



**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 info@rushil.com www.virlaminate.com

**RDL/032/2018-19**  
**Date: 28.08.2018**

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 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed the Notice of the **24<sup>th</sup> AGM** of the Company scheduled to be held on **Saturday the 22<sup>nd</sup> day of September, 2018 at 11.30 A.M** at the Registered office of the company at S. No. 125, Nr. Kalyanpura Patia, Gandhinagar Mansa Road, Village Itla, Tal. Kalol, Dist. Gandhinagar – 382845 and the Annual Report of the Company for the Financial Year 2017-18.

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

Thanking you.

Yours Faithfully,

For, Rushil Décor Limited

*Modhi*

**Hasmukh K. Modi**  
**Compliance Officer**  
Tele No.: (079) 61400400

Encl.: As Above



**ANNUAL  
REPORT  
2017-18**



**vir laminate**



**viext-lam**



**vir prelam**



**vir mdf**

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### Disclaimer

This document contains statements about expected future events and financials of Rushil Decor 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's Discussion and Analysis Report of this annual report.

Online version of the report can be downloaded  
from: <https://www.rushil.com/financial>

Or simple scan here:



Today's customer is more educated, more demanding and always looking for an aesthetic appeal. Fulfilling their desires and aspirations requires the mindset to foresee the upcoming trends, innovate and continuously deliver exciting products.

At Rushil Decor Limited (referred as RDL or 'the Company'), we are one of India's leading listed decorative solution providers manufacturing wide variety of Decorative and Industrial Laminated Sheets and Medium Density fibre boards (MDF), WPC Board with superior designs, colours and finishing.

Our diverse product and eco-friendly solutions, truly serve even the minutest customer aspirations while maintaining highest standards of quality, convenience and consistency in an affordable manner.

Today, we are amongst the top 5 brands in domestic MDF Board manufacturing industry as well as in the laminates segment providing inspiration to become 'Numero Uno' in our forte.

₹ 346.23 Cr  
REVENUES IN 2017-18

₹ 59.19 Cr  
EBIDTA\* IN 2017-18

₹ 21.30  
EPS\* IN 2017-18

₹ 30.98 Cr  
PAT\* IN 2017-18

\*EBIDTA: Earnings before interest, depreciation, tax, and amortization

\*EPS: Earnings Per Share

\*PAT: Profit After Tax

### Investor information:

SHAREHOLDING STRUCTURE:  
PROMOTER AND  
PROMOTER GROUP  
(53.62%),  
FIIS (15.37%),  
NON-INSTITUTIONS (30.98%),  
OTHER DIIS (0.03%)

NSE SYMBOL:  
RUSHIL

MARKET  
CAPITALISATION:  
₹ 1,162.90 Cr  
AS ON  
MARCH 31, 2018

BSE CODE:  
533470

BLOOMBERG CODE:  
RDL:IN

DIVIDEND:  
5%

AGM DATE: 22-09-18 | 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.

# Desire to deliver excellence beyond customer expectations

Operates three state-of-the-art manufacturing facilities to produce wide variety of Decorative and Industrial Laminates in Gujarat. Produces MDF Boards through its plant in Karnataka.

Focused on providing aesthetic appeal to your furniture – a 'want' of the future generation.

Determined to grow to a larger scale through its greenfield project for manufacturing thick and thin MDF Boards in Visakhapatnam, Andhra Pradesh.

Provides more value added product range through its entry into Wood Polymer Composite (WPC) segment – an eco-friendly, recycled material of the future.

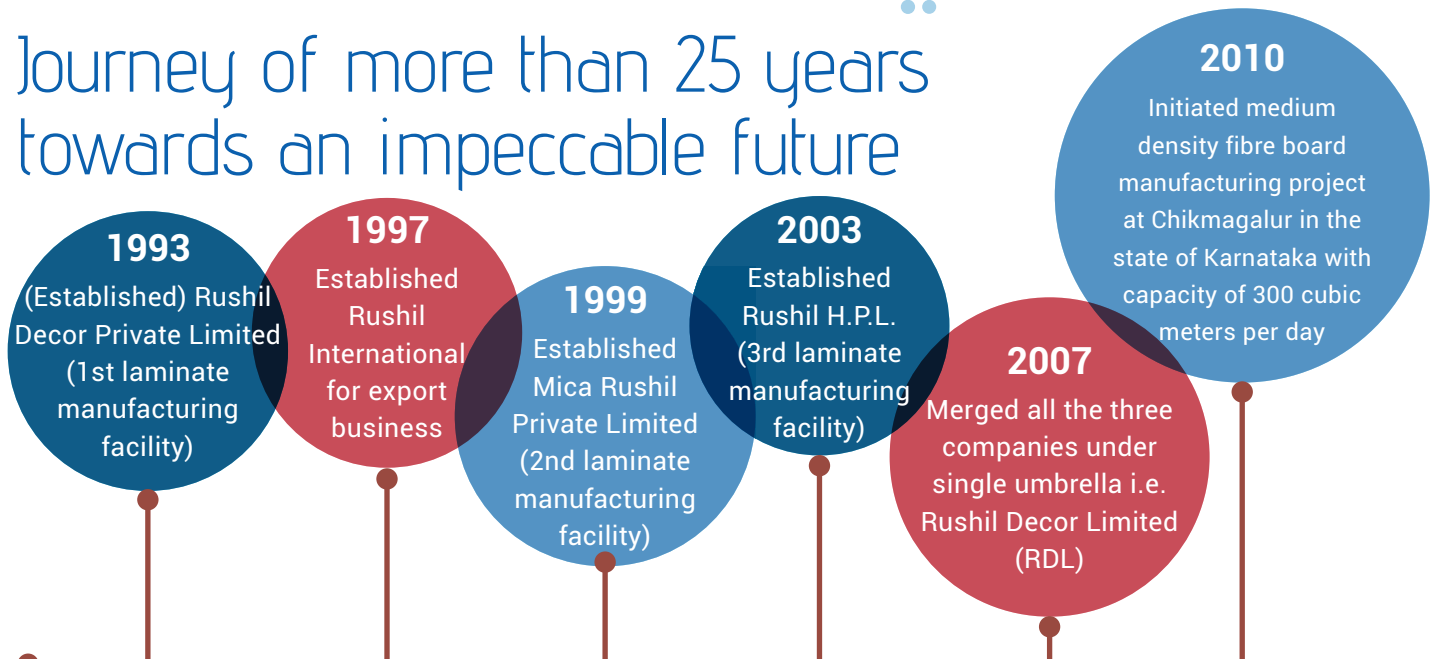
Showcases its awareness and recognition amongst customers through array of brands like 'Vir Laminate', 'Vir MDF', 'Vir Prelam', Vir PVC, Vir WPC, Vir Door, Vir 90 degree and our other brand names having VIR as prefix.

And most importantly, through all this, 'Delivering Desires' to become the best in its own business forte.

**That's Rushil Decor Limited for you.**



## Journey of more than 25 years towards an impeccable future



# OUR VISION

To be the numero uno Indian Brand in the Laminate industry and to establish ourselves as the most reliable MDF Board supplier in India.

# OUR MISSION

To help our customers in achieving their business objectives by providing innovative, best-in-class products produced with expertise and excellence.

34.9

Lakhs sheets per annum  
**CAPACITY**

1,100<sup>+</sup>

**DESIGNS**

120<sup>+</sup>

**TEXTURES**



**2016**

The MDF plant attained over 90% capacity utilisation, whereas the laminate plants continued to operate at near optimum capacity utilisation level

**2018**

Commencement of commercial production of WPC Board at Chikmagalur, Karnataka

**2012**

Started commercial production of medium density fibre board at Chikmagalur, Karnataka

**2011**

Came out with an IPO and listed at BSE and NSE

**2013**

Established Prelam Board manufacturing facility along with Medium Density Fibre Board plant at Chikmagalur as forward integration

**2017**

Signed MOU with the AP Government on 28th January 2017, to establish a project of MDF in Atchutapuram in Vizag District; and the AP Government has issued a letter of 26.34 Acres of Industrial Land

# Desire to serve customer aspirations

RDL IS POSITIONED AS INDIA'S TOP 5 PRODUCERS OF MDF BOARDS AS WELL AS LAMINATES. WITH PRIMARY FOCUS ON THREE SEGMENTS, VIZ., MDF BOARDS, LAMINATE AND WPC, OUR STRATEGIC COMPETITIVE ADVANTAGE IS DERIVED FROM OUR 'DESIGN FIRST', 'QUALITY FIRST' AND 'BRAND CONSCIOUS' APPROACH OFFERING INNOVATIVE PRODUCTS, DESIGN VARIATIONS AND VALUE ENGINEERED ALTERNATIVES TO OUR CUSTOMERS



In Laminated sheet segment our value proposition is to be a design leader offering wide array of sheet designs at a competitive price point in the domestic as well as export markets. Our product excellence is reinstated with several quality certifications like ISO 9001:2008, ISO 14001:2004, BSOHSAS 18001:2007 and certificate of compliance of quality systems and standards for high pressure decorative laminates and compact laminates by UK certification and Inspection Ltd.



Certified  
ISO 9001 : 2008  
ISO 14001 : 2004  
BSOHSAS 18001 : 2007

In MDF Boards (including prelam MDF Board segment), we offer competitively priced products manufactured using German technology and machines. With our current capacity to provide a thickness ranging between 7.5 mm to 30 mm, we are in process of setting up our state-of-the-art MDF manufacturing plant in Andhra Pradesh to produce the entire thickness range of MDF Boards from 1 mm to 30 mm.

In WPC Segment, we provide an eco-friendly, versatile and durable and 100% recycled product.

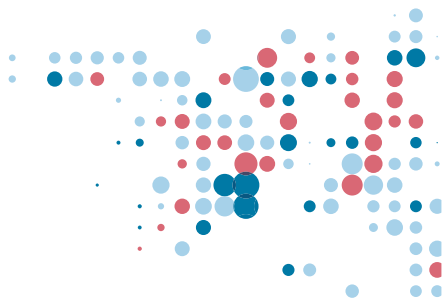
A value engineered product – truly saving Mother Nature.





# Desire to be 'Numero Uno'

**WE, AT RDL, ARE PERFECTLY POISED TO GRAB THE OPPORTUNITY PROVIDED BY THE EXPONENTIAL DEMAND FOR THE NEW-AGE FURNITURE MATERIALS DRIVEN BY THE 'WANT' OF THE 'CONVENIENCE' GENERATION. TODAY'S GENERATION IS ALWAYS IN SEARCH FOR 'READYMADE' PACKAGES – BE IT READYMADE CLOTHES, PACKAGED SPICES, READYMADE RESIDENTIAL COMPLEX OR READYMADE FURNITURE. AN INCREASING CONSUMER PREFERENCE FOR READYMADE FURNITURE WILL LEAD TO STRONG GROWTH IN THE MDF SEGMENT.**



The wood engineered products like MDF Boards, laminates, WPC has been growing significantly over the past years, across both globally and domestically. Majority of this industry is captured by plywood manufacturers with MDF seizing the second highest proportion. However, with the passage of time, MDF is getting much larger coverage for its inherent benefits like cheaper material, ease of handling, wider range, higher strength and greater fire, moisture and temperature resistance capacity than plywood.

The domestic MDF Board industry has witnessed around 20% CAGR as compared to 6-8% for plywood during 2012-2017. This has augured well with the



20% CAGR  
MDF industry  
growth between  
2012-2017

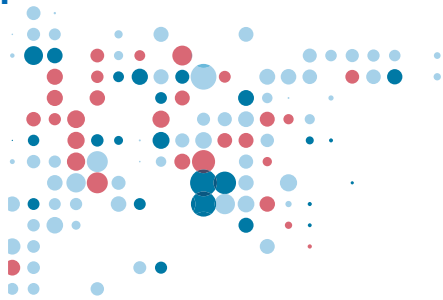
fact that India has one of the lowest per capita MDF consumption as compared to its global peers giving its domestic MDF industry a chance to grow manifold.

Keeping up to this rapid pace of growth in MDF industry, we commenced greenfield expansion of MDF Board with thrice the capacity to manufacture thick and thin MDF Boards at Visakhapatnam, Andhra Pradesh. The Location was strategically chosen as Southern India is the primary market for MDF Boards and has adequate supply for its key raw materials. Besides, it also has proximity to the Visakhapatnam port. Land for the project has been allotted by the AP State Government to us and the equipment vendors are finalised. We expect this state-of-the-art facility to be on-stream by the FY2020.



# Desire to be 'eco-friendly'

WITH GROWING URBANISATION DRIVE THROUGHOUT THE COUNTRY AND WITH INCREASE IN POLLUTION THROUGH EMISSION OF GREENHOUSE GASSES, FALLOUT OF GREATER INDUSTRIALISATION, THE VERY EXISTENCE OF MOTHER NATURE IS AT STAKE. DUE TO UNPLANNED AND RAPID DEFORESTATION, GLOBAL WARMING AND DEPLETION OF OZONE LAYER IN THE ATMOSPHERE IS INCREASING.



We, at RDL, despite being in an industry where wood is a basic raw material, desire to become 'eco-friendly' through our innovative alternative product offerings and path- breaking strategic concepts like agro-forestry. In our endeavour to do so, we have set up a unit in Chikmagalur, Karnataka, to manufacture wide variety of wood PVC panels as a higher value-added and eco-friendly product which can be considered as alternative of Plywood. WPC is a composite of recycled natural fibre and polymer offering a strong, durable, cost effective, maintenance-friendly, non-hazardous, pesticide proof, weather, UV rays and moisture resistant alternative to plywood with no process waste generation. With application ranging between furniture industry, automotive, construction



WPC an eco-friendly and 100% recycled material made of natural fibre or agricultural waste mixed with polymers.

and even consumer goods like electronic items, the global WPC market is expected to witness CAGR of 10.7% during the period 2016-2021. It's an eco-friendly and 100% recycled material made of natural fibre or agricultural waste mixed with polymers.

In line with our desire to save Mother Nature, we have introduced concept of agro-forestry which is a land use system to integrate trees and shrubs on farmlands to enhance productivity, profitability and ecosystem sustainability. With active participation in Government sponsored agro-forestry projects, we offer farmers a second source of income and strategically source timber a low cost. This win-win strategy between farmers and RDL translates to our broader desire to conserve natural resources and forest.



