.82
			04-Jan-19	(20961)	Transfer	5,49,898	3.68
			11-Jan-19	(4500)	Transfer	5,45,398	3.65
			18-Jan-19	1700	Transfer	5,47,098	3.66
			25-Jan-19	800	Transfer	5,47,898	3.67
			01-Feb-19	28262	Transfer	5,76,160	3.86
			08-Feb-19	1600	Transfer	5,77,760	3.87
			15-Feb-19	45092	Transfer	6,22,852	4.17
			22-Feb-19	6821	Transfer	6,29,673	4.22
			01-Mar-19	(1863)	Transfer	6,27,810	4.20
			08-Mar-19	2329	Transfer	6,30,139	4.22
			19-Mar-19	300	Transfer	6,30,439	4.22
			22-Mar-19	(1090)	Transfer	6,29,349	4.22
			29-Mar-19	73989	Transfer	7,03,338	4.71
			30-Mar-19	(10)	Transfer	7,03,328	4.71
		<b>7,03,328</b>	31-Mar-19	0	Transfer	7,03,328	4.71
<b>6</b>	<b>Aspire Emerging Fund</b>	<b>4,78,500</b>	01-Apr-18	0	Transfer	4,78,500	3.20
			31-Aug-18	(22109)	Transfer	4,56,391	3.06
			07-Sep-18	(5920)	Transfer	4,50,471	3.02
			24-Sep-18	(450471)	Transfer	0	0
			28-Sep-18	450471	Transfer	4,50,471	3.02
		<b>4,50,471</b>	31-Mar-19	0	Transfer	4,50,471	3.02
<b>7</b>	<b>Nomura Singapore Limited</b>	<b>1,75,000</b>	01-Apr-18	0	Transfer	1,75,000	1.17
			27-Apr-18	(10000)	Transfer	1,65,000	1.11
			24-Aug-18	11000	Transfer	1,76,000	1.18
			31-Aug-18	11000	Transfer	1,87,000	1.25
			07-Sep-18	84000	Transfer	2,71,000	1.82
			24-Sep-18	(271000)	Transfer	0	0
			28-Sep-18	271000	Transfer	2,71,000	1.82
			05-Oct-18	30000	Transfer	3,01,000	2.02
			12-Oct-18	35000	Transfer	3,36,000	2.25
			21-Dec-18	36254	Transfer	3,72,254	2.49
			28-Dec-18	6671	Transfer	3,78,925	2.54
			31-Dec-18	20	Transfer	3,78,945	2.54
			04-Jan-19	43967	Transfer	4,22,912	2.83
			08-Feb-19	50000	Transfer	4,72,912	3.17
		<b>4,72,912</b>	31-Mar-19	0	Transfer	4,72,912	3.17



## Annexure [6] to Board's Report (Contd.)

Sl. No.	Shareholder's Name	No. Of Shares At The Beginning/ End Of The Year	Increase/ Decrease In Share-Holding		Reason for Increase/ Decrease	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
			Date	No. of Shares		Number of Shares	Percentage of Total Shares of The Company
8	#Vespera Fund Limited	3,37,500	01-Apr-18	0	Transfer	3,37,500	2.26
			06-Apr-18	(80000)	Transfer	2,57,500	1.72
			18-May-18	(257000)	Transfer	500	0
			15-Jun-18	(500)	Transfer	0	0
			31-Mar-19	0	Transfer	0	0
9	Bhavik Suryakant Parikh Representing Family Fund, Partnership Firm	3,17,460	01-Apr-18	0	0	3,17,460	2.13
			31-Mar-19	0	0	3,17,460	2.13
10	Shriram Credit Company Limited	2,74,445	01-Apr-18	0	Transfer	2,74,445	1.84
			24-Sep-18	(274445)	Transfer	0	0
			28-Sep-18	274445	Transfer	2,74,445	1.84
			05-Oct-18	(8300)	Transfer	2,66,145	1.78
			21-Dec-18	(4732)	Transfer	2,61,413	1.75
			01-Feb-19	(400)	Transfer	2,61,013	1.75
			08-Feb-19	(5369)	Transfer	2,55,644	1.71
			15-Feb-19	(1679)	Transfer	2,53,965	1.70
			22-Feb-19	(3416)	Transfer	2,50,549	1.68
			31-Mar-19	0	Transfer	2,50,549	1.68
11	#Giraben Atulbhai Shah	2,53,899	01-Apr-18	0	Transfer	2,53,899	1.70
			04-May-18	(75)	Transfer	2,53,824	1.70
			24-Aug-18	(70400)	Transfer	1,83,424	1.23
			24-Sep-18	(183424)	Transfer	0	0
			28-Sep-18	183424	Transfer	1,83,424	1.23
			01-Feb-19	(33000)	Transfer	1,50,424	1.01
			08-Feb-19	(1000)	Transfer	1,49,424	1.00
			15-Feb-19	(39700)	Transfer	1,09,724	0.73
			29-Mar-19	(45000)	Transfer	64,724	0.43
			31-Mar-19	0	Transfer	64,724	0.43
12	Davos International Fund	2,42,000	01-Apr-18	0	Transfer	2,42,000	1.62
			24-Sep-18	(242000)	Transfer	0	0
			28-Sep-18	242000	Transfer	2,42,000	1.62
			30-Nov-18	(1500)	Transfer	2,40,500	1.61
			31-Mar-19	0	Transfer	2,40,500	1.61
13	Sumant Kapur	40,000	01-Apr-18	0	Transfer	40,000	0.27
			31-Aug-18	114000	Transfer	1,54,000	1.03
			24-Sep-18	(154000)	Transfer	0	0
			28-Sep-18	154000	Transfer	1,54,000	1.03
			12-Oct-18	4347	Transfer	1,58,347	1.06
			19-Oct-18	9940	Transfer	1,68,287	1.13
			26-Oct-18	13962	Transfer	1,82,249	1.22
			02-Nov-18	13738	Transfer	1,95,987	1.31
			07-Dec-18	20200	Transfer	2,16,187	1.45
			31-Mar-19	0	Transfer	2,16,187	1.45

#Ceased to be in the list of Top 10 shareholders as on 31.03.2019. The same have been reflected above since shareholders were among the Top 10 shareholders as on 01.04.2018

## Annexure [6] to Board's Report (Contd.)

### (v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name	Shareholding		Date	Increase/ (Decrease) in share holding during the year	Reason	Cumulative Shareholding during the year (01.04.2018 to 31.03.2019)	
		No. of Shares at the beginning (01.04.2018)/ end of the year (31.03.2019)	% of total Shares of the Company				No. of Shares	% of total shares of the company
<b>Directors:</b>								
1	Ghanshyambhai Ambalal Thakkar	1990900	13.53	01.04.2018	-	Nil Transaction during the year.	1990900	13.33
		1990900	13.33	31.03.2019				
2	Krupesh Ghanshyambhai Thakkar	1542484	10.71	01.04.2018	385382	Acquired Shares on Partition of Ghanshyambhai Ambalal Thakkar (HUF)	1927866	12.91
		1927866	12.91	31.03.2019				
3	Shankar Prasad Bhagat	-	-	01.04.2018	-	No Holding and Movement during the year	-	-
		-	-	31.03.2019				
4	Rohitbhai Bhailalbai Thakkar	-	-	01.04.2018	-	No Holding and Movement during the year	-	-
		-	-	31.03.2019				
5	Kaushikbhai Jaykrishnabhai Thakkar#	-	-	01.04.2018	-	No Holding and Movement during the year	-	-
		-	-	31.03.2019				
6	Jingle Piyush Thakkar	-	-	01.04.2018	-	No Holding and Movement during the year	-	-
		-	-	31.03.2019				
7	Ramanikbhai Tejabhai Kansagara	-	-	01.04.2018	-	No Holding and Movement during the year	-	-
		-	-	31.03.2019				
<b>Key Managerial Personnel:</b>								
1	Keyur Mohanbhai Gajjar	-	-	01.04.2018	-	No Holding and Movement during the year	-	-
		-	-	31.03.2019				
2	Vipul Shantilal Vora	-	-	01.04.2018	-	No Holding and Movement during the year	-	-
		-	-	31.03.2019				
3	Hasmukh Kanubhai Modi	1	-	01.04.2018	-	-	1	-
		1	-	31.03.2019				

**Note:** The Change in Directors' and KMPs' Shareholding in % of total shares of the Company between 01-04-2018 and 31-03-2019 is on account of allotment of total 2,13,872 new Equity Shares on Preferential Issue basis. Further, **Due to partition of Ghanshyambhai Ambalal Thakkar (HUF) vide HUF Partition Deed dated 07.11.2018, 385382 Equity shares of Ghanshyambhai Ambalal Thakkar (HUF) was transferred in favour of Krupesh Ghanshyambhai Thakkar as per Partition Deed.**

# During the financial year, Mr. Kaushikbhai J. Thakkar, Executive Director of the company has tendered his resignation from the company w.e.f 02.02.2019. Further, Mr. Ramanikbhai T. Kansagara was appointed as Additional Director (Executive Director) of the Company on 02.02.2019.

## Annexure [6] to Board's Report (Contd.)

### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ In Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total
<b>Indebtedness at the beginning of the financial year (as on 01.04.2018)</b>				
i) Principal Amount	9978.36	124.05	-	10102.41
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	9.08	-	-	9.08
<b>Total (i+ii+iii)</b>	<b>9987.44</b>	<b>124.05</b>	<b>-</b>	<b>10111.49</b>
<b>Change in Indebtedness during the financial year (2018-19)</b>				
Addition	124178.98	9759.82	-	133938.80
Reduction	115210.94	4392.53	-	119603.47
<b>Net Change</b>	<b>8968.04</b>	<b>5367.29</b>	<b>-</b>	<b>14335.33</b>
<b>Indebtedness at the end of the financial year (as on 31.03.2019)</b>				
i) Principal Amount	18905.94	5491.35	-	24397.29
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	49.54	-	-	49.54
<b>Total (i+ii+iii)</b>	<b>18955.47</b>	<b>5491.35</b>	<b>-</b>	<b>24446.82</b>

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

( Amount in ₹ )

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager				Total Amount
		Krupeshbhai G. Thakkar	Ghanshyambhai A. Thakkar	Kaushikbhai J. Thakkar**	Ramanik T. Kansagara**	
1.	<b>Gross salary</b>					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,19,99,806	1,19,99,403	3,75,653	3,06,118	2,46,80,980
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--	--
2.	<b>Stock Option</b>	--	--	--	--	--
3.	<b>Sweat Equity</b>	--	--	--	--	--
4.	<b>Commission</b> - as % of profit - others, specify...	--	--	--	--	--
5.	<b>Others, please specify</b>	--	--	--	--	--
<b>Total (A)</b>		1,19,99,806	1,19,99,403	3,75,653	3,06,118	2,46,80,980
	<b>Ceiling as per the Act</b>	₹ 2,53,93,993/- being 10% of the Net profits of the Company calculated as per Section 198 of the Companies Act, 2013				



## Annexure [6] to Board's Report (Contd.)

### B. Remuneration to other directors:

( Amount in ₹ )

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mrs. Jingle Thakkar	Shankar Prasad Bhagat	Rohitbhai B. Thakkar	
1.	Independent Directors				
	• Fee for attending board / committee meetings	15,000	25,000	25,000	65,000
	• Commission	--	--	--	--
	• Others, please specify	--	--	--	--
<b>Total (1)</b>		<b>15,000</b>	<b>25,000</b>	<b>25,000</b>	<b>65,000</b>
2.	Other Non-Executive Directors	--	--	--	--
	• Fee for attending board / committee meetings				
	• Commission				
	• Others, please specify				
<b>Total (2)</b>		<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>Total (B)=(1+2)</b>		<b>15,000</b>	<b>25,000</b>	<b>25,000</b>	<b>65,000</b>
<b>Total Managerial Remuneration</b>					<b>2,47,45,980/-</b>
	Overall Ceiling as per the Act	Overall Managerial Remuneration: 11% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 i.e. ₹ 2,79,26,242/- Non-Executive Directors: 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 i.e. ₹ 25,39,399/-			

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

( Amount in ₹ )

Sr. no.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO (Keyur M. Gajjar)	Company Secretary (Hasmukh K. Modi)	CFO (Vipul S. Vora)	
1.	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	57,59,099	17,89,799	39,65,758	1,15,14,656
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	--	--	--	--
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	--	--	--
2.	<b>Stock Option</b>	--	--	--	--
3.	<b>Sweat Equity</b>	--	--	--	--
4.	<b>Commission</b>	--	--	--	--
	- as % of profit				
5.	<b>Others, please specify</b>	--	--	--	--
<b>Total</b>		<b>57,59,099</b>	<b>17,89,799</b>	<b>39,65,758</b>	<b>1,15,14,656</b>

## Annexure [6] to Board's Report (Contd.)

### VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty					
Punishment			-----NONE-----		
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment			-----NONE-----		
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment			-----NONE-----		
Compounding					

# Management Discussion and Analysis

## OVERVIEW OF INDIAN ECONOMY

As per IMF's World Economic Outlook report, India's GDP growth is expected to rise to 7.3% in 2019 and 7.5% in 2020 from a fairly modest 6.7% in 2018. This would be supported by the continued recovery of investment and robust consumption amid a more expansionary stance of monetary policy and some expected impetus from fiscal policy.

India is currently the world's sixth-largest economy as per the World Economic Forum. It has retained the tag of fastest-growing trillion-dollar economy globally, ahead of China. This acceleration reflects a rebound growth as economic activity continued to recover with strong domestic demand. While investment continued to strengthen amid the GST harmonisation and a rebound of credit growth, consumption remained the major contributor to growth. Foreign Direct Investment in the Indian real estate sector and the Government's 'Housing for All' by 2022 initiative, coupled with development of 100 smart cities are some of the growth drivers for revival of the real estate and construction sector.

According to the World Bank, India is in a period of unprecedented opportunity, challenge and ambition in its development. India is the world's third largest economy in purchasing parity terms and it aspires to better the lives of all its citizens and will become a high-middle income country by 2030, well before the centenary of its independence.

India's ability to achieve rapid, sustainable development will have profound implications for the world. India's success will be central to the world's collective ambition of ending extreme poverty and promoting shared prosperity, as well as for achieving the 2030 Sustainable Development Goals (SDGs).

## OUTLOOK

FY 19-20 is likely to start on an uncertain note due to the after effects of the general elections in the country. Recent round of policy rate cuts announced by the Reserve Bank of India are expected to alleviate the tight credit conditions that have persisted since the second half of FY 18-19 and thus provide a boost to the industrial sector. The construction segment is expected to stay depressed with the money markets being tight and it is expected that the premium to luxury segments will see lower growth.

Going forward, factors such as higher oil prices, rupee depreciation and tighter financial condition may leave an impact and slow down the speed of growth. However, the strength of the economy lies in limited dependence on exports, high saving rates, favourable demographics and

a rising middle class of young generation with a higher disposable income.

(Source: World Economic Outlook report, World Bank, CNBC, Economic Times)

## 1. INDUSTRY STRUCTURE AND DEVELOPMENT

The wood panel industry includes plywood sheets, engineered wood panels (MDF - Medium Density Fibre furniture board and particle board) and decorative surface products such as laminates. According to the World Bank, organised furniture industry is growing at the rate of 20% every year with market volume of US\$ 183 Bn in 2018. This is driven by a healthy demand for wood panels, mainly for new housing construction (approximately 90% of the total demand) and the remaining (10%) from renovation activity. The revenue in the Furniture & Homeware segment may amount to US\$ 2,041 Mn in 2019. The revenue is expected to show a compounded annual growth rate (CAGR 2019-2023) of 16.2%, resulting in a market volume of US\$ 3,724 Mn by 2023. Online home décor market in India is projected to witness a CAGR of 50.42% in terms of revenue over the period of 2014-2019. The luxury furniture market is expected to garner US\$ 27.01 Bn by 2020, registering a CAGR of 4.1% during the forecast period of 2015-2020.

Furniture manufacturing is driven by the designs chosen, the inputs which come from in-house designers and market feedback. Manufacturers consider several aspects related to the customer (demography, lifestyle, motivation and aspiration, needs and preferences), raw material (type, quantity and availability) and internal capability (expertise, quantity and availability of labour, production process complexity and delivery time) for developing different designs, which in turn, determine the furniture's functionality, look & feel and value.

Steady growth in the Indian economy and the consequent rise in living standards, have been key influencers on demand generation in the Indian furniture industry. The three key drivers that had a significant impact on the sector are:

1. Changing consumer demographics
2. Real estate/housing boom
3. Tourism and hospitality industry growth

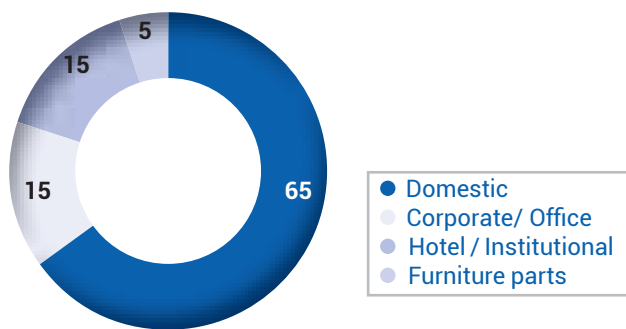
The growth in the industry is highly correlated with the progression in the housing sector. The Central Government's policy (Pradhan Mantri Awas Yojana) to ensure 'Housing for All by 2022' will be able to boost

## Management Discussion and Analysis (Contd.)

the revenue for the sector. The implementation of the Real Estate Regulatory Act (RERA) will pave a way for a speedy settlement of housing disputes and will amplify foreign and domestic investments due to increased transparency. This will improve the buyers' confidence and increase the sale of houses. In addition, the growth of retail, hospitality and healthcare sectors has raised the demand for the commercial real estate.

(Source: Moneycontrol.com, Statista, IBEF)

**Demand Drivers for Furniture Industry**



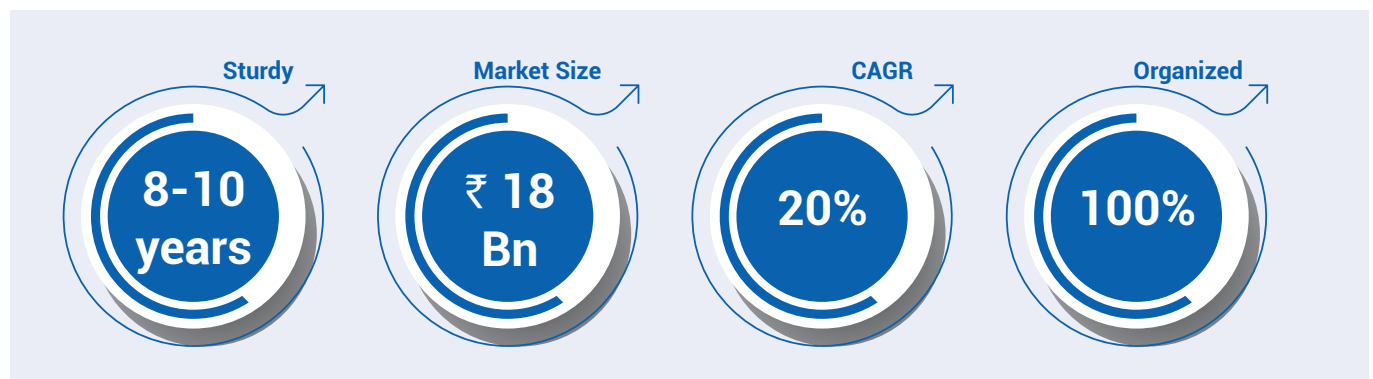
### MEDIUM DENSITY BOARD (MDF)

The market size of Indian MDF industry is nearly ₹ 1,600 crore Over the last five years, the industry has witnessed a CAGR of 20%. The focus of the organised players towards MDF is increasing whereas the unorganised sector's presence in it is almost negligible.

MDF is considered as a high-quality substitute for low-end plywood. Also, a high-quality MDF board is 50% cheaper than a high-end plywood and is moisture resistant like plywood. It is only 5-10% more expensive than the cheapest priced local plywood. At present, the MDF makes up around 6% of the Indian plywood and panel industry and is also the smallest segment. Globally, the MDF to plywood consumption ratio is 65:35. But in India, the same ratio is skewed in favour of the later at 10:90. This number indicates that there is huge scope for future growth of MDF in the country. Further, unlike plywood, MDF being capital-intensive business, the threat from unorganised sector is almost negligible in this segment.

MDF fulfils the need of smart furniture for the fast-paced lifestyle of the millennials and Gen Z geeks. It also serves the demand for readymade, branded and low-maintenance furniture, by virtue of its quality and eco-friendliness.

MDF has already replaced 4 mm plywood application due to its low quality. The 6 mm plywood which is mainly used for wardrobes and furniture gets affixed to the wall and experiences moisture and termites. Hence it is being replaced by MDF as it is more resistant to moisture and termite. Further, HDHMR (High Density High Moisture Resistance) MDF is another growth area if the plywood producers don't improve the thickness of 12 mm. This will also lead to replacement of 12 mm plywood by MDF soon.





## Management Discussion and Analysis (Contd.)

### LAMINATE

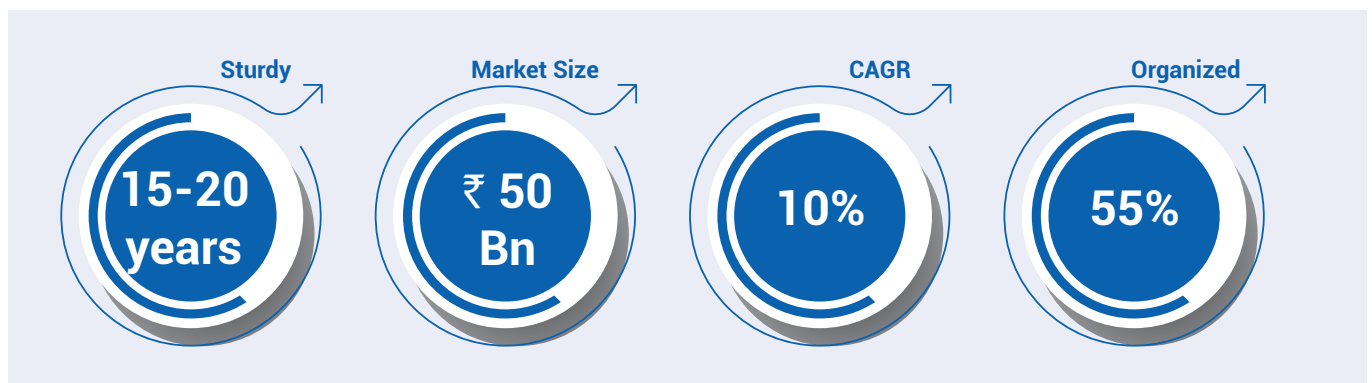
The global market for laminates is currently pegged at ₹ 50,000 crore and is growing at 5-6% per annum. The Indian laminates market is nearly estimated at ₹ 5,000 crore. The exports contribute around ₹ 1,000 crore, with the balance being met by domestic demand. The industry has traditionally remained largely unorganised, but the share of organised players has seen a gradual rise in recent years.

Decorative laminates are the specially-designed laminated sheets of brown Kraft papers and decorative printed papers fused together using pressure and heat. These decorative sheets are used to add stylish finishes to furniture items, cabinets, counters, worktops and other installations and for wall panelling. As dynamic and innovative surfaces for home furniture or office cubicles and partitions, laminates are the perfect choice to lend an exclusive luxury look.

Decorative laminates are of three types: high-pressure laminates (HPL), low pressure Laminates (LPL) and edge banding.

HPL are relatively expensive, but they are extremely durable and have longer life as compared to LPL. HPL is apt for both, vertical and horizontal installations, whereas LPL is recommended only for vertical installations in the low traffic areas.

Edge banding is mainly done to cover plywood sides in order to match a cabinet's finished look, but it also protects the inner plywood from possibly warping. It is available in variety of materials.



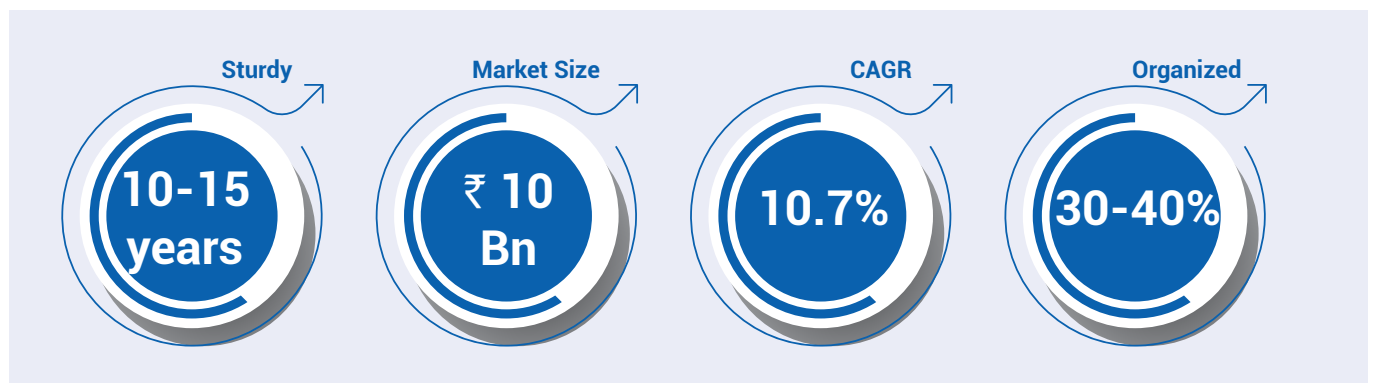
## Management Discussion and Analysis (Contd.)

### POLY VINYL CHLORIDE (PVC)

PVC is a Green product composed from natural fibres and polymers. It is environment-friendly and is expected to grow at 11% globally over the next five years. The PVC market in India is at nascent stage with penetration of just 1% as compared to high traction in the Americas, Europe and China. The LEED (Leadership in Energy and Environment Design) certified Green Buildings, which are subsequently picking up in India, can only use MDF and PVC and not the plywood. Also, the Government initiatives such as 'Make in India' offer indigenous manufacturers an inherent advantage in this market. The PVC can be used in interiors, ceilings, modular furniture, interior rear shelves and trims for trunks & spare wheels, and interior trims for vehicle doors. The recently commissioned PVC plant not only provides revenue visibility but also indicates increasing focus on green and durable products which is in sync with the market trends and consumer preferences.