# Managing Director's Message

## Dear Stakeholders,

Let me take the pleasure in presenting you the Annual Report of your company for the financial year 2017-18. The Company has achieved revenue of ₹ 346.23 Cr in 2017-18, a growth of 12.13% over the previous year.

It also has posted a net profit of ₹ 30.98 Cr during the current year, a growth of 26.30% over the previous year. During the last three financial years, our net profit after tax has grown at a significant pace of 108.30% of CAGR; the net margin also improved by 655 basis points during the same period.

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 is at the cusp of a new growth trajectory with a huge consumer market to reckon with. With Government of India focusing clearly on its 'Make in India' initiative, the potential for growth in per capita income and in turn, in consumerism and spending propensity is expected to be manifold in the near future. Assuming a conservative GDP estimate of 6-7% a year, India's consumption expenditure is expected to touch USD 4 trillion by 2025 making India the third

largest consumer market in the world. Rising affluence is the biggest driver of increasing consumption. The sheer size of India's youth combined with improved education pave the way for sustained growth in purchasing power making it one of the world's most encouraging growth stories for the next 20 years.

### AFFORDABLE HOUSING

Your company is perfectly attuned to meet the dynamic requirements of affordability, durability and comfort of the young India population. A perfect mix of aesthetic appeal along with low maintenance and readymade array of varied product designs form the core of today's young generation requirements. We, at RDL, have positioned ourselves perfectly to meet this requirement of our customers and grab the opportunity to grow exponentially in the near future.

With implementation of Real Estate (Regulation and Development) Act, 2016, the home buyers have rejuvenated with confidence on protection of their interests thus translating into enhanced demand for homes throughout the country in sync with Government of India's mission to 'House for all by 2020'.

### EMPHASIS ON RENEWABLE ENERGY

FY 2017-18 was another year to achieve great milestones for us at RDL. During this year, your company has initiated the process of expansion of its MDF Board manufacturing capacity with its Greenfield project in Visakhapatnam, Andhra Pradesh. We expect to reap benefits from this endeavour by the





## Our Dream Project

We are setting up a greenfield project of 'Thin & Thick' MDF board manufacturing facility with an installed capacity of 800 CBM per day at Atchutapuram, Vishakhapatnam district, Andhra Pradesh at a total cost of approximately ₹ 341 Cr. Here's the current status:

- Land acquisition completed
- Construction has commenced on the acquired land
- Placed an order for acquisition of main MDF manufacturing line with Siempelkamp Maschinen-und Anlagenbau GmbH, a German based supplier

The commercial production is expected to commence from April 2020. Upon commencement, the Company's production capacities will increase from existing 300 CBM per day to 1,100 CBM per day.

end of FY 2020. Our desire to be eco-friendly and provide a much potent alternative to conventional engineered wood products has driven us to set up a new WPC unit in Chikmagalur, Karnataka to manufacture wide variety of wood PVC panels during the year. Let me also share my pleasure to be on board of governance of Indian Plywood Industries Research & Training Institute (IPIRTI) representing to Association of Indian Panelboard Manufacturer.

### CORPORATE SOCIAL RESPONSIBILITY

In its endeavour to deliver its corporate social responsibility (CSR) initiatives, RDL has taken part in several community upliftment initiatives like women and children empowerment, sanitation programmes, disaster management initiatives, health and educational programmes throughout the year. These pro-community

initiatives have translated with significant increase in our CSR expenditure during the year, demonstrating the value that our CSR programs have been delivering to society.

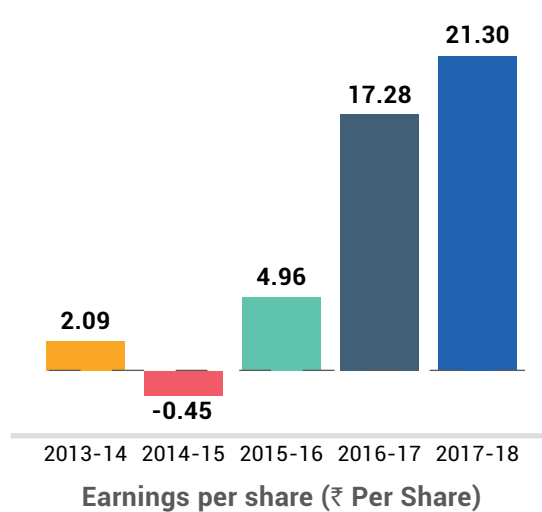
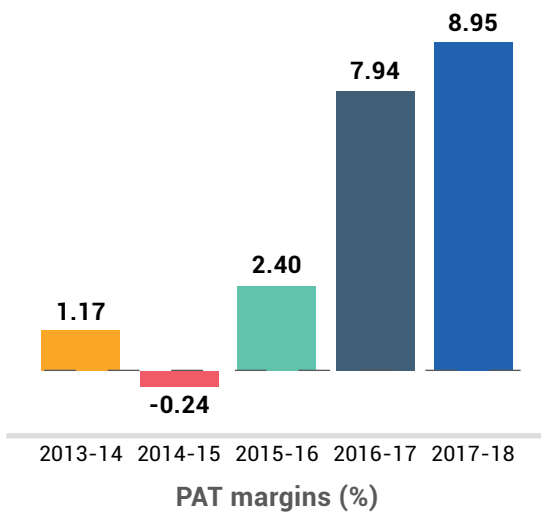
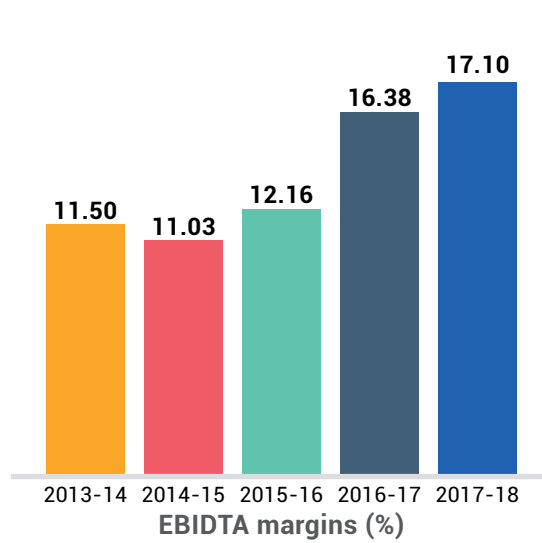
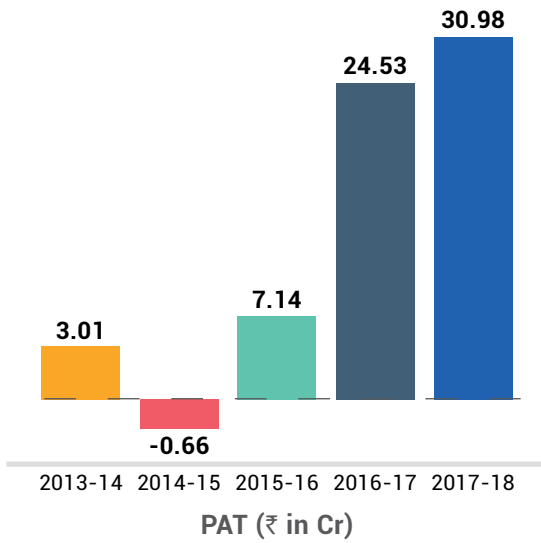
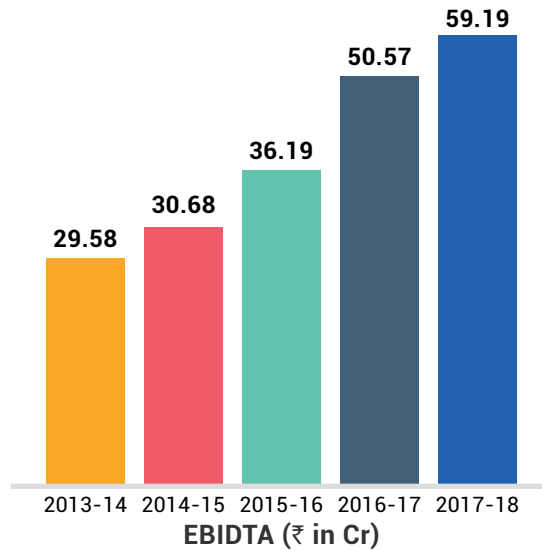
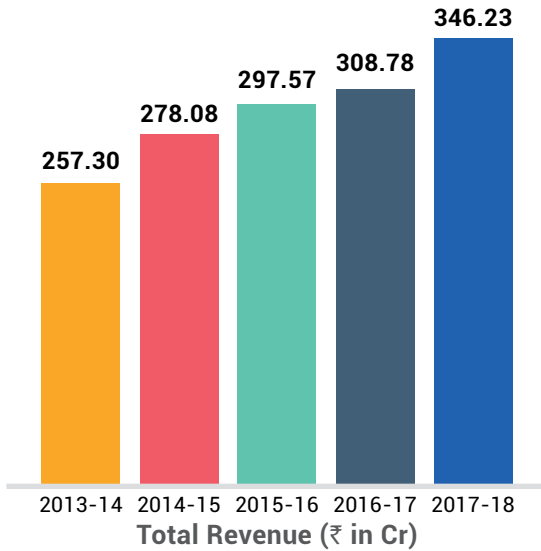
### CONCLUSION

At RDL, we are grateful to our stakeholders for ushering in trust, support and encouragement since the beginning of our journey. We will continue to meet the expectation of our stakeholders in the years to come through enriched strategic, operational and product innovation drives – to become successful in our endeavour to be an 'eco-friendly' leader in the engineered wood products industry with a wish to deliver desired offerings for our customer's aesthetic requirements.

Best Wishes,

Krupesh Thakkar

# Desire to perform consistently



## Notice

**NOTICE** is hereby given that the Twenty Fourth Annual General Meeting of the members of Rushil Decor Limited (CIN: L25209GJ1993PLC019532) will be held on Saturday, the 22nd Day of September, 2018 at 11.30 A.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 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 on 31st March, 2018 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 on 31st March, 2018.
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. To consider the Re-appointment and fixing the remuneration of Mr. Kaushikbhai J. Thakkar (DIN: 06541630) as Whole-Time Director of the Company and in this connection, to approve with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to provisions of Sections 196, 197, 203, Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modifications or re-enactments thereof for the time being in force) and also subject to approval of the Central Government, if required, Mr. Kaushikbhai Jaykrishnabhai Thakkar (DIN: 06541630) be and is hereby re-appointed as a Whole Time Director of the Company for the period of five years with effect from 30th March, 2018 upon the principal terms and conditions including terms of remuneration as set out in the explanatory statement annexed hereto and forming part of this notice with a liberty to the Board of Directors to alter and vary the terms and conditions of the appointment so as the total remuneration payable to him shall not exceed the limits prescribed in Schedule V of the Companies Act, 2013 (including any statutory modifications or re-enactments thereof for the time being in force) and as agreed by and between the Board of Directors and Mr. Kaushikbhai J. Thakkar without any further reference to Shareholders in General Meeting.

**RESOLVED FURTHER THAT** notwithstanding anything contained to the contrary in the Companies Act, 2013, wherein any financial year the Company has no profits or its profit is inadequate, Mr. Kaushikbhai Jaykrishnabhai Thakkar will be paid minimum remuneration as stated in the Explanatory Statement or such remuneration as may be approved by the Board within the ceiling prescribed under Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof at a particular time.

**RESOLVED FURTHER THAT** in the event of any statutory amendment or modification by the Central Government to the Companies Act, 2013, the Board of Directors be and is hereby authorised to vary and alter the terms of appointment including remuneration payable to Mr. Kaushikbhai Jaykrishnabhai Thakkar within such prescribed limit or ceiling and as agreed by and between the Company and Mr. Kaushikbhai Jaykrishnabhai Thakkar without any further reference to the Company in General Meeting.

**RESOLVED FURTHER THAT** the Board of Directors (or a committee thereof constituted for this purpose) be and is hereby authorised to do all such acts, deeds and things necessary to give effect to this resolution".

### Notes:

1. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special businesses to be transacted is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

The instrument appointing a proxy, in order to be valid and effective, must be deposited with the Company at its Registered Office or Corporate Office not later than 48 hours before the commencement of the Meeting.

A person can act as proxy on behalf of members not exceeding fifty (50) and 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 proxy shall not act as a proxy for any other member.

3. 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 Monday, the 17th day of September, 2018



## Notice (Contd.)

- to Saturday, the 22nd day of September, 2018 (both days inclusive) for payment of final dividend and Annual General Meeting.
4. 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 Saturday, the 15th day of September, 2018 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, whose names shall appear on the Register of Members as on Saturday, the 15th day of September, 2018.
  5. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
  6. Members holding the shares in electronic mode may please 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 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.
  7. In accordance with Section 101 and 136 of the Companies Act, 2013 read with Rules made thereunder the Notice of the 24th AGM along with Attendance Slip and Proxy Form as a part of the Annual Report 2017-18 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.
  8. The Annual Report 2017-18 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).
  9. 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 therein 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, in case you have not registered your e-mail ids till now.
  10. Members / proxies are requested to bring the Attendance Slip sent herewith, duly filled in, for attending the meeting.
  11. 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.
  12. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with the Company at its corporate office address. Members are requested to ensure that they claim the dividend(s) from the Company before transfer of the said amount to Investor Education and Protection Fund (IEPF).
  13. 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.
  14. 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.
  15. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
  16. The Company's Registrar and Transfer Agents for its share registry work is Bigshare Services Private Limited address 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).
  17. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 as amended 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.

## Notice (Contd.)

The facility of voting through electronic means is provided through the e-voting platform of Central Depository Services (India) Limited ("remote e-voting").

18. 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.
19. 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.
20. The Members holding shares as on the cut-off date i.e. Saturday, the 15th day of September, 2018, 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.
21. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, The Register of Contracts or Arrangements in which the directors are interested maintained under Section 189 of the Companies Act, 2013, the Auditor's Report and Secretarial Audit Report will be available for inspection by the members at the Annual General Meeting.
22. Procedure for Dematerialisation of Shares
  1. Dematerialisation starts with opening a Demat account. For demat account opening, you need to shortlist a Depository Participant (DP) that offers Demat services.
  2. To convert the physical shares into electronic/demat form, A Dematerialisation Request Form (DRF), which is available with the Depository Participant (DP), has to be filled in and deposited along with share certificates. On each share certificate, 'Surrendered for Dematerialisation' needs to be mentioned.
  3. Deface the share certificate(s) to dematerialise by writing across "Surrendered for Dematerialisation"
  4. The DP needs to process this request along with the share certificates to the Company and simultaneously to registrar and transfer agents through the depository.
  5. Once the request is approved, the share certificates in the physical form will be destroyed and a confirmation of dematerialisation will be sent to the depository.
  6. The depository will then confirm the dematerialisation of shares to the DP. Once this is done, a credit in the holding of shares will reflect in the investor's account electronically.

The process to convert physical shares into Dematerialisation form as provided herewith is just for information and knowledge of the shareholders. It is requested to study the process of Dematerialisation by contacting to your DP before initiating it.
23. The instructions for shareholders voting electronically are as under:
  - (i) The voting period begins on Tuesday, the 18th day of September, 2018 (9:00 a.m.) and ends on Friday, the 21st day of September, 2018 (5:00 p.m.). 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 Saturday, the 15th day of September, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
  - (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - (iii) Click on Shareholders.
  - (iv) 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.
  - (v) Next enter the Image Verification as displayed and Click on Login.
  - (vi) 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.

## Notice (Contd.)

(vii) 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	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	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. <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 (iv).</li> </ul>

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) 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.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN against the Company's name for which you choose to vote i.e. Rushil Decor Limited.

(xii) 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.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) 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.

(xviii) Shareholders can also use Mobile app - "m - Voting" for e voting. m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the Company resolution(s).

**(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, 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.

## Notice (Contd.)

- 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).
24. Other Instructions:
- I. A member may exercise his votes at any General Meeting by electronic means and company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015. During the e-voting period, members of the Company holding shares either in physical form or dematerialised form, as on the cut-off date i.e., Saturday, the 15th day of September, 2018 may cast their votes electronically.
  - II. The Remote e-voting period commences at Tuesday, 18th day of September, 2018 (9.00 a.m.) and ends on Friday, the 21st day of September, 2018 (5:00 p.m.). 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.
  - III. The Company has appointed CS Mihika S. Jain, Practicing Company Secretary (ACS Membership No: 35308& CP No.: 13304) as the Scrutiniser for overseeing the voting and remote e-voting process in a fair and transparent manner.
  - IV. 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	: <a href="mailto:cs@virlaminate.com">cs@virlaminate.com</a> and <a href="mailto:ipo@rushil.com">ipo@rushil.com</a>
Telephone	: (079) 61400400
Fax	: (079) 61400401

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

### FOR ITEM NO. 4:

Mr. Kaushikbhai J. Thakkar was appointed as an Executive Director of the Company for a term of 5 years w.e.f. 30th March, 2013 with the approval of shareholders in the Annual General Meeting held on 27th September, 2013. The tenure of his appointment has expired on 29th March, 2018. Mr. Kaushikbhai J. Thakkar, aged 60 years, is associated with the Company since August, 2008. He has wide experience of admin and business. He is looking after the affairs of branches and business with consignment agents. Presently he is actively providing services in Internal Control Department of the Company ensuring proper implementation of risk management policies as well as internal financial control systems of the Company. He also takes care of optimum utilisation of resources of the Company.

As the tenure of his appointment has expired on 29th March, 2018, the Board of Directors, at its meeting held on 3rd February, 2018 considered the proposal of his re-appointment and appointed him as a Whole-Time Director of the Company, subject to approval of members, for a further period of five years from 30th March, 2018 to 29th March, 2023.

It is proposed to seek members' approval for re-appointment and remuneration payable to Mr. Kaushikbhai J. Thakkar, as a Whole Time Director, in terms of applicable provisions of the Companies Act, 2013.

Detailed particulars of the terms of re-appointment of and remuneration payable to Mr. Kaushikbhai J. Thakkar are as follows:

- A) TENURE OF APPOINTMENT :** 5 years from 30th March, 2018 to 29th March, 2023
- B) NATURE OF DUTIES:** The appointee shall devote his whole time and attention for the business of the Company and particularly to look into the affairs of the manufacturing units of the Company. He may also carry out such duties as may be decided by the Board of Directors from time to time.
- C) AGGREGATE REMUNERATION:** ₹ 45,000 (Rupees Forty Five Thousand Only) per month with such periodical increments or changes as may be decided by Board of Directors from time to time on the recommendation of Remuneration Committee subject however that the aggregate remuneration on account of salary will not exceed ₹ 90,000 (Rupees Ninety Thousand Only) per month during the tenure of his appointment.

**D) BENEFITS, PERQUISITES AND OTHER ALLOWANCES:** Perquisites, Allowances, Leave Encashment and other benefits as per company's rules will be provided as may be determined by the Board from time to time and it will not be considered in aggregate remuneration.

**E) MINIMUM REMUNERATION:** In the event of inadequacy or absence of the profits of the Company in any Financial Year, Mr. Kaushikbhai J. Thakkar, shall be paid the salary and perquisites as admissible under section II of part II of schedule V of the Companies Act, 2013.

**F) OTHER TERMS OF APPOINTMENT:**

- i. The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may, in its discretion deem fit, in such manner as may be agreed to between the Board and the Appointee subject to the compliances of provisions and schedule V of the Companies Act, 2013 and other applicable laws.
- ii. All personnel policies of the Company and the related rules which are applicable to other employees and Directors of the Company will also be applicable to the Appointee, unless specifically provided otherwise.
- iii. The terms and conditions of appointment with the Appointee also include clauses pertaining to adherence with the code of conduct applicable to all Board Members and Senior Management Personnel of Rushil Decor Limited, no conflict of interest with the Company and maintenance of confidentiality.

The Nomination and Remuneration Committee has considered and recommended the re-appointment of Mr. Kaushikbhai J. Thakkar as a Whole Time Director for five years from the date of 30th March, 2018 to 29th March, 2023. The same was also approved by the Board of Directors vide their meeting held on 3rd February, 2018.

Mr. Kaushikbhai J. Thakkar will be considered as "Rotational Director" as per Section 152 of the Companies Act, 2013.

Brief resume and other details of Mr. Kaushikbhai J. Thakkar whose reappointment is proposed hereby is provided in the annexure to the Explanatory Statement attached herewith.

The terms and conditions of Re-appointment of Mr. Kaushikbhai J. Thakkar as a Whole Time Director of the

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

Company 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 Companies Act, 2013 and schedule V of the Companies Act, 2013, the re-appointment of Mr. Kaushikbhai J. Thakkar as a Whole Time Director is now being placed before the Members for their approval.

Except Mr. Kaushikbhai J. Thakkar, none of the other directors of the Company and Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the proposed Resolution.

The Board commends the resolution set out at Item No. 4 of the Notice for approval by the shareholders as an Ordinary Resolution.

By Order of the Board,  
For Rushil Decor Limited

Date: 11.08.2018  
Place: Ahmedabad

**Hasmukh K. Modi**  
*Company Secretary*

Registered Office:

S. No. 125, Nr. Kalyanpura Patia,  
Vill. 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 of the Notice:

Information as required under Regulation 36 of the SEBI (LODR) Regulations, 2015 with respect to the Appointment / Reappointment of Directors at the ensuing Annual General Meeting is as under:

<b>Particulars</b>	<b>Mr. Ghanshyambhai A. Thakkar</b>	<b>Mr. Kaushikbhai J. Thakkar</b>
<b>Director Identification Number</b>	00208843	06541630
<b>Date of Birth</b>	18.11.1943	27.03.1958
<b>Date of joining the Board</b>	08.03.2007	30.03.2013
<b>Qualification</b>	B.Sc., Diploma in Civil Engineering	Higher Secondary
<b>Nature of expertise in specific functional areas</b>	Vast Experience in General Management, Production and Purchase	Having Admin, Business experience and expertise in Internal Control functions
<b>No. of Shares held in the Company</b>	1990900	NIL
<b>Directorship and Committee Memberships held in other Companies (Other than Rushil Decor Limited)</b>	He is neither holding Directorship nor holding Committee Membership in any other Companies.	He is neither holding Directorship nor holding Committee Membership in any other Companies.
<b>Disclosure of relationships between Directors inter-se</b>	Mr. Ghanshyambhai A. Thakkar is a father of Mr. Krupeshbhai G. Thakkar (Managing Director) of the Company	He is not related to any of the Directors of the Company.

**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 Balva Cross Road and six kilometre before the Mansa Bus stand.



## Board's Report

To

The Members,

The Directors are pleased to present the 24th Annual Report of Rushil Decor Limited ("the Company") together with the audited financial statements for the year ended on 31st March, 2018.

### FINANCIAL RESULTS

Particulars	(₹ in Lakhs)	
	2017-18	2016-17
<b>Revenue from Operations</b>	<b>35,097.57</b>	<b>33,210.86</b>
<b>Profits before Interests, Depreciation, Extra-Ordinary Items &amp; Tax</b>	<b>5,919.41</b>	<b>5,106.06</b>
Less: Financial Costs	870.24	1037.10
Profit before Depreciation & Tax	5,049.17	4,068.96
Less: Depreciation & Amortisation Expenses	752.93	689.23
<b>Profit Before Tax</b>	<b>4,296.24</b>	<b>3,379.73</b>
Provision for Tax:		
Current Tax	1,051.00	722.32
Deferred Tax	147.17	168.45
<b>Profit After Tax</b>	<b>3,098.07</b>	<b>2,488.96</b>
Add: Balance of Profit Brought Forward from previous year	6,540.26	4,137.97
<b>Profit available for appropriation</b>	<b>9,638.33</b>	<b>6,626.93</b>
<b>Appropriation:</b>		
Final Dividend Paid	-	72.00
Tax on Final Dividend	-	14.66
Final Dividend Proposed	73.59	-
Tax on Final Dividend Proposed	14.98	-
Balance Carried over to the Balance Sheet	9,549.76	6,540.27
Basic & Diluted Earnings Per Share	21.30	17.28

### COMPANY'S FINANCIAL PERFORMANCE

Net revenue from operations increased to ₹ 34,351.92 Lakhs as against ₹ 30,612.04 Lakhs in the previous year showing a growth of 12.22%.

The Profit before Tax for the current year is ₹ 4,296.24 Lakhs as against ₹ 3,379.73 Lakhs in the previous year showing a growth of 27.12%.

The Profit after Tax (PAT) for the current year is ₹ 3,098.07 Lakhs as against the profit of ₹ 2,488.96 Lakhs in the previous year. The growth in PAT of current financial year is mainly driven by increase in net revenue from sales of MDF Boards and softening of input prices during the year.

There are no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year 2017-18 and the date of this Report.

### NEW PROJECTS

In view of the improving market scenario and growing demand for MDF boards, the Company is setting-up a greenfield unit for manufacturing of "Thin & Thick MDF Board

Manufacturing Facility" in Andhra Pradesh with an installed capacity of 800 CBM per day or 2,40,000 CBM per annum. The project may have capability of producing the entire range of thickness of MDF Board from 1 mm to 30 mm. This project is being set up at an approximate outlay of ₹ 341 Cr. The Company has already acquired and taken possession of the land at Atchutapuram, Dist. Vishakhapatnam, Andhra Pradesh for this purpose and development of the same is under process. Commercial production is expected to commence by the year 2020. The Company has engaged with a German contractor for the design and delivery of machinery for the production of "Thin & Thick MDF Board".

Company has started the production of New Project of WPC Board at Chikmagalur, Karnataka. It belongs to the Wood Plastic Composite board. The final Product is generally used as raw material in Furniture Industry. Presently, about 45% of the domestic demand for wood plastic composites is met through imports, which is dominated by China. So, it is huge scope to capture the market.

## BOARD'S REPORT (Contd.)

### DIVIDEND

The Directors have recommended a final dividend of ₹ 0.50 (Fifty Paise only) per equity share (5% on par value of ₹ 10/- per share) for the Financial Year ended 31st March, 2018 subject to approval of the shareholders at the ensuing AGM. The final dividend on equity shares, if approved by the members would involve a cash outflow of ₹ 88.57 Lakhs including dividend distribution tax thereon for an amount of ₹ 14.98 Lakhs. In the last year ended 31st March, 2017, total dividend declared and paid was ₹ 0.50 (Fifty Paise only) per share of ₹ 10/- each. Thus, the total dividend on equity shares for the Financial Year 2016-17 was in aggregate ₹ 86.66 Lakhs including dividend distribution tax thereon of ₹ 14.66 Lakhs.

### RESERVES

Company has not proposed any amount to be carried to General Reserves.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Mr. Ghanshyam A. Thakkar, Whole Time Director, is liable to retire by rotation at the ensuing AGM, 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 Executive Director & Whole Time Director:

Subject to the approval of the shareholders at the ensuing AGM, the Board of Directors at their meeting considered and approved the re-appointment of Mr. Kaushik J. Thakkar as the Executive Director of the Company for a period of 5 (five) years commencing from 30th March, 2018.

Appropriate resolution for the reappointment of the aforesaid director is being moved at the ensuing Annual General Meeting, which the board recommends for your approval.

#### 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. Ghanshyam 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. There has been no change in the key managerial personnel during the year.

### 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 2017-18 are set out in the Corporate Governance Report, which forms part of this Report.

### DECLARATION OF INDEPENDENCE

All Independent Directors have submitted the declarations of Independence, as required under Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and qualify to act as Independent Director of the Company.

### 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.

A separate 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 judgement, 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

## BOARD'S REPORT (Contd.)

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.

### AUDIT COMMITTEE COMPOSITION

The Audit Committee comprises of Mr. Shankar Prasad Bhagat, Independent Director as Chairman, Mrs. Jingle Thakkar, Independent Director, Mr. Kaushikbhai J. Thakkar, Executive Director and Mr. Rohitbhai B. Thakkar, Independent Director as Members.

All members of the Audit Committee are financially literate and more than one-half of the members have expertise in accounting / financial management with ability to read and understand the financial statements.

Further, as per section 177(8) of the Companies Act, 2013 there was not any single case in the financial year that any recommendation was made by the Audit Committee and the Board has not accepted it.