As per the Ply Reporter, PVC laminate market will touch 7.5 lakh sheets due to their growing demand of new design in kitchen panels and wardrobes. The benefits of PVC decorative sheets are their flashy, vibrant colour options, very high 'gloss level' and 90 degree bend properties. The 90 degree bend is achieved by making a groove on the back on the sheet hence it helps the kitchen makers to apply easily in their small-sized workshop, too.

(Source: Moneycontrol.com, Ply Reporter)



## Management Discussion and Analysis (Contd.)

### 2. OPPORTUNITIES AND THREATS

#### Opportunities:

**Brand Image:** The Company's focus on quality, technology and infrastructure has helped building an incredible brand image. The Company's premium brands such as 'VIR Laminates', 'Signor' and 'VIR MDF' are well-known in the market because they continuously live up to the brand image of the product, giving an aesthetic feel.

**Wide Product Range:** We offer the largest range of decorative surfacing products that suits the widest range of budgets, tastes and applications. With the focus on changing customer needs, we keep on innovating new designs and products. The Company has 1100+ designs and 120+ textures, which gives an upper hand over the competitors.

**MDF Market Growth and Opportunity:** As the MDF market is largely being untapped in India, there is a huge opportunity. The consumption of MDF is just 6% in comparison with plywood. Also, there is a huge scope for import substitution of demand up to 30-35%. MDF is used as a replacement of medium quality plywood as it is 40-50% cheaper. Being a huge capital-intensive product, there are no unorganised players, making it a 100% organised segment.

**Government Policy:** The Government policies play an important role in growth and development of the overall economy. The Goods and Service Tax (GST) has reduced the price difference between the organised and unorganised sector, giving boost to the organised sector. The implementation of the Real Estate Regulatory Act (RERA) will speedily settle disputes on housing matters and will magnify foreign and domestic investments due to increased transparency.

**Housing Demand:** The Pradhan Mantri Awas Yojana aims to build 60 million new houses by 2022 of which 20 million will be in urban centres. Also, according to the World Bank report, by 2030, the world will need at least 300 million new housing units and large-scale investments. This will upturn the demand for furniture.

Also, the growing scope of tourism, retail evolution, increasing consumption, ascendant middle class indicate potential growth in this segment. To sum it up, the furniture market in India is growing on strong fundamentals, with demand drivers likely to sustain over the medium term.

At the same time, the supply side is also encouraging, as India has enough availability of key raw materials that are used as inputs for furniture making.

#### Threats:

**High Competition:** The intense competition from unorganised, organised and foreign manufacturers makes it difficult to capture majority of market share and further penetrate in the market.

**Raw Material:** The growing population, uncertain monsoons and rapid industrialization are major factors that have resulted in deforestation, which, in turn, has led to possibility of low availability of raw materials. Increasing raw material prices and high competition among industry players are expected to shrink profit margins.

**Manpower:** Being in the competitive era and not finding the proficient manpower further hampers the growth, irrespective of brand or size of the Company.

**New Entrants:** With the entry of more and more organised players in the market, it has increased the competition in organised sector as well.

### 3. SEGMENT-WISE / PRODUCT-WISE PERFORMANCE

#### Laminates & Allied Products:

The Company has delivered a steady financial and operating performance for 2018-19. This was the result of effective planning, use of appropriate market strategies and improving quality of product with reasonable price. Also, through various marketing strategies, we were able to increase the sales. The total revenue of laminate segment was ₹ 182.93 crore in 2018-19 as compared to ₹ 181.33 crore in 2017-18. The Profit before Interest and Taxes of laminate segment is ₹ 19.40 crore in 2018-19 as against ₹ 21.84 crore in 2017-18 showing a decline of ₹ 2.44 crore.

#### Medium Density Fibre Board (MDF):

The Company's performance was satisfactory in MDF segment in 2018-19. The total revenue from MDF was marginally lower from ₹ 172.52 crore in 2017-18 to ₹ 156.46 crore in 2018-19. The Profit before Interest and Taxes was ₹ 16.33 crore in 2018-19 as compared to ₹ 32.67 crore in 2017-18 showing a decline of ₹ 16.34 crore due to overcapacity in the MDF segment.

## Management Discussion and Analysis (Contd.)

### 4. OUTLOOK FOR FY 19-20

- Emphasis on increasing dealers' network to achieve higher penetration
- Emphasis on gaining market share from the local unorganised players
- Expand product portfolio with mid and high range products
- Engage with various designers and architects to promote products

### 5. RISK AND CONCERN

The Company's ability to foresee and manage business risks is crucial in achieving favourable results. Risk management at RDL is an integral part of the business, focusing to mitigate the adverse impact of risks on business objectives. The Company has laid down a well-defined risk management procedure covering the risk identification, risk exposure, potential impact and risk mitigation process. The Board periodically reviews the risks and suggests steps to be taken to control and mitigate the same through a properly defined framework.

### 6. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate internal control system adopted for operating procedures, policies and process guidelines. The guidelines are well-documented with clearly defined authority limits corresponding to the level of responsibility for each functional area. Further, the Company has budgetary control system to monitor expenditure against approved budgets on an ongoing basis. The Company's robust internal audit programme which works to conduct a risk-based audit not only tests the adherence to laid down policies and procedures but also suggests improvements in the current processes and systems.

### 7. DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial performance of the Company during FY 18-19 as compared to FY 17-18 is as under:

(₹ in crore)

Particulars	2018-19	2017-18	% of Increase/Decrease
Gross Revenue from Operations	343.74	350.98	(2.06)
Profit before Tax	22.92	42.96	(46.65)
Profit after Tax	14.34	30.92	(53.62)

#### Operational Performance

The Company continued to focus on improving operational efficiency leading to better returns for the shareholders. Further, the Company has significantly enhanced its operational performance by establishing prudent risk management framework.

### 8. MATERIAL DEVELOPMENT IN HUMAN RESOURCES/ INDUSTRIAL RELATIONSHIP FRONT MANAGEMENT INCLUDING NUMBER OF PEOPLE EMPLOYED

Human resource practices and policies at RDL ensure that all employees, wherever they work, whatever their role is, are always treated equally, fairly and respectfully. We maintain consistent and transparent diversity policies.

Our human resource team believes in personnel management, which involves planning, organising, directing and controlling of the recruitment and resource management, training & development, compensation, integration and maintenance of people for the purpose of contributing to organizational, individual and social goals.

People power is one of the pillars of success at RDL and hence any creative suggestions by the employees are always welcomed by the Management. As on 31st March, 2019 the Company employs 400+ employees. Going ahead, the Company aims to retain and develop the existing employees and align their goals with the common business vision and mission.



## Management Discussion and Analysis (Contd.)

### 9. THE DETAILS OF SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

During the financial year, the details of significant change in the key financial ratios i.e. change of more than 25% as compared to the previous year along with the detailed explanation is summarized below:

Sr. No.	Key Financial Ratios	F.Y. 2018-19	F.Y. 2017-18	Changes in %	Reasons for change
1.	Interest Coverage Ratio (in times)	3.24	7.18	(54.71)%	Due to bifurcation of interest cost as shown in expense side of profit and loss account and interest income as shown in other income. Hence, the netting off of interest is not done.
2.	Debt Equity Ratio (in times)	1.19	0.59	101.69%	Due to increase in Debt by ₹ 147.34 crore for new MDF plant located at Atchutapuram, Vishakhapatnam, Andhra Pradesh. Further, the commercial production of said plant is yet to be commenced.
3.	Operating Margin (in %)	10.37	14.93	(30.54)%	Reduction of profit mainly in MDF segment and loss in PVC segment.
4.	Net Profit Margin (in %)	4.07	8.93	(54.42)%	Reduction of profit mainly in MDF segment and loss in PVC segment.

10. The Return on Net Worth during the FY 18-19 was 7% as compared to 18% in FY 17-18. The reduction of 61.11% in the return on Net Worth is mainly due to reduction in profit and increase in equity share capital during the FY 18-19.

### 11. CAUTIONARY STATEMENT

Statements made in the Management Discussion and Analysis describing the various parts may be 'forward looking statement' within the meaning of application securities laws and regulations. The actual result may differ from those expectations depending upon the economic conditions, changes in the Government regulation and amendments in tax laws and other internal and external factors.

# Corporate Governance Report

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

"Corporate Governance" in its literal sense means management of the organisation as a whole. Corporate Governance is about to keep great association with stakeholders, creation and support of trust with people associated with group be it shareholders, regulators, representatives, employees, suppliers, clients, financiers and the general public at large. We are firm in belief that corporate governance means commitment for the achievement of value based growth and meeting the commitment within the predefined time frame without compromising with ethical standard and set of paradigms. The Company is focused on straight forwardness in every one of its dealings and spots emphasis on respectability and administrative consistence. Your company has been improving in Corporate Governance since the foundation of the Company. Satisfactory and convenient information is basic to responsibility.

The Board of Directors ('the Board') are responsible for and committed to sound principles of Corporate Governance in the Company. There is a separation of the role of Chairman of the Board and the Chief Executive Officer a practice that has been in place for more than a decade in the Company. With the focus on the core corporate governance principles of accountability, transparency and integrity and adoption of suitable global, local and industry best practices, Your Company is moving ahead in its pursuit of excellence in corporate governance.

Your company's philosophy on Corporate Governance is embedded in its rich legacy of ethical governance practices, most of which were implemented before they were mandatorily prescribed. The Company operates within accepted standards of propriety, fair play, justice and aims at creating a culture of openness in relationships between itself and its stakeholders. Your Company ensures transparency in all its dealings and in the functioning of the management and the Board. It has set up a system which enables all its employees to voice their concerns openly and without any fear or inhibition. In quest for this goal, the policies of the Company are intended to reinforce the capacity of the Board of Directors to oversee the administration and to upgrade long haul shareholder esteem.

## 2. BOARD OF DIRECTORS

The Board of your company has an optimum combination of Executive, Independent Non-executive and Woman Directors with conformity of Regulation

17 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (herein after know as "Listing Regulations") as well as the companies Act, 2013 read with rules framed thereunder, to maintain the independence of board and separate its functions of management and governance in transparent manner.

None of the Directors on the Board is a member of more than ten Committees or Chairman of more than five Committees (committees being Audit Committee and Stakeholders Relationship Committee as per Regulation 26(1) of the Listing Regulations) across all the Public Companies in which he/she is a Director. The necessary disclosures regarding their Committee positions have been made by all the Directors.

### (a) Composition and Category of Directors:

The composition of the Board of Directors of the Company as on 31st March, 2019 is as follows:

Sr. No.	Name of the Director	Category
1.	Mr. Ghanshyambhai A. Thakkar	Executive Director/ Promoter (Chairman)
2.	Mr. Krupesh G. Thakkar	Executive Director/ Promoter (Managing Director)
3.	Mr. Ramanik T. Kansagara**	Additional Director (Executive Director)
4.	Mr. Shankar Prasad Bhagat	Independent Non-Executive Director
5.	Mr. Rohit B. Thakkar	Independent Non-Executive Director
6.	Mrs. Jingle Thakkar	Independent Non-Executive Director / Woman Director

\*\* Mr. Ramanik T. Kansagara was appointed as Additional Director (Executive Director) in the board meeting held on 02nd Day of February, 2019. His appointment will be considered at the ensuing Annual General Meeting and he will be liable to retire by rotation. His particulars and other details are mentioned in the Directors' Report and in the Notice convening the Annual General Meeting and therefore are not mentioned separately in this Report.

As per the declarations received from the Directors, none of the Directors' is disqualified under Section 164 of the Companies Act, 2013. During the year under review, Mr. Kaushik J. Thakkar, Executive Director, of the Company has resigned from the Board w.e.f. 02nd Day of February, 2019.

## Corporate Governance Report (Contd.)

**(b) Details of attendance of each Director at Board Meetings and at the last year's Annual General Meeting is as follows:**

The attendance by the board of directors at the board meetings and at the last Annual General Meeting is as follows:

Sr. No.	Name of the Director	No. of Board meetings attended		Attendance at last AGM
		Held	Attended	
1	Mr. Ghanshyambhai A. Thakkar	5	5	Yes
2	Mr. Krupesh G. Thakkar	5	5	Yes
3	Mr. Kaushik J. Thakkar *	5	4	Yes
4	Mr. Ramanik T. Kansagara*	5	1	No
5	Mr. Shankar Prasad Bhagat	5	5	Yes
6	Mr. Rohit B. Thakkar	5	5	No
7	Mrs. Jingle Thakkar	5	3	Yes

(\*) Mr. Kaushik J. Thakkar had resigned from the Directorship w.e.f 02nd Day of February, 2019 and Mr. Ramanik T. Kansagara was appointed as Additional Director (Executive Director) in the board meeting held on 02nd Day of February, 2019.

**(c) The number of other boards or committee in which director is a chairman or member including names of the listed companies where the directors are holding directorship with category of directorship as on 31.03.2019 is as follow:**

Sr. No.	Name of the Director	Category of Directorship in other Listed Companies	Directorship in Listed Company other than this Company		Number of Committee position held in other Public Companies		Name of listed company other than this Company
			As Chairman	As Board Member	As Chairman	As Committee Member	
1	Mr. Ghanshyambhai A. Thakkar	NA	NIL	NIL	---	---	NA
2	Mr. Krupesh G. Thakkar	NA	NIL	NIL	---	---	NA
3	Mr. Kaushik J. Thakkar *	NA	NIL	NIL	---	---	NA
4	Mr. Ramanik T. Kansagara*	NA	NIL	NIL	--	---	NA
5	Mr. Shankar Prasad Bhagat	Independent Director	--	2	1	2	1) Amrapali Capital And Finance Services Limited; 2) Minal Industries Limited
6	Mr. Rohit B. Thakkar	NA	NIL	NIL	--	--	NA
7	Mrs. Jingle Thakkar	NA	NIL	NIL	--	--	NA

Other Directorships do not include all other Companies i.e. Directorships of private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 ("the Act"). For the purpose of determination of limit of the Board Committees, Chairmanship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of the Listing Regulations.

\* Mr. Kaushik J. Thakkar has resigned from the directorship w.e.f. 02.02.2019 and Mr. Ramanik T. Kansagara was appointed as an additional director in the Company w.e.f. 02.02.2019.

**(d) Number of board meetings and dates on which held**

The Board met 5 (five) times during the Financial Year 2018-19 and the time gap between two meetings was not more than 120 days. **The Board Meetings were held on, (i) 19.05.2018 (ii) 29.05.2018 (iii) 11.08.2018 (iv) 03.11.2018 and (v) 02.02.2019.**

## Corporate Governance Report (Contd.)

**(e) Disclosure of Relationship between Directors Inter-se:**

Mr. Ghanshyambhai A. Thakkar is father of Mr. Krupesh G. Thakkar and none of the other Directors is having inter-se relationship.

**(f) Number of shares and convertible instruments held by non-executive Directors**

None of the Non-Executive Directors of the Company is holding shares or convertible instruments in the Company.

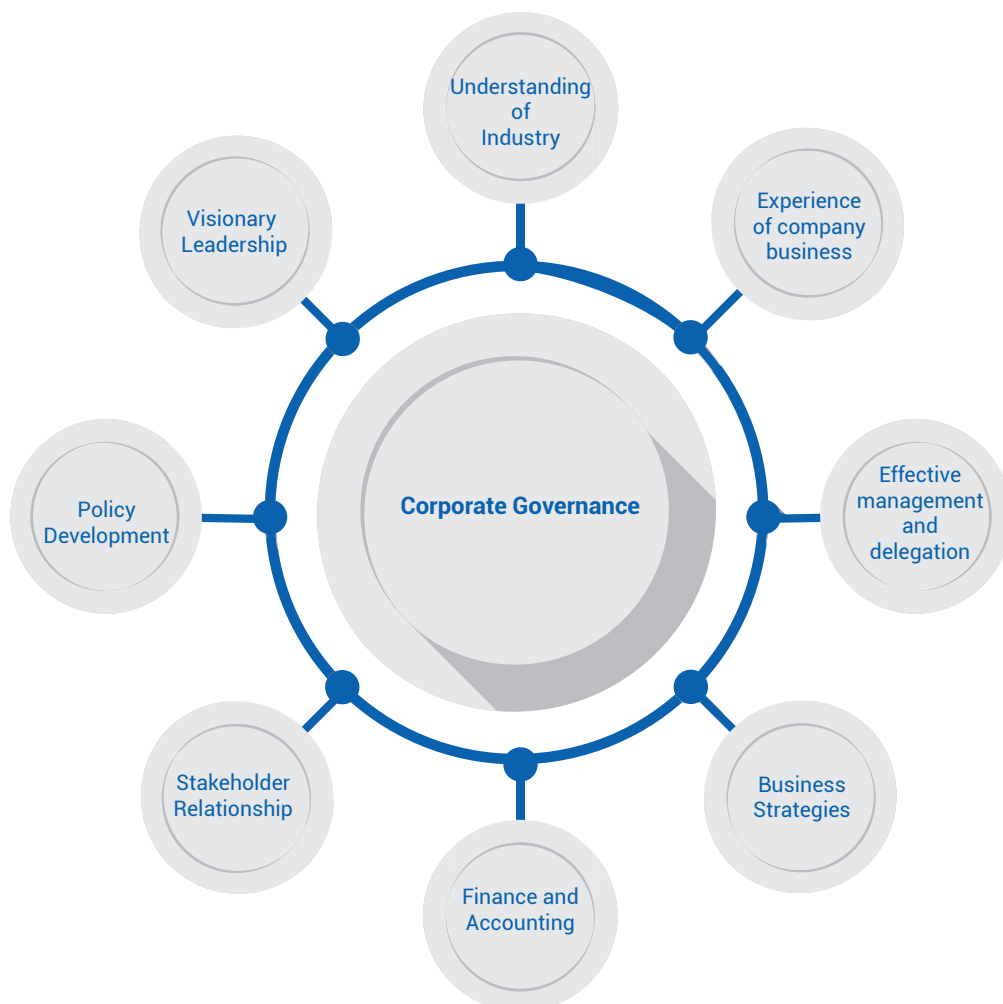
**(g) Familiarisation Programme and Web link where details of familiarisation programmes imparted to independent directors is disclosed:**

In Compliance with Regulations 25(7) of the Listing Regulations, your Company has put the structure of familiarisation Programme for all its Independent Directors, to inform about a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. Periodic presentations are made to the Board on business and performance of the Company.

The details of such familiarisation programmes for Independent Directors of the Company are posted on the website of the Company and it can be access by this link [https://www.rushil.com/CodesPoliciesPdf/Familiarisation\\_Programs\\_for\\_Independent\\_Directors.pdf](https://www.rushil.com/CodesPoliciesPdf/Familiarisation_Programs_for_Independent_Directors.pdf).

**(h) Chart/Matrix relating to skills /expertise /competence of the Board of Directors**

In terms of requirement of Listing Regulations, the Board has identified the following core skills / expertise /competencies in the context of the Company's business for effective functioning as given below:





## Corporate Governance Report (Contd.)

### (i) Confirmation of independence

The Board confirms that all the Independent Directors fulfill the conditions specified in listing regulations and that they are Independent of the management.

### (j) Code of Conduct:

Your Company has framed Code of Conduct for board of directors which includes Code of Conduct for Independent Directors which suitably incorporates the duties of independent directors as laid down in the Companies Act, 2013 ("Act") as well as listing regulations and senior management to provide guidance and help in recognising and dealing with ethical issues, provide mechanisms to report unethical conduct, and to help promote a culture of honesty.

In respect of Financial Year 2018-19, all Board members and Senior Management Personnel of the Company have affirmed compliance with the code as applicable to them and a declaration to this effect signed by the CEO is mentioned at the end of Corporate Governance Report.

### (k) Information supplied to the Board of Directors:

The dates of Board and Committee Meetings were communicated to the Directors and Committee members respectively well in advance in compliance with various provision of the law. Members were given agenda in details along with necessary documents and information in advance of each meeting of the Board and Committee(s) by e-mail as well as in meeting itself also except price sensitive information which was available in meeting only.

The Board periodically reviews compliance reports with respect to laws and regulations applicable to the Company. The Board has available complete information as enumerated in Part A of Schedule II of the Listing Regulations as well as other information as required by them. The Board members may bring up any matter for consideration of the Board, in consultation with the Chairman. The Meetings of the Board and Committees are generally held at corporate office of the Company.

### (l) Independent Directors:

In compliance with the provisions of section 149, 152, Schedule IV and other applicable provisions of the Companies Act, 2013 read with rules framed thereunder and the Listing Regulations, Mr. Shankar Prasad Bhagat, Mr. Rohit B. Thakkar and Mrs. Jingle Thakkar are Independent Directors of the Company and they are not liable to retire by rotation.

Independent Directors at the first meeting of the Board held in this financial year gave a declaration that he/she meets the criteria of Independence as required under Section 149 (7) of the Companies Act, 2013 read with the Listing Regulations.

Further the Independent Directors have confirmed that they are not crossing limit of Chairmanship or membership holding in Audit Committee and Stakeholders' Relationship Committee of other Companies as mentioned in Regulation 26 (1) of the Listing Regulations.

None of the Independent Directors of your Company serve as Independent Directors in more than 7 listed entities and in case they are whole-time directors or managing director in any listed entity, then he/she does not serve as an Independent Director in more than 3 listed entities as per Regulation 17A of the Listing Regulations.

### (m) Formal letter of appointment to the Independent Directors:

The Company has issued formal letter of appointment to all the Independent Directors on their appointment explaining inter-alia, their roles, responsibilities, code of conduct, functions and duties as directors of the Company. The terms and conditions of appointment of independent directors have been hosted on the website of the Company and can be accessed at <https://www.rushil.com/CodesPoliciesPdf/Terms-and-conditions-for-appointment-of-Independent-Director.pdf>

### (n) Separate Meeting of Independent Directors:

Pursuant to provision of Schedule IV of the Companies Act, 2013 read with Regulation 25 (3) of the Listing Regulations, a separate meeting of Independent Directors was held on 11.08.2018 inter alia, for the following purposes:

- a. review of the performance of non-independent directors and the board as a whole;
- b. review of the performance of the chairperson Mr. Ghanshyambhai A. Thakkar by taking into account the views of all the executive directors and non-executive directors;
- c. review and assess of the quality, quantity and timeliness of flow of information between the Company management and the board of director that is necessary for the board to effectively and reasonably perform their duties;

## Corporate Governance Report (Contd.)

All the Independent Directors were present in the meeting held on 11th Day of August, 2018.

### (o) Non-executive Directors compensation and disclosures:

Your Company has not paid any fees / compensation to independent directors except sitting fees within limit as specified under the Companies Act, 2013 read with Rules framed there under for board meeting attended by them. There was no pecuniary relationship or transactions of Non-executive directors vis-à-vis the Company.

### BOARD COMMITTEES

In Compliance with the various provision of the Companies Act, 2013 read with Rules framed thereunder, the Listing Regulations and other applicable law, your Company has constituted, (1) Audit Committee (2) Nomination and Remuneration Committee (3) Stakeholders Relationship Committee (4) Corporate Social Responsibility Committee and other required Committees.

The minutes of Committee meetings are tabled at the next Board meetings for their review, consideration, noting and doing needful. The minutes of the proceedings of the Committee Meetings are captured in the same manner as the Board Meetings and in accordance with the provisions of the Companies Act, 2013 read with rules framed thereunder and as per Secretarial Standard - 1.

### 3. AUDIT COMMITTEE

#### (a) Brief description of terms of references:

Your company has constituted a qualified and independent Audit Committee in line with provisions of Section 177 of the Companies Act, 2013 read with rules framed thereunder and Regulation 18 of the Listing Regulations. As on 31st March, 2019, Audit Committee comprises four members out of which three are Non-Executive Independent Director and one is Executive Director. Mr. Hasmukh K. Modi, Company Secretary acts as a secretary to the Audit Committee.

#### Role and Term of reference:

The Role and terms of reference of the Audit Committee are in compliance with the provision of Section 177 of the Companies Act, 2013 read with the Rules framed there under and Listing Regulations.

The brief description of role and terms of reference of Audit Committee is as under:

1. oversight of company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. recommendation for appointment, remuneration and terms of appointment of auditors of Company;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
  - b) changes, if any, in accounting policies and practices and reasons for the same;
  - c) major accounting entries involving estimates based on the exercise of judgment by management;
  - d) significant adjustments made in the financial statements arising out of audit findings;
  - e) compliance with listing and other legal requirements relating to financial statements;
  - f) disclosure of any related party transactions;
  - g) modified opinion(s) in the draft audit report;
5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;

## Corporate Governance Report (Contd.)

8. approval or any subsequent modification of transactions of the listed entity with related parties;
  9. scrutiny of inter-corporate loans and investments;
  10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
  11. evaluation of internal financial controls and risk management systems;
  12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
  13. 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;
  14. discussion with internal auditors of any significant findings and follow up there on;
  15. 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;
  16. 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;
  17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
  18. to review the functioning of the whistle blower mechanism;
  19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
  20. The audit committee is mandatorily reviewing the following information:
    - 1) management discussion and analysis of financial condition and results of operations;
    - 2) statement of significant related party transactions (as defined by the audit committee), submitted by management;
    - 3) management letters / letters of internal control weaknesses issued by the statutory auditors;
    - 4) internal audit reports relating to internal control weaknesses;
    - 5) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
    - 6) statement of deviations:
      - a. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1);
      - b. annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7).
  21. Carrying out any other function as may be statutorily required to be carried out by the Audit Committee.
  22. Carrying out any other function as may be referred to the Committee by the Board.
- (b) The details about the composition of the Committee, Name of chairperson & Members and attendance at the meetings are as under.**

The Audit Committee met 4 (four) times during the Financial Year 2018-19 and the time gap between two meetings is not more than 120 days. The Meetings were held on (i) 19.05.2018 (ii) 11.08.2018 (iii) 03.11.2018 and (iv) 02.02.2019.

## Corporate Governance Report (Contd.)

Name of the Director	Designation	Nature of Directorship	Audit Committee Meeting details	
			Held	Attended
Mr. Shankar Prasad Bhagat	Chairman	Non-Executive/ Independent Director	4	4
Mrs. Jingle Thakkar	Member	Non-Executive/ Independent Director	4	3
Mr. Kaushik J. Thakkar**	Member	Executive Director	4	3
Mr. Ramanik T. Kansagara**	Member	Additional Director (Executive Director)	--	--
Mr. Rohit B. Thakkar	Member	Non-Executive/ Independent Director	4	4

(\*\*) Mr. Kaushik J. Thakkar had resigned from the Directorship and also resigned/ vacated from the audit committee membership w.e.f 02nd Day of February, 2019. Further, Mr. Ramanik T. Kansagara was appointed as a member of the audit committee in the board meeting held on 02.02.2019.

All the members of the committee are well-versed in matters relating to finance, accounts and general management practices. Mr. Shankar Prasad Bhagat, Chairman of the Audit Committee is a Chartered Accountant and he was present at the Annual General Meeting of the Company held on Saturday, 22nd day of September, 2018. The CEO, CFO, and the Statutory Auditors regularly attend the meeting of the Audit Committee as permanent invitees. Other invitees are invited on need basis to brief the Audit Committee on important matters.

#### 4. NOMINATION AND REMUNERATION COMMITTEE:

##### (a) Brief description of terms of reference:

Your company has framed qualified Nomination and Remuneration Committee as per the requirements of Section 178 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 19 of the Listing Regulations.

The Nomination and Remuneration Committee, as on 31st March, 2019, comprises 4 (Four) directors out of which 3 (Three) are Non-Executive-Independent Director and one is Chairman of the Company. Mr. Hasmukh K. Modi, Company Secretary acts as a secretary of the Committee.

##### Terms of reference

The terms of reference of the Nomination and Remuneration Committee inter alia, includes the following:

1. To formulate and review the criteria for determining qualifications, positive attributes and independence of a director;
2. To recommend to the Board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees and to ensure compliance with the remuneration policy set forth by the Company;
3. To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors;

4. To devise a policy on Board diversity;
5. To report on the systems and on the amount of the annual remuneration of directors and senior management;
6. To identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
7. To recommend to the board, all remuneration, in whatever form, payable to senior management;
8. To decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors and recommend to the board;
9. To specify the manner for effective evaluation of performance of Board, its committees and individual directors and review its implementation and compliance;
10. To carry out such other works as may be defined by the board of directors under the framework of Listing Regulations and Companies Act, 2013, as amended from time to time.



## Corporate Governance Report (Contd.)

**(b) The details about the composition of the Committee, Name of chairperson & Members and attendance at the meetings are as under:**

The Nomination and Remuneration Committee met 2 (two) time during the Financial Year 2018-19. The Meetings were held on 19.05.2018 and 02.02.2019.

Mr. Shankar Prasad Bhagat, Chairman of the Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on 22nd day of September, 2018.

The details of the composition of the Committee, Name of chairperson & Members and attendance at the meetings during the financial year 2018-19 are as under:

Name of the Director	Designation	Nature of Directorship	Meeting details	
			Held	Attended
Mr. Shankar Prasad Bhagat	Chairman	Non-Executive/ Independent Director	2	2
Mrs. Jingle Thakkar	Member	Non-Executive/ Independent Director	2	2
Mr. Rohit B. Thakkar	Member	Non-Executive/ Independent Director	2	2
Mr. Ghanshyambhai A. Thakkar	Member	Whole Time director & Chairman of the Company	2	2

**(c) Performance Evaluation Criteria for Independent Directors:**

As per the Nomination and Remuneration Policy of the Company, the performance evaluation of independent directors is carried out on the basis of prescribed criteria including participation and contribution by a director in the meeting, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality, Professional Conduct and Independence, willingness to devote sufficient time to carry out the duties and responsibilities effectively including attendance at meetings, act in the best interest of minority shareholders of the Company etc.

**(d) Nomination and Remuneration Policy of the Company**

The Nomination and Remuneration Policy formulated and recommended by the Nomination and Remuneration Committee is duly approved by the Board of Directors of the Company. The Nomination and Remuneration committee has formulated the criteria for appointment and remuneration including determination of qualifications, positive attributes, independence of Directors and other matters as provided under sub-section (3) of Section 178 of the Companies Act, 2013 read with Part D of Listing Regulations. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of your Company.

The Nomination and Remuneration policy is applicable to all the directors, Key managerial Personnel and Senior Management Personnel of the Company.

The Policy provides guidance on:

- (1) Selection and Nomination of Directors to the Board of the Company;
- (2) Appointment of the Senior Management Personnel of the Company; and
- (3) Remuneration of Directors, Key Managerial Personnel and senior management personnel.

The said policy is available on the website of the Company under the web link <https://www.rushil.com/CodesPoliciesPdf/Remuneration-Policy-of-RDL.pdf>

### 5. REMUNERATION TO DIRECTORS

**(a) Pecuniary relationship or transactions with Non-executive director's vis-à-vis the Company:**

There was no any pecuniary relationship or transactions with Non-executive director's vis-à-vis the Company.

**(b) Criteria for Making payment to non-executive directors:**

Criteria for making payment to non-executive director is available on the website of Company under the web link <https://www.rushil.com/CodesPoliciesPdf/criteria-of-making-payments-to-non-executive-directors.pdf>

## Corporate Governance Report (Contd.)

### (c) Disclosure with Respect to Remuneration

The detail of remuneration and sitting fees paid to the directors during the financial year 2018-19 is as under :

(Amount in ₹)			
Name	Salary, Perquisites and Allowances	Sitting Fess	Total
Mr. Ghanshyambhai A. Thakkar	1,05,69,278/-	--	1,05,69,278/-
Mr. Krupeshbhai G. Thakkar	1,05,58,679/-	--	1,05,58,679/-
Mr. Kaushikbhai J. Thakkar**	4,79,784/-	--	4,79,784/-
Mr. Ramanik T. Kansagara**	3,06,118/-	--	3,06,118/-
Mr. Shankar Prasad Bhagat	--	25,000/-	25,000/-
Mr. Rohitbhai Bhailalbhai Thakkar	--	25,000/-	25,000/-
Mrs. Jingle Thakkar	--	15,000/-	15,000/-

\*\* The Remuneration paid to Mr. Kaushik J. Thakkar, Executive Director is upto 02.02.2019 and Mr. Ramanik T. Kansagara was from 02.02.2019 to 31.03.2019.

Your Company is not paying anything to non-executive director except sitting fees for board meeting attended by them.

Directors are receiving only the fixed component of remuneration. They are not receiving any performance linked incentives.

During the financial year, 2018-19, the Company does not have any stock option scheme for its Directors or employees. Moreover, there is no separate provision for payment of severance fees to the Directors.

### 6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

In compliance with provisions of section 178(5) of the Companies Act, 2013 read with Rules framed thereunder and Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Company has duly constituted Stakeholders Relationship Committee. This Committee is specifically established to consider and resolve the grievances of the security holders of the Company, including complaints related to transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends, etc

As per Regulation 20(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, Role of the Stakeholders' Relationship Committee is specified under Part D of Schedule II of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

#### (a) Name of the Director heading the Committee:

Name of the Director	Designation	Nature of Directorship
Mr. Shankar Prasad Bhagat	Chairman	Non-Executive Independent Director
Mr. Ghanshyambhai A. Thakkar	Member	Whole Time director & Chairman
Mr. Krupeshbhai G. Thakkar	Member	Managing Director

#### (b) Name and designation of Compliance Officer:

Mr. Hasmukh K. Modi, Company Secretary is the Compliance Officer for complying with the requirements of Securities laws and the Listing Regulations.

#### (c) Number of shareholders' complaints received, number not solved to the satisfaction of shareholders and number of pending complaints:

During the Financial Year 2018-19, Company did not receive any complaint from any shareholder of the Company. There is no complaint pending at the end of the Financial Year.

#### ➤ OTHER BOARD COMMITTEES

The Board has constituted following other Board committees besides the committees mentioned above:

#### 1. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

##### ➤ Composition and Meeting

Company has constituted Corporate Social Responsibility (CSR) Committee, in compliance with the provision of section 135 of the Companies Act, 2013 read with Rules framed thereunder.

## Corporate Governance Report (Contd.)

The CSR Committee met 1 (One) time during the Financial Year 2018-19 on 10.08.2018.

The composition of the CSR Committee as on 31st March, 2019 and the details of members' participation at the respective meeting of the Committee are as under:

Name of the Director	Designation	Nature of Directorship	No. of Meetings	
			Held	Attended
Mr. Ghanshyambhai A. Thakkar	Chairman	Whole Time Director & Chairman	1	1
Mr. Krupeshbhai G. Thakkar	Member	Managing Director	1	1
Mr. Shankar Prasad Bhagat	Member	Non-Executive/ Independent Director	1	1

### ➤ Terms of reference

The terms of reference of the CSR Committee are as under:

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

## 7. GENERAL BODY MEETINGS:

### (a) Location and time of last three Annual General Meetings (AGMs) were held and special resolutions passed in the previous 3 AGMs:

Financial year ended	Day/Date of AGM	Time	Location	No. of Special Resolution passed
31.03.2018	Saturday, 22.09.2018	11:30 AM	At the Registered office of the Company at S. No. 125, Nr. Kalyanpura Patia, Village Itla, Gandhinagar	--
31.03.2017	Saturday, 23.09.2017	03.00 PM	Mansa Road, Tal. Kalol, Dist. Gandhinagar-382845, Gujarat, India	2 (Two) <b>(See Note:1)</b>
31.03.2016	Tuesday, 27.09.2016	03.00 PM		1 (One) <b>(See Note:2)</b>

**Note:1: In the Annual General Meeting held on 23.09.2017, 2 (Two) Special Resolutions were passed as follow:**

1. Re-appointment and fixing the remuneration of Mr. Ghanshyambhai A. Thakkar as Whole Time Director of the Company for a term of 5 (Five) years;
2. Increase in Borrowing limits up to ₹ 600 Crores (Rupees Six Hundred Crores Only) under Section 180(1)(c) of the Companies Act, 2013.

**Note:2: In the Annual General Meeting held on 27.09.2016, 1 (One) Special Resolution was passed as follow:**

Re-appointment of Mr. Rohitbhai B. Thakkar as an Independent Director of the Company for a term of 5 (Five) years;

### (b) The Details of special resolution passed last year through postal ballot and details of voting pattern:

1. The following is the consolidated summary result (postal ballot as well as e-voting) during the financial year 2018-19:

**Date of Postal Ballot Notice:** 07th March, 2018      **Voting Period:** 15th March, 2018 to 13th April, 2018

**Date of Declaration of Result:** 14th April, 2018

## Corporate Governance Report (Contd.)

Sr. No.	Particulars	% of Votes in Favour	% of Votes cast against
1	Issue of Equity Shares on Preferential Basis to Non-Promoters	100.00	NIL
2	To raise further capital through various other modes	100.00	NIL

2. The following is the consolidated summary result (postal ballot as well as e-voting) during the financial year 2018-19:

Date of Postal Ballot Notice: 29th May, 2018

Voting Period: 06th June, 2018 to 05th July, 2018

Date of Declaration of Result: 06th July, 2018

Sr. No.	Particulars	% of Votes in Favour	% of Votes cast against
1	Issue of Equity Shares on Preferential Basis to Non-Promoters	99.9998	0.0002
2	To sell, lease or otherwise dispose off the whole or substantially whole of the undertaking of the Company as per provision of section 180(1)(A) of the Companies Act, 2013	97.6654	2.3346

**(c) Person who conducted the Postal Ballot exercise**

Mrs. Mihika S. Jain, practicing company Secretary, was appointed as scrutiniser for carrying out the postal ballot process in a fair and transparent manner.

**(d) Whether any special resolution is proposed to be conducted through postal ballot:**

No Special Resolution is proposed to be conducted through postal ballot as on the date of this report.

**(e) Procedure for Postal Ballot:**

In compliance with Sections 108, 110 and other applicable provisions of the Companies Act, 2013 read with rules framed thereunder, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company provided electronic voting (e-voting) facility in addition to physical ballot to all its members. For this purpose, the Company engaged the services of Central Depository Services Limited (CDSL).

Postal ballot notices and forms dispatched along with business reply envelopes to registered members / beneficiaries. The same notice was sent by email to members who have registered their email id with company/registrar. The Company also published a notice in the newspaper declaring the details and requirements as mandated by the Act and applicable rules.

Voting rights were reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members who want to exercise their votes by physical postal ballot were requested to return the forms, duly completed and signed, to the scrutiniser on or before the close of the voting period. Those using the e-voting option were requested to vote before the close of business hours on the last date of e-voting. The last date for the receipt of postal ballot forms or e-voting was considered as the date on which the resolution deemed have been passed.

The scrutiniser completed her scrutiny and submitted her report to the Chairman and the consolidated results of the voting was announced by the Chairman / authorised officer. The result was also displayed on the Company website at [www.rushil.com](http://www.rushil.com) besides being communicated to the Stock Exchanges, Depository and Registrar and Share Transfer Agent.



## Corporate Governance Report (Contd.)

### 8. MEANS OF COMMUNICATION

(a)	<b>Quarterly results</b>	The quarterly results are published in the newspapers and displayed on the Company's website.
(b)	<b>Newspapers wherein results normally published</b>	The Quarterly, Half Yearly Financial Results are generally published in Economic Times/Financial Express/Business Standard in English language & also in Gujarati language in Economic Times/Financial Express/Prabhat/Jai Hind.
(c)	<b>Company's website, where displayed</b>	The separate section named "INVESTOR RELATIONSHIP" in the Company's website <a href="http://www.rushil.com">www.rushil.com</a> is displaying required information in respect of interest of various stakeholders. The Annual Report for this financial year 2018-19 as well as Quarterly / Half Yearly Financial Results of the Company is also available therein.
(d)	<b>Whether it also displays official news releases;</b>	The Company's official news releases and presentations made to the institutional investors and analysts, if any are also available on the Company's website.
(e)	<b>The presentations made to institutional investors or to analysts</b>	

### 9. GENERAL SHAREHOLDER INFORMATION

(a)	<b>AGM: Date, Time and Venue</b>	Saturday, 21st day of September, 2019 at 12:30 P.M. at the Registered Office of the Company at S. No. 125, Nr. Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar – 382845, Gujarat, India.
(b)	<b>Financial Year</b>	Financial Year of the Company is from 01st April to 31st March and financial results will be declared for the financial year 2019-20 as per the following schedule:
	<b>Particulars</b>	<b>: Tentative and subject to change</b>
	<b>Quarterly Unaudited Results</b>	
	Quarter ending 30th June, 2019	: On 23rd July, 2019
	Quarter ending 30th September, 2019	: On or before 14th November, 2019
	Quarter ending 31st December, 2019	: On or before 14th February, 2020
	Fourth Quarter and Annual ending on 31st March, 2020	: On or before 30th May, 2020
	<b>Date of Book Closure</b>	From <b>Saturday, 14th day of September, 2019 to Saturday, 21st day of September, 2019</b> (both days inclusive)
	<b>Record date for Final Dividend</b>	<b>Friday, 13th day of September, 2019</b>
(c)	<b>Dividend Payment Date</b>	Your Board has recommended a Final Dividend of ₹ 0.50 per share (5%) on equity shares of face value of ₹ 10/-. This is subject to approval by shareholders at the ensuing Annual General Meeting.  Final Dividend on equity shares as recommended by the Directors for the year ended 31st March, 2019, when approved at the Annual General Meeting, will be paid after the date of ensuing AGM but within the statutory time limit of 30 days from the date of declaration in the AGM.

## Corporate Governance Report (Contd.)

	<b>Dividend Transfer to IEPF</b>	During the financial year the Company had transferred the dividend amounting to ₹ 9,012/- (Rupees Nine Thousand and Twelve Only) to IEPF. The dividend transferred was on account of dividend unclaimed for seven consecutive years i.e. dividend for the financial year 2010-11.
	<b>Shares transferred to IEPF</b>	During the financial year the Company had transferred 34 shares to IEPF. The shares transferred were on account of dividend unclaimed for seven consecutive years.
(d)	<b>Name and address of stock exchanges at which the Company's shares are listed &amp; details of annual listing fee paid</b>	(i) <b>BSE Limited (BSE), Corporate office:</b> Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 and (ii) <b>National Stock Exchange of India Limited (NSE), Corporate office:</b> Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051 Annual Listing Fees for the year 2019-20 has been paid by the Company to BSE and NSE.
	<b>Demat ISIN Numbers in NSDL &amp; CDSL</b>	INE573K01017
(e)	<b>Stock Code/Symbol</b>	BSE Equity Script Code: 533470 NSE Equity Symbol: RUSHIL

**(f) Market Price Data high and low during each month in last financial year:**

The monthly high and low prices of the Company's shares at BSE and NSE for the year ended 31st March, 2019 are as under:

Month	BSE Limited (in ₹)		National Stock Exchange of India Limited (in ₹)	
	High	Low	High	Low
April-18	837.35	765.00	852.95	768.00
May-18	786.70	605.00	790.00	605.00
June-18	718.55	609.20	714.00	601.10
July-18	686.00	575.00	685.00	580.00
August-18	724.90	614.05	725.35	588.00
September-18	725.00	605.45	727.95	606.05
October-18	630.70	539.95	621.45	534.00
November-18	577.85	528.00	576.95	523.30
December-18	670.40	515.05	670.00	511.00
January-19	666.00	460.00	659.90	453.05
February-19	520.00	390.00	519.90	382.30
March-19	573.20	430.50	575.00	420.00

## Corporate Governance Report (Contd.)

**(g) Performance in comparison to board-based indices such as BSE Sensex:**

The monthly high and low prices of the Company's shares at BSE along with BSE Sensex monthly closing for the year ended 31st March, 2019 are as under:

Month	Bombay Stock Exchange (in ₹)		BSE SENSEX	
	High	Low	High	Low
April-18	837.35	765.00	35213.3	32972.56
May-18	786.70	605.00	35993.53	34302.89
June-18	718.55	609.20	35877.41	34784.68
July-18	686.00	575.00	37644.59	35106.57
August-18	724.90	614.05	38989.65	37128.99
September-18	725.00	605.45	38934.35	35985.63
October-18	630.70	539.95	36616.64	33291.58
November-18	577.85	528.00	36389.22	34303.38
December-18	670.40	515.05	36554.99	34426.29
January-19	666.00	460.00	36701.03	35375.51
February-19	520.00	390.00	37172.18	35287.16
March-19	573.20	430.50	38748.54	35926.94

**(h) In case the securities are suspended from trading, the Directors Report shall explain the reason thereof:** Not Applicable

**(i) Registrar to an issue and share transfer agents:**

Share Registrar and Transfer Agent

:

**Bigshare Services Private Limited**

**Address:** 1st Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road,  
Marol, Andheri(East), Mumbai,  
Maharashtra, 400059

**Tel No.:** 022- 62638200

**Email:** [investor@bigshareonline.com](mailto:investor@bigshareonline.com)

**Website:** [www.bigshareonline.com](http://www.bigshareonline.com)

**(j) Share Transfer System:**

Trading in equity shares of the Company through recognised Stock Exchanges can be done only in dematerialised form. All equity shares except 5 (Five) equity shares of the Company are in electronic form. For transfer of physical shares, powers to approve share transfers and related requests have been delegated by Stakeholders Relationship Committee to concerned department of the Company for expeditious disposal of shareholders' requests and complaints. It is system that Share transfers / transmission, if any, is taken up for approval and the transferred security is to be dispatched to the transferees within the stipulated time. Detail of transfers / transmission approved by the delegates is to be taken for noting by the Shareholders Relationship Committee at its next meeting.

## Corporate Governance Report (Contd.)

### (k) Distribution of Shareholding as on 31st March, 2019:

The distribution of shareholding of the Company as on 31st March, 2019 was as follows:

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

No. of Shares	No. of Shareholders	% of Total Shareholders	No. of Shares	% of Shareholding
01 to 5000	2944	97.39%	383125	2.57%
5001 to 10000	19	0.63%	145827	0.98%
10001 to 20000	11	0.36%	153809	1.03%
20001 to 30000	5	0.17%	119248	0.80%
30001 to 40000	2	0.07%	73441	0.49%
40001 to 50000	4	0.13%	188265	1.26%
50001 & 100000	13	0.43%	911720	6.11%
100001 & above	25	0.82%	12955897	86.76%
<b>Total</b>	<b>3023</b>	<b>100.00</b>	<b>14931332</b>	<b>100.00</b>

#### (ii) Pattern of Shareholding :

Sr. No.	Category	No. of Shares	% of total No. of shares
1	Promoters and Promoter Group	7891684	52.85
2	Public Shareholding:		
	-Financial Institutions / Banks	3792	0.03
	-Foreign Institutional Investors (FII)	121621	0.81
	-Foreign Portfolio Investors	1785490	11.96
	-NBFCs registered with RBI	120	0.00
	-Central Government/ State Government(s)/ President of India (IEPF)	34	0.00
	-Bodies Corporate	2996108	20.07
	-Individuals – i. Holding nominal share capital upto ₹ 2 lakh	428471	2.87
	-Individuals – ii. Holding nominal share capital in excess of ₹ 2 lakh	703275	4.70
	-Clearing Member	324843	2.18
	-Non Resident Indians	358434	2.40
	-Other (i.e M/s Family fund , a Partnership Firm)	317460	2.13
	<b>Total</b>	<b>14931332</b>	<b>100</b>

#### (l) Dematerialisation of shares and Liquidity.

Equity shares of the Company can be traded in dematerialised form only. The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through its Registrars & Share Transfer Agents Bigshare Services Private Limited.

Break up of shares in physical and demat form as on 31st March, 2019:

Sr. No.	Particulars	No. of Shares	% of Shares
1	<b>Demat Segment:</b>		
	NSDL	12415711	83.15
	CDSL	2515616	16.85
2.	<b>Physical:</b>	5	0
	<b>Total:</b>	<b>14931332</b>	<b>100.00</b>



## Corporate Governance Report (Contd.)

(m) **Outstanding GDRS / ADRS / Warrants or any Convertible Instruments, conversion date and likely impact on equity:** NIL

(n) **Commodity price risk or foreign exchange risk and hedging activities:**

In order to manage the Company's Foreign Exchange exposure towards exports, imports and foreign currency liabilities, the board in every quarter discusses about the foreign exchange exposure and takes appropriate actions to control the Foreign Exchange Risk. For managing the foreign exchange risk, the Company hedges on regular basis the net outstanding of foreign currency exposures to mitigate the foreign currency risk.

In the Financial Year 2018-19, the Company hedged the Foreign Exchange by taking Plain Vanilla option, forward contract and other similar options to mitigate adverse movement of foreign currency, if required. The unhedged foreign currency exposure has a natural hedge. Thus, Company is reducing the majority of foreign exchange risk by proper planning.

Company has not any direct impact of Commodity price movement like major fluctuation of crude prices. However, it has an indirect impact on the Company since some of our chemical consumption is connected with crude prices and Company is taking required steps for that.

(o) **Plant Locations:**

### Laminate Division

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

### MDF Board Division:

Sr No.	Unit	Address
1.	Unit – Karnataka	Plot No. 58, 59 & 60p, Amble Industrial Estate, Village Amble, Tal. & Dis. Chikmagalur, Karnataka, India.

(p) **Address for correspondence:**

<b>To contact Registrar &amp; Transfer Agent for all matters relating to Shares, Dividends, Annual Reports</b>	<b>Bigshare Services Private Limited</b> 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai-400059, Maharashtra, India Tel No.: 022- 62638200 Email: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> Website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>
<b>For any other General Matters or in case of any difficulties / grievances including matters relating to Shares, Dividends, Annual Reports as above</b>	<b>Secretarial Department</b> <b>Rushil Decor Limited,</b> Rushil House, Near Neelkanth Green Bungalow, Off. Sindhu Bhavan Road, Shilaj, Ahmedabad – 380 058 Email: <a href="mailto:ipo@rushil.com">ipo@rushil.com</a> <a href="mailto:cs@virlaminate.com">cs@virlaminate.com</a> <b>Tel No.:</b> 079- 61400400 <b>Fax No.:</b> 079- 61400401
<b>Name of the Compliance Officer</b>	<b>Mr. Hasmukh K. Modi</b> Company Secretary

## Corporate Governance Report (Contd.)

### 10. OTHER DISCLOSURES

**(a) Disclosures on materially significant related party transactions that may have potential conflict with the interest of company at large:**

Pursuant to the applicable provisions of the Companies Act, 2013 and rules made thereunder, Regulation 23 and other applicable regulations of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (including any statutory modifications and/or re-enactments made thereunder from time to time) and Articles of Association of the Company, the Company has taken the loan from its promoter, Rushil International, Partnership Firm, as per stipulations imposed by the German banks, of ₹ 53,60,45,000/- (Rupees Fifty Three Crore Sixty Lakh Forty Five Thousand Only). The Audit Committee had given its prior approval for said borrowings from Rushil International and board of directors of the Company has also approved the said transaction in its meeting.

During the Financial year 2018-19, apart from the transaction as mentioned above there was no materially significant related party transaction undertaken by the Company under Section 188 of the Companies Act, 2013, read with rules framed thereunder, Indian Accounting Standards (Ind AS 24) and Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 that may have potential conflict with the interest of the Company at large. The Company has entered into some transactions with related parties as defined under Section 2(76) of the Companies Act, 2013, which were in the ordinary course of business and at arms' length basis and the same were duly approved or reviewed by the Audit Committee.

The necessary disclosures regarding the transactions with related parties are given in the notes to the financial statements. Your Company has formulated a Policy on materiality of Related Party Transactions and also dealing with Related Party Transaction. It is posted on the website of the Company which can be accessed by the link [https://www.rushil.com/CodesPoliciesPdf/Rushil\\_Related\\_Party\\_Transaction\\_Policy.pdf](https://www.rushil.com/CodesPoliciesPdf/Rushil_Related_Party_Transaction_Policy.pdf).

**(b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or the Board or any statutory authority on any matter related to capital markets during the last three years :**

There is no such non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or the Board or any statutory authority on any matter related to capital markets during the last three years.

However, SEBI passed an order on 12.05.2017 in Respect of an Inquiry initiated against the Company for Non-disclosure of Loan details in DRHP / RHP / Prospectus and SEBI levied a penalty of ₹ 7,00,000 /- (Rupees Seven Lakhs Only). Company has paid the said penalty to SEBI.

**(c) Whistle-blower policy and affirmation that no personnel has been denied access to the Audit Committee:**

Pursuant to the provision of the section 177(9) of the Companies Act, 2013 read with rules framed thereunder, Regulation 4(2)(d)(iv) and 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Your company has established Vigil Mechanism/ Whistle Blower Policy for their Directors and Employees to report concerns about illegal or unethical practices, unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy.

The details of establishment of such mechanism available on the website of the Company and it can be access by the following link: [https://www.rushil.com/CodesPoliciesPdf/Whistle\\_Blower\\_Policy.51.pdf](https://www.rushil.com/CodesPoliciesPdf/Whistle_Blower_Policy.51.pdf).