### 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 22 of the SEBI (LODR) Regulations, 2015. The policy provides for a framework and process whereby concerns can be raised by its directors and employees against any kind of discrimination, harassment, victimisation or any other unfair practice being adopted against them. The Policy provides adequate safeguards against victimisation 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 has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year.

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

### 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.

### 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.

### DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL

In accordance with Section 178 and other applicable provisions if any, of the Companies Act, 2013 read with the Rules framed thereunder and Regulation 19 of the SEBI (LODR) Regulations 2015, the Board of Directors formulated the Remuneration Policy of the Company on the recommendations of the Nomination and Remuneration Committee. The salient aspects covered in the Remuneration Policy, covering the policy on appointment and remuneration of Directors, key managerial personnel, employees and other matters have been outlined in the Corporate Governance Report which forms part of this Report.

### PARTICULARS OF EMPLOYEES

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.

## BOARD'S REPORT (Contd.)

The statement containing the information of the top ten employees in terms of remuneration drawn 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 top ten 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.

### SECRETARIAL AUDIT

The Secretarial Audit Report in the prescribed form no. MR – 3 for the Financial Year 2017-18 is annexed herewith as “Annexure [2]” to this Report. The Secretarial Auditor has not reported any qualification, reservation or adverse remark or disclaimer in her report.

### CORPORATE SOCIAL RESPONSIBILITY (CSR)

The CSR initiatives of the Company, during the financial year 2017-18 carried out in areas of promoting education, preventive health care and sanitation, Eradicating hunger, poverty and malnutrition (food supply), plantation activity 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 2017-18 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>.

### RELATED PARTY TRANSACTIONS

During the 2017-18, 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.

During the 2017-18, there were no transactions with related parties which can be considered as material transactions as defined under the SEBI (LODR) Regulations, 2015.

All transactions with related parties were entered with approval of the Audit Committee. The Company has obtained omnibus approvals from the Audit Committee for related party transactions which are of repetitive nature, entered in the ordinary course of business and are on arm's length basis in accordance with the provisions of Companies Act, 2013 read with the Rules issued thereunder and the SEBI (LODR) Regulations, 2015.

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

The 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 [4]” to this Report.

### 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, 2018, 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, 2018 and of the profit and loss of the Company for the financial year ended 31st March, 2018;
- (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

## BOARD'S REPORT (Contd.)

- (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.

### MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2017-18 and the date of this Report. Further, there is no any change in the nature of business of the Company.

### 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

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements. The Company has not provided any guarantees during the Financial Year.

### STATUTORY AUDITORS

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

As per the provisions of Companies (Amendment) Act, 2017, first proviso to section 139(1) of the Companies Act, 2013 is omitted. So, requirement of ratification of appointment of Auditors by the members at every AGM is dispensed with henceforth.

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 does not contain any qualification, reservation or adverse remark.

### EXTRACT OF 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 [5]".

### 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 [6].

### CORPORATE GOVERNANCE REPORT

The report on Corporate Governance along with a certificate from the Practicing Company Secretary on its compliance for the Financial Year 2017-18, as per Regulation 34(3) read with Schedule V of the SEBI (LODR) Regulations, 2015 forms part of this Annual Report and annexed to this Report.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As per requirements of Listing Regulations, a detailed review of the developments in the industry, performance of the Company, opportunities and risks, 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.

### CEO/CFO CERTIFICATION

Pursuant to Regulation 17(8) of SEBI (LODR), Regulations, 2015, the CEO and CFO of the Company have given Certificate to the Board. The CEO and the CFO also provide quarterly certification on Financial Results while placing the Financial Results before the Board in terms of Regulation 33(2)(a) of SEBI (LODR), Regulations, 2015.

### 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.

## BOARD'S REPORT (Contd.)

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.

During the Financial year 2017-18, the Company has not received any complaint of sexual harassment at workplace.

### **DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND THE COMPANY'S OPERATIONS IN FUTURE:**

There are no Significant / material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of the Company and it's operations in future.

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

### **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: 11.08.2018  
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 2017-18 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	1,05,69,278	49.44
Mr. Krupeshbhai G. Thakkar	Managing Director	1,05,58,679	49.39
Mr. Kaushikbhai J. Thakkar	Whole Time Director	4,79,784	2.24

- 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 ₹ 2,38,059/- per annum for the financial year 2017-18.
- The aforesaid details are calculated on the basis of remuneration for the financial year 2017-18.

#### B. Details of percentage increase in the remuneration of each Director, Chief Executive Officer, Chief Financial Officer & Company Secretary in the financial year 2017-18 is as follows:

(Amount in ₹)

Name of Director	Designation	Remuneration (in ₹)		Increase(%)
		2017-18	2016-17	
Mr. Ghanshyambhai A. Thakkar	Whole Time Director	1,05,69,278	85,88,309	23.07
Mr. Krupeshbhai G. Thakkar	Managing Director	1,05,58,679	85,63,222	23.30
Mr. Kaushikbhai J. Thakkar	Whole Time Director	4,79,784	4,10,277	16.94
Mr. Keyur M. Gajjar	CEO	50,49,658	37,91,312	33.19
Mr. Vipul S. Vora	CFO	33,26,728	28,50,764	16.70
Mr. Hasmukh K. Modi	CS	15,48,151	13,25,005	16.84

#### Notes:

- 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 2017-18:** 11.36%

**D. Number of permanent employees on the rolls of the Company as on 31st March, 2018:** 411 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 including KMP is increased by 23.52% in 2017-18 compared to 2016-17. While Average salary of all employees other than KMP is increased by 13.31% in 2017-18 compared to 2016-17.

Percentage increase in Remuneration of Managerial Personnel at 23.52% is mainly due to change in salary structure of Managing Director and Whole time Director from the 2017-18 vide Special Resolution passed in the Annual General Meeting held on 23.09.2017.

#### 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

### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st March, 2018

[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

Rushil House, Nr. Neelkanth Green Bungalow,  
Off. SindhuBhavan Road,  
Shilaj, Ahmedabad-380058

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.

On the Basis of my verification of the Secretarial Compliance and on the basis of Secretarial audit of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and as shown to me during the said audit and also based on the information provided by the Company, its officers, agents and authorised 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, 2018 complied with the statutory provisions listed hereunder and also that the Company has adequate Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the secretarial compliance based on books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 and as shown to me during my audit, according to the provisions of following Laws:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (iii) Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (v) 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;
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (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;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR")
- (vii) 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

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



## Annexure [2] TO BOARD'S REPORT (Contd.)

### We further confirm that:

1. Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, Woman Director. There was no change in the composition of the Board of Directors during the period under review.
2. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.
3. There is adequate compliance management system for the purpose of other laws.
4. Decisions at the Board Meetings and Committee Meetings, as represented by the management, were taken unanimously.
5. 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.
6. 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:
  - a) During the year, Company has allotted and issued 3,17,460 Equity Shares upon conversion of 3,17,460 convertible warrants issued on preferential basis. The said securities had been issued at the price of ₹ 630/- per warrant (Including premium of ₹ 620/-).
  - b) During the Financial year Company has commenced the production of a new product called "PVC Board" at Chikmagalur, Karnataka in January, 2018.
  - c) Company is in the process to establish new "Thin and Thick MDF" project having value of Appx. ₹ 341 Cr at Atchutapuram, Dist. Vishakhapatnam in the state of Andhra Pradesh. As informed by the Management, the commercial production of the said project will start in the month of April, 2020.

**Mihika S. Jain**  
Date: 11.08.2018 ACS No: 35308  
Place: Ahmedabad CP No: 13304

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 A

To,  
The Members,  
Rushil Decor Limited  
Rushil House, Nr. Neelkanth Green Bungalow,  
Off. Sindhu Bhavan Road,  
Shilaj, Ahmedabad-380058

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.

Date: 11.08.2018  
Place: Ahmedabad

**Mihika S. Jain**  
ACS No: 35308  
CP No: 13304

## 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 of the CSR Committee:

The composition of the CSR Committee as on 31st March, 2018 is as follows:

Name of the Member	Position in Committee	Nature of Directorship
Mr. Ghanshyam A. Thakkar	Chairman	Whole time Director
Mr. Krupesh G. Thakkar	Member	Managing Director
Mr. Shankar Prasad Bhagat	Member	Independent Director

Mr. Hasmukh K. Modi, Company Secretary, acts as Secretary to the CSR Committee.

#### 3. Average Net Profit of the Company for the last three financial years: ₹ 20,29,94,957.00

#### 4. Prescribed CSR expenditure (2% of this amount as in Sr. No. 3 above): ₹ 40,59,899/-

However, The actual amount spent by the Company is ₹ 69,48,893/-

#### 5. Details of CSR spend for the financial year:

- Total amount to be spent for the financial year: ₹ 40,59,899/-
- Actual amount spent for the financial year: ₹ 69,48,893/-
- Amount unspent, if any: NIL
- Extra amount spent for the financial year: ₹ 28,88,994/-
- 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.	5.00	5.94	5.94	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, clear drinking water etc.	Cl. (i) Eradicating hunger, poverty and malnutrition	(1) At Mansa, Dist.-Gandhinagar, Gujarat, and (2) At city & district - Ahmedabad, Gujarat.	5.09	6.99	6.99	Direct and through implementing agency
3	Providing medical helps	Cl. (i) promoting health care including preventive health care	(1) At Mansa, Dist.-Gandhinagar, Gujarat, and (2) At city & district - Ahmedabad, Gujarat.	25.00	53.05	53.05	Direct and through implementing agency
4	Old age Facility	Cl. (iii) setting up old age homes and such other facilities for senior citizens	At Ahmedabad, Gujarat	2.00	0.14	0.14	Through implementing agency
5	Animal Welfare	Cl. (iv) animal welfare	At Ahmedabad, Gujarat	1.50	0.16	0.16	Through implementing agency
6	Plantation activity	Cl. (iv) Environment sustainability	At Chikmagalur, Karnataka	1.50	3.00	3.00	Direct
7	Activities for Welfare of armed forces	Cl. (vi) Measures for the benefit of armed forces	Directorate, Sainik Welfare And Resettlement, Gujarat State Ahmedabad	0.50	0.21	0.21	Direct
<b>TOTAL</b>				<b>40.59</b>	<b>69.49</b>	<b>69.49</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 four 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.

**(Krupesh G. Thakkar)**  
Managing Director

**(Ghanshyambhai A. Thakkar)**  
Chairman of CSR Committee

Date: 11.08.2018  
Place: Ahmedabad

## Annexure [4] 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 or 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

Date: 11.08.2018  
Place: Ahmedabad

(Ghanshyambhai A. Thakkar)  
Chairman  
(DIN: 00208843)

## Annexure [5] to Board's Report

**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**As on the financial year ended on 31.03.2018**

[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	Public Company / Limited by shares
v)	Address of the Registered office and contact details	S. No. 125, Near Kalyanpura Patia, Village Itla, Gandhinagar-Mansa Road, Taluka Kalol, Dist.: Gandhinagar, Gujarat – 382845. Tel: (079) 61400400 Fax: (079) 61400401
vi)	Whether listed company	Yes / No
	Details of the Stock Exchanges where shares are listed	
	Sr. Name of Stock Exchange No.	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 Private Limited 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059 Maharashtra 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 [5] 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	% to total turnover of the Company
1	Laminated Sheets and other allied items	1709	51.18%
2	Medium Density Fiber Board	1621	48.70%

### 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 01.04.2017)				No. of Shares held at the end of the year (As on 31.03.2018)				% 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	41.98	6045914	0	6045914	41.08	(0.90)
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	12.82	1845770	0	1845770	12.54	(0.28)
<b>Sub-total (A) (1):-</b>	<b>7891684</b>	<b>0</b>	<b>7891684</b>	<b>54.80</b>	<b>7891684</b>	<b>0</b>	<b>7891684</b>	<b>53.62</b>	<b>(1.18)</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>54.80</b>	<b>7891684</b>	<b>0</b>	<b>7891684</b>	<b>53.62</b>	<b>(1.18)</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	2032	0	2032	0.01	3775	0	3775	0.03	0.02
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	170167	0	170167	1.18	170167	0	170167	1.16	(0.02)
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify) (Foreign Portfolio Investor)	475554	0	475554	3.30	2093066	0	2093066	14.22	10.92
<b>Sub-total (B)(1):-</b>	<b>647753</b>	<b>0</b>	<b>647753</b>	<b>4.50</b>	<b>2267008</b>	<b>0</b>	<b>2267008</b>	<b>15.40</b>	<b>10.90</b>
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	3971493	0	3971493	27.58	2310472	0	2310472	15.70	(11.88)
ii) Overseas	0	0	0	0	0	0	175000	1.19	1.19
b) Individuals									

## Annexure [5] to Board's Report (Contd.)

Category of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2017)				No. of Shares held at the end of the year (As on 31.03.2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
i) Individual shareholders holding nominal share capital upto 1 lakh	381871	5	381876	2.65	365198	5	365203	2.48	(0.17)
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	1292577	0	1292577	8.98	921168	0	921168	6.26	(2.72)
c) Others (specify) (Partnership Firm)	0	0	0	0	317460	0	317460	2.16	2.16
Clearing Members	199619	0	199619	1.39	357399	0	357399	2.43	1.04
NRI	4232	0	4232	0.03	520	0	520	0.00	(0.03)
NRI (REPAT)	182	0	182	0.00	39730	0	39730	0.27	0.27
NRI (NON REPAT)	10481	0	10481	0.07	71701	0	71701	0.49	0.42
Corporate Body NBFC	103	0	103	0.00	115	0	115	0.00	0
<b>Sub-total (B)(2):-</b>	<b>5860558</b>	<b>5</b>	<b>5860563</b>	<b>40.70</b>	<b>4558763</b>	<b>5</b>	<b>4558768</b>	<b>30.98</b>	<b>(9.72)</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>6508311</b>	<b>5</b>	<b>6508316</b>	<b>45.20</b>	<b>6825771</b>	<b>5</b>	<b>6825776</b>	<b>46.38</b>	<b>1.18</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>14399995</b>	<b>5</b>	<b>14400000</b>	<b>100</b>	<b>14717455</b>	<b>5</b>	<b>14717460</b>	<b>100.00</b>	<b>0</b>