It is affirmed that no personnel has been denied to access the Chairman of the Audit Committee.

**(d) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:**

The Company has complied with all applicable mandatory requirements as specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

## Corporate Governance Report (Contd.)

The following non-mandatory requirements under Part E of Schedule II of the Listing Regulations to the extent they have been adopted are mentioned below:

i. Modified Opinion in Auditors Report:

The Company's financial statements for the year ended 31st March, 2019 do not contain any modified opinion.

ii. Reporting of Internal Auditor:

The Internal Auditor directly reports to the Audit Committee.

**(e) Web link where policy on dealing with Material Subsidiaries:**

The Company does not have any subsidiary company; however Company has formulated a policy for determining material subsidiary and it is available on the web link <https://www.rushil.com/CodesPoliciesPdf/Policy-for-determining-Material-Subsidiary.pdf>.

**(f) Web link where policy on dealing with related party transaction:**

The Policy on dealing with related party transaction is disclosed on the website of the Company and can be accessed at

[https://www.rushil.com/CodesPoliciesPdf/Rushil\\_Related\\_Party\\_Transaction\\_Policy.pdf](https://www.rushil.com/CodesPoliciesPdf/Rushil_Related_Party_Transaction_Policy.pdf)

**(g) Disclosure of commodity price risks and commodity hedging activities :**

As stated earlier, Company does not have any direct impact of Commodity price movement like major fluctuation of crude prices. However, it has an indirect impact on the Company since some of our chemical consumption is connected with crude prices and Company is taking required steps for that.

**(h) Details of utilisation of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).**

During the Financial year 2018-19 the Company had issued 2,13,872 equity shares through preferential issue to non-promoter shareholders on two different occasion amounting to ₹

20,02,29,040/- to fund growth plans and projects. The company has utilised the funds in the following manner:

a) ₹ 764.19 Lakhs towards construction of new MDF plant located at Atchutapuram, Vishakhapatnam, Andhra Pradesh.

b) ₹ 1238.10 Lakhs towards purchase of machinery for new MDF plant located at Atchutapuram, Vishakhapatnam, Andhra Pradesh.

Further, the fund is utilised by the Company for the purpose as mentioned in the explanatory statement as annexed with the notice of postal ballot. The company has not issued any funds through qualified institutional placement.

**(i) Certificate from a company secretary in practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority.**

A certificate from Mr. Shalin Jain, practicing company secretary confirming that none of the Directors on the board of the Company were debarred or disqualified from being re-appointed under retirement by rotation and/or continuing as Directors of the Company by the SEBI, Ministry of Corporate Affairs or any other statutory authorities is attached as "Annexure – A".

**(j) Details of total fees for all services paid by the Company to the statutory auditor.**

Statutory Auditor	M/s Parikh & Majmudar
Statutory Audit Fees	₹ 3,50,000/-
Tax Audit Fees	₹ 1,50,000/-
<b>Total</b>	<b>₹ 5,00,000/-</b>

**(k) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.**

Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year
<b>NIL</b>		

## Corporate Governance Report (Contd.)

**11. NON-COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT OF SUB-PARA (2) TO (10) OF SCHEDULE V (C) OF THE LISTING REGULATIONS: NIL.**

**12. THE DISCLOSURE OF THE COMPLIANCE WITH CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND CLAUSES (B) TO (I) OF SUB REGULATION (2) OF REGULATION 46 OF LISTING REGULATIONS.**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the listing regulations to the extent as applicable with regards to Corporate Governance.

**13. DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT:**

The Company does not have any shares in the demat suspense account or unclaimed suspense account.

**14. PARTICULARS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING HAVE BEEN PROVIDED IN THE NOTICE OF THE ANNUAL GENERAL MEETING.**

**15. DECLARATION BY THE CEO ON CODE OF CONDUCT AS REQUIRED BY SCHEDULE V OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:** It is attached as "ANNEXURE – B".

**16. COMPLIANCE CERTIFICATE:** Certificate from M/s. Shalin Jain & Associates, Practicing Company Secretaries, confirming compliances with the conditions of Corporate Governance as stipulated under the Listing Regulations attached as "ANNEXURE – C".



## “Annexure – A”

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
**The Members of**  
**Rushil Décor Limited**  
**S. NO. 125, Near Kalyanpura Patia,**  
**Village Itla, Gandhinagar Mansa Road,**  
**Tal. Kalol, Dist. Gandhinagar –382845,**  
**Gujarat, India**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Rushil Décor Limited** having **CIN: L25209GJ1993PLC019532** and having registered office at S. NO. 125, Near Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol Dist. Gandhinagar–382845, Gujarat, India (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1.	Ghanshyambhai Ambalal Thakkar	00208843	08/03/2007
2.	Krupesh Ghanshyambhai Thakkar	01059666	24/05/1993
3.	Shankar Prasad Bhagat	01359807	01/10/2009
4.	Jingle Thakkar	06941497	07/08/2014
5.	Ramanikbhai Tejabhai Kansagara	08341541	02/02/2019
6.	Rohitbhai Bhailalbhai Thakkar	06538323	30/03/2013

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For, Shalin Jain & Associates**

**Shalin M. Jain**  
*Practicing Company Secretary*  
 ACS No: 30427  
 CP No: 21379

Place: Ahmedabad  
 Date: 23.07.2019

## “Annexure – B”

### DECLARATION ON CODE OF CONDUCT

This is to certify that Company “Rushil Décor Limited” has in place a Code of Conduct applicable to the Board Members as well as the Senior Management Personnel and that the same has been uploaded on the Company's website '[www.rushil.com](http://www.rushil.com)'. I further certify that all the board Members and the Senior Management personnel have affirmed compliance with the Code of Conduct for All Board Members and Senior Management Personnel of the Company for the Financial Year 2018-19.

**Keyur M. Gajjar**  
*Chief Executive Officer*  
Rushil Décor Limited

Place: Ahmedabad  
Date: 23.07.2019

## “Annexure – C”

### CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
**The Members of**  
**Rushil Decor Limited**

I have examined the compliance of Corporate Governance by Rushil Decor Limited (“the Company”) for the year ended on 31st March, 2019 as stipulated in SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

It is the responsibility of management to comply with the conditions of Corporate Governance. My examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, as applicable to the Company.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For, Shalin Jain & Associates**

**Shalin M. Jain**  
*Practicing Company Secretary*  
ACS No: 30427  
CP No: 21379

Place: Ahmedabad  
Date: 23.07.2019



# RUSHIL

DECOR LIMITED

WE'LL MAKE IT

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# Independent Auditor's Report

TO THE MEMBERS OF **RUSHIL DECOR LIMITED**

## REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

### Opinion

We have audited the accompanying standalone financial statements of **M/s RUSHIL DÉCOR LIMITED** ("the Company"), which comprise the balance sheet as at 31st March, 2019, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting standards (Ind AS) specified under section 133 of the Act, of the state of affairs (financial Position) of the Company as at 31st March, 2019, and its losses (financial performance including other comprehensive income), its Cash flows and changes in equity for the year ended on that date.

### Key Audit Matter: Revenue Recognition

Refer Note 53 to the standalone Ind AS financial statements

Description of Key audit Matter	Our response and results
<p>Revenue of the company comprises of sale of industrial and decorative laminates to its domestic and international customers and sale of medium density fiber boards (plane and pre laminated) to its domestic customers. The Company sells its products through a network of distributors and dealers in the relevant markets and a part of the sales is also made as institutional sales/project sales directly to the end use customers.</p> <p>Revenue recognition is a significant audit risk across the company. Specifically there is a risk that revenue is recognised on sale of goods before the control in the goods is transferred.</p>	<p>Our key audit procedures to assess the recognition of revenue on sale of goods included the following:</p> <ul style="list-style-type: none"> <li>We assessed the appropriateness of the Company's revenue recognition policies, including those related to discounts and incentives;</li> <li>We obtained an understanding of process and assessed the design, implementation and operating effectiveness of management's key internal controls in relation to revenue recognition from sale of goods. We also tested the Company's controls over timing of revenue recognition;</li> <li>We also tested, on a sample basis, whether specific revenue transactions around the year end had been recognised in the appropriate period on the basis of the terms of sale of the contract, particularly with reference to the transfer of control in the goods in question with regard to the year end transactions.</li> <li>We inspected key customer contracts/ purchase orders to identify terms and conditions related to acceptance of goods and the right to return and assessing the Company's revenue recognition policies with reference to the requirements of the prevailing accounting standards;</li> </ul>

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act, and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.



## Independent Auditor's Report (Contd.)

### Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs (financial position), Profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial

### Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying

## Independent Auditor's Report (Contd.)

transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence; and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on Other Legal and Regulatory Requirements

1. As required by section 197(16) of the Act, we report that the company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with schedule V to the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit,
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books,
  - c. The Balance Sheet, the Statement of Profit and Loss including other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow

Statement dealt with by this Report are in agreement with the books of account.

- d. In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations, received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial control over financial reporting.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - I. The Company has disclosed the impact of pending litigations on its financial position in the standalone Financial Statements (Refer Note No 37 to the Standalone Financial Statements.)
  - II. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **Parikh & Majmudar**  
Chartered Accountants  
FR No. 107525W

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

Place: Ahmedabad  
Date: 18th May, 2019

## Annexure A To the Independent Audit Report

### OF EVEN DATE TO THE MEMBERS OF RUSHIL DECOR LTD: ON THE STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) According to the information and explanations given to us, the property, plant and equipment are verified in a phased manner by the management, during the year which, in our opinion is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. The discrepancies noticed on verification between physical stocks and the books of accounts were not material.
- (iii) The Company has not granted any loans secured or unsecured loans to Companies, firms, Limited Liability Partnership or other parties covered in the register maintained under section 189 of the Companies Act, 2013.(the Act).
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans given during the year and investment made during the year.
- (b) According to the information and explanations given to us, there are no material dues of sales tax, service tax ,Goods & Service Tax and value added tax which have not been deposited with the appropriate authorities on account of any dispute. However, according to information and explanations given to us, the following dues of Income Tax, duties of Custom and Duty of Excise have not been deposited by the company on account of Dispute:

- (v) The Company has not accepted any deposits from the public during the year under review. (Also refer note No 55 of notes forming part of Standalone financial statement)
- (vi) As explained to us, the Central Government has not prescribed the maintenance of Cost records under sub section (1) of section 148 of the companies Act 2013.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, duty of excise,service tax, Goods & Service Tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, duty of excise, service tax, Goods & Service Tax,cess and other material statutory dues were in arrears as at 31st March, 2019 for a period of more than six months from the date they became payable.

Nature of Statues	Nature of Dues	Amount (In ₹) (Net of payments)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act 1961	Penalty	32,270/-	FY 2012-13	CIT (A), 9, Ahmedabad
Income Tax Act 1961	Penalty	2,30,952/-	FY 2011-12	CIT (A), 9, Ahmedabad
Central Excise Act,1944	Excise Duty, Interest& Penalty	13,20,210/-	April 2015 to Feb 2016	Custom Excise & Service Tax Appellate Tribunal, Ahmedabad
Central Excise Act,1944	Excise Duty, Interest& Penalty	70,75,855/-	up to Sept-2012	Custom Excise & Service Tax Appellate Tribunal, Ahmedabad
The Customs Act 1962	Custom Duty with Interest & Penalty	2255536/- with Interest 500000/- Penalty	FY 2014-15	Custom Excise & Service Tax Appellate Tribunal, Ahmedabad

## Annexure A To the Independent Audit Report (Contd.)

- (viii) According to information & explanations given to us, the Company has not defaulted in repayment of its dues to Banks or Financial institutions or Government. The Company does not have any borrowings from debenture holders.
- (ix) According to the information & explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year under review. However, the term loans raised during the year has been applied for the purpose for which they were raised.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable Ind AS.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has made preferential allotment of fully paid up equity shares during the year and the requirement of Section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

For **Parikh & Majmudar**  
Chartered Accountants  
FR No. 107525W

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

Place: Ahmedabad  
Date: 18th May, 2019



## Annexure B

### to the Independent Auditor's Report of Even Date to the Members of RUSHIL DÉCOR LIMITED on the Standalone Financial Statements of the year ended on 31st March, 2019

#### INDEPENDENT AUDITOR'S REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 ("THE ACT")

In conjunction with our audit of the standalone financial statements of M/s RUSHIL DÉCOR LIMITED ("the Company") as at and for the year ended 31st March, 2019. We have audited the internal financial controls over financial reporting of the company as of that date.

#### Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls over financial reporting and the Guidance Note issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Parikh & Majmudar**  
Chartered Accountants  
FR No. 107525W

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

Place: Ahmedabad  
Date: 18th May, 2019

# Standalone Balance Sheet

## as at 31st March, 2019

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

Particulars	Note No.	(Amount in ₹)	
		As at 31st March, 2019	As at 31st March, 2018
<b>(I) ASSETS</b>			
<b>(1) Non- current Assets</b>			
(a) Property, Plant and Equipment	1	2,04,16,33,953	1,94,17,18,803
(b) Capital work-in-progress	1	97,78,46,643	4,07,77,523
(c) Other Intangible assets	2	10,13,676	11,36,414
(d) Financial Assets			
(i) Investments	3	1,25,000	10,000
(ii) Trade receivables	4	1,71,87,896	1,85,08,010
(iii) Loans	5	9,66,128	23,16,780
(e) Other non-current assets	6	92,91,51,966	23,52,65,212
<b>Total Non - Current Assets</b>		<b>3,96,79,25,262</b>	<b>2,23,97,32,742</b>
<b>(2) Current Assets</b>			
(a) Inventories	7	87,96,35,235	83,23,63,150
(b) Financial Assets			
(i) Trade receivables	8	57,39,48,054	48,32,44,722
(ii) Cash and cash equivalents	9	65,89,824	56,51,699
(iii) Bank balances other than (ii) above	10	5,23,51,674	4,23,41,548
(iv) Loans	11	3,16,18,262	2,50,00,000
(c) Current Tax Assets		-	-
(d) Other current assets	12	29,19,28,490	14,00,73,213
<b>Total Current Assets</b>		<b>1,83,60,71,539</b>	<b>1,52,86,74,332</b>
<b>Total Assets :</b>		<b>5,80,39,96,801</b>	<b>3,76,84,07,074</b>
<b>(II) EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share capital	13	14,93,13,320	14,71,74,600
(b) Other Equity	14	1,90,99,03,621	1,55,94,11,103
<b>Total Equity</b>		<b>2,05,92,16,941</b>	<b>1,70,65,85,703</b>
<b>(2) Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	1,80,19,45,476	38,86,43,225
(ii) Trade Payables			
- dues to micro and small enterprises		-	-
- dues to other than micro and small enterprises	16a	43,48,634	42,91,927
(iii) Other Financial Liabilities	16b	3,70,59,453	3,73,59,066
(b) Provisions	17	1,37,56,009	1,12,44,231
(c) Deferred tax liabilities (Net)	18	30,73,53,142	28,38,43,991
(d) Other non-current liabilities	19	8,00,23,368	1,34,88,561
<b>Total Non-Current Liabilities</b>		<b>2,24,44,86,082</b>	<b>73,88,71,001</b>
<b>Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	20	52,98,80,644	46,82,14,879
(ii) Trade payables			
- dues to micro and small enterprises	21	38,403,268	43,074,016
- dues to other than micro and small enterprises	21	721,529,785	594,467,676
(iii) Other financial liabilities	22	120,247,794	156,015,880
(b) Other current liabilities	23	24,153,132	18,209,488
(c) Provisions	24	63,567,419	18,731,388
(d) Current Tax Liabilities (Net)	25	2,511,736	24,237,043
<b>Total Current Liabilities</b>		<b>1,500,293,778</b>	<b>1,322,950,370</b>
<b>Total Equity and Liabilities :</b>		<b>5,803,996,801</b>	<b>3,768,407,074</b>

The accompanying Notes 1 to 56 are integral part of these Standalone Financial Statements.

As per our report of even date attached.

For **Parikh & Majmudar**  
Chartered Accountants  
(Firm Regn.No.107525W)

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

**CA (Dr.) Hiten M. Parikh**  
Partner  
Membership No.040230

**[Ghanshyambhai A.Thakkar]**  
Chairman  
DIN ::00208843

**[Krupeshbhai G.Thakkar]**  
Managing Director  
DIN :01059666

PLACE : AHMEDABAD  
DATE : 18th May, 2019

**[K. M. Gajjar]**  
Chief Executive Officer

**[V. S.Vora]**  
Chief Financial Officer

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

## Standalone Statement of Profit and Loss for the year ended 31st March, 2019

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

(Amount in ₹)

Sr. No	Particulars	Note No.	Year ended 31st March, 2019	Year ended 31st March, 2018
I	<b>Revenue from Operations</b>	26	<b>3,43,74,20,924</b>	<b>3,50,97,57,249</b>
II	Other Income	27	8,49,02,299	2,70,67,802
III	<b>Total Income (I +II)</b>		<b>3,52,23,23,223</b>	<b>3,53,68,25,051</b>
IV	<b>Expenses:</b>			
	(a) Cost of Materials Consumed	28	1,93,37,07,755	1,89,63,08,560
	(b) Purchases of Stock-in-Trade	29	6,11,113	1,55,10,713
	(c) Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	30	(1,68,15,206)	(10,32,37,753)
	(d) Excise duty	31	-	7,45,64,991
	(e) Employee Benefits Expense	32	25,62,23,170	20,97,93,520
	(f) Finance Costs	33	13,59,04,151	8,70,23,507
	(g) Depreciation and Amortisation Expense		8,62,91,158	7,52,93,456
	(h) Other Expenses	34	89,72,07,136	85,19,44,099
	<b>Total Expenses (IV)</b>		<b>3,29,31,29,277</b>	<b>3,10,72,01,093</b>
V	<b>Profit before tax ( III- IV )</b>		<b>22,91,93,946</b>	<b>42,96,23,958</b>
VI	<b>Tax expense :</b>	35		
	(1) Current Tax		6,58,67,735	10,51,00,000
	(2) Deferred Tax		1,99,76,577	1,52,82,477
	<b>Total Tax Expenses (VI)</b>		<b>8,58,44,312</b>	<b>12,03,82,477</b>
VII	<b>Profit for the period (V -VI)</b>		<b>14,33,49,634</b>	<b>30,92,41,481</b>
VIII	<b>Other Comprehensive Income (OCI)</b>			
	A (i) Items that will not be reclassified to profit or loss		(5,14,606)	(16,91,616)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		1,79,824	5,65,802
	B (i) Items that will be reclassified to profit or loss		-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	<b>Total Other Comprehensive Income (VIII)</b>		<b>(3,34,782)</b>	<b>(11,25,814)</b>
IX	<b>Total Comprehensive Income for the period (VII + VIII) (Comprising Profit and Other Comprehensive Income for the period)</b>		<b>14,30,14,852</b>	<b>30,81,15,667</b>
X	<b>Earnings per equity share (Face Value of ₹ 10/- each)</b>			
	Basic & Diluted	36	9.61	21.27

The accompanying Notes 1 to 56 are integral part of these Standalone Financial Statements.

As per our report of even date attached.

For **Parikh & Majmudar**  
 Chartered Accountants  
 (Firm Regn.No.107525W)

**CA (Dr.) Hiten M. Parikh**  
 Partner  
 Membership No.040230

PLACE : AHMEDABAD  
 DATE : 18th May, 2019

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

**[Ghanshyambhai A.Thakkar]**  
 Chairman  
 DIN ::00208843

**[Krupeshbhai G.Thakkar]**  
 Managing Director  
 DIN :01059666

**[K. M. Gajjar]**  
 Chief Executive Officer

**[V. S .Vora]**  
 Chief Financial Officer

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

# Standalone Cash Flow Statement

## for the year ended 31st March, 2019

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

	(Amount in ₹)	
Particulars	31st March, 2019	31st March, 2018
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax as per Standalone Statement of Profit & Loss	22,91,93,946	42,96,23,958
<b>Adjustments for</b>		
Re-measurement gain/(loss) on defined benefit plans	(5,14,606)	(16,91,616)
Depreciation and amortisation expense	8,62,91,158	7,52,93,456
Interest and Finance cost	13,59,04,151	8,70,23,507
(Profit)/Loss on disposal of Property, Plant and Equipment	-	61,075
<b>Total</b>	<b>22,16,80,703</b>	<b>16,06,86,422</b>
<b>Operating Profit Before Working Capital Changes</b>	<b>45,08,74,649</b>	<b>59,03,10,380</b>
<b>Adjustment for Change In:</b>		
(Increase) / Decrease in Inventories	(4,72,72,085)	(21,43,26,999)
(Increase) / Decrease in Trade Receivables	(8,93,83,218)	(1,61,19,356)
(Increase) / Decrease in Financial Assets	(86,59,474)	19,20,81,303
(Increase) / Decrease in Other Assets	(23,87,33,919)	(21,82,50,476)
Increase / (Decrease) in Trade Payables	12,24,48,068	23,02,21,222
Increase / (Decrease) in Financial Liabilities	(3,60,67,700)	1,67,17,072
Increase / (Decrease) in Other Liabilities	7,49,90,229	(55,15,525)
Increase / (Decrease) in Short Term Provisions	4,48,36,031	59,62,814
<b>Total Adjustment for Change</b>	<b>(17,78,42,068)</b>	<b>(92,29,945)</b>
<b>Total</b>	<b>27,30,32,581</b>	<b>58,10,80,435</b>
Direct Taxes Paid (Net of Refunds)	(8,69,72,694)	(8,08,62,957)
<b>Net Cash Generated From Operations</b>	<b>18,60,59,887</b>	<b>50,02,17,478</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment (including WIP & Pre-operative Expenses)	(1,12,31,52,689)	(42,52,71,358)
Adjustment for Revaluation Reserve	2,21,00,000	-
Sale of Property, Plant and Equipment	-	9,60,688
Purchase of Shares	(1,15,000)	-
Loans (Given)	(66,18,262)	(2,50,00,000)
Changes in Non Current Assets	(60,76,28,460)	(18,81,85,694)
<b>Net Cash Generated From Investing Activities</b>	<b>(1,71,54,14,411)</b>	<b>(63,74,96,364)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Money received against warrant	-	(5,00,00,000)
Issue of share capital	21,38,720	31,74,600
Securities premium	19,80,90,320	19,68,25,200
Increase / (Decrease) in Long term borrowings	1,41,33,02,251	5,77,78,714
Increase / (Decrease) in Short term borrowings	6,16,65,765	1,11,87,665
Interest and Finance cost	(13,59,04,151)	(8,70,23,507)
Dividend Paid (Including Tax On Dividend)	(90,00,256)	(87,29,941)
<b>Net Cash Generated From Financing Activities</b>	<b>1,53,02,92,649</b>	<b>12,32,12,731</b>
<b>Net Increase In Cash &amp; Cash Equivalents</b>	<b>9,38,125</b>	<b>(1,40,66,155)</b>
<b>Cash &amp; Cash Equivalents At</b>		
Opening	56,51,699	1,97,17,854
Closing	65,89,824	56,51,699
Cash & Cash Equivalent as per above comprises of the following:		
Cash & Cash Equivalent (Refer Note No.9)	65,89,824	56,51,699

The accompanying notes are an integral part of these financial statements.

Notes: 1. The cash flow statement has been prepared under the indirect method as set out in Indian Accounting Standard (IND AS-7) Statement of Cashflows.

This is the Cashflow Statement referred to in our report of even date.

As per our report of even date attached.

For **Parikh & Majmudar**  
Chartered Accountants  
(Firm Regn.No.107525W)

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

**CA (Dr.) Hiten M. Parikh**  
Partner  
Membership No.040230

**[Ghanshyambhai A.Thakkar]**  
Chairman  
DIN :00208843

**[Krupeshbhai G.Thakkar]**  
Managing Director  
DIN :01059666

PLACE : AHMEDABAD  
DATE : 18th May, 2019

**[K. M. Gajjar]**  
Chief Executive Officer

**[V. S. Vora]**  
Chief Financial Officer

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



# Statement of Changes in Equity for the year ended 31st March, 2019

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

## A) EQUITY SHARE CAPITAL

Particulars	(Amount in ₹)
<b>For the year ended 31st March, 2019</b>	
Balance as at 1st April 2018	14,71,74,600
Changes in equity share capital during the year :	
Issued during the year	21,38,720
<b>Balance as at 31st March, 2019</b>	<b>14,93,13,320</b>
<b>For the year ended 31st March, 2018</b>	
Balance as at 1st April, 2017	14,40,00,000
Changes in equity share capital during the year :	
Issued during the year	31,74,600
<b>Balance as at 31st March, 2018</b>	<b>14,71,74,600</b>

## B) OTHER EQUITY

### Reconciliation of Other Equity as at 31st March, 2019

Particulars	Reserves and Surplus							Total
	Capital Redemption Reserve	Securities Premium	Amalgamation Reserve	Money received against share warrants	General Reserve	Revaluation Reserve	Retained Earnings	
Balance at the beginning of the reporting period	50,000	60,01,57,556	33,00,000	-	60,00,000	1,66,81,153	78,30,92,008	1,55,94,11,103
Issued during the period	-	-	-	-	-	-	-	-
Converted into Equity Shares	-	-	-	-	-	-	-	-
Received against shares issued during the year	-	19,80,90,320	-	-	-	-	-	19,80,90,320
Depreciation transferred (to)/ from Revaluation Reserve	-	-	-	-	-	-	-	-
Dividend on Equity Shares	-	-	-	-	-	-	(74,65,666)	(74,65,666)
Tax on Dividend	-	-	-	-	-	-	(15,34,590)	(15,34,590)
Adjustments as per Ind AS	-	-	-	-	-	1,83,87,602	-	1,83,87,602
Profit for the year	-	-	-	-	-	-	14,33,49,634	14,33,49,634
Other Comprehensive Income for the year	-	-	-	-	-	-	(3,34,782)	(3,34,782)
Balance at the end of the reporting period	50,000	79,82,47,876	33,00,000	-	60,00,000	1,85,19,914	91,71,06,604	1,90,99,03,621

## Statement of Changes in Equity for the year ended 31st March, 2018 (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### Reconciliation of Other Equity as at 31st March, 2018

Particulars	Reserves and Surplus						Total
	Capital Redemption Reserve	Securities Premium	Amalgamation Reserve	Money received against share warrants	General Reserve	Revaluation Reserve	
Balance at the beginning of the reporting period	50,000	40,33,32,356	33,00,000	5,00,00,000	60,00,000	1,66,81,15,39	1,11,32,00,177
Issued during the period	-	-	-	14,99,99,800	-	-	14,99,99,800
Converted into Equity Shares	-	-	-	(19,99,99,800)	-	-	(19,99,99,800)
Received against share issue to Qualified Institutional Investors	-	19,68,25,200	-	-	-	-	19,68,25,200
Depreciation transferred (to)/from Revaluation Reserve	-	-	-	-	-	-	-
Dividend on Equity Shares	-	-	-	-	-	-	(72,53,333)
Tax on Dividend	-	-	-	-	-	-	(14,76,608)
Tax on Dividend	-	-	-	-	-	-	-
Loss on Mark to Market of Hedging Instruments designated and effective as Hedges of Future Cash Flow	-	-	-	-	-	-	-
Adjustments as per Ind AS	-	-	-	-	-	-	30,92,41,481
Profit for the year	-	-	-	-	-	-	(11,25,814)
Other Comprehensive Income for the year	-	-	-	-	-	-	-
Balance at the end of the reporting period	50,000	60,01,57,556	33,00,000	-	60,00,000	1,66,81,15,39	78,30,92,008
							1,55,94,11,103

The accompanying notes are integral part of these Standalone Financial Statements. This is the Statement of Changes in Equity referred to in our report of even date.