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

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year (As on 01.04.2017)			Shareholding at the end of the year (As on 31.03.2018)			% 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	13.83	0	1990900	13.53	0	(0.30)
2	KRUPESH GHANSHYAMBHAI THAKKAR AND GHANSHYAMBHAI AMBALAL THAKKAR REPRE. RUSHIL INTERNATIONAL (PARTNERSHIP FIRM)	1845770	12.82	0	1845770	12.54	0	(0.28)
3	KRUPESH GHANSHYAMBHAI THAKKAR	1542484	10.71	0	1542484	10.48	0	(0.23)
4	KRUPESH G. THAKKAR KARTA OF KRUPESH GHANSHYAMBHAI THAKKAR (HUF)	1389693	9.65	0	1389693	9.44	0	(0.21)
5	KRUPA KRUPESH THAKKAR	282415	1.96	0	282415	1.92	0	(0.04)
6	GHANSHYAMBHAI A. THAKKAR KARTA OF GHANSHYAMBHAI AMBALAL THAKKAR (HUF)	385382	2.68	0	385382	2.62	0	(0.06)
7	DINUBEN GHANSHYAMBHAI THAKKAR	246516	1.71	0	246516	1.67	0	(0.04)
8	RUSHIL KRUPESH THAKKAR	208524	1.45	0	208524	1.42	0	(0.03)
<b>Total</b>		<b>7891684</b>	<b>54.80</b>	<b>0</b>	<b>7891684</b>	<b>53.62</b>	<b>0</b>	<b>(1.18)</b>



## Annexure [5] to Board's Report (Contd.)

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

Particulars	Shareholding at the beginning of the year (As on 01-04-2017)		Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	7891684	54.80		
Date wise Increase / Decrease in Promotes shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	--	--	Note-1	
At the end of the year	7891684	53.62		

**Note: 1.** The Change in Promoters and Promoter Groups' Shareholding in % of total shares of the Company between 01-04-2017 and 31-03-2018 is on account of 3,17,460 new Equity Shares allotted on conversion of 3,17,460 Convertible Warrants into Equal number of Equity shares as issued earlier on preferential basis to person covered under Public Category.

### (iv) Share holding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total Shares of the Company Shares				No. of Shares	% of total shares of the Company
1	ELARA INDIA OPPORTUNITIES FUND LIMITED	No. of Shares at the Beginning of the Year		01/04/2017	--	--	--	--
				05/05/2017	100000	Purchase	100000	0.68
				12/05/2017	50000	Purchase	150000	1.03
				19/05/2017	140000	Purchase	290000	1.98
				26/05/2017	115000	Purchase	405000	2.77
				02/06/2017	71200	Purchase	476200	3.26
				21/07/2017	20000	Purchase	496200	3.40
				29/09/2017	54000	Purchase	550200	3.77
				13/10/2017	36000	Purchase	586200	4.01
				08/12/2017	(36000)	Sale	550200	3.77
		No. of Shares at the End of the Year		31/03/2018	--	--	550200	3.74
2.	ANAND RATHI GLOBAL FINANCE LIMITED	No. of Shares at the Beginning of the Year		01/04/2017	--	--	701350	4.87
				28/07/2017	(7500)	Sale	693850	4.75
				04/08/2017	(4000)	Sale	689850	4.72
				27/10/2017	(10000)	Sale	679850	4.65
				03/11/2017	(3600)	Sale	676250	4.63
				10/11/2017	(3900)	Sale	672350	4.60
				17/11/2017	(300)	Sale	672050	4.60
				24/11/2017	(6500)	Sale	665550	4.55
				01/12/2017	(11500)	Sale	654050	4.48
				08/12/2017	(17500)	Sale	636550	4.36
				12/01/2018	(24331)	Sale	612219	4.19

## Annexure [5] to Board's Report (Contd.)

Sl. No.	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total Shares of the Company Shares				No. of Shares	% of total shares of the Company
				19/01/2018	(42200)	Sale	570019	3.90
				09/02/2018	(1223)	Sale	568796	3.89
				16/02/2018	(4500)	Sale	564296	3.83
				23/02/2018	(18475)	Sale	545821	3.71
				23/03/2018	(10216)	Sale	535605	3.64
		No. of Shares at the End of the Year		31/03/2018	--	--	<b>535605</b>	<b>3.64</b>
3.	TIRTHANKAR SHARES AND SERVICES PRIVATE LIMITED	No. of Shares at the Beginning of the Year		01/04/2017	62800	--	62800	0.43
				09/02/2018	441300	Purchase	504100	3.45
		No. of Shares at the End of the Year		31/03/2018	--	--	<b>504100</b>	<b>3.43</b>
4.	ASPIRE EMERGING FUND	No. of Shares at the Beginning of the Year		01/04/2017	--	--	--	--
				08/12/2017	78500	Purchase	78500	0.54
				29/12/2017	198000	Purchase	276500	1.89
				26/01/2018	25000	Purchase	301500	2.06
				02/02/2018	80000	Purchase	381500	2.61
				16/02/2018	110000	Purchase	491500	3.34
				16/03/2018	(13000)	Sale	478500	3.25
		No. of Shares at the End of the Year		31/03/2018	0	Sale	478500	3.25
5.	VESPERA FUND LIMITED	No. of Shares at the Beginning of the Year		01/04/2017	--	--	--	--
				12/05/2017	100000	Purchase	100000	0.68
				26/05/2017	155000	Purchase	255000	1.75
				23/06/2017	40500	Purchase	295500	2.02
				07/07/2017	42000	Purchase	337500	2.31
				21/07/2017	10000	Purchase	347500	2.38
				12/01/2018	(10000)	Sale	337500	2.31
		No. of Shares at the End of the Year		31/03/2018	--	--	337500	2.29
6.	SHRIRAM CREDIT COMPANY LIMITED	No. of Shares at the Beginning of the Year		01/04/2017	--	--	689819	4.72
				28/04/2017	(2000)	Sale	687819	4.71
				19/05/2017	(2000)	Sale	685819	4.69
				26/05/2017	(10713)	Sale	675106	4.62
				02/06/2017	(37700)	Sale	637406	4.36
				04/08/2017	(7307)	Sale	630099	4.31
				22/09/2017	(10000)	Sale	620099	4.24
				13/10/2017	(133668)	Sale	486431	3.33
				20/10/2017	(4208)	Sale	482223	3.30

**Annexure [5] to Board's Report (Contd.)**

Sl. No.	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total Shares of the Company Shares				No. of Shares	% of total shares of the Company
				27/10/2017	(2070)	Sale	480153	3.29
				08/12/2017	30677	Purchase	510830	3.50
				15/12/2017	(70000)	Sale	440830	3.02
				22/12/2017	(9000)	Sale	431830	2.96
				05/01/2018	(17346)	Sale	414484	2.84
				12/01/2018	(40082)	Sale	374402	2.56
				19/01/2018	(99957)	Sale	274445	1.88
		No. of Shares at the End of the Year		31/03/2018	--	--	<b>274445</b>	1.86
7.	SHRIRAM INSIGHT SHARE BROKERS LIMITED	No. of Shares at the Beginning of the Year		01/04/2017	--	--	<b>452736</b>	3.10
				14/04/2017	(5049)	Sale	447687	3.06
				21/04/2017	170140	Purchase	617827	4.23
				28/04/2017	(88377)	Sale	529450	3.62
				05/05/2017	(45638)	Sale	483812	3.31
				12/05/2017	(58079)	Sale	425733	2.91
				19/05/2017	(85119)	Sale	340614	2.33
				26/05/2017	(71268)	Sale	269346	1.84
				02/06/2017	(43818)	Sale	225528	1.54
				09/06/2017	33423	Purchase	258951	1.77
				16/06/2017	1502	Purchase	260453	1.78
				23/06/2017	10604	Purchase	271057	1.86
				30/06/2017	200	Purchase	271257	1.86
				07/07/2017	16372	Purchase	287629	1.97
				14/07/2017	27193	Purchase	314822	2.15
				21/07/2017	88442	Purchase	403264	2.76
				28/07/2017	(1132)	Sale	402132	2.75
				04/08/2017	7581	Purchase	409713	2.80
				25/08/2017	6444	Purchase	416157	2.85
				01/09/2017	(3)	Sale	416154	2.85
				15/09/2017	5	Purchase	416159	2.85
				22/09/2017	9228	Purchase	425387	2.91
				29/09/2017	(294)	Sale	425093	2.91
				06/10/2017	(20)	Sale	425073	2.91
				13/10/2017	97872	Purchase	522945	3.58
				20/10/2017	(50833)	Sale	472112	3.23
				27/10/2017	16151	Purchase	488263	3.34
				10/11/2017	50	Purchase	488313	3.34
				17/11/2017	732	Purchase	489045	3.35
				24/11/2017	(1484)	Sale	487561	3.34
				01/12/2017	(298)	Sale	487263	3.33
				08/12/2017	(40196)	Sale	447067	3.06
				15/12/2017	78932	Purchase	525999	3.60

## Annexure [5] to Board's Report (Contd.)

Sl. No.	Shareholder's Name	Shareholding		Date	Increase/ (Decrease) in shareholding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total Shares of the Company Shares				No. of Shares	% of total shares of the Company
				22/12/2017	47080	Purchase	573079	3.92
				29/12/2017	(219282)	Sale	353797	2.42
				05/01/2018	(35711)	Sale	318086	2.18
				12/01/2018	20851	Purchase	338937	2.32
				19/01/2018	34461	Purchase	373398	2.56
				26/01/2018	24411	Purchase	397809	2.72
				02/02/2018	4070	Purchase	401879	2.75
				09/02/2018	17147	Purchase	419026	2.87
				16/02/2018	21569	Purchase	440595	2.99
				23/02/2018	(28429)	Sale	412166	2.80
				09/03/2018	12547	Purchase	424713	2.89
				16/03/2018	(3317)	Sale	421396	2.86
				23/03/2018	12955	Purchase	434351	2.95
				30/03/2018	26855	Purchase	461206	3.13
		No. of Shares at the End of the Year		31/03/2018	--	--	461206	3.13
8.	GIRABEN ATULBHAI SHAH	No. of Shares at the Beginning of the Year		01/04/2017	--	--	344438	2.36
				30/06/2017	35447	Purchase	379885	2.60
				07/07/2017	7516	Purchase	387401	2.65
				14/07/2017	(64000)	Sale	323401	2.21
				28/07/2017	(6000)	Sale	317401	2.17
				16/09/2017	20289	Purchase	337690	2.31
				29/09/2017	3734	Purchase	341424	2.34
				22/12/2017	63475	Purchase	404899	2.77
				05/01/2018	(11000)	Sale	393899	2.70
				12/01/2018	(80000)	Sale	313899	2.15
				16/02/2018	(60000)	Sale	253899	1.73
		No. of Shares at the End of the Year		31/03/2018	--	--	253899	1.73
9.	DAVOS INTERNATIONAL FUND	No. of Shares at the Beginning of the Year		01/04/2017	--	--	190000	1.30
				29/12/2017	52000	Purchase	242000	1.66
		No. of Shares at the End of the Year		31/03/2018	--	--	242000	1.64
10.	SURYAKANT HIRALAL PARIKH	No. of Shares at the Beginning of the Year		01/04/2017	--	--	--	--
				28/07/2017	106666	Allotment	106666	0.73
				19/01/2018	105820	Allotment	212486	1.45
				15/02/2018	104974	Allotment	317460	2.16
		No. of Shares at the End of the Year		31/03/2018	--	--	317460	2.16

## Annexure [5] to Board's Report (Contd.)

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

Sr. No.	Name	Shareholding		Date	Increase/ (Decrease) in share holding	Reason	Cumulative Shareholding during the year (01.04.2017 to 31.03.2018)	
		No. of Shares at the beginning (01.04.2017)/ end of the year (31.03.2018)	% of total Shares of the Company				No. of Shares	% of total shares of the Company
1	GHANSHYAMBHAI AMBALAL THAKKAR	1990900	13.83	01.04.2017	0	Nil Transaction during the year.	1990900	13.53*
		1990900	13.53*	31.03.2018				
2	KRUPESH GHANSHYAMBHAI THAKKAR	1542484	10.71	01.04.2017	0	Nil Transaction during the year.	1542484	10.48*
		1542484	10.48*	31.03.2018				
3	SHANKAR PRASAD BHAGAT	0	0	01.04.2017	0	No Holding and Movement during the year	0	0
		0	0	31.03.2018				
4	ROHITBHAI BHAILALBHAI THAKKAR	0	0	01.04.2017	0	No Holding and Movement during the year	0	0
		0	0	31.03.2018				
5	KAUSHIKBHAI JAYKRISHNABHAI THAKKAR	0	0	01.04.2017	0	No Holding and Movement during the year	0	0
		0	0	31.03.2018				
6	JINGLE PIYUSH THAKKAR	0	0	01.04.2017	0	No Holding and Movement during the year	0	0
		0	0	31.03.2018				
<b>Key Managerial Personnel:</b>								
1	KEYUR MOHANBHAI GAJJAR	0	0	01.04.2017	0	No Holding and Movement during the year	0	0
		0	0	31.03.2018				
2	VIPUL SHANTILAL VORA	0	0	01.04.2017	0	No Holding and Movement during the year	0	0
		0	0	31.03.2018				
3	HASMUKH KANUBHAI MODI	1	--	01.04.2017	--	--	1	0
		1	--	31.03.2018				

**Note:** The Change in Directors' and KMPs' Shareholding in % of total shares of the Company between 01-04-2017 and 31-03-2018 is on account of allotment of 3,17,460 new Equity Shares allotted on conversion of 3,17,460 Convertible Warrants into Equal number of Equity shares as issued earlier on preferential basis to person covered under Public Category.