As per our report of even date attached.

For **Parikh & Majmudar**  
Chartered Accountants  
(Firm Regn.No.107525W)

**CA (Dr.) Hiten M. Parikh**  
Partner  
Membership No.040230

PLACE : AHMEDABAD  
DATE : 18th May, 2019

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

**[Ghanshyambhai A. Thakkar]**  
Chairman  
DIN ::00208843

**[Krupeshbhai G. Thakkar]**  
Managing Director  
DIN :01059666

**[V. S. Vora]**  
Chief Financial Officer

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

**[K. M. Gajjar]**  
Chief Executive Officer

# Notes to the Standalone Financial Statements

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

## A. DISCLOSURE OF ACCOUNTING POLICIES

### (a) CORPORATE INFORMATION

The Company is a Public Company domiciled in India and incorporated under the provisions of the Companies Act, 1956. Its shares are listed on The National Stock Exchange and The Bombay Stock Exchange. The Company is primarily engaged in manufacturing and sale of Laminate Sheets, Medium Density Fibre Board, Pre-laminated Medium Density Fibre Board boards, and Polyvinyl Chloride Board. The Company presently has manufacturing facilities at Itla, Mansa and Dholakuva in (Gujarat) and Chikkamagaluru (Karnataka).

### (b) APPLICATION OF NEW INDIAN ACCOUNTING STANDARDS

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified the following new and amendments to Ind AS which the Group has not applied as they are effective from 1st April, 2019:

#### Recent accounting pronouncements

##### Ind AS 116 "Leases"

Ind AS 116 will replace the existing leases standard, Ind AS 17 "Leases" w.e.f. 1st April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lessee accounting model for lessees. A lessee recognises right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The standard also contains enhanced disclosure requirements for lessees. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17. The effect on the Financial statements on adoption of Ind AS 116 is being evaluated by the Company.

##### Ind AS 12 "Income taxes" (amendments relating to income tax consequences of dividend and uncertainty over income tax treatments)

The amendment relating to income tax consequences of dividend clarify that an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive

income or equity according to where the entity originally recognised those past transactions or events. The Company does not expect any impact from this pronouncement. It is relevant to note that the amendment does not amend situations where the entity pays a tax on dividend which is effectively a portion of dividends paid to taxation authorities on behalf of shareholders. Such amount paid or payable to taxation authorities continues to be charged to equity as part of dividend, in accordance with Ind AS 12.

The amendment to Appendix C of Ind AS 12 specifies that the amendment is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. It outlines the following: (1) the entity has to use judgement, to determine whether each tax treatment should be considered separately or whether some can be considered together. The decision should be based on the approach which provides better predictions of the resolution of the uncertainty (2) the entity is to assume that the taxation authority will have full knowledge of all relevant information while examining any amount (3) entity has to consider the probability of the relevant taxation authority accepting the tax treatment and the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates would depend upon the probability. The Company does not expect any significant impact of the amendment on its financial statements.

Amendment to Ind AS 19 – plan amendment, curtailment or settlement- On 30th March, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements.

The amendments require an entity:

- to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and
- to recognise in profit or loss as part of past service cost, or a gain or loss on settlement, any reduction in a surplus, even if that surplus was not previously recognised because of the impact of the asset ceiling.

## Notes to the Standalone Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

Effective date for application of this amendment is annual period beginning on or after 1st April, 2019. The Company does not have any impact on account of this amendment.

### Ind AS 23 – “Borrowing Costs”

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Company does not expect any impact from this amendment.

### (c) BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

These Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The Financial Statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle. Accordingly, all assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in Ind AS 1 – 'Presentation of Financial Statements' and Schedule III to the Companies Act, 2013.'

Accounting policies have been consistently applied consistently to all the periods presented in the financial statements.

The financial statements are presented in Indian Rupees ('INR'). Where changes are made in presentation, the comparative figures of the

previous year are regrouped and re-arranged accordingly.

### (d) USE OF ESTIMATES :

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting year end. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

### (e) PROPERTY, PLANT AND EQUIPMENT:

- i) Property, Plant and Equipment are stated at original cost (net of tax/duty credit availed) less accumulated depreciation and impairment losses except freehold land which is carried at fair value. Cost includes cost of acquisition, construction and installation, taxes, duties, freight, other incidental expenses related to the acquisition, and pre-operative expenses including attributable borrowing costs incurred during pre-operational period.
- ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to statement of profit and loss during the reporting period in which they are incurred.
- iii) Assets which are not ready for their intended use on reporting date are carried as capital work-in-progress at cost, comprising direct cost and related incidental expenses.
- iv) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and



## Notes to the Standalone Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

- equipment except Land which is measured at fair value.
- v) The Company has exercised the option available to it under Rule 46A of the Companies (Accounting Standards) (Second Amendment) Rules, 2011 in respect of accounting for fluctuations in foreign exchange relating to "Long Term Foreign Currency Monetary Items". On transition to Ind AS, aforesaid option is not available for loans availed after 1st April, 2016.
- vi) Property, Plant and Equipment including continuous process plants are depreciated and/or amortised on the basis of their useful lives as notified in Schedule II to the Companies Act, 2013. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.
- vii) Depreciation in respect of additions to assets has been charged on pro rata basis with reference to the period when the assets are ready for use. The provision for depreciation for multiple shifts has been made in respect of eligible assets on the basis of operation of respective units.
- viii) An asset's carrying amount is written down immediately on discontinuation to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in Profit/ Loss on Sale and Discard of Fixed Assets.
- ix) Useful lives of the Property, Plant and Equipment as notified in Schedule II to the Companies Act, 2013 are as follows :
- |                          |                |
|--------------------------|----------------|
| Buildings -              | 3 to 60 years  |
| Plant and Equipments -   | 15 to 25 years |
| Furniture and Fixtures - | 10 years       |
| Vehicles -               | 8 to 10 years  |
| Office Equipments -      | 5 to 10 years  |
- x) At each balance sheet date, the Company reviews the carrying amount of property, plant and equipment to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.
- (f) INTANGIBLE ASSETS:**
- i) Intangible assets acquired by payment e.g. Computer Software is disclosed at cost less amortisation on a straight-line basis over its estimated useful life.
- ii) Intangible assets are carried at cost, net of accumulated amortisation and impairment loss, if any.
- iii) On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the intangible assets.
- iv) Intangible assets are amortised on straight-line method as follows :
- Computer Software - 5 years
- v) At each balance sheet date, the Company reviews the carrying amount of intangible assets to determine whether there is any indication of impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of impairment loss. The recoverable amount is higher of the net selling price and the value in use, determined by discounting the estimated future cash flows expected from the continuing use of the asset to their present value.
- (g) REVENUE RECOGNITION:**
- i) Revenue comprises of all economic benefits that arise in the ordinary course of activities of the Company which result in increase in Equity, other than increases relating to contributions from equity participants. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at

## Notes to the Standalone Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

the fair value of the consideration received or receivable.

- ii) Sale of Goods: Revenue from sales of goods is recognised upon transfer of control to the customers. Revenue shown in the Statement of Profit and Loss are excluding of inter-transfers, returns, trade discounts, cash discounts, value added tax, central sales tax and Goods and Service Tax.
- iii) Services: Revenue from Services are recognised as and when the services are rendered.
- iv) Export incentives under various schemes are accounted in the year of export.
- v) Interest: Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

### (h) EMPLOYEE BENEFITS:

- i) Short-term employee benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss of the year in which the related service is rendered.
- ii) Post Employment and Retirement benefits in the form of Gratuity are considered as defined benefit obligations 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. Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.
- iii) The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of reporting period on government bonds that have terms approximating to the terms of the related obligation.
- iv) Employee benefits in the form of Provident Fund is considered as defined contribution plan and the contributions to Employees' Provident Fund Organisation established under The Employees' Provident Fund and Miscellaneous Provisions Act 1952 is charged to the Statement of Profit and Loss of the

year when the contributions to the respective funds are due. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid.

### (i) VALUATION OF INVENTORIES

- i) The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to their present location and condition. The costs of Raw Materials, Stores and spare parts etc., consumed consist of purchase price including duties and taxes (other than those subsequently recoverable by the enterprise from the taxing authorities), freight inwards and other expenditure directly attributable to the procurement.
- ii) Stock of Raw Materials are valued at cost and of those in transit and at port related to these items are valued at cost to date. Goods and materials in transit are valued at actual cost incurred up to the date of balance sheet. Material and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.
- iii) Stock of Stores and spare parts, and Power & Fuels are valued at cost; and of those in transit and at port related to these items are valued at cost.
- iv) Goods-in-process is valued at lower of cost or net realisable value.
- v) Stock of Finished goods is valued at lower of cost or net realisable value, and Stock at port is valued at Cost.
- vi) Stock-in-trade is valued at lower of cost or net realisable value.

### (j) CASH FLOW STATEMENT:

- i) Cash flows are reported using indirect method, where by profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating,

## Notes to the Standalone Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

financing and investing activities of the Company is segregated.

- ii) Cash and cash equivalents in the balance sheet comprise cash at bank, cash/cheques in hand and short term investments with an original maturity of three months or less.

### (k) FINANCIAL ASSETS:

- i) The Company classifies its financial assets as those to be measured subsequently at fair value (through the standalone Statement of Profit and loss).
- ii) Trade receivables represent receivables for goods sold by the Company up to the end of the financial year. The amounts are generally unsecured and are usually received as per the terms of payment agreed with the customers. The amounts are presented as current assets where receivable is due with-in 12 months from the reporting date.
- iii) Trade receivables are impaired using the lifetime expected credit loss model under simplified approach. The Company uses a matrix to determine the impairment loss allowance based on its historically observed default rates over expected life of trade receivables and is adjusted for forward looking estimates. At every reporting date, the impairment loss allowance is determined and updated and the same is deducted from Trade Receivables with corresponding charge/credit to the standalone Statement of Profit and Loss.
- iv) A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset, or when it has transferred substantially all the risks and rewards of the asset, or when it has transferred the control of the asset.

### (l) FINANCIAL LIABILITIES:

- i) Borrowings are initially recognised and subsequently measured at amortised cost, net of transaction costs incurred. The transaction costs is amortised over the period of borrowings using the effective interest method in Capital Work in Progress up to the commencement of related Plant, Property and Equipment and subsequently under

finance costs in the standalone Statement of profit and loss .

- ii) Borrowings are removed from balance sheet when the obligation specified in the contract is discharged, cancelled or expired.
- iii) Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.
- iv) Trade Payables represent liabilities for goods and services provided to the Company up to the end of the financial year. The amounts are unsecured and are usually paid as per the terms of payment agreed with the vendors. The amounts are presented as current liabilities unless payment is not due within 12 months after the reporting period.
- v) Financial assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.
- vi) Derivative financial instruments are in the nature of Forward contracts. Forward contracts are executed to hedge the foreign exchange rate with respect to liabilities for goods and services in foreign currencies.
- vii) Derivative financial instruments are recognised initially and subsequently at fair value through mark to market valuation obtained from Forex Advisors. Gain or loss arising from the changes in fair value of derivatives is debited to the foreign exchange fluctuations in the standalone statement of profit and loss.

### (m) FAIR VALUE MEASUREMENT:

- i) The Company measures financial instruments such as derivatives at fair value at each balance sheet date.
- ii) The Company also measures Land at fair value at each balance sheet date.
- iii) Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market

## Notes to the Standalone Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability, or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company.

- iv) The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.
- v) A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.
- vi) The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.
- vii) The assets and liabilities which has been measured at fair value are, Derivatives and Land.

### (n) FOREIGN CURRENCY TRANSACTIONS:

- i) The Company's financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency.
- ii) Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income or expenses in the period in which they arise.

- iii) Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

### (o) LEASE

#### Operating Lease

As a lessee

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless the payments are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases.

### (p) BORROWING COSTS:

- i) Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds.
- ii) General and specific borrowing costs that are directly attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets during the period of time that is required to complete and prepare the asset for its intended use. A qualifying asset is one that takes necessarily substantial period of time to get ready for its intended use.
- iii) All other borrowing costs are expensed in the period in which they are incurred.

### (q) ACCOUNTING FOR TAXES ON INCOME:

- i) Tax expenses comprise of current tax and deferred tax including applicable surcharge and cess.
- ii) Current Income tax is computed using the tax effect accounting method, where taxes are accrued in the same period in which the related revenue and expenses arise. A provision is made for income tax annually, based on the tax liability computed, after



## Notes to the Standalone Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

considering tax allowances and exemptions. Provisions are recorded when it is estimated that a liability due to disallowances or other matters is probable.

- iii) Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profits against which the deductible temporary differences, and the carry forward unused tax credits and unused tax losses can be utilised.
- iv) The the carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it is become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on the tax rates and tax laws that have been enacted or substantively enacted at the reporting date.
- v) Deferred tax is recognised in the statement of profit and loss, except to the extent that it relates to items recognised in other comprehensive income. As such, deferred tax is also recognised in other comprehensive income.
- vi) Deferred Tax Assets and Deferred Tax Liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the Deferred Tax Assets and Deferred Tax Liabilities relate to taxes on income levied by same governing taxation laws.

### (r) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:

- i) Provisions are made when (a) the Company has a present legal or constructive obligation as a result of past events; (b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and (c) a reliable estimate is made of the amount of the obligation.
- ii) Contingent liabilities are not provided for but are disclosed by way of Notes on Accounts. Contingent liabilities is disclosed in case of a present obligation from past events (a) when it is not probable that an outflow of resources will be required to settle the obligation; (b) when no reliable estimate is possible; (c) unless the probability of outflow of resources is remote.
- iii) Contingent assets are not accounted but disclosed by way of Notes on Accounts where the inflow of economic benefits is probable.

### (s) CURRENT AND NON-CURRENT CLASSIFICATION:

- i) The Normal Operating Cycle for the Company has been assumed to be of twelve months for classification of its various assets and liabilities into "Current" and "Non-Current".
- ii) The Company presents assets and liabilities in the balance sheet based on current and non-current classification.
- iii) An asset is current when it is (a) expected to be realised or intended to be sold or consumed in normal operating cycle; (b) held primarily for the purpose of trading; (c) expected to be realised within twelve months after the reporting period; (d) Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.
- i) An liability is current when (a) it is expected to be settled in normal operating cycle; (b) it is held primarily for the purpose of trading; (c) it is due to be discharged within twelve months after the reporting period;(d) there is no unconditional right to defer the

## Notes to the Standalone Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

### (t) GOVERNMENT GRANTS

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected remaining useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the standalone statement of profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset i.e. by equal annual instalments.

### (u) SEGMENT REPORTING:

- i) Operating Segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM assesses the financial performance and position of the company, and makes strategic decisions. The CODM consists of the Chairman, Managing Director, Chief Executive Officer and Chief Financial Officer.
- ii) The Company's operating businesses are organised and managed separately according to the nature of products, with each segment representing a strategic business unit that offers different products and serves different markets. The identifiable segments are Manufacturing and Sale of (a) Decorative Laminated Sheets (b) Medium Density Fibre Board and (c) Polyvinyl Chloride Board.
- iii) The analysis of geographical segment is based on the geographical location of the customers. The geographical segments considered for disclosure are (a) Sales within India include sales to customers located within India; (b) Sales outside India include sales to customers located outside India.

- iv) Common allocable costs are allocated to each segment according to the ratio of their respective turnover to the total turnover.
- v) The Unallocated Segment includes general corporate income and expense items, which are not allocated to any business segment.

### (v) RELATED PARTY TRANSACTIONS:

- i) A related party is a person or entity that is related to the reporting entity preparing its financial statements
  - (a) A person or a close member of that person's family is related to reporting entity if that person;
    - (i) has control or joint control of the reporting entity;
    - (ii) has significant influence over the reporting entity; or
    - (iii) is a member of the key management personnel of the reporting entity or of a parent of the reporting entity.
  - (b) An entity is related to a reporting entity if any of the following conditions applies;
    - (i) the entity and the reporting entity are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others);
    - (ii) One entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member);
    - (iii) Both entities are joint ventures of the same third party;
    - (iv) One entity is a joint venture of a third entity and the other entity is an associate of the third entity;
    - (v) The entity is a post-employment benefit plan for the benefit of employees of either the reporting entity or an entity related to the reporting entity;
    - (vi) The entity is controlled or jointly controlled by a person identified in (a);

## Notes to the Standalone Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

- (vii) A person identified in (a)
- (i) Has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity);
- (viii) The entity, or any member of a group of which it is a part, provides key management personnel services to the reporting entity or to the parent of the reporting entity.
- ii) A related party transaction is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Compensation includes all employee benefits i.e. all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered to the entity. It also includes such consideration paid on behalf of a parent of the entity in respect of the entity.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

- iii) Disclosure of related party transactions as required by the accounting standard is furnished in the Notes on the Standalone Financial Statements.

### (w) EARNINGS PER SHARE:

- i) Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
- ii) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

### (x) EXPENSES FOR CORPORATE SOCIAL RESPONSIBILITY:

- i) In case of CSR activities undertaken by the Company, if any expenditure of revenue nature is incurred or an irrevocable contribution is made to any agency to be spent by the latter on any of the activities mentioned in Schedule VII to the Companies Act, 2013, the same is charged as an expense to its Statement of Profit and Loss.
- ii) In case, the expenditure incurred by the Company is of such a nature which gives rise to an asset, such an asset is recognised where the Company retains the control of the asset and any future economic benefit accrues to it. A liability incurred by entering into a contractual obligation is recognised to the extent to which CSR activity is completed during the year.

## Notes to the Standalone Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 1. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	(Amount in ₹)									
	Freehold Land	Leasehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Computers	Total		
<b>Cost of Assets</b>										
<b>As at 1st April 2018</b>	36,46,84,645	5,25,00,000	55,82,62,355	1,31,64,28,212	3,56,24,262	5,60,16,186	64,97,419	2,39,00,13,079		
Addition	6,25,19,855	27,00,000	2,57,76,024	8,19,00,592	1,10,35,915	-	21,66,059	18,60,98,445		
Disposal / Adjustments	-	-	-	-	-	-	-	-		
Transfer	-	-	-	3,27,097	-	-	-	-	3,27,097	
<b>As at 31st March, 2019</b>	42,72,04,500	5,52,00,000	58,40,38,379	1,39,80,01,707	4,66,60,176	5,60,16,186	86,63,479	2,57,57,84,427		
Depreciation										
<b>As at 1st April 2018</b>	-	-	8,86,01,809	32,62,89,785	72,38,314	2,20,45,521	41,18,847	44,82,94,276		
Charge for the period	-	-	1,78,91,056	5,55,16,177	43,64,869	68,45,300	12,89,018	8,59,06,420		
Disposal / Adjustments	-	-	-	-	-	-	-	-		
Transfer	-	-	-	50,222	-	-	-	50,222		
<b>As at 31st March, 2019</b>	-	-	10,64,92,865	38,17,55,740	1,16,03,183	2,88,90,821	54,07,865	53,41,50,474		
Net Block										
<b>As at 31st March, 2018</b>	36,46,84,645	5,25,00,000	46,96,60,546	99,01,38,427	2,83,85,948	3,39,70,665	23,78,572	1,94,17,18,803		
<b>As at 31st March, 2019</b>	42,72,04,500	5,52,00,000	47,75,45,514	1,01,62,45,967	3,50,56,993	2,71,25,365	32,55,614	2,04,16,33,953		
<b>CAPITAL WORK IN PROGRESS AND PRE-OPERATIVE EXPENSES:</b>										
Particulars	(Amount in ₹)									
<b>As at 31st March, 2018</b>	<b>TOTAL</b>									
	4,07,77,523									
<b>As at 31st March, 2019</b>	<b>TOTAL</b>									
	97,78,46,643									

## Notes to the Standalone Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 2. OTHER INTANGIBLE ASSETS

(Amount in ₹)

Particulars	As at 31st March, 2019	
	Computer Software	Total
<b>Cost of Assets</b>		
<b>As at 1st April 2018</b>	27,07,458	27,07,458
Addition	2,62,000	2,62,000
Disposal / Adjustments	-	-
<b>As at 31st March, 2019</b>	<b>29,69,458</b>	<b>29,69,458</b>
<b>Amortisation</b>		
<b>As at 1st April 2018</b>	15,71,044	15,71,044
Charge for the period	3,84,738	3,84,738
Disposal / Adjustments	-	-
<b>As at 31st March, 2019</b>	<b>19,55,782</b>	<b>19,55,782</b>
<b>Net Block</b>		
<b>As at 31st March, 2018</b>	11,36,414	11,36,414
<b>As at 31st March, 2019</b>	<b>10,13,676</b>	<b>10,13,676</b>

### 3. INVESTMENTS :

(Amount in ₹)

Particulars	Amount	31st March, 2019	Amount	31st March, 2018
(a) Investment in unquoted equity instruments				
Total 125 number of Equity shares of Indian Laminate Manufactures Association at ₹ 1000/- per share fully paid up		1,25,000		-
(a) Investment in government securities or trust securities				
National savings certificate		-		10,000
		<b>1,25,000</b>		<b>10,000</b>

### 4. TRADE RECEIVABLES :

(Amount in ₹)

Particulars	Amount	31st March, 2019	Amount	31st March, 2018
<b>Non-current Trade Receivable</b>				
Unsecured, considered good unless otherwise stated		1,71,87,896		1,85,08,010
		<b>1,71,87,896</b>		<b>1,85,08,010</b>

### 5. LOANS :

(Amount in ₹)

Particulars	Amount	31st March, 2019	Amount	31st March, 2018
Unsecured considered good unless otherwise stated				
- Loans to Staff		9,66,128		23,16,780
		<b>9,66,128</b>		<b>23,16,780</b>



## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 6. OTHER NON-CURRENT ASSETS : Unsecured considered good unless otherwise stated

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	31st March, 2018
(a) Advance for Capital goods		81,64,42,704		20,88,14,244
(b) Security Deposit		4,36,51,924		2,46,47,220
(c) Advance other than Capital goods		17,717		46,678
(d) Other Loan and advances		2,56,358		4,78,468
(e) Advance Income Tax , TDS & TCS		6,58,254		12,78,602
(f) Prepaid Expenses		6,81,25,009		-
<b>Total</b>		<b>92,91,51,966</b>		<b>23,52,65,212</b>

### 7. INVENTORIES

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	31st March, 2018
(a) Raw Materials*		31,61,37,800		30,65,19,929
(b) Work in progress		7,15,80,366		5,64,23,632
(c) Finished goods (Finished Goods at Port ₹ 2,44,19,401/- P.Y ₹ 4,11,91,301/-)*		38,82,54,177		38,65,95,705
(d) Stores and spares		10,24,71,708		8,16,17,721
(e) Power & Fuel		11,91,184		12,06,163
* Excluding goods destroyed by fire of ₹ 6733265/- (Raw material ₹ 4658735/- and Finished Goods ₹ 2074530/-)				
<b>Total</b>		<b>87,96,35,235</b>		<b>83,23,63,150</b>

### 8. TRADE RECEIVABLES

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	31st March, 2018
Unsecured, considered good unless otherwise stated		57,39,48,054		48,32,44,722
<b>Total</b>		<b>57,39,48,054</b>		<b>48,32,44,722</b>

### 9. CASH AND CASH EQUIVALENTS

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	31st March, 2018
(a) Balances with Scheduled Banks				
In current Account		9,59,335		20,05,739
In EEFC Account in USD		22,13,233		3,67,333
In EEFC Account in EURO		-		58,073
(b) Cash on hand		34,17,256		32,20,554
<b>Total</b>		<b>65,89,824</b>		<b>56,51,699</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 10. OTHER BANK BALANCES

(Amount in ₹)				
Particulars	Amount	31st March, 2019	Amount	31st March, 2018
(a) Fixed Deposit with Banks*		5,23,51,674		4,23,41,548
* The Company has pledged above margin money deposit with bank as margin money against credit facilities towards bank guarantee and letter of credit.				
<b>Total</b>		<b>5,23,51,674</b>		<b>4,23,41,548</b>

### 11. LOANS (Unsecured considered good unless otherwise stated)

(Amount in ₹)				
Particulars	Amount	31st March, 2019	Amount	31st March, 2018
(a) Other Loans		3,16,18,262		2,50,00,000
<b>Total</b>		<b>3,16,18,262</b>		<b>2,50,00,000</b>

### 12. OTHER CURRENT ASSETS (Unsecured considered good)

(Amount in ₹)				
Particulars	Amount	31st March, 2019	Amount	31st March, 2018
Balance with government authorities		7,25,40,212		2,88,61,829
Licence on hand & Licence Receivables		12,94,38,609		7,15,20,872
Advance to Suppliers		5,35,13,065		2,13,45,876
Prepaid Expenses		2,29,05,685		1,25,71,674
Other Advances		67,97,654		57,72,962
Insurance claim receivable		67,33,265		-
		<b>29,19,28,490</b>		<b>14,00,73,213</b>

### 13. SHARE CAPITAL

(Amount in ₹)				
Particulars	Amount	31st March, 2019	Amount	31st March, 2018
<b>Authorised :</b>				
20000000 ( p.y 20000000) Equity Shares of ₹ 10/- each		20,00,00,000		20,00,00,000
<b>Total</b>		<b>20,00,00,000</b>		<b>20,00,00,000</b>
<b>Issued &amp; Subscribed and Paid up :</b>				
14931332 (P.Y 14717460)Equity Shares of ₹ 10/- each fully paid up		14,93,13,320		14,71,74,600
<b>Total</b>		<b>14,93,13,320</b>		<b>14,71,74,600</b>

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

(Amount in ₹)				
Particulars	In numbers	31st March, 2019	In numbers	31st March, 2018
At the beginning of period	1,47,17,460	14,71,74,600	1,44,00,000	14,40,00,000
Issued during the year	2,13,872	21,38,720	3,17,460	31,74,600
Outstanding at the end of year	1,49,31,332	14,93,13,320	1,47,17,460	14,71,74,600

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

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

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

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
Ghanshyambhai Ambalal Thakkar	19,90,900.00	13.33	19,90,900.00	13.53
Krupesh Ghanshyambhai Thakkar and Ghanshyambhai Ambalal Thakkar Repre. Rushil International (Partnership Firm)	18,45,770.00	12.36	18,45,770.00	12.54
Krupesh Ghanshyambhai Thakkar	19,27,866.00	12.91	15,42,484.00	10.48
Krupesh G. Thakkar Karta of Krupesh Ghanshyambhai Thakkar (HUF)	13,89,683.00	9.31	13,89,683.00	9.44
Elara India Opportunities Fund Limited	7,77,700.00	5.21	-	-

### 14. OTHER EQUITY :

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	31st March, 2018
<b>a) Capital Redemption Reserve</b> (For Redemption of Preference Share Capital)		50,000		50,000
<b>b) Others</b>				
<b>1) Securities Premium</b>				
Opening Balance	60,01,57,556		40,33,32,356	
Add : Addition during the year	19,80,90,320		19,68,25,200	
	<b>79,82,47,876</b>	<b>79,82,47,876</b>	<b>60,01,57,556</b>	<b>60,01,57,556</b>
<b>2) Amalgamation Reserve</b>		33,00,000		33,00,000
<b>3) General Reserve</b>				
Opening Balance	60,00,000		60,00,000	
Add : Addition during the year	-	60,00,000	-	60,00,000
<b>4) Revaluation Reserve (Fair value of land net of Deferred Tax Liability)</b>				
Opening Balance	16,68,11,539		16,68,11,539	
Add : Addition during the year	1,83,87,602	18,51,99,141	-	16,68,11,539
<b>5) Retained Earnings</b>				
Balance Brought Forward From Previous Year	78,30,92,008		48,37,06,282	
Add: Profit/(Loss) for the year	14,33,49,634		30,92,41,481	
Less: Other Comprehensive Income arising from Remeasurement of defined benefit obligation net of Income Tax	(3,34,782)		(11,25,814)	
	<b>92,61,06,860</b>		<b>79,18,21,949</b>	
Less :Final Dividend on equity share (amount per share ₹ 0.50 (31st March, 2017 and 31st March,2018)	74,65,666		72,53,333	
Less : Tax on Equity Dividend	15,34,590		14,76,608	
		<b>91,71,06,604</b>	<b>-</b>	<b>78,30,92,008</b>
<b>6) Money received against share warrants :</b>				
Opening Balance	-		5,00,00,000	
Add : Issued during the period	-		14,99,99,800	
Less: Converted into Equity Shares	-		19,99,99,800	
Closing Balance	-		-	
		<b>1,90,99,03,621</b>	<b>-</b>	<b>1,55,94,11,103</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 15. BORROWINGS :

(Amount in ₹)

Particulars	31st March, 2019	31st March, 2019	31st March, 2018	31st March, 2018
	Current maturities	Non-Current Portion	Current maturities	Non-Current Portion
<b>(a) Term Loan (refer note 1 below)</b>				
<b>From Banks</b>				
I. Bank of Baroda (refer note 1 below)				
(a) Term loan A/c no 01500600020467	-	-	2,61,34,829	-
(b) Term loan-iii External Commercial Borrowing (USD 63,00,000 )	-	-	6,84,28,500	-
(c) Corporate loan A/c no 01500600020796	3,00,00,000	2,98,23,734	3,00,00,000	5,96,33,208
(d) Term loan A/c no 01500600020907	62,50,000	1,10,07,986	62,50,000	1,72,52,252
(e) Term loan A/c no 01500600021047	62,50,000	1,86,37,866	62,50,000	2,48,33,157
(f) Term loan A/c no 01500600021195	2,33,32,000	11,08,34,667	58,33,000	9,99,77,944
(g) Corporate loan A/c no 01500600021248	2,00,00,000	9,99,64,000	-	12,00,00,000
(h) Term loan A/c no 01500600021225	28,12,500	1,77,35,442	9,37,500	2,14,52,010
(i) Term loan A/c no 01500600021317	-	25,03,92,905	-	-
(j) Term loan External Commercial Borrowing (USD 15000000 ) [ LRN 201809163 ]	-	38,03,52,500	-	-
II. From Foreign Bank (refer note 2 below)				
(a) Bayerische Landesbank and LBBW ECA [LRN.201809103]	-	21,04,32,920	-	-
III. Yes Bank (refer note 3 below)				
(a) Business loan A/c no 021588900000352	1,00,00,008	8,15,89,516	-	-
(b) Business loan A/c no 021588900000480	25,67,476	-	-	-
<b>(b) Unsecured Loans from related parties</b>				
<b>From Directors, Promoters and their related parties</b>	16,57,000	54,74,77,753	32,49,152	80,30,535
<b>(c) From Others</b>				
Vehicle Loans (refer note 4 below)	50,34,306	57,47,117	51,74,584	77,35,517
Loan from LIC (refer note 5 below)	-	35,16,250	-	35,16,250
Loan from Karnataka VAT-I (refer note 6 below)	-	18,65,225	-	16,62,411
Loan from Karnataka VAT-II (refer note 6 below)	-	81,20,744	-	72,37,740
Loan from Karnataka VAT-III (refer note 6 below)	-	39,90,463	-	35,56,563
Loan from Karnataka VAT-IV (refer note 6 below)	-	36,88,610	-	-
Inter corporate loans	-	-	11,25,740	-
<b>(d) Deferred Revenue (KVAT LOAN) (refer note 6 below)</b>	-	1,67,67,778	-	1,37,55,638
<b>Total</b>	<b>10,79,03,290</b>	<b>1,80,19,45,476</b>	<b>15,33,83,305</b>	<b>38,86,43,225</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 15. BORROWINGS : (Contd.)

**Note:1**

**Term loan from Bank of Baroda**

Secured by way of

- (a) Hypothecation of entire current assets of the company present and future,
- (b) Equitable mortgage of
  - (i) Land, building and Plant & Machinery belonging to the company both present and future to be constructed,
  - (ii) office premises situated at flat no 1 & 2 krinkal apartment, paldi, ahmedabad belonging to the company
  - (iii) residential bungalow situated 4, pushpa dhanwa owners association, vastrapur, ahmedabad belonging to Shri Ghanshyambhai Thakkar
  - (iv) plot situated at lati bazar, ahmedabad in the name of Shri Ghanshyambhai Thakkar
- (c) 2nd Charge over machinery 800 CBM Capacity MDF board unit proposed to be purchased from Siempelkamp - Germany and other related equipments/machineries to be financed by Byren LB and LBBW under supplier credit arrangement.
- (d) Pledge of fixed deposit of ₹ 0.93 Cr
- (e) secured by way of personal guarantee of Shri Ghanshyambhai Thakkar and Shri Krupeshbhai Thakkar.

**Term of Repayment**

Particulars	Repayment Schedule		
Corporate loan A/C NO. 01500600020796	Corporate loan is to be repaid in 24 quarterly installments after completion of moratorium period of 18 months from the date of first disbursement as under. The interest is to be served on monthly basis.		
	Year	No. of installments (₹ in Lakhs)	Total (₹ in Lakhs)
	2015-16	37.50x4	150
	2016-17	50.00x4	200
	2017-18	62.50x4	250
	2018-19	75.00x4	300
	2019-20	75.00x4	300
	2020-21	75.00x4	300
		<b>TOTAL</b>	<b>1500</b>
Corporate loan A/C NO. 01500600020907	Corporate loan is to be repaid in 24 quarterly installments after completion of moratorium period of 12 months from the date of first disbursement as under. The interest is to be served on monthly basis.		
	Year	No. of installments (₹ in Lakhs)	Total (₹ in Lakhs)
	2015-16	15.625x4	62.50
	2016-17	15.625x4	62.50
	2017-18	15.625x4	62.50
	2018-19	15.625x4	62.50
	2019-20	15.625x4	62.50
	2020-21	15.625x4	62.50
		<b>Total</b>	<b>375.00</b>



## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### Term of Repayment

Particulars	Repayment Schedule		
Corporate loan A/C NO. 01500600021047	Corporate loan is to be repaid in 24 quarterly installments after completion of moratorium period of 12 months from the date of first disbursement as under. The interest is to be served on monthly basis.		
	<b>Year</b>	<b>No. of installments (₹ in Lakhs)</b>	<b>Total (₹ in Lakhs)</b>
	2017-18	15.625x4	62.50
	2018-19	15.625x4	62.50
	2019-20	15.625x4	62.50
	2020-21	15.625x4	62.50
	2021-22	15.625x4	62.50
	2022-23	15.625x4	62.50
	<b>TOTAL</b>		<b>375.00</b>
Term loan A/C NO. 01500600021195	Term loan is to be repaid in 24 quarterly installments commencing after a moratorium period of 9 months from the date of commencement of commercial production in Equal amount as under. The interest is to be served on monthly basis.		
	<b>Year</b>	<b>No. of installments (₹ in Lakhs)</b>	<b>Total (₹ in Lakhs)</b>
	2018-19	58.333x1	58.33
	2019-20	58.333x4	233.33
	2020-21	58.333x4	233.33
	2021-22	58.333x4	233.33
	2022-23	58.333x4	233.33
	2023-24	58.333x4	233.33
	2024-25	58.333x3	175.02
	<b>TOTAL</b>		<b>1400.00</b>
Corporate loan A/C NO. 01500600021248	Corporate loan is to be repaid in 24 quarterly installments after completion of moratorium period of 12 months from the date of disbursement as under. The interest is to be served on monthly basis.		
	<b>Year</b>	<b>No. of installments (₹ in Lakhs)</b>	<b>Total (₹ in Lakhs)</b>
	2019-20	50.00x4	200.00
	2020-21	50.00x4	200.00
	2021-22	50.00x4	200.00
	2022-23	50.00x4	200.00
	2023-24	50.00x4	200.00
	2024-25	50.00x4	200.00
	<b>TOTAL</b>		<b>1200.00</b>
Term loan A/C NO. 01500600021225	Term loan is to be repaid in 24 quarterly installments commencing after a moratorium period of 12 months from the date of first disbursement in Equal amount as under. The interest is to be served on monthly basis.		
	<b>Year</b>	<b>No. of installments (₹ in Lakhs)</b>	<b>Total (₹ in Lakhs)</b>
	2018-19	9.375x1	9.38
	2019-20	9.375x3	28.12
	2020-21	9.375x4	37.50
	2021-22	9.375x4	37.50
	2022-23	9.375x4	37.50
	2023-24	9.375x4	37.50
	2024-25	9.375x4	37.50
	<b>TOTAL</b>		<b>225.00</b>
Term loan A/C NO. 01500600021317	24 quarterly installments of ₹ 1.114 Cr +Interest commencing after 12 months from COD which is April 2020. Interest to be serviced as and when applied.		
ECB TERM LOAN (USD 15000000)	24 quarterly installments (24 installments of USD 625000 plus interest) commencing after 4 quarters form COD which is April-2020.		

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### Note:2

#### Loan from Foreign Bank

Bayerische Landesbank and LBBW ECA [LRN.201809103]	17 half yearly installments (16 installments of EURO 784161.76 and 1 installment of EURO 784161.84) starting from 15th December 2020.
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Secured by way of hypothecation of machinery, equipment for a Medium Density Fiberboard (MDF) manufacturing plant to be provided by Siemplekamp Maschinen and Anlagenbau GmbH at plant situated of Rushil Decor Limited - Atchutapuram, Vishakhapatnam, Andhra Pradesh, India

### Note:3

#### Business loan from Yes Bank

Secured by way of Equitable Mortgage of a) residential bungalow situated 18,19, Pushpa dhanwa Bungalows, vastrapur, ahmedabad belonging to Shri Kurpeshbhai G. Thakkar b) Rushil Corporate House, Nr GIHED House, off Sindhu Bhawan Road, Nr. S.P.Ring Road, Ahmedabad-380058 belonging to Shri Kurpeshbhai G. Thakkar and also further secured by way of personal guarantee of Shri Kurpesh Thakkar

#### Term of Repayment

Particulars	Repayment Schedule
Business loan A/c no 021588900000352	Payable in 120 monthly installments of ₹ 8,33,334/- commencing from November-2018
Business loan A/c no 021588900000480	Payable in 120 monthly installments of ₹ 2,83,333/- commencing from November-2018

**Note :4** Secured by hypothecation on vehicle purchased under hire purchase agreements.Repayment schedule is as under.

Name of Bank	Monthly installments including interest (In ₹)	Period	Commencing Date
AXIS BANK LTD LOAN NO. AUR000302328191	94,286	10.4.2017 TO 10.3.2020	10.4.2017
AXIS BANK LTD LOAN NO. AUR000302498262	36,880	10.7.2017 TO 10.6.2020	10.7.2017
ICICI BANK LOAN A/C NO. LAABD00034403676	18,556	1.06.2016 TO 1.05.2019	1.06.2016
ICICI BANK LTD A/C NO LAABD00030528056	90,312	1.12.2014 TO 1.11.2019	1.12.2014
ICICI BANK LTD A/C NO LAABD00037234986	31,141	5.5.2018 TO 5.10.2020	5.5.2018
ICICI BANK LTD A/C NO LAABD00037235586	13,823	5.5.2018 TO 5.10.2020	5.5.2018
ICICI BANK LTD A/C NO LAAB00035591912	50,405	10.5.2017 TO 10.4.2020	10.5.2017
YES BANK LOAN A/C NO CE000700459832	31,265	8.2.2019 TO 8.12.2022	8.2.2019
YES BANK LOAN A/C NO - CEL000700459833	22,235	8.2.2019 TO 8.12.2022	8.2.2019
KOTAK MAHINDRA BANK LTD (LOAN AGREE NO CE-14833009)	1,34,925	1.10.2017 TO 1.9.2022	1.10.2017
BANK OF BARODA LOAN A/C No.01500600020859	10,747	5.6.2014 TO 5.5.2019	5.6.2014

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

**Note :5** Secured against pledge of keyman insurance policies of directors.

**Note :6**

### Loan from Karnataka VAT

Secured by way of Bank guarantee. The loan is repayable in 3 equal annual installment as per details mentioned below:

Due Date	Particulars of repayment of principal amount for VAT -I	Particulars of repayment of principal amount for VAT -II	Particulars of repayment of principal amount for VAT -III	Particulars of repayment of principal amount for VAT -IV
01/04/2021	9,80,992	-	-	-
01/04/2022	9,80,992	47,92,065	-	-
01/04/2023	9,80,991	47,92,065	-	-
01/04/2024	-	47,92,065	29,64,394	-
01/04/2025	-	-	29,64,394	27,40,156
01/04/2026	-	-	29,64,394	27,40,156
01/04/2027	-	-	-	27,40,156
<b>Total *</b>	<b>29,42,975</b>	<b>1,43,76,195</b>	<b>88,93,182</b>	<b>82,20,468</b>

\* Repayment amount is actual repayment to be made while in books, outstanding basis after doing amortisation

### 16(a) TRADE PAYABLES

	Amount	31st March, 2019	Amount	31st March, 2018
- dues to micro and small enterprises		-		-
- dues to other than micro and small enterprises (including trade payable for capital goods ₹ 42,67,656/- previous year ₹ 42,67,656/-)		43,48,634		42,91,927
<b>Total</b>		<b>43,48,634</b>		<b>42,91,927</b>

### 16(b) OTHER FINANCIAL LIABILITIES :

	Current maturities	Non-Current Portion	Current maturities	Non-Current Portion
(a) Trade Deposit from Customers	73,03,355	3,70,59,453	17,25,000	3,73,59,066
<b>Total</b>	<b>73,03,355</b>	<b>3,70,59,453</b>	<b>17,25,000</b>	<b>3,73,59,066</b>

### 17. LONG TERM PROVISIONS :

Particulars	Amount	31st March, 2019	Amount	31st March, 2018
(a) Provision for Employee Benefit - Gratuity		1,37,56,009		1,12,44,231
<b>Total</b>		<b>1,37,56,009</b>		<b>1,12,44,231</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 18. DEFERRED TAX LIABILITIES (NET) :

(Amount in ₹)				
Particulars	Amount	31st March, 2019	Amount	31st March, 2018
Deferred tax liabilities (Net)		30,73,53,142		28,38,43,991
<b>Total</b>		<b>30,73,53,142</b>		<b>28,38,43,991</b>

### 19. OTHER NON-CURRENT LIABILITIES :

(Amount in ₹)				
Particulars	Amount	31st March, 2019	Amount	1st April, 2018
<b>(a) Deferred Revenue (Subsidy)</b>				
At the beginning of the year	1,25,44,184		1,31,79,592	
Add: Added during the year	-		-	
Less: Released to the statement of profit and loss at the end of the year	(6,35,408)		(6,35,408)	
	<b>1,19,08,776</b>		<b>1,25,44,184</b>	
Less : Current (Amount Disclosed under the head Other Current Liabilities refer Note 23)	(6,35,408)		(6,35,408)	
Non-current		<b>1,12,73,368</b>		<b>1,19,08,776</b>
<b>(b) Deferred Revenue (Govt Grant-EPCG)</b>				
At the beginning of the year	-			
Add: Added during the year	6,87,50,000			
Less: Released to the statement of profit and loss at the end of the year	-	6,87,50,000		-
<b>(c) Advance from customers</b>				
		-	-	15,79,785
<b>Total</b>		<b>8,00,23,368</b>		<b>1,34,88,561</b>

### 20. BORROWINGS :

(Amount in ₹)				
Particulars	Amount	31st March, 2019	Amount	31st March, 2018
<b>Current Borrowings</b>				
(a) Loans repayable on demand				
<b>Working Capital From Banks</b>				
Bank of Baroda - Cash Credit Loans (including Working capital demand loan of ₹ 20 Cr P.Y ₹ 10 Cr (refer note no.1)		29,01,65,534		23,08,03,317
Bank of Baroda - Packing Credit (refer note no.1)		17,37,22,667		17,60,98,141
Bank of Baroda - Foreign Bills Purchase (refer note no.1)		6,59,92,443		6,13,13,421
<b>Total</b>		<b>52,98,80,644</b>		<b>46,82,14,879</b>

**Note:1**

#### Working Capital facility from Bank of Baroda

Secured by way of

- (a) Hypothecation of entire current assets of the company present and future,
- (b) Equitable mortgage of
  - (i) Land, building and Plant & Machinery belonging to the company both present and future to be constructed,
  - (ii) office premises situated at flat no 1 & 2 krinkal apartment, paldi, ahmedabad belonging to the company

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

- (iii) residential bungalow situated 4, pushpa dhanwa owners association, vastrapur, ahmedabad belonging to Shri Ghanshyambhai Thakkar
- (iv) plot situated at lati bazar, ahmedabad in the name of Shri Ghanshyambhai Thakkar
- (c) 2nd Charge over machinery 800 CBM Capacity MDF board unit proposed to be purchased from Siempelkamp - Germany and other related equipments/machineries to be financed by Byren LB and LBBW under supplier credit arrangement.
- (d) Pledge of fixed deposit of ₹ 0.93 Cr
- (e) secured by way of personal guarantee of Shri Ghanshyambhai Thakkar and Shri Krupeshbhai Thakkar.

### 21. TRADE PAYABLES :

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	1st April, 2018
Total outstanding dues of micro and small enterprises (including trade payable for capital goods ₹ 69,646/- previous year ₹1,55,232) (refer note no.21a)		3,84,03,268		4,30,74,016
Total outstanding dues other than micro and small enterprises (including trade payable for capital goods ₹ 9,79,55,940/- previous year ₹ 5,13,56,220/-)		72,15,29,785		59,44,67,676
<b>Total</b>		<b>75,99,33,053</b>		<b>63,75,41,692</b>

Note No. :21a

#### Trade Payables - Total outstanding dues of Micro & Small Enterprises\*

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	1st April, 2018
a) The Principal amount and Interest due there on remaining unpaid as at year end: Principal		3,84,03,268		4,30,74,016
b) Interest paid by the company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the supplier beyond the appointed day during the year.		-		-
c) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006		-		-
d) Interest accrued and remain unpaid as at year end		-		-
e) Further Interest remaining due and payable even in the succeeding year until such date when the interest dues as above are actually paid to the small enterprises		-		-

\*Disclosure of payable to vendors as defined under the "Micro, Small and Medium Enterprise Development Act, 2006" is based on the information available with the Company regarding the status of registration of such vendors under the said Act, as per the intimation received from them on requests made by the Company. There are no overdue principal amounts / interest payable amounts for delayed payments to such vendors at the Balance Sheet date. There are no delays in payment made to such suppliers during the year or for any earlier years and accordingly there is no interest paid or outstanding interest in this regard in respect of payment made during the year or on balance brought forward from previous year.



## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 22. OTHER FINANCIAL LIABILITIES :

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	31st March, 2018
(a) Current maturities of long-term debt;		11,35,49,645		15,18,59,153
(b) From Directors, Promoters and their related parties		16,57,000		32,49,152
(c) Interest accrued but not due on borrowings;		49,52,598		9,07,575
(d) Share Application Money (Refundable) (Refer Note No. 55)		250		-
(e) Unclaimed Equity Dividend		88,301		-
<b>Total</b>		<b>12,02,47,794</b>		<b>15,60,15,880</b>

### 23. OTHER CURRENT LIABILITIES :

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	31st March, 2018
Advance from customers		1,28,39,851		1,46,79,668
Duties and taxes		1,06,77,873		28,94,412
Deferred Revenue (Subsidy)		6,35,408		6,35,408
<b>Total</b>		<b>2,41,53,132</b>		<b>1,82,09,488</b>

### 24. PROVISIONS :

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	31st March, 2018
Provision for employee benefits		79,61,638		61,59,610
Provision for Gratuity		43,01,638		24,76,750
Provision for expenses		5,13,04,143		1,00,95,028
<b>Total</b>		<b>6,35,67,419</b>		<b>1,87,31,388</b>

### 25. CURRENT TAX LIABILITIES (NET):

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	31st March, 2018
<b>Provision of Income tax (Net of Advance Tax &amp; TDS)</b>				
For 2018 - 2019	25,11,736		-	
For 2017 - 2018	-		2,42,37,043	
<b>Total</b>		<b>25,11,736</b>		<b>2,42,37,043</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 26. REVENUE FROM OPERATIONS

(Amount in ₹)				
Particulars	Amount	31st March, 2019	Amount	31st March, 2018
<b>I. Revenue from operations</b>				
<b>A. Sale of Products</b>				
Direct Export Turnover		1,05,84,04,411		97,53,78,971
Domestic Turnover		2,27,84,43,034		2,43,15,38,212
<b>Gross Turnover</b>		<b>3,33,68,47,445</b>		<b>3,40,69,17,183</b>
<b>B. Other Revenue from operations</b>		<b>10,05,73,479</b>		<b>10,28,40,066</b>
<b>Total Revenue from operations</b>		<b>3,43,74,20,924</b>		<b>3,50,97,57,249</b>

(Amount in ₹)				
Other operating revenue as under	Amount	31st March, 2019	Amount	31st March, 2018
- Licence due income		10,05,73,479		10,28,40,066
<b>Total</b>		<b>10,05,73,479</b>		<b>10,28,40,066</b>

### 27. OTHER INCOME :

(Amount in ₹)				
Particulars	Amount	31st March, 2019	Amount	31st March, 2018
Foreign Exchange Gain		5,05,28,983		1,89,11,944
Interest Income (TDS ₹ 28,46,483/- and P.Y. ₹ 6,34,492/-)		2,78,43,519		75,20,450
Claim for loss of stock (Refer Note no. 48)		58,94,389		-
Deferred Revenue Amortised (IND AS-20) (Refer note No. 19)		6,35,408		6,35,408
<b>Total</b>		<b>8,49,02,299</b>		<b>2,70,67,802</b>

### 28. COST OF MATERIALS CONSUMED:

(Amount in ₹)				
Particulars	Amount	31st March, 2019	Amount	31st March, 2018
<b>Raw Material Consumed:</b>				
Opening Stock of Raw Material	30,65,19,929		23,54,85,736	
<b>Add : Purchases (Net of Excise, Discount Rate Diff. &amp; Material for Resale ₹ 6,11,113/- previous year ₹ 1,55,10,713/-)</b>	<b>1,85,82,97,635</b>		<b>1,87,02,11,244</b>	
<b>Add : Freight, Octroi, and Clearing &amp; Forwarding</b>	<b>2,71,70,496</b>		<b>3,13,19,679</b>	
<b>Add : C.V.D., Other Duty &amp; Licence Use</b>	<b>5,78,57,495</b>		<b>6,58,11,830</b>	
	<b>2,24,98,45,555</b>		<b>2,20,28,28,489</b>	
Less : Closing Stock of Raw Material* * Excluding goods destroyed by fire of ₹ 46,58,735/-)	31,61,37,800		30,65,19,929	
<b>Total</b>		<b>1,93,37,07,755</b>		<b>1,89,63,08,560</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 29. PURCHASE OF STOCK-IN-TRADE :

Particulars	(Amount in ₹)	
	31st March, 2019	31st March, 2018
Melamine	5,60,000	19,39,795
Phenol	-	1,25,89,077
Base Paper	2,132	3,64,666
Caprolactem	16,061	-
PTS Amide	8,947	-
Tissue Paper	-	3,79,346
Treated Kraft Sheets	-	922
Kraft Paper	23,973	2,36,907
<b>Total</b>	<b>6,11,113</b>	<b>1,55,10,713</b>

### 30. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	31st March, 2018
<b>Opening Stock</b>				
Finished Goods	38,65,95,705		28,28,32,868	
Stock-in-Progress	5,64,23,632		5,69,48,716	
	<b>44,30,19,337</b>		<b>33,97,81,584</b>	
<b>Less : Closing Stock *</b>				
Finished Goods	38,82,54,177		38,65,95,705	
Stock-in-Progress*	7,15,80,366		5,64,23,632	
Excluding goods destroyed by fire of ₹ 20,74,530/-				
	<b>45,98,34,543</b>		<b>44,30,19,337</b>	
<b>Increase/(Decrease) in Stock of Finished Goods &amp; Stock-in-Progress</b>		<b>(1,68,15,206)</b>		<b>(10,32,37,753)</b>

### 31. EXCISE DUTY

Particulars	(Amount in ₹)		
	Amount	31st March, 2019	31st March, 2018
Excise duty on Sales		-	7,45,64,991
<b>Total</b>		<b>-</b>	<b>7,45,64,991</b>

### 32. EMPLOYEE BENEFITS EXPENSES:

Particulars	(Amount in ₹)		
	Amount	31st March, 2019	31st March, 2018
Salary & Bonus		24,89,77,246	20,36,01,327
Contribution to Provident Fund etc.		72,45,924	61,92,193
<b>Total</b>		<b>25,62,23,170</b>	<b>20,97,93,520</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 33. FINANCE COSTS:

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	31st March, 2018
Interest on Cash Credit		4,17,46,796		2,98,80,504
Interest on Term Loan		4,52,73,852		3,25,75,690
Interest to Unsecured loan		2,35,55,425		77,04,029
Interest to Financial Institution		20,44,546		17,98,232
Other Financial Charges		2,32,83,532		1,50,65,052
		<b>13,59,04,151</b>		<b>8,70,23,507</b>

### 34. OTHER EXPENSES

Particulars	(Amount in ₹)			
	Amount	31st March, 2019	Amount	31st March, 2018
<b>Stores &amp; Spares Consumed :</b>				
Opening Stock	8,16,17,721		4,22,72,865	
Add : Purchases	7,66,19,884		8,99,99,009	
<b>Total</b>	<b>15,82,37,605</b>		<b>13,22,71,874</b>	
Less: Closing Stock	10,24,71,708	5,57,65,897	8,16,17,721	5,06,54,153
Commission on Imports		13,90,457		5,55,877
Central Excise Duty Expenses		1,22,081		6,48,093
Jobwork Charges		2,63,14,077		83,59,546
<b>Power &amp; Fuel Consumed :</b>				
Opening Stock	12,06,163		4,95,966	
Add : Purchases	26,83,59,540		25,98,40,718	
<b>Total</b>	<b>26,95,65,703</b>		<b>26,03,36,684</b>	
Less: Closing Stock	11,91,184	26,83,74,519	12,06,163	25,91,30,521
<b>Repairs &amp; Maintenance :</b>				
Machinery	1,89,96,416		75,15,382	
Building	22,22,719		28,59,661	
Others	4,71,225	2,16,90,360	12,02,159	1,15,77,202
Wages		10,38,37,730		11,16,46,981
Transport Charges		23,44,947		12,22,535
Factory Expenses		1,69,66,485		1,59,08,281
Advertisement Expenses		35,38,534		2,68,19,769
Audit Fees*		5,00,000		3,75,000
Sales Commision		4,46,29,760		5,11,91,320
Computer Maintenance Expenses		23,98,695		16,16,801
Corporate Social Responsibility contribution		64,96,931		69,48,893
Donation		4,80,266		2,85,900
General/ Miscellaneous Expenses		1,01,24,683		96,93,741
Insurance Expenses		58,06,571		35,67,908
Legal & Professional Charges		1,34,15,795		1,75,18,576

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 34. OTHER EXPENSES: (Contd.)