### 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 01.04.2017)</b>				
i) Principal Amount	8,595.83	690.73	0.00	9,286.56
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	16.48	0.00	0.00	16.48
<b>Total (i+ii+iii)</b>	<b>8,612.31</b>	<b>690.73</b>	<b>0.00</b>	<b>9,303.04</b>
<b>Change in Indebtedness during the financial year (during the 2017-18)</b>				
Addition	66,407.31	2,589.17	0.00	68,996.48
Reduction	65,032.19	3,155.85	0.00	68,188.04
<b>Net Change</b>	<b>1,375.13</b>	<b>(566.68)</b>	<b>0.00</b>	<b>808.45</b>
<b>Indebtedness at the end of the financial year (as on 31.03.2018)</b>				
i) Principal Amount	9,978.36	124.05	0.00	10,102.41
ii) Interest due but not paid	0	0	0.00	0
iii) Interest accrued but not due	9.08	0	0.00	9.08
<b>Total (i+ii+iii)</b>	<b>9,987.44</b>	<b>124.05</b>	<b>0.00</b>	<b>10,111.49</b>

## Annexure [5] to Board's Report (Contd.)

### 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	
1.	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,05,58,679	1,05,69,278	4,79,784	2,16,07,741
	(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>		<b>1,05,58,679</b>	<b>1,05,69,278</b>	<b>4,79,784</b>	<b>2,16,07,741</b>
	<b>Ceiling as per the Act</b>	₹ 4,29,62,395/- being 10% of the Net profits of the Company calculated as per Section 198 of the Companies Act, 2013			

#### 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	25,000	25,000	25,000	75,000
	• Commission	--	--	--	--
	• Others, please specify	--	--	--	--
<b>Total (1)</b>		<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>75,000</b>
2.	Other Non-Executive Directors				
	• Fee for attending board / committee meetings	--	--	--	--
	• Commission	--	--	--	--
	• Others, please specify	--	--	--	--
<b>Total (2)</b>					
<b>Total (B)=(1+2)</b>		<b>25,000</b>	<b>25,000</b>	<b>25,000</b>	<b>75,000</b>
<b>Total Managerial Remuneration</b>					<b>2,16,82,741</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. ₹ 4,72,58,635/-. Non-Executive Directors: 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013 i.e. ₹ 42,96,239/-			

**Annexure [5] to Board's Report (Contd.)**
**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)	
<b>1.</b>	<b>Gross salary</b>				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	50,49,658	15,48,151	33,26,728	99,24,537
	(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	--	--	--	--
<b>2.</b>	<b>Stock Option</b>	--	--	--	--
<b>3.</b>	<b>Sweat Equity</b>	--	--	--	--
<b>4.</b>	<b>Commission</b>	--	--	--	--
	- as % of profit				
<b>5.</b>	<b>Others, please specify</b>	--	--	--	--
<b>Total</b>		<b>50,49,658</b>	<b>15,48,151</b>	<b>33,26,728</b>	<b>99,24,537</b>

**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.</b>	<b>COMPANY</b>				
			-----NONE-----		
<b>B.</b>	<b>DIRECTORS</b>				
			-----NONE-----		
<b>C.</b>	<b>OTHER OFFICERS IN DEFAULT</b>				
			-----NONE-----		

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

### 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 utilising alternate sources of energy:

1. Company has introduced VFD for the following equipments at the MDF Board manufacturing plant of the Company at Chikmagalur, Karnataka.
  - 2 Nos. screw conveyor motors (4 KW Refiner Area)
  - 1 No Pneumatic transfer fan (132 KW Refiner Area)

On introduction of VFD, Company made saving in energy cost at some level by reducing the power consumption of Approximately 75,000 units per year.

2. During the Financial Year 2017-18, Company purchased 71,59,820 units by open access power through INDIAN ENERGY EXCHANGE, which resulted into reduction of the power cost of Approximately ₹ 0.60 per unit.
3. On the regular basis, Company is doing check in the electricity distribution network for safe and efficient performance.
4. The Company is doing on Regular basis Preventive and corrective maintenance of machines as proactive measures to optimise energy usage and available time of machines.
5. At boiler area location in Laminate Plant, introduction of VFD in boiler panels for motors has resulted into reduction in electricity consumption and lower maintenance cost of motor and blower.
6. Introduction of Air Operated Double Diaphragm pump, for transporting chemical to process which resulted into Wastage control of chemical & prevention of spillage of chemical on ground. Replacement of Modern technology pump has also resulted into electricity savings.
7. Installation of energy efficient LED lightning inside plant premises and making fool proofing system of entire plant outdoor lighting system resulted in energy saving.

8. 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.
9. Replacement of reciprocating compressor with screw compressor inside the plant which resulted into reduction of electricity consumption.
10. Company has also modified / propose to modify the following processes or techniques which are useful in energy saving:
  - Increase in chipper machine speed which resulted into reduction of chipper operation hours which ultimately resulted into energy saving of Approximately 32,000 KWH per year.
  - Installation of additional air bottles in compressed air system for better utilisation of compressed air.

##### (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 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.
2. Company increased the cooking time of chip bin & digester. It also modified the wax dosing system & fibre discharge system from refiner according to raw material which resulted into improvement of quality of fibre used in process and overall quality of the products.
3. Company replaced the old softener in the boiler system by Installation of new RO plant having 10 KL per hour capacity. This



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

has resulted into increase in boiler water tube life as well as improvement of steam quantity and quality. Company is saving Approximately 10 KL of water and 3 ton of fuel per day due to lower blow down of water used in manufacturing process.

4. Development of new products, design, concept and processes at regular intervals.
5. Company on continuous basis upgrades the chemical formula, new and alternate Raw Material consumption etc. for better quality and cost effectiveness.
6. The Company on an on-going basis interacts with markets, for technical expertise for our industry.
7. Company has undertaken in house R&D activities to improve the quantity and quality of products.
8. Upgradation of handling system of hot press machine with latest technology which resulted into saving in production loss and increase in productivity.
9. 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:
  - Installation of automatic printing machine for MDF Boards
  - Installation of new VFD's for vacuum fan, Mat reject fan, oil circulation pump etc.
  - Installation of new dosing system at glue kitchen for reduction of consumption of resin and wax.

- Installation of stationary type pal-finger equipment at chipper in feed system for smooth feeding of wood to chipper machine for improvement of performance of chipper machine.

**(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 2017-18 was ₹ 101.09 Cr (equivalent value of various currencies).

Foreign exchange outgo in terms of actual outflows during the Financial Year 2017-18 was ₹ 62.88 Cr (equivalent value of various currencies).

# Management Discussion and Analysis

## 1) OVERVIEW OF INDIAN ECONOMY

The Indian economy emerged as the fastest growing economy in the world with the GDP growth rate of 6.7% for the year 2017-18. Increase in industrial production, pick up in private investments & consumption, and a good monsoon are the supporting stones of the growth revival. Further the country has recovered from the temporary transitional effect caused by GST implementation and the demonetisation.

During the year number of crucial structural initiatives were taken to develop a stable macro-economic platform. The implementation of Real Estate Regulatory Authority (RERA) Act was one of the structural initiatives which has been a major step towards formalisation of the economy. Besides, rise in the industrial production, stock market index, auto sales and exports, gave a clear vision of the country's recovery. The Index of Industrial Production (IIP) rose by / marked a growth of 3.7% in April-December, 2017 and the Industrial output grew by 7.1% in December, 2017.

Ministry of Housing & Urban Affairs has approved the construction of 3,21,567 more affordable houses across 523 cities for the benefit of urban poor under Pradhan Mantri Awas Yojana (Urban) with an investment of ₹ 18,203 Cr with central assistance of ₹ 4,752 Cr. Prime Minister's Employment Generation Programme (PMEGP) will be continued with an outlay of ₹ 5,500 Cr for three years from 2017-18 to 2019-20, according to the Cabinet Committee on Economic Affairs (CCEA).

Currently, India is the world's seventh-largest economy at US\$ 2.2 Tn of GDP. The recent Government commitment to inject sizeable capital into the banking sector and increasing farmers' incomes is likely to play a crucial role in boosting GDP growth rate to over 7.5% in 2018-19. India's GDP is expected to reach US\$ 6 Tn by the year 2027 as per Morgan Stanley Report and achieve upper-middle income status on the back of digitalization, globalisation, favourable demographics, with rapid increasing reforms.

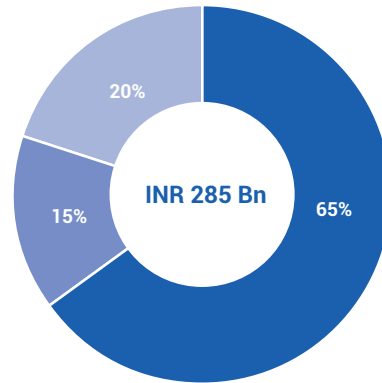
(Source: Economic Times, CNBC, IBEF)

## 2) INDUSTRY STRUCTURE AND DEVELOPMENT

The size of Indian wood panel industry is estimated to be approximately ₹ 285 Bn. Traditionally the industry has largely remained unorganised due to poor technical know-how and skill set required. However, the pattern has gradually changed over the last few years as the organised players have grown at a faster rate at 12% - 15% as against industry growth rate of 5% - 7%, capturing the market share from unorganised players. New construction activities drive 85% to 90% of demand in the sector while the balance comes from renovation and replacement.

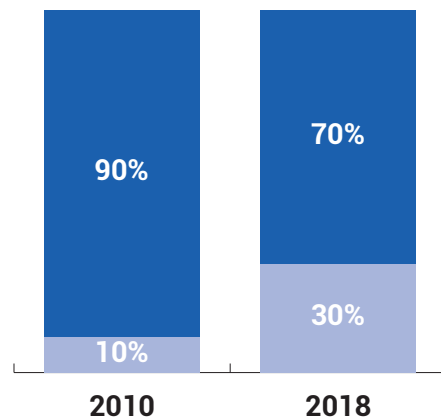
(Source: Money Control)

Indian Wood Panel Industry



■ Plywood ■ Fibreboard ■ Decorative Products

Indian Plywood Market



■ Unorganised ■ Organised  
(Source: Money Control)

### LAMINATES PRODUCTS

Decorative laminates is an attractive, appealing and safe way to keep the interior beautiful and to safeguard furniture from wear and tear and the risk of fire. It is generally used as furniture surface materials or wall panelling. Decorative laminates usually increase the life span of surfaces and give them an attractive finish. Decorative laminates are available in a broad range of colours, designs, and textures to meet the specifications of various end users. Decorative laminates are basically of three types: high-pressure laminates, low-pressure laminates and edge banding. High-pressure laminates are high-priced and more durable, whereas low-pressure laminates are low-cost. Edge banding is generally used to smooth the exposed edges of surfaces including MDF and plywood. The basic raw materials required for manufacturing of decorative laminates include kraft paper, tissue paper, base paper, melamine, methanol, phenol and formaldehyde.

## Management Discussion and Analysis (Contd.)

Present market size of Indian Laminate Industry is around ₹ 52 Bn, out of which organised sector share is around 40%, the balance being share of unorganised sector players. The industry is presently growing in a modest fashion matching with the growth in the overall home furniture segment.

### MEDIUM DENSITY FIBRE (MDF) BOARD

Medium-density fibre board (MDF) is an engineered wood product created by breaking down softwood into wood fibres, often in a defibrator, combining it with wax and resin, and forming panels by applying high pressure at high temperature. It is a building material similar in application to plywood but made up of separated fibres. The advantage of MDF is that it is denser than normal particle board, 50% cheaper than plywood, and it can be easily moulded, machined, painted and its weight is much less than that of plywood making it user friendly.

Globally, MDF market has grown approx. 11 times over the past couple of decades with a CAGR of 13%, forming 65% of the total plywood and MDF consumption. Whereas, in India the market has grown by 20% over the past five years forming just 6% of the total plywood and MDF consumption.

(Source: Investment Imperative)

### 3) OPPORTUNITIES AND THREATS

#### OPPORTUNITIES:

- **Brand Image:** The Company has maintained good brand image and quality products in the Indian as well as international market. The Company's premium brands such as "VIR Laminates", 'Signor' and 'VIR MDF' are well known in the market because they continuously live upto brand image of comfort, quality and style.
- **Wide product range:** The Company has around 1100+ designs and 120+ Textures in laminated sheet, which gives it unmatched competitive superiority over its competitors. Company remains eager in providing latest designs and products to its customers. The Company continuously strive towards expanding its product ranges.
- **Expansion of Market Network:** The Company continues to expand its marketing networks, by appointing Consignment Agent, branches, distributors, dealers etc. in various states across India.
- **MDF Market Growth:** The MDF market in India is 100% organised as this segment poses an entry barrier in terms of high capital investments. MDF is commonly used as a substitute for low to medium quality plywood as it is 40% to 50% cheaper. Further, it is also resistant to moisture and can be easily moulded & machined for

furniture applications. There exists a huge scope for import substitution as 30-35% of the demand in India is met through imports.

- **Government Policy:** Government policy plays a crucial role in growth and development of overall economy and sector wise performance of the economy. During the year the government has introduced two major policy reforms i.e. implementation of Goods and Service Tax (GST) and Real Estate Regulatory Act (RERA). This policy reforms have positively impacted the company because they aid the organised players to grow.
- **Housing for All:** Central Government is aiming to provide housing for every Indian family by 2022. The scheme results in increase in demand for housing related industries including furniture.

#### THREATS:

- **High Competition:** The wood panel Industry has entered into the era of the high competition, due to rise in awareness about the industry, leading to entrance of large number of unorganised players. Competition from both unorganised and organised players, leads to difficulties in improving market share. Additionally, foreign manufacturers play an important role in increasing competition.
- **Manpower:** One of the common problem faced by every company is finding talent with competence or even skilled manpower for the wood-based panel industries irrespective of the company brand or size in this competitive era.
- **Raw Material:** The wood-based panel industries is dependent on natural forests for their raw material requirement. It generally requires eucalyptus, silver oak, poplar etc as raw material and short supply of the same leads to rise in price of raw materials.
- **New Entrance:** More and more new organised players are entering into market which leads to rise in competition in organised sector also.

### 4) SEGMENT-WISE / PRODUCT-WISE PERFORMANCE:

#### LAMINATES & ALLIED PRODUCTS:

Despite intense competition in laminate segment from organised and unorganised sector, the Company has performed well by effective planning, use of appropriate market strategy and improving quality of product with reasonable price. Major policy changes such as GST and RERA implementation has not adversely impacted the sales of the Company. The total revenue of laminate segment was ₹ 181.33 Cr in the year 2017-18 as compared to ₹ 177.22 Cr in the year 2016-17. The Company has introduced unique marketing strategy to maintain the sales. The Profit before Interest and Taxes of laminate segment decreased from ₹ 21.94 Cr in the year 2016-17 to ₹ 21.84 Cr in the year 2017-18.

## Management Discussion and Analysis (Contd.)

### MEDIUM DENSITY FIBRE BOARD (MDF):

The Company's performance was good in MDF segment in the year 2017-18 as compare to preceding year. The total revenue of MDF product has risen 10.07% from ₹ 156.74 Cr in the year 2016-17 to ₹ 172.52 Cr in the year 2017-18. The Profit before Interest and Taxes rose 30.47% from ₹ 25.04 Cr in the year 2016-17 to ₹ 32.67 Cr in the year 2017-18.

### 5) OUTLOOK:

The housing for all scheme by central government has driven the investment and increase the demand for modern interiors. Going ahead, increase in demand for real estate, retail, hospitality and healthcare will further boost the demand for MDF, laminates and other value-added products.

Growing real estate and construction sector, government emphasis on infrastructure and housing, rising per capita income, growing employment opportunities, urbanisation, government proposal of new satellite cities, affordable housing loan, reduced home renovation cycle from 15 years to 5 years are some of the growth drivers resulting in rise in demand. Additionally, rise in number of corporate offices which are being set up in tier-2 and tier-3 location boost the demand for office furniture.

### 6) RISK AND CONCERN

All the business is subject to risk, likewise our company is also exposed to general industrial risk such as interest rate volatility, economic cycle, credit risk, asset risk (natural calamity etc), human resource risk, foreign exchange fluctuation risk, government policy change risk, IT risk, transportation risk, competition risks and raw material availability risks.

To avoid or overcome the above general industry risk the management has formed robust risk management policy. The company manages risk by remaining updated from market demand, maintaining a conservative financial profile and by following prudent business and risk management practices.

### 7) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an efficient and effective internal control system aiming to achieve efficiency in operations, optimum utilisation of resources and compliances with all applicable laws and regulation. The Company also has a budgetary control system to monitor expenditure against approved budgets on an ongoing basis.

The Company has the internal control department which is headed by internal auditor. Internal auditor looks into the matter of statutory compliance,

purchase / sale functions, verification of sale bills, pre-audit of order, capital expenses, payment verification, physical verification of stock at factory, branches and consignees, employee benefit, labour expenses, post audit expense journal and purchase, fixed assets register and verification of all the registers maintained in the Company.

### 8) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Gross revenue from operation increased 5.68% from ₹ 332.11 Cr in the year 2016-17 to ₹ 350.98 Cr in the year 2017-18. The Profit before Taxes increased 27.10% from ₹ 33.80 Cr in the year 2016-17 to ₹ 42.96 Cr in the year 2017-18. The Profit after Taxes increased 24.47% from ₹ 24.89 Cr in the year 2016-17 to ₹ 30.98 Cr in the year 2017-18.

### 9) MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED

The Company recognised the importance of manpower and believes that success is a result of cumulative contribution of all the employees at every level. The human resource department encourage employees to attend seminars or programs related to their fields. The Company make a continuous attempt to create a positive work environment.

Employees are considered the most important asset of the Company and hence any creative suggestion by the employees are always welcomed by the management. The Company is conscious about providing healthy and joyful life to the employees resulting into excellent relationship with the employees.

There was not any case pursuant to the sexual harassment of women at workplace (Prevention, Prohibition and Redressal ) Act, 2013 was reported during the year.

As on 31st March, 2018 the Company has 411 employees. Going forward the Company focuses to retain and develop the existing employees and encourage them move towards the common business vision and mission.

### CAUTIONARY STATEMENT

Statement 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 Govt. Regulation and amendments in tax laws and other internal and external factors.

## Corporate Governance Report

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

The corporate governance philosophy of your Company ensures transparency in all dealings and in the functioning of the management and the Board. These policies seek to focus on enhancement of long-term shareholder value without compromising on integrity, social obligations and regulatory compliances. The Company operates within accepted standards of propriety, fair play and justice and aims at creating a culture of openness in relationships between itself and its stakeholders. 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. Everything is done to upgrade shareholders value in totality.

Great Corporate Governance alludes to a framework that involves transparency, reasonableness, responsibility and trustworthiness. The Company is focused on straightforwardness in every one of its dealings and spots uncompromising accentuation on respectability and administrative consistence. It is about trust and relationship. Your company has been improving in Corporate Governance since the foundation of the Company. Corporate Governance is about to keep up 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. Satisfactory and convenient information is basic to responsibility.

### 2. BOARD OF DIRECTORS

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

The Board of your company has an optimum combination of Executive, Non-executive, Independent Non-executive and Woman Directors with conformity of Regulation 17 of SEBI (LODR) Regulation 2015 as well as the companies Act, 2013 read with rule 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 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.

The composition of the Board of Directors of the Company as on 31st March, 2018 is as follows:

Sr. No.	Name of the Director	Category
1.	Mr. Ghanshyambhai A. Thakkar	Executive Director / Promoter (Chairman)
2.	Mr. Krupeshbhai G. Thakkar	Executive Director / Promoter (Managing Director)
3.	Mr. Kaushikbhai J. Thakkar	Executive Director
4.	Mr. Shankar Prasad Bhagat	Independent Non-Executive Director
5.	Mr. Rohitbhai B. Thakkar	Independent Non-Executive Director
6.	Mrs. Jingle Thakkar	Independent Non-Executive Director / Woman Director

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, none of the Directors of the Company has resigned from the Board.

#### (b) Details of attendance of each Director at Board Meetings and at the last year's Annual General Meeting with particulars of their other Directorships and Chairman / Membership of Board Committees as on 31st March, 2018 are given in the following table:

The composition of the Board of Directors and their attendance at the board meetings and at the last Annual General Meeting and also the number of other Boards or Committees in which the directors are holding the position of member / chairperson is as follows:

## Corporate Governance Report (Contd.)

Sr. No.	Name of the Director	Category	No. of Board meetings attended	Directorship in Companies including this Company		Committee position in Companies including this Company (*)		Attendance at last AGM
				As Chairman	As Member	As Chairman	As Member	
1	Mr. Ghanshyambhai A. Thakkar	Chairman (Executive Director and Promoter)	5	1	--	---	1	Yes
2	Mr. Krupeshbhai G. Thakkar (#)	Managing Director (Executive Director and Promoter)	5	--	4	--	1	Yes
3	Mr. Kaushikbhai J. Thakkar	Executive Director	5	--	1	--	1	Yes
4	Mr. Shankar Prasad Bhagat	Non-Executive and Independent Director	5	--	4	3	4	Yes
5	Mr. Rohitbhai B. Thakkar	Non Executive and Independent Director	5	--	1	--	1	Yes
6	Mrs. Jingle Thakkar	Non Executive and Independent Director	5	--	1	--	1	Yes

(#) The directorship of Krupeshbhai Thakkar covers the directorship in one Listed Company, two Private Companies and one Section 8 Company.

(\*) This includes only membership / chairmanship in Audit Committee and Stakeholders Relationship Committee of all Public Limited Company excludes private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013.

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

The Board met 5 (FIVE) times during the Financial Year 2017-18 and the time gap between two meetings is not more than 120 days. The Board Meetings were held on, (i) 29.04.2017(ii) 12.08.2017 (iii) 11.11.2017 (iv) 03.02.2018 and (v) 07.03.2018.

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

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

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

In Compliance with Regulations 25(7) of the SEBI (LODR) Regulations, 2015, your Company has put the structure of familiarisation Programme for all its Independent Directors and also to new appointee on the Board, 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-Programme-for-Independent-Directors.pdf>

**(f) 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") 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 2017-18, all Board members and Senior Management personnel of the Company have affirmed compliance with the

## Corporate Governance Report (Contd.)

code as applicable to them and a declaration to this effect signed by the CEO is mentioned at the end of Corporate Governance Report.

### (g) 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 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.

### (h) Independent Directors:

Your company, in the 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 SEBI (LODR) Regulation, 2015, Mr. Shankar Prasad Bhagat, Rohitbhai 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 SEBI (LODR) Regulations, 2015.

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 SEBI (LODR) Regulations, 2015.

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 in any listed entity, then he / she does not serve as an Independent Director in more than 3 listed entities as per Regulation 25(1) of the SEBI (LODR) Regulations, 2015.

### (i) 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>

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

Pursuant to provision of Schedule IV of the Companies Act, 2013 read with Regulation 25 (3) of SEBI (LODR) Regulations, 2015, a separate meeting of Independent Directors was held on 12.08.2017 *inter alia*, to discuss:

- appointment of the chairman of the meeting
- the review of the performance of Non-Independent Directors and the board as a whole
- the 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;
- the review and assess the quality, quantity and timeliness of flow of information between the Company management and the board that is necessary for the board to effectively and reasonably perform their duties.

All the Independent Directors were present in this meeting.

### (k) Non-executive Directors' compensation and disclosures:

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

## Corporate Governance Report (Contd.)

executive director's vis-à-vis the Company. None of the Non-Executive Directors of the Company is holding shares or convertible instruments in the Company.

### 3. AUDIT COMMITTEE

In Compliance with the various provision of the Companies Act, 2013 read with Rules framed thereunder, the SEBI (LODR) Regulation, 2015 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.

#### (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 SEBI (LODR) Regulations, 2015. As on 31st March, 2018, Audit Committee comprises four directors 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 SEBI (LODR) Regulations, 2015.

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

1. oversight of the listed entity'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;



## Corporate Governance Report (Contd.)

7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
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, 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 shall mandatorily review 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.

## 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 Audit Committee met 4 (four) times during the Financial Year 2017-18 and the time gap between two meetings is not more than 120 days. The Meetings were held on, (i) 29.04.2017 (ii) 12.08.2017 (iii) 11.11.2017 and (iv) 03.02.2018.

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
Mr. Kaushikbhai J. Thakkar	Member	Executive Director	4	4
Mrs. Jingle Thakkar	Member	Non-Executive / Independent Director	4	4
Mr. Rohitbhai B. Thakkar	Member	Non-Executive / Independent Director	4	4

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 23rd day of September, 2017. 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 SEBI (LODR) Regulations 2015.

Nomination and Remuneration Committee, as on 31st March, 2018, comprises 4 (Four) directors out of which 3 (Three) are Non-Executive Independent Director and one is Whole Time Director & Chairman of the Company. Mr. Hasmukh K. Modi, Company Secretary acts as a secretary to 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 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 Independent Directors and the Board;
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 carry out such other works as may be defined by the board of directors under the framework of the SEBI (LODR) Regulations, 2015 and Companies Act, 2013, as amended from time to time.
7. To perform such other functions as may be necessary or appropriate for the performance of its duties.

**(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 1(one) time during the Financial Year 2017-18. The Meeting was held on 29.04.2017.

Mr. Shankar Prasad Bhagat, Chairman of the Nomination and Remuneration Committee was present at the Annual General Meeting of the Company held on 23rd day of September, 2017.

## Corporate Governance Report (Contd.)

The details of the composition of the Committee, Name of chairperson & Members and attendance at the meetings are as under:

Name of the Director	Designation	Nature of Directorship	Meeting details	
			Held	Attended
Mr. Shankar Prasad Bhagat	Chairman	Non-Executive / Independent Director	1	1
Mr. Rohitbhai B. Thakkar	Member	Non-Executive / Independent Director	1	1
Mrs. Jingle Thakkar	Member	Non-Executive / Independent Director	1	1
Mr. Ghanshyambhai A. Thakkar	Member	Whole Time director & Chairman of the Company	1	1

### (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, 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. The remuneration paid to the Directors is as per the terms laid out in the Nomination and Remuneration Policy of your Company.

Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters as provided under sub-section (3) of section 178 is available on the website of the Company with a web link <https://www.rushil.com/CodesPoliciesPdf/Remuneration-Policy-of-RDL.pdf>

### THE BRIEF ABOUT THE REMUNERATION POLICY OF THE COMPANY IS AS FOLLOWS:

#### 1. APPLICABILITY:

The Policy is applicable to

- Directors (Executive and Non-Executive)
- Key Managerial Personnel
- Senior Management Personnel

#### 2. GENERAL ABOUT THE POLICY:

- This Policy is divided in three parts:

**Part – A** covers the matters to be dealt with and recommended by the Committee to the Board,

**Part – B** covers the appointment; and

**Part – C** covers remuneration and perquisites etc.

#### PART – A

#### MATTERS TO BE DEALT WITH, PERUSED AND RECOMMENDED TO THE BOARD BY THE NOMINATION AND REMUNERATION COMMITTEE:

The Committee shall:

- **Formulate the criteria** for determining qualifications, positive attributes and independence of a director.
- **Identify persons** who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down.
- **Recommend to the Board, appointment and removal** of Director, KMP and Senior Management Personnel.

## Corporate Governance Report (Contd.)

### PART – B

#### POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT:

- **Appointment criteria and qualifications:**

1. The Committee shall identify and ascertain the qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Whole time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

- **Term / Tenure:**

1. **Managing Director / Whole-time Director:**  
 The Company shall appoint or re-appoint any person as Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
2. **Independent Director:**  
 An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms,

but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director Serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

- **Evaluation:**

The Committee may carry out evaluation of performance of every Director as per requirement under the Companies Act, 2013 read with rules framed thereunder on annual basis. It may also carry out evaluation of Senior Personnel at regular interval as per policy of the Company.

- **Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

- **Retirement:**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company, if any. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## Corporate Governance Report (Contd.)

### PART – C

#### POLICY RELATING TO THE REMUNERATION FOR THE WHOLE-TIME DIRECTOR, KMP AND SENIOR MANAGEMENT PERSONNEL

- **General:**

1. The remuneration / compensation / commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage / slabs / conditions laid down in the provisions of the Companies Act, 2013, and the rules made thereunder.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
4. Where any insurance is taken by the Company on behalf of its Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

- **Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:**

1. **Fixed pay:**

The Whole-time Director / KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. **Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director and Managing Director in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

3. **Provisions for excess remuneration:**

If any Whole-time Director or Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

## Corporate Governance Report (Contd.)

- **Remuneration to Non- Executive / Independent Director:**

1. Remuneration / Commission:

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Companies Act, 2013 and the rules made thereunder.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees, in any case, shall not exceed ₹ One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. The Board has discretion to determine the sitting fees of Non- Executive / Independent Director but not more than the limit prescribed under the Companies Act, 2013 read with rules framed thereunder.