(Amount in ₹)

Particulars	Amount	31st March, 2019	Amount	31st March, 2018
Loss on Sale of Fixed Assets		-		61,075
Postage and Telephone Expenses		45,67,951		45,18,076
Equity Enhancement Expenses		-		5,03,001
Printing and Stationary Expenses		21,29,707		20,50,660
Swachh Bharat Cess		-		2,55,610
Krishi Kalyan Cess		-		2,52,691
Rent, Rate and Taxes		1,24,54,288		1,14,23,490
Selling Expenses		25,57,35,957		21,77,84,722
Sundry Balances Written off		14,46,539		25,02,268
Travelling, Conveyance and Vehicle Expenses		3,66,74,906		3,48,71,409
		<b>89,72,07,136</b>		<b>85,19,44,099</b>

(Amount in ₹)

Particulars	Amount	31st March, 2019	Amount	31st March, 2018
As auditors - Statutory audit		3,50,000		2,50,000
Tax audit		1,50,000		1,25,000
Taxation Matters		-		-
Company Law Matters		-		-
Certification fees & other services		-		-
Reimbursement of expenses		-		-
		<b>5,00,000</b>		<b>3,75,000</b>

### 35. TAX EXPENSE :

(Amount in ₹)

Particulars	Amount	31st March, 2019	Amount	31st March, 2018
(1) Current Tax		6,58,67,735		10,51,00,000
(2) Deferred Tax		1,99,76,577		1,52,82,477
<b>Total</b>		<b>8,58,44,312</b>		<b>12,03,82,477</b>

(Amount in ₹)

Particulars	Amount	31st March, 2019	Amount	31st March, 2018
<b>Reconciliation of the Income Tax Expense (Current Tax + Deferred Tax) amount considering the enacted Income Tax Rate and effective Income Tax Rate of the Company as follows.</b>				
Enacted Income Tax Rate in India applicable to the Company	34.944%		34.608%	
Accounting Profit Before Tax	22,91,93,946		42,79,32,342	
Current Tax expenses on Profit before tax expenses at the enacted income tax rate in India	8,00,89,532		14,80,98,825	



## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 35. TAX EXPENSE : (Contd.)

(Amount in ₹)

Particulars	Amount	31st March, 2019	Amount	31st March, 2018
Non deductible expenses for Tax Purpose	3,46,89,979		3,26,08,487	
Deductible Expenses for Tax purposes	(4,91,79,511)		(4,25,56,639)	
MAT Credit Entitlement	-		(3,30,50,673)	
Excess Provision of earlier years written back	2,67,735		-	
<b>A : Current tax as reported in the Statement of Profit and Loss"</b>		<b>6,58,67,735</b>		<b>10,51,00,000</b>
Reconciliation of Deferred Tax Liability				
Timing Difference of Depreciation (Deferred tax liability)	2,13,12,158		1,54,77,468	
Gratuity Payment (Deferred Tax Liability)	2,13,12,158		-	
Capital gain on land revaluation-Deferred Tax Liability)	-		(1,94,991)	
<b>B : Deferred tax as reported in the Statement of Profit and Loss</b>		<b>4,26,24,316</b>		<b>1,52,82,477</b>
<b>C : Total Tax expense as reported in the Statement of Profit and Loss C=A+B</b>		<b>10,84,92,051</b>		<b>12,03,82,477</b>

### 36. EARNINGS PER SHARE :

(Amount in ₹)

Particulars	Year ended 31st March, 2019	Year ended 31st March, 2018
<b>Basic/Diluted Earnings per Share</b>		
Number of Equity Shares at the beginning of the year	1,47,17,460	1,44,00,000
Number of Equity Shares allotted during the year:		
80000 Shares allotted during the year dated 17th May 2017	-	80,000
26666 Shares allotted during the year dated 29th May 2017	-	26,666
105820 Shares allotted during the year dated 25th Nov. 2017	-	1,05,820
104974 Shares allotted during the year dated 15th Feb 2017	-	1,04,974
190372 Shares allotted during the year dated 28th April 2018	1,90,372	-
23500 Shares allotted during the year dated 19th July 2018	23,500	-
Total Number of Equity Shares at the end of the year	1,49,31,332	1,47,17,460
Weighted average number of equity shares	1,49,10,232	1,45,42,108
Profit for the year (after tax, available for equity shareholders) In ₹	14,33,49,634	30,92,41,481
<b>Basic and Diluted Earnings Per Share ₹</b>	<b>9.61</b>	<b>21.27</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 37. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES:

#### a. Contingent liabilities :

##### (1) Claims against the Company not acknowledged as debts:

###### Particulars

1. Disputed Income Tax Demand Matter Under Appeal ₹ 2,63,222/- (P.Y. ₹ 10,64,110/-)
2. Disputed Excise Demand Matter Under Appeal ₹ 83,96,065/- (P.Y. ₹ 83,96,065/-)
3. Disputed Custom Duty Matter Under Appeal ₹ 27,55,536/- (P.Y. ₹ 27,55,536/-)
4. Disputed VAT Liability matter under Appeal ₹ Nil/- (P.Y. ₹ 16,89,373/-)
- 5.. Provident Fund: The Honorable Supreme Court has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgment to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

###### Note:

- (a) It is not practicable for the company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/ authorities.
  - (b) The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its financial results.
- (2) Outstanding Letters of Credit ₹ Nil/- (P.Y. ₹ 2,69,57,924/-)
- (3) Outstanding Bank Guarantee ₹ 4,11,63,370/- (P.Y. ₹ 2,62,12,352/-)

#### (b) Commitments:

##### (1) Capital Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances, ₹ 148,31,91,612/- (previous year ₹ 107,89,28,751/-).

##### (2) EPCG Commitments

Future export obligations / commitments under import of Capital Goods at Concessional rate of customs duty. As at 31st March, 2019 ₹ 203,36,62,500/-.

### 38. FINANCIAL AND DERIVATIVE INSTRUMENTS

#### - Capital Management

The Company's objective when managing capital is to:

- Safeguard its ability to continue as a going concern so that the Company is able to provide maximum return to stakeholders and benefits for other stakeholders.
- Maintain an optimal capital structure to reduce the cost of capital.

The Company's Board of director's reviews the capital structure on regular basis. As part of this review the board considers the cost of capital risk associated with each class of capital requirements and maintenance of adequate liquidity.

#### Disclosures

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

The details of significant accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised in respect of each class of financial asset, financial liability and equity instrument are disclosed in Note (A) j, k, l and m.

### (i) Categories of Financial Instruments

Particulars	(Amount in ₹)	
	As at 31st March, 2019	As at 1st April, 2018
<b>FINANCIAL ASSETS</b>		
<b>Measured at Amortised Cost</b>		
(i) Trade and Other Receivables	59,11,35,950	50,17,52,732
(ii) Cash and Cash Equivalents	65,89,823	56,51,699
(iii) Loans	3,25,84,390	2,73,16,780
(iv) Other Financial Assets	1,25,000	10,000
<b>FINANCIAL LIABILITIES</b>		
<b>Measured at Amortised Cost</b>		
(i) Borrowings	2,33,18,26,120	85,68,58,104
(ii) Trade Payables	75,99,33,053	63,75,41,692
(iii) Other Financial Liabilities	16,16,55,880	19,76,66,873

### (ii) Fair Value Measurement

This note provides information about how the Company determines fair values of various financial assets. **Fair Value of financial assets and liabilities that are not measured at fair value (but fair value disclosures are required).** Management considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

### (iii) Financial Risk Management Objectives

While ensuring liquidity is sufficient to meet Company's operational requirements, the Company's financial management committee also monitors and manages key financial risks relating to the operations of the Company by analysing exposures by degree and magnitude of risks. These risks include market risk (including currency risk and price risk), credit risk and liquidity risk.

#### Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises two types of risk: interest rate, currency risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include FVTPL investments, trade payables, trade receivables, etc.

#### Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities. The Company has a treasury department which monitors the foreign exchange fluctuations on the continuous basis and advises the management of any material adverse effect on the Company.

#### (a) For hedging currency

Particulars	(Amount in ₹)	
	As at 31st March, 2019	As at 1st April, 2018
Outstanding Forward Contract	1278.44	2767.81

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

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

Particulars	Amount receivable in Foreign Currency		Amount Payable in Foreign Currency	
	Foreign Currency (in Mn)	Indian Currency (₹ in Lakhs)	Foreign Currency (in Mn)	Indian Currency (₹ in Lakhs)
31-03-2019	0.227024 USD	157.00	6.459413 USD 3.098512 EURO	6875.57
31-03-2018	0.255940 USD 2.174250 EURO	1909.98	2.506316 USD 1.070496 EURO	2491.58

### Sensitivity to Risk

A change of 5% in foreign currency would have following Impact on profit before tax

Particulars	As at 31st March, 2019		As at 31st March, 2018	
	5% Increase	5% Decrease	5% Increase	5% Decrease
USD	(215.50)	215.50	(73.33)	73.33
EURO	(120.43)	120.43	44.25	(44.25)

### Interest Rate Risk

The Company's interest rate risk arises from the Long Term Borrowings with fixed rates. The Company's fixed rates borrowings are carried at amortised cost.

### Liquidity Risk

The Company manages liquidity risk by maintaining sufficient cash and cash equivalents including bank deposits and availability of funding through an adequate amount of committed credit facilities to meet the obligations when due.

Management monitors rolling forecasts of liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, liquidity management also involves projecting cash flows considering level of liquid assets necessary to meet obligations by matching the maturity profiles of financial assets & liabilities and monitoring balance sheet liquidity ratios.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The contractual maturity is based on the earliest date on which the Company may be required to pay.

The following are the contractual maturities of non-derivative financial liabilities, based on contractual cash flows:

(Amount in ₹)

Particulars	Due in 1 Year	1 Year - 3 Years	More than 3 Years	Total
<b>As at 31st March, 2019</b>				
Borrowings	52,98,80,645	56,78,08,974	1,23,41,36,501	2,33,18,26,120
Trade Payables	75,99,33,053	43,48,634	-	76,42,81,687
Other Financial Liabilities	12,02,47,793	4,14,08,087	-	16,16,55,880
<b>Total</b>	<b>1,41,00,61,491</b>	<b>61,35,65,695</b>	<b>1,23,41,36,501</b>	<b>3,25,77,63,687</b>
<b>As at 31st March, 2018</b>				
Borrowings	46,82,14,879	17,91,66,664	20,94,76,561	85,68,58,104
Trade Payables	63,75,41,692	42,91,927	-	64,18,33,619
Other Financial Liabilities	15,60,15,880	4,16,50,993	-	19,76,66,873
<b>Total</b>	<b>1,26,17,72,451</b>	<b>22,51,09,584</b>	<b>20,94,76,561</b>	<b>1,69,63,58,596</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables).

### Trade Receivables

An impairment analysis is performed at each reporting date on an individual basis for all the customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of trade receivables disclosed in Note 4 and 8, as the Company does not hold collateral as security. The Company has evaluated the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries.

The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation.

(Amount in ₹)

Particulars	Upto 1 Year	1 Year - 3 Years	More Than 3 Years	Total
<b>As at 31st March, 2019</b>				
Loans to Employees	-	9,66,128	-	9,66,128
Trade Receivables	57,39,48,054	1,71,87,896	-	59,11,35,950
Other Financial Assets	3,16,18,262	-	-	3,16,18,262
<b>Total</b>	<b>60,55,66,316</b>	<b>1,81,54,024</b>	<b>-</b>	<b>62,37,20,340</b>
<b>As at 31st March, 2018</b>				
Loans to Employees	-	23,16,780	-	23,16,780
Trade Receivables	48,32,44,722	1,85,08,010	-	50,17,52,732
Other Financial Assets	2,50,00,000	-	-	2,50,00,000
<b>Total</b>	<b>50,82,44,722</b>	<b>2,08,24,790</b>	<b>-</b>	<b>52,90,69,512</b>

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

40. Balances of Unsecured Loans, Trade Receivables, Payables and Loans and Advances are subject to Confirmation from respective parties.

### 41. EXPORT PROMOTION CAPITAL GOODS (EPCG)

Export Promotion Capital Goods (EPCG) scheme allows import of certain capital goods including spares at concessional duty subject to an export obligation for the duty saved on capital goods imported under EPCG scheme. The duty saved on capital goods imported under EPCG scheme being Government Grant, is accounted as stated in the Accounting policy on Government Grant.

### 42. OPERATING SEGMENT :

- a) Decorative Laminated Sheets
- b) Medium Density Fiber Board
- c) Polyvinyl Chloride Boards



## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### Identification of segments:

The chief operational decision maker monitors the operating results of its business segment separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segment has been identified on the basis of nature of products and other quantitative criteria specified in the Ind AS 108.

### Segment revenue and results:

The expenses and income which are not directly attributable to any business segment are shown as unallocable expenditure (net of allocable income).

### Segment assets and Liabilities:

Segment assets include all operating assets used by the operating segment and mainly consist of property, plant and equipment, trade receivables, inventories and other operating assets. Segment liabilities primarily include trade payable and other liabilities. Common assets and liabilities which cannot be allocated to any of the business segment are shown as unallocable assets / liabilities.

### Inter segment transfer:

Inter segment revenues are recognised at sales price. The same is based on market price and business risks. Profit or loss on inter segment transfer are eliminated at the group level.

### Segment wise Revenue, Results and capital employed

Primary business segments – Revenue by nature of products:

	(Amount in ₹)	
Details	2018-19	2017-18
Decorative Laminated Sheets	1718138732/-(*)	1668561726/-(*)
Medium Density Fiber Board	1557051650/-	1716545345/-
Polyvinyl Chloride Boards	60976128/-	4138520/-
<b>Total</b>	<b>3336166510/-</b>	<b>3389245591/-</b>

(\*) Does not include trading Sales of ₹ 680935/- (Previous year ₹ 17671592/-)

Revenue by geographical regions

(i) Decorative Laminate Sheets

	(Amount in ₹)	
Details	2018-19	2017-18
India	661072272/-	693182755/-
Outside India	1057066460/-	975378971/-
<b>Total</b>	<b>1718138732/-</b>	<b>1668561726/-</b>

(\*) Does not include Trading sales of ₹ 680935/- (Previous year ₹ 17671592/-)

(ii) Medium Density Fibre Board

	(Amount in ₹)	
Details	2018-19	2017-18
India	1555713699/-	1716545345/-
Outside India	1337951/-	-
<b>Total</b>	<b>1557051650/-</b>	<b>1716545345/-</b>

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

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

(iii) Polyvinyl Chloride Boards

(Amount in ₹)

Details	2018-19	2017-18
India	60976128/-	4138520/-
Outside India	-	-
<b>Total</b>	<b>60976128/-</b>	<b>4138520/-</b>

### Segment wise Revenue (Gross), Results, Assets and Liabilities

(Amount in ₹)

Sr. No.	Particulars	Year ended on 31st March, 2019	Year ended on 31st March, 2018
<b>1</b>	<b>Segment Revenue (Gross)</b>		
a	Laminates & allied products	1,82,93,38,733	1,81,32,73,115
b	Particle Board	-	-
c	Medium Density Fiber Board	1,56,46,47,735	1,72,52,01,318
d	Polyvinyl Chloride Boards	6,38,14,709	41,38,520
e	Unallocated	-	-
	<b>Total</b>	<b>3,45,78,01,177</b>	<b>3,54,26,12,953</b>
	Less: Inter segment revenue	2,03,80,253	3,28,55,704
	<b>Gross sales from Operations</b>	<b>3,43,74,20,924</b>	<b>3,50,97,57,249</b>
<b>2</b>	<b>Segment Results</b>		
	Profit before Interest and Tax:		
a	Laminates & allied products	19,40,09,717	21,83,64,427
b	Particle Board	(5,23,907)	(9,65,561)
c	Medium Density Fiber Board	16,33,34,329	32,67,05,957
d	Polyvinyl Chloride Boards`	(1,10,69,003)	(54,86,315)
e	Unallocated	3,41,49,176	-
	<b>Total</b>	<b>37,99,00,312</b>	<b>53,86,18,508</b>
	Less:		
i	Interest	13,59,04,151	8,70,23,507
ii	Other Unallocable expenditure	1,48,02,215	2,19,71,043
	<b>Add:</b>		
i	Unallocable income	-	-
	<b>Total Profit Before Tax and Other Comprehensive Income</b>	<b>22,91,93,946</b>	<b>42,96,23,958</b>
<b>3a</b>	<b>Segment Assets</b>		
a	Laminates	1,67,56,99,682	1,60,48,29,565
b	Particle Board	7,33,97,225	7,16,99,598
c	Medium Density Fiber Board	1,61,02,01,790	1,52,44,53,035
d	Polyvinyl Chloride Boards`	26,81,47,967	20,35,43,011
e	Unallocated	2,17,65,50,137	36,38,81,865
	<b>Total Segment Assets</b>	<b>5,80,39,96,801</b>	<b>3,76,84,07,074</b>
<b>3b</b>	<b>Segment Liabilities</b>		
a	Laminates	64,49,65,085	53,16,69,468
b	Particle Board	1,34,28,107	1,23,22,284
c	Medium Density Fiber Board	44,11,79,727	43,69,82,659
d	Polyvinyl Chloride Boards`	3,78,40,496	4,52,59,345
e	Unallocated	16,76,36,915	2,53,46,206
	<b>Total Segment Liabilities</b>	<b>1,30,50,50,330</b>	<b>1,05,15,79,962</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 43. RELATED PARTY DISCLOSURE AS PER IND AS 24:

(a) Names of related parties, and description of relationship, with whom transaction have taken place during the year:

Sr. No.	Nature of Relationship	Name of Related Parties
1	Enterprises over which Key Managerial person is able to exercise significant influence	Rushil International – Partnership Firm Surya Panel Private Limited Vir Studdio Private Limited (OPC) Ratnatej Infrastructure Private Limited Ghanshyam Forwarder Private Limited
2	Key Managerial Person	Mr. Ghanshyam A. Thakkar - Whole Time Director Mr. Krupesh G. Thakkar - Managing Director Mr. Ramnik T. Kansagara – Executive Director (has been appointed dated 2nd February, 2019) Mr. Kaushik J. Thakkar – Executive Director (has resigned dated 2nd February, 2019) Mr. Keyur M. Gajjar - Chief Executive Officer Mr. Vipul S. Vora – Chief Financial Officer Mr. Hasmukh K. Modi – Company Secretary
3	Relative of Key Managerial Person	Ghanshyambhai A. Thakkar HUF Krupeshbhai G. Thakkar HUF Ambalal D. Thakkar HUF Krupaben K. Thakkar Dinuben G. Thakkar Rushil K. Thakkar Masumi K. Thakkar Rushvi R. Thakkar Harsh R. Patel Mrunal K. Gajjar Viresh Thakkar

Note: - Related parties have been identified by the management.

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### Related Party Transactions for the Year Ended on 31.03.2019

(Amount in ₹)

Nature of Transaction As on -->	Associate Companies/ Enterprises		Key Management Personnel		Relatives of Key Management Personnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>(A) Volume of Transactions</b>								
<b>1) Sales of Goods</b>								
Surya Panel Private Limited	4,54,99,557	2,75,29,568	-	-	-	-	4,54,99,557	2,75,29,568
<b>2) Jobwork Charges Paid</b>								
Surya Panel Private Limited	1,94,90,456	41,78,368	-	-	-	-	1,94,90,456	41,78,368
<b>3) Goods Purchased</b>								
Rushil International	1,38,86,135	-	-	-	-	-	1,38,86,135	-
Surya Panel Private Limited	52,29,087	11,50,318	-	-	-	-	52,29,087	11,50,318
<b>4) Freight/Demurrage Charges Paid</b>								
Ghanshyam Forwarder Private Limited	-	6,90,000	-	-	-	-	-	6,90,000
<b>5) Finance Charges</b>								
Rushil International	21,47,600	-	-	-	-	-	21,47,600	-
<b>6) Loan Taken/Granted</b>								
<b>(A) Loan Taken</b>								
<b>i) Ghanshyambhai Thakkar-HUF</b>								
Loan taken	-	-	-	-	58,31,749	2,47,377	58,31,749	2,47,377
Loan repaid	-	-	-	-	60,30,334	7,01,534	60,30,334	7,01,534
Balance at 31st March	-	-	-	-	25,909	2,24,494	25,909	2,24,494
Balance at 1st April	-	-	-	-	2,24,494	6,78,651	2,24,494	6,78,651
<b>ii) Ambalal D. Thakkar-HUF</b>								
Loan taken	-	-	-	-	1,57,647	57,762	1,57,647	57,762
Loan repaid	-	-	-	-	2,00,000	28,00,000	2,00,000	28,00,000
Balance at 31st March	-	-	-	-	61,874	1,04,227	61,874	1,04,227
Balance at 1st April	-	-	-	-	1,04,227	28,46,465	1,04,227	28,46,465
<b>iii) Krupeshbhai G. Thakkar-HUF</b>								
Loan taken	-	-	-	-	18,24,376	12,86,140	18,24,376	12,86,140
Loan repaid	-	-	-	-	21,10,000	24,14,500	21,10,000	24,14,500
Balance at 31st March	-	-	-	-	70,956	3,56,580	70,956	3,56,580
Balance at 1st April	-	-	-	-	3,56,580	14,84,940	3,56,580	14,84,940
<b>iv) Dinuben G. Thakkar</b>								
Loan taken	-	-	-	-	3,60,150	2,32,227	3,60,150	2,32,227
Loan repaid	-	-	-	-	4,04,961	17,49,642	4,04,961	17,49,642

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

(Amount in ₹)

Nature of Transaction As on -->	Associate Companies/ Enterprises		Key Management Personnel		Relatives of Key Management Personnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Balance at 31st March	-	-	-	-	54,384	99,195	54,384	99,195
Balance at 1st April	-	-	-	-	99,195	16,16,610	99,195	16,16,610
v) Krupaben K. Thakkar								
Loan taken	-	-	-	-	3,78,523	5,19,763	3,78,523	5,19,763
Loan repaid	-	-	-	-	12,11,000	3,21,83,069	12,11,000	3,21,83,069
Balance at 31st March	-	-	-	-	1,20,307	9,52,784	1,20,307	9,52,784
Balance at 1st April	-	-	-	-	9,52,784	3,26,16,090	9,52,784	3,26,16,090
vi) Rushil K. Thakkar								
Loan taken	-	-	-	-	4,20,241	6,37,607	4,20,241	6,37,607
Loan repaid	-	-	-	-	5,32,262	8,61,650	5,32,262	8,61,650
Balance at 31st March	-	-	-	-	89,429	2,01,450	89,429	2,01,450
Balance at 1st April	-	-	-	-	2,01,450	4,25,493	2,01,450	4,25,493
vii) Mr. Krupesh G. Thakkar								
Loan taken	-	-	1,64,92,568	5,65,83,130	-	-	1,64,92,568	5,65,83,130
Loan repaid	-	-	88,18,194	5,59,48,175	-	-	88,18,194	5,59,48,175
Balance at 31st March	-	-	93,48,779	16,74,405	-	-	93,48,779	16,74,405
Balance at 1st April	-	-	16,74,405	10,39,450	-	-	16,74,405	10,39,450
viii) Mr. Ghanshyam A. Thakkar								
Loan taken	-	-	45,10,999	1,05,45,692	-	-	45,10,999	1,05,45,692
Loan repaid	-	-	55,62,034	90,90,666	-	-	55,62,034	90,90,666
Balance at 31st March	-	-	15,58,115	26,09,150	-	-	15,58,115	26,09,150
Balance at 1st April	-	-	26,09,150	11,54,124	-	-	26,09,150	11,54,124
ix) Mr. Kaushik J Thakkar								
Loan taken	-	-	13,00,000	2,00,000	-	-	13,00,000	2,00,000
Loan repaid	-	-	-	-	-	-	-	-
Balance at 31st March	-	-	16,00,000	3,00,000	-	-	16,00,000	3,00,000
Balance at 1st April	-	-	3,00,000	1,00,000	-	-	3,00,000	1,00,000
x) Masumi K. Thakkar								
Loan taken	-	-	-	-	1,85,215	43,49,870	1,85,215	43,49,870
Loan repaid	-	-	-	-	47,37,617	-	47,37,617	-
Balance at 31st March	-	-	-	-	-	45,52,402	-	45,52,402
Balance at 1st April	-	-	-	-	45,52,402	2,02,532	45,52,402	2,02,532



## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

(Amount in ₹)

Nature of Transaction As on -->	Associate Companies/ Enterprises		Key Management Personnel		Relatives of Key Management Personnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
xi) Viresh Natvarlal Thakkar								
Loan taken	-	-	-	-	-	-	-	-
Loan repaid	-	-	-	-	-	-	-	-
Balance at 31st March	-	-	-	-	2,05,000	2,05,000	2,05,000	2,05,000
Balance at 1st April	-	-	-	-	2,05,000	2,05,000	2,05,000	2,05,000
xii) Rushil International								
Loan taken	94,45,20,795	-	-	-	-	-	94,45,20,795	-
Loan repaid	40,85,20,795	-	-	-	-	-	40,85,20,795	-
Balance at 31st March	53,60,00,000	-	-	-	-	-	53,60,00,000	-
Balance at 1st April	-	-	-	-	-	-	-	-
<b>7) Managerial Remuneration</b>								
Mr. Ghanshyam A. Thakkar	-	-	1,19,99,403	1,05,69,278	-	-	1,19,99,403	1,05,69,278
Mr. Krupesh G. Thakkar	-	-	1,19,99,806	1,05,58,679	-	-	1,19,99,806	1,05,58,679
Mr. Kaushik J. Thakkar (Resigned dated 2nd February 2019)	-	-	3,75,653	4,79,784	-	-	3,75,653	4,79,784
Mr. Ramnik T. Kansagara (appointed in 2nd February 2019)	-	-	20,15,693	-	-	-	20,15,693	-
<b>8) Dividend Paid</b>								
Mr. Ghanshyam A. Thakkar	-	-	9,95,450	9,95,450	-	-	9,95,450	9,95,450
Ghanshyambhai Thakkar HUF	-	-	-	-	1,92,691	1,92,691	1,92,691	1,92,691
Mr. Krupesh G. Thakkar	-	-	7,71,242	7,71,242	-	-	7,71,242	7,71,242
Krupeshbhai Thakkar HUF	-	-	-	-	6,94,847	6,94,847	6,94,847	6,94,847
Dinuben G. Thakkar	-	-	-	-	1,23,258	1,23,258	1,23,258	1,23,258
Krupaben K. Thakkar	-	-	-	-	1,41,208	1,41,208	1,41,208	1,41,208
Rushil K. Thakkar	-	-	-	-	1,04,262	1,04,262	1,04,262	1,04,262
Rushil International	9,22,885	9,22,885	-	-	-	-	9,22,885	9,22,885
Mrunal K. Gajjar	-	-	-	-	2,000.0	-	2,000	-
Hasmukh K. Modi	-	-	0.5	0.5	-	-	0.5	0.5
Rushvi R. Thakkar	-	-	-	-	0.5	0.5	0.5	0.5
<b>9) Interest Expenses</b>								
Ghanshyambhai Thakkar HUF	-	-	-	-	28,788	60,762	28,788	60,762
Mr. Krupesh G. Thakkar	-	-	80,717	6,11,835	-	-	80,717	6,11,835

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

(Amount in ₹)

Nature of Transaction As on -->	Associate Companies/ Enterprises		Key Management Personnel		Relatives of Key Management Personnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
Krupeshbhai Thakkar HUF	-	-	-	-	32,810	45,881	32,810	45,881
Dinuben G. Thakkar	-	-	-	-	13,213	54,410	13,213	54,410
Ambalal D. Thakkar- HUF	-	-	-	-	8,496	64,180	8,496	64,180
Krupaben K. Thakkar	-	-	-	-	63,684	4,20,617	63,684	4,20,617
Rushil K. Thakkar	-	-	-	-	17,755	65,939	17,755	65,939
Mr. Ghanshyam A. Thakkar	-	-	45,364	1,83,024	-	-	45,364	1,83,024
Masumi K. Thakkar	-	-	-	-	2,05,794	3,88,744	2,05,794	3,88,744
Rushil International	2,46,89,773	-	-	-	-	-	2,46,89,773	-
<b>10) Salary to Relatives of Key Management Personal &amp; Director</b>								
Krupaben K. Thakkar	-	-	-	-	53,69,512	45,67,829	53,69,512	45,67,829
Rushil K. Thakkar	-	-	-	-	15,63,096	12,97,905	15,63,096	12,97,905
Rushvi R. Thakkar	-	-	-	-	9,25,725	-	9,25,725	-
Harsh R. Patel	-	-	-	-	4,68,274	-	4,68,274	-
<b>11) Salary to Key Management Personal</b>								
Mr. Keyur M. Gajjar	-	-	57,59,099	50,49,658	-	-	57,59,099	50,49,658
Mr. Vipul S. Vora	-	-	39,65,758	33,26,728	-	-	39,65,758	33,26,728
Mr. Hashmukh K. Modi	-	-	17,89,799	15,48,151	-	-	17,89,799	15,48,151
<b>12) Lease Rent Expense</b>								
Ratnatej Infrastructure Private Limited	1,20,000	1,20,000	-	-	-	-	1,20,000	1,20,000
Mr. Krupesh G. Thakkar	-	-	63,78,750	70,35,000	-	-	63,78,750	70,35,000
<b>13) Reimbursement of Processing Fees</b>								
Mr. Krupesh G. Thakkar	-	-	-	3,54,000	-	-	-	3,54,000
<b>14) Lease Rent Deposit</b>								
Ratnatej Infrastructure Private Limited	70,00,000	32,00,000	-	-	-	-	70,00,000	32,00,000
<b>15) Interest on Lease Rent Deposit</b>								
Ratnatej Infrastructure Private Limited	3,20,658	-	-	-	-	-	3,20,658	-

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

(Amount in ₹)

Nature of Transaction As on -->	Associate Companies/ Enterprises		Key Management Personnel		Relatives of Key Management Personnel		Total	
	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
<b>16) Royalty paid</b>								
Vir Studdio Private Limited (OPC)	1,00,000	46,667	-	-	-	-	1,00,000	46,667
<b>(B) Outstandings</b>								
<b>a) Payable (Trade Payables and Other Liabilities)</b>								
Rushil International	1,38,86,135	-	-	-	-	-	1,38,86,135	-
Vir Studdio Private Limited (OPC)	-	42,500	-	-	-	-	-	42,500
Krupaben K. Thakkar	-	-	-	-	3,85,562	-	3,85,562	-
Rushil K Thakkar	-	-	-	-	1,26,692	-	1,26,692	-
Rushvi R Thakkar	-	-	-	-	83,411	-	83,411	-
Harsh R Patel	-	-	-	-	36,363	-	36,363	-
Mr. Keyur M. Gajjar	-	-	4,39,650	-	-	-	4,39,650	-
Mr. Vipul S. Vora	-	-	2,27,899	-	-	-	2,27,899	-
Mr. Hashmukh K. Modi	-	-	1,32,910	-	-	-	1,32,910	-
Mr. Ghanshyam A. Thakkar	-	-	2,09,628	-	-	-	2,09,628	-
Mr. Ramnik T. Kansagara (appointed on 2nd February 2019)	-	-	1,20,342	-	-	-	1,20,342	-
<b>b) Receivable (Trade Receivables)</b>								
Surya Panel Private Limited	2,41,01,932	-	-	-	-	-	2,41,01,932	-
<b>Security Deposit (Lease Rent Deposit Receivable)</b>								
Ratnatej Infrastructure Private Limited	1,02,00,000	32,00,000	-	-	-	-	1,02,00,000	32,00,000

#### 44. LEASES

The Company has obtained certain Land and Premises for its business operation under operating leases or leave and license agreements. These are generally non-cancellable and are renewable by mutual consent on mutually agreeable terms. The Company has given refundable security deposit in accordance with agreed terms.

(Amount in ₹)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Lease Payments	1,15,26,168/-	96,80,759/-

#### 45. DISCLOSURES REGARDING EMPLOYEE BENEFITS

As per Indian Accounting Standard 19 "Employee Benefits" the disclosures are given below:

##### Defined Contribution Plan

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

(Amount in ₹)

Particulars	2018-19	2017-18
Employers contribution to provident fund	72,45,924/-	61,92,193/-

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

- (i) **Defined Contribution Plan:** Employee benefits in the form of Provident Fund are considered as defined contribution plan and the contributions to Employees Provident Fund Organisation established under The Employees Provident Fund and Miscellaneous Provisions Act 1952 and Employees State Insurance Act, 1948, respectively, are charged to the profit and loss account of the year when the contributions to the respective funds are due.
- (ii) **Defined Benefit Plan:** Retirement benefits in the form of Gratuity are considered as defined benefit obligation and are provided for on the basis of third party actuarial valuation, using the projected unit credit method, as at the date of the Balance Sheet.

Every Employee who has completed five years or more of service is entitled to Gratuity on terms not less favorable than the provisions of The Payment of Gratuity Act, 1972.

As the Company has not funded its liability, it has nothing to disclose regarding plan assets and its reconciliation.

(iii) **Major risk to the plan**

I have outlined the following risks associated with the plan:

**A. Actuarial Risk:**

It is the risk that benefits will cost more than expected. This can arise due to one of the following reasons:

**Adverse Salary Growth Experience:** Salary hikes that are higher than the assumed salary escalation will result into an increase in Obligation at a rate that is higher than expected.

**Variability in mortality rates:** If actual mortality rates are higher than assumed mortality rate assumption than the Gratuity Benefits will be paid earlier than expected. Since there is no condition of vesting on the death benefit, the acceleration of cash flow will lead to an actuarial loss or gain depending on the relative values of the assumed salary growth and discount rate.

**Variability in withdrawal rates:** If actual withdrawal rates are higher than assumed withdrawal rate assumption than the Gratuity Benefits will be paid earlier than expected. The impact of this will depend on whether the benefits are vested as at the resignation date.

**B. Investment Risk:**

For funded plans that rely on insurers for managing the assets, the value of assets certified by the insurer may not be the fair value of instruments backing the liability. In such cases, the present value of the assets is independent of the future discount rate. This can result in wide fluctuations in the net liability or the funded status if there are significant changes in the discount rate during the inter-valuation period.

**C. Liquidity Risk:**

Employees with high salaries and long durations or those higher in hierarchy, accumulate significant level of benefits. If some of such employees resign/retire from the company there can be strain on the cash flows.

**D. Market Risk:**

Market risk is a collective term for risks that are related to the changes and fluctuations of the financial markets. One actuarial assumption that has a material effect is the discount rate. The discount rate reflects the time value of money. An increase in discount rate leads to decrease in Defined Benefit Obligation of the plan benefits & vice versa. This assumption depends on the yields on the corporate/government bonds and hence the valuation of liability is exposed to fluctuations in the yields as at the valuation date.

**E. Legislative Risk:**

Legislative risk is the risk of increase in the plan liabilities or reduction in the plan assets due to change in the legislation/regulation. The government may amend the Payment of Gratuity Act thus requiring the companies to pay higher benefits to the employees. This will directly affect the present value of the Defined Benefit Obligation and the same will have to be recognised immediately in the year when any such amendment is effective.

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### (iv) Defined Benefit Cost

(Amount in ₹)		
Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Current Service Cost	39,08,510	60,40,210
Interest Expense on Defined Benefit Obligation (DBO)	9,42,762	7,97,936
<b>Defined Benefit Cost included in Profit and Loss</b>		
Remeasurements - Due to Financial Assumptions	(2,79,495)	68,87,700
Remeasurements - Due to Experience Assumptions	(12,16,487)	-
Remeasurements - Due to Experience Adjustments	9,14,232	(84,70,970)
Return on plan assets excluding amounts included in interest income	67,144	(1,08,346)
<b>Defined Benefit Cost included in Other Comprehensive Income</b>	(5,14,606)	(16,91,616)
<b>Total Defined Benefit Cost in Profit and Loss and OCI</b>	43,36,666	51,46,530

### (v) Movement in Defined benefit liability:

(Amount in ₹)		
Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Opening Defined Benefit Obligation	1,37,20,981	1,15,74,451
Interest Expense on Defined Benefit Obligation (DBO)	-	-
Current Service Cost	48,51,272	68,38,146
Total Remeasurements included in OCI	(5,14,606)	(16,91,616)
Less: Benefits paid	-	-
Less: Contributions to plan assets	-	(30,00,000)
<b>Closing benefit obligation</b>	1,80,57,647	1,37,20,981
Current Liabilities of Closing benefit obligation	43,01,638	24,76,750
Non-Current Liabilities of Closing benefit obligation	1,37,56,009	1,12,44,231

### (vi) Sensitivity Analysis of Defined Benefit Obligation:

		(Amount in ₹)
		2018-19
<b>Under Base Scenario</b>		
<b>(A) Discount Rate Sensitivity</b>		
Increase by 0.5% (% change)		2,96,14,074 -2.94%
Decrease by 0.5% (% change)		3,14,61,761 3.12%
<b>(B) Salary Growth Rate Sensitivity</b>		
Increase by 0.5% (% change)		3,12,46,383 2.42%
Decrease by 0.5% (% change)		2,97,90,436 -2.36%
<b>(C) Withdrawal Rate (W.R.) Sensitivity</b>		
W.R. x 110% (% change)		3,03,81,440 -0.42%
W.R. x 90% (% change)		3,06,43,859 0.44%

### (vii) Actuarial assumptions:

(Amount in ₹)		
Particulars	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Mortality Table : Indian Assured Lives Mortality (2006-08) Table		
Discount Rate (per annum)	7.70%	7.55%
Rate of escalation in salary (per annum)	10.00%	10.00%
Withdrawal rate	15% age 25 and below 12% age 26 to 36 10% age 36 and above	2% at all ages

(viii) The above details are certified by the actuary.



## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 46. CORPORATE SOCIAL RESPONSIBILITY CONTRIBUTION-

- (a) Gross amount required to be spent by the company during the year ₹ **63,28,724/-** (Previous year ₹ 40,59,899/-)
- (b) Amount spent during the year on:

Particulars	Year	Amount spent (₹)	Amount yet to be spent (₹)	(Amount in ₹)
				Total (₹)
(i) Construction/acquisition of any asset	2018-19	Nil	Nil	Nil
(ii) On purposes other than (i) above	2018-19	64,96,931	Nil	64,96,931

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

48. On 18/03/2019 fire broke out at the factory premises of the company situated at **Unit, Plot no. 58, Ambale Industrial Area, Chikmagalur, Karnataka**. The Company has lodged claim in respect of loss of stock amounting to ₹ 67,33,265/-. The stock of ₹ 67,33,265/- consists of Raw Material of ₹ 46,58,735 and Finished Goods of ₹ 20,74,530. The said Claim is shown as Insurance Claim Receivable in Note No. 12 of notes forming part of the Standalone financial statements.

49. During the year under review the company has received Closure Order from Gujarat Pollution Control Board (GPCB), Gandhinagar, dated 15th January, 2019 to Stop the Production process of Company's manufacturing plant situated at Dholakuva Patia, Gandhinagar Mansa Road, Mansa, Dist. Gandhinagar with immediate effect under **AIR (PREVENTION AND CONTROL OF POLLUTION) ACT, 1981**. The Company had submitted its reply to GPCB, to revoke the closure order. There after GPCB Vide its Revocation order dated 05th Day of March, 2019 allowed the said unit to operate the manufacturing process up to 02nd day of June, 2019 as per conditions stipulated in the said revocation order. However, the operations of the company is treated as going concern.

50. During the year under review the company has received Closure Order from Gujarat Pollution Control Board (GPCB), Gandhinagar, dated 14th March, 2019 - to Stop the Production process of Company's Manufacturing plant situated at Survey .No.125, Nr. Kalyanpura Patia, Gandhinagar Mansa Road, Village. Itla, Tal. Kalol, Gandhinagar, with immediate effect **Under Section 33A of WATER (PREVENTION AND CONTROL OF POLLUTION) ACT, 1974**. The Company had submitted its reply to GPCB, to revoke the closure order. There after GPCB Vide its Revocation order dated 2nd Day of April, 2019 allowed the RHPL unit to operate the manufacturing process up to 01st Day of July, 2019 as per conditions stipulated in the said revocation order. However, the operations of the company is treated as going concern.

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

52. After completion of the financial year but before the finalisation of the accounts for the year under review, the company has received an order u/s 281B of the IT Act, 1961 dated 09.05.2019 from the Joint Commissioner of Income Tax (OSD), Circle-3(1)(2), Ahmedabad and accordingly the company's unit situated at 607-608, GIDC, Mansa, Dist. Gandhinagar, Gujarat 382 845 has been provisionally attached u/s 281B of the Income Tax Act,1961. The Company is yet to take any further action in the above case.

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 53. DISCLOSURE UNDER IND AS 115 REVENUE

The Company has recognised the following amounts relating to revenue in the statement of profit or loss:

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Revenue from contracts with customers	3,33,68,47,445	3,40,69,17,183
<b>Total revenue</b>	<b>3,33,68,47,445</b>	<b>3,40,69,17,183</b>

Revenue is recognised upon transfer of control of products to customers.

#### (a) Disaggregation of revenue from contracts with customers

Revenue from sale of products represents revenue generated from external customers which is attributable to the company's country of domicile i.e. India and external customers outside India as under:

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Revenue from	3,33,68,47,445	3,40,69,17,183
- Outside India	2,27,84,43,034	2,43,15,38,212
- In India	1,05,84,04,411	97,53,78,971

No single customer contributed 10% or more to the company's revenue for 2018-19 and 2017-18.

All assets are located in the Company's country of Domicile.

#### (b) Contract assets and liabilities

Particulars	(Amount in ₹)	
	For the year ended 31st March, 2019	For the year ended 31st March, 2018
Contract Assets	59,11,35,950	50,17,52,732
<b>Total Contract Assets</b>	<b>59,11,35,950</b>	<b>50,17,52,732</b>
Contract Liability	1,28,39,851	1,62,59,453
<b>Total Contract Liability</b>	<b>1,28,39,851</b>	<b>1,62,59,453</b>

#### (c) Performance obligations

The performance obligation is satisfied upon delivery of the finished goods and payment is generally due within 1 to 3 months from delivery. The performance obligation to deliver the finished goods is started after receiving of sales order.

The customer can pay the transaction price upon delivery of the finished goods within the credit period, as mentioned in the contract with respective customer.

### 54. DEFERRED TAX ASSETS/(LIABILITY)

The breakup of Deferred Tax as at 31.03.2019 is as under.

Particulars	(Amount in ₹)	
	As on 31st March, 2018	As on 31st March, 2017
<b>Deferred Tax Liabilities.</b>		
- Timing Difference of Depreciation (Deferred tax liability)	26,53,83,029	24,40,70,871
- Capital gain on land revaluation (Deferred Tax Liability)	4,82,34,075	4,45,21,677
<b>Deferred Tax Assets.</b>		
- Gratuity Payment (Deferred Tax Liability)	62,63,962	47,48,557
<b>Net Deferred Tax Liability</b>	<b>30,73,53,142</b>	<b>28,38,43,991</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

**55.** During the year under review, the company had issued 190372 equity share of ₹ 10 each at a premium of ₹ 935/- each on preferential basis to Mr. Rakesh Arora ( No of shares 105822) and Mr. Manish Srivastava (No of Shares 84550) on 28th April 2018. The Company has received share application money from Mr. Manish Srivastava who based in Singapore. Mr. Manish Srivastava has given Share application money of ₹ 7,99,00,000/-, while remitting the fund, in the FIRC (Foreign Inward Remittance Certificate), but due to technical error there was a mistake in filing form with authority, by mistake it was written as Repayment of loan instead of Share application money and hence the same requires correction from the remitting bank of Mr. Manish Srivastava. Mr. Manish Srivastava was allotted 84550 equity shares of ₹ 10 each at premium of ₹ 935 making total allotment including premium of ₹ 7,98,99,750/- and hence there was a surplus of ₹ 250/- which the company has asked their banker to refund the said amount to Mr. Manish Srivastava but because of non-compliance of submitting Form FC-GPR to be filed by collecting bank i.e. Axis Bank with Reserve Bank of India, this amount could not be refunded. In spite of repeated reminder to the shareholder Mr. Manish Srivastava, has not got its FIRC Corrected and hence due to the technical difficulty faced by the company and due to no fault on the part of the company the said Share application money to the extent refundable is not treated as Violation of Section 73 of the Companies Act, 2013. Till the date of signing the audit report the said Share application Money of ₹ 250/- is lying with Axis Bank as non-refunded to shareholder. Thus company has shown ₹ 250/- as share application money (Refundable) under the head "Other Financial Liabilities" in note No 22 of Notes forming part of Standalone financial statement.

**56.** The financial statements were authorised for issue by the directors on 18th may, 2019.

- : **Significant accounting policies – A** : -

- : **Notes To Financial Statements 1 to 56** : -

As per our report of even date attached.  
For **Parikh & Majmudar**  
*Chartered Accountants*  
(Firm Regn.No.107525W)

**CA (Dr.) Hiten M. Parikh**  
*Partner*  
Membership No.040230

PLACE : AHMEDABAD  
DATE : 18th May, 2019

**[K. M. Gajjar]**  
*Chief Executive Officer*

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

**[Ghanshyambhai A.Thakkar]**  
*Chairman*  
DIN ::00208843

**[V. S .Vora]**  
*Chief Financial Officer*

**[Krupeshbhai G.Thakkar]**  
*Managing Director*  
DIN :01059666

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

**RUSHIL DECOR LIMITED**

**Corporate Identification No.: L25209GJ1993PLC019532**

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

**Tel.:** (079) 61400400, **Fax:** (079) 61400401 **Email ID:** ipo@rushil.com **Website:** www.rushil.com

**ATTENDANCE SLIP**

**PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.**

**Details of Shareholder:**

<b>No. of Shares held:</b>	
<b>Client ID No.</b>	

<b>DP ID No.:</b>	
<b>*Folio No.:</b>	

Name(s) of Shareholder(s)/Proxy (IN BLOCK LETTERS) : .....

Address: .....

I/We hereby record my/our presence at the **25th Annual General Meeting** of the Company being held on Saturday, the 21st day of September, 2019 at 12:30 P.M. at S. No. 125, Near Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar - 382845, Gujarat, India.

.....  
Signature of the Member / Proxy

holder

\* Applicable for investors holding shares in Physical form.

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



**RUSHIL DECOR LIMITED**

**Corporate Identification No.: L25209GJ1993PLC019532**

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

**Tel.:** (079) 61400400, **Fax:** (079) 61400401 **Email ID:** ipo@rushil.com **Website:** www.rushil.com

**PROXY FORM**

**FORM NO. MGT – 11**

[Pursuant to section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

Name of the member (s)	
Registered Address	
E-mail Id	
Folio No/ Client Id	
DP Id	

I/We, being the member(s) of **Rushil Décor Limited** holding ..... shares hereby appoint:

1.	Name :	Address:
	E-mail Id :	Signature : ....., or failing him/her
2.	Name :	Address:
	E-mail Id :	Signature : ....., or failing him/her
3.	Name :	Address:
	E-mail Id :	Signature : .....,

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company, to be held on Saturday, 21st day of September, 2019 at 12:30 P.M. at the Registered office of the Company at S. No.125, Near Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar – 382845, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated overleaf:



Resolution No.	Resolution	OPTIONAL <sup>2</sup>	
		For	Against
<b>ORDINARY BUSINESS</b>			
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019 and the Report of the Board of Directors and Auditors thereon.		
2.	To declare final dividend on the Equity Shares for the Financial Year ended 31st March, 2019.		
3.	To appoint a Director in place of Mr. Ghanshyambhai A. Thakkar (DIN: 00208843), who retires by rotation and, being eligible, offers himself for re-appointment.		
<b>SPECIAL BUSINESS</b>			
4.	Appointment of Mr. Ramanik T. Kansagara (DIN: 08341541) as a Director.		
5.	Re-appointment of Mr. Shankar Prasad Bhagat (DIN: 01359807), Independent Director of the Company for a Second term of five years.		
6.	Re-appointment of Mrs. Jingle Thakkar (DIN: 06941497), Independent Director of the Company for a second term of five years.		
7.	Ratification / Approval of Material Related Party Transactions entered into by the Company with Related Party.		

Signed this ..... day of ..... 2019

\_\_\_\_\_  
Signature of the member

\_\_\_\_\_  
Signature of the proxy holder(s)

**Notes:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office or Corporate Office of the Company not less than 48 hours before the commencement of the meeting.
2. It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he / she thinks appropriate.











# RUSHIL

DECOR LIMITED

WE'LL MAKE IT

## Corporate Office

Rushil Decor Ltd.  
Rushil House  
Near Neelkanth Green Bungalow,  
Off. Sindhu Bhavan Road, Shilaj,  
Ahmedabad-380058, Gujarat, INDIA.

## Registered Office

Rushil Decor Ltd.  
S. No. 125, Near Kalyanpura Patia, Village ITLA,  
Gandhinagar-Mansa Road, Ta. Kalol,  
Dist. Gandhinagar-382845, Gujarat, INDIA.  
CIN: L25209GJ1993PLC019532

## Online



+91-79-61400400



+91-79-61400401



info@rushil.com



www.rushil.com

## Certification



Certification Number: 842-016  
"Environmentally Approved and Green Label Society"

IS : 2046-1995  
HGS-s 333



CM/L : 7439785

IS 12406 : 2003



CM/L : 4737475

IS: 14587 : 1998



CM/L: 6200030374