3. Commission:

Commission may be paid within the monetary limit approved by shareholders, subject to the limit as provided under the provisions of the Companies Act, 2013 read with rules framed thereunder.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

The Board may, upon recommendation of the Nomination and Remuneration Committee, amend or modify this Policy as and when deems necessary.

### 5. REMUNERATION TO DIRECTORS

(a) **All 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 with a weblink <https://www.rushil.com/CodesPoliciesPdf/criteria-of-making-payments-to-non-executive-directors.pdf>

(c) **Disclosure with respect to remuneration :**

The detail of remuneration and sitting fees paid to the directors during the financial year 2017-18 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. Shankar Prasad Bhagat	--	25,000/-	25,000/-
Mr. Rohitbhai Bhailalbhair Thakkar	--	25,000/-	25,000/-
Mrs. Jingle Thakkar	--	25,000/-	25,000/-

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, 2017-18, 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.

## Corporate Governance Report (Contd.)

### 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 (LODR) 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 (LODR) Regulations, 2015, Role of the Stakeholders' Relationship Committee is specified under Part D of Schedule II of the SEBI (LODR) 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 2017-18, Company did not receive any complaint from any shareholder of the Company. Further, Company has not held any meeting during the Financial Year 2017-18. 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.

The CSR Committee met 1 (One) time during the Financial Year 2017-18 on 11.08.2017.

The composition of the CSR Committee as on 31st March, 2018 and the details of members' participation at the respective meeting of the Committee are as under:

Name of the Director	Designation	Nature of Directorship	Meeting details	
			Held	Attended
Mr. Ghanshyambhai A. Thakkar	Chairman	Whole Time Director & Chairman	1	1
Mr. Shankar Prasad Bhagat	Member	Non-Executive / Independent Director	1	1
Mr. Krupeshbhai G. Thakkar	Member	Managing 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

## Corporate Governance Report (Contd.)

### 7. GENERAL BODY MEETINGS:

(a) Location and time where last three AGMs were held, whether any special resolutions passed in the previous 3 AGMs:

Financial year ended	Date of AGM	Time	Location	No. of Special Resolution passed
31.03.2017	23.09.2017	03.00PM	At the Registered office of the Company at S. No. 125,	2 (Two) (See Note:1)
31.03.2016	27.09.2016	03.00 PM	Nr. Kalyanpura Patia, Gandhinagar Mansa Road,	1 (One) (See Note:2)
31.03.2015	26.09.2015	03.00 PM	Village Itla, Tal. Kalol, Dist. Gandhinagar- 382845	—

**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 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 Cr (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:

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

(b) Whether any special resolution passed last year through postal ballot – details of voting pattern: **No special resolutions were passed during 2017-18 through postal ballot.**

(c) Person who conducted the Postal Ballot exercise: **N.A.**

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

No any Special Resolution is proposed to be conducted through postal ballot

(e) Procedure for Postal Ballot: **Procedure for Postal Ballot does not require.**

### 8. MEANS OF COMMUNICATION

(a) QUARTERLY RESULTS	The quarterly results are published in the newspapers and displayed on the Company's website.
(b) NEWSPAPERS WHEREIN RESULTS NORMALLY PUBLISHED	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) COMPANY'S WEBSITE, WHERE DISPLAYED	The separate section named "INVESTORS 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 2017-18 as well as Quarterly / Half Yearly Financial Results of the Company is also available therein.
(d) WHETHER IT ALSO DISPLAYS OFFICIAL NEWS RELEASES;	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) THE PRESENTATIONS MADE TO INSTITUTIONAL INVESTORS OR TO ANALYSTS	



## Corporate Governance Report (Contd.)

### 9. GENERAL SHAREHOLDER INFORMATION

(a)	<b>AGM: Date, Time and Venue</b>	Saturday, 22nd day of September, 2018 at 11:30 A.M. at the Registered Office of the Company at S. No. 125, Nr. Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar – 382845, Gujarat, India.																		
(b)	<b>Financial Year</b>	<p>Financial Year of the Company is from April 01 to March 31 and financial results will be declared for the financial year 2018-19 as per the following schedule:</p> <table border="1" data-bbox="608 607 1469 1077"> <thead> <tr> <th data-bbox="608 607 1070 696"><b>Particulars</b></th> <th data-bbox="1075 607 1123 696"><b>:</b></th> <th data-bbox="1128 607 1469 696"><b>Tentative and subject to change</b></th> </tr> </thead> <tbody> <tr> <td data-bbox="608 703 1070 748"><b>Quarterly Unaudited Results</b></td> <td data-bbox="1075 703 1123 748"></td> <td data-bbox="1128 703 1469 748"></td> </tr> <tr> <td data-bbox="608 754 1070 799">Quarter ending 30th June, 2018</td> <td data-bbox="1075 754 1123 799">:</td> <td data-bbox="1128 754 1469 799">On 11th August, 2018</td> </tr> <tr> <td data-bbox="608 806 1070 851">Quarter ending 30th September, 2018</td> <td data-bbox="1075 806 1123 851">:</td> <td data-bbox="1128 806 1469 851">On or before 14th November, 2018</td> </tr> <tr> <td data-bbox="608 857 1070 902">Quarter ending 31st December, 2018</td> <td data-bbox="1075 857 1123 902">:</td> <td data-bbox="1128 857 1469 902">On or before 14th February, 2019</td> </tr> <tr> <td data-bbox="608 909 1070 1077">Fourth Quarter and Annual ending on 31st March, 2019</td> <td data-bbox="1075 909 1123 1077">:</td> <td data-bbox="1128 909 1469 1077">On or before 30th May, 2019</td> </tr> </tbody> </table>	<b>Particulars</b>	<b>:</b>	<b>Tentative and subject to change</b>	<b>Quarterly Unaudited Results</b>			Quarter ending 30th June, 2018	:	On 11th August, 2018	Quarter ending 30th September, 2018	:	On or before 14th November, 2018	Quarter ending 31st December, 2018	:	On or before 14th February, 2019	Fourth Quarter and Annual ending on 31st March, 2019	:	On or before 30th May, 2019
<b>Particulars</b>	<b>:</b>	<b>Tentative and subject to change</b>																		
<b>Quarterly Unaudited Results</b>																				
Quarter ending 30th June, 2018	:	On 11th August, 2018																		
Quarter ending 30th September, 2018	:	On or before 14th November, 2018																		
Quarter ending 31st December, 2018	:	On or before 14th February, 2019																		
Fourth Quarter and Annual ending on 31st March, 2019	:	On or before 30th May, 2019																		
	<b>Date of Book Closure</b>	From <b>Monday, 17th day of September, 2018 to Saturday, 22nd day of September, 2018</b> (both days inclusive)																		
(c)	<b>Dividend Payment Date</b>	<p>Your Board has recommended a Final Dividend of ₹ 0.50 per share on equity shares of face value of ₹ 10/-. This is subject to approval by shareholders at the ensuing Annual General Meeting.</p> <p>Final Dividend on equity shares as recommended by the Directors for the year ended 31st March, 2018, 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 AGM.</p>																		
(d)	<b>Name and address of stock exchanges at which the Company's shares are listed &amp; details of annual listing fee paid</b>	<p>(i) Bombay Stock Exchange Limited (BSE), Corporate office: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 and</p> <p>(ii) National Stock Exchange of India Limited (NSE), Corporate office: Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E) Mumbai – 400 051</p> <p>Annual Listing Fees for the year 2018-19 have been paid by the Company to BSE and NSE.</p>																		
	<b>Demat ISIN Numbers in NSDL &amp; CDSL</b>	INE573K01017																		
(e)	<b>Stock Code/Symbol</b>	<p>BSE Equity Script Code: 533470</p> <p>NSE Equity Symbol: RUSHIL</p>																		

## Corporate Governance Report (Contd.)

### (F) MARKET PRICE DATA-HIGH, 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, 2018 are as under:

Month	BSE Limited (in ₹)		National Stock Exchange of India Limited (in ₹)	
	High	Low	High	Low
April-17	713.80	541.00	714.00	518.00
May-17	780.95	696.25	781.90	682.00
June-17	827.80	732.05	828.90	747.45
July-17	853.40	759.90	853.00	758.05
August-17	864.70	753.05	835.00	750.00
September-17	1,074.75	777.95	1,075.00	780.10
October-17	1,145.85	844.00	1,145.00	900.10
November-17	1,190.00	882.00	1,195.00	885.05
December-17	975.90	730.00	975.95	801.10
January-18	1,085.75	882.70	1,080.75	896.00
February-18	1,059.95	852.30	1,060.00	850.00
March-18	949.90	764.00	910.00	775.00

### (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, 2018 are as under:

Month	Bombay Stock Exchange (in ₹)		BSE SENSEX	
	High	Low	High	Low
April-17	713.80	541.00	30,184.22	29,241.48
May-17	780.95	696.25	31,255.28	29,804.12
June-17	827.80	732.05	31,522.87	30,680.66
July-17	853.40	759.90	32,672.66	31,017.11
August-17	864.70	753.05	32,686.48	31,128.02
September-17	1,074.75	777.95	32,524.11	31,081.83
October-17	1,145.85	844.00	33,340.17	31,440.48
November-17	1,190.00	882.00	33,865.95	32,683.59
December-17	975.90	730.00	34,137.97	32,565.16
January-18	1,085.75	882.70	36,443.98	33,703.37
February-18	1,059.95	852.30	36,256.83	33,482.81
March-18	949.90	764.00	34,278.63	32,483.84

### (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)

## Corporate Governance Report (Contd.)

### (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 Grievance 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 / Investors Grievance Committee at its next meeting.

### (k) Distribution of Shareholding as on 31st March, 2018:

The distribution of shareholding of the Company as on 31st March, 2018 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	2903	96.96%	371576	2.52%
5001 to 10000	19	0.63%	147834	1.00%
10001 to 20000	19	0.63%	270070	1.84%
20001 to 30000	8	0.27%	189029	1.28%
30001 to 40000	5	0.17%	178351	1.21%
40001 to 50000	5	0.17%	226294	1.54%
50001 & 100000	8	0.27%	543262	3.69%
100001 & above	26	0.90%	12791044	86.91%
<b>Total</b>	<b>2993</b>	<b>100.00</b>	<b>14717460</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	53.62
2	Public Shareholding:		
	- Financial Institutions / Banks	3775	0.03
	- Foreign Institutional Investors (FII)	170167	1.16
	- Foreign Portfolio Investors	2093066	14.22
	- NBFCs registered with RBI	115	0.00
	- Bodies Corporate	2485472	16.89
	- Individuals – i. Holding nominal share capital upto ₹ 2 Lakhs	439902	2.98
	- Individuals – ii. Holding nominal share capital in excess of ₹ 2 Lakhs	846469	5.75
	- Clearing Member	357399	2.43
	- Non Resident Indians	111951	0.76
	- Other (i.e Family fund , a Partnership Firm)	317460	2.16
	<b>Total</b>	<b>14717460</b>	<b>100</b>

#### (l) Dematerialisation of shares:

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.

## Corporate Governance Report (Contd.)

Break up of shares in physical and demat form as on 31st March, 2018:

Sr. No.	Particulars	No. of Shares	% of Shares
1	<b>Demat Segment:</b>		
	NSDL	11845707	80.49
	CDSL	2871748	19.51
2.	<b>Physical:</b>	5	0
	<b>Total:</b>	<b>14717460</b>	<b>100.00</b>

- (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 2017-18, 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.
2	Unit – MRPL	At Dholakuva Patia, Gandhinagar Mansa Road, Mansa, Dist. Gandhinagar
3	Unit – RHPL	S.No.125, Nr. Kalyanpura Patia, Gandhinagar Mansa Road, Village. Itla, Tal. Kalol, Gandhinagar.

### MDF Board Division:

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

### Registered office Address:

S. No. 125, Nr. Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar – 382845, Gujarat, 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, Maharashtra, 400059 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>
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## Corporate Governance Report (Contd.)

<p><b>For any other General Matters or in case of any difficulties / grievances including matters relating to Shares, Dividends, Annual Reports as above</b></p>	<p><b>Secretarial Department 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</p>
<p><b>Name of the Compliance Officer</b></p>	<p><b>Mr. Hasmukh K. Modi</b> <i>Company Secretary</i></p>

### 10. OTHER DISCLOSURES

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

During the financial year 2017-18, 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 (LODR) 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/Policy-on-dealing-with-Related-Partly-Transaction.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 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 of the Companies Act, 2013 read with Rules framed thereunder and Regulation 22 of the SEBI (LODR) Regulation, 2015, Your company has established Vigil Mechanism / Whistle Blower Policy for their Directors and Employees to report concerns about unethical behaviour, 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.pdf](https://www.rushil.com/CodesPoliciesPdf/Whistle_Blower_Policy.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.

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:

## Corporate Governance Report (Contd.)

The Company has separate posts of Chairperson, Managing Director and Chief Executive Officer.

**(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/Policy-on-dealing-with-Related-Partly-Transaction.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) Non-compliance of any requirement of corporate governance report of sub-para (2) to (10) of Schedule V (c) of the Listing Regulations: NIL.**

**(i) The disclosure of compliance of regulation 17 to 27 and clauses (b) to (i) of sub regulation (2) of regulation 46**

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 SEBI (LODR) Regulations, 2015.

**(j) 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.

- **Particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting have been provided in the Notice of the Annual General Meeting.**
- **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**

I **Keyur M. Gajjar, Chief Executive Officer** of the Company hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed the compliance with the Company's Code of Conduct for the year ended on 31st March, 2018.

Place: Ahmedabad  
 Date: 11th August, 2018

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

## Corporate Governance Compliance Certificate

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, 2018 as stipulated in SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. 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.

Place: Ahmedabad  
Date: 11th August, 2018

**Mihika S. Jain**  
*Proprietor*  
*Company Secretary*  
M. No.-ACS.: 35308  
CP No.: 13304

## RUSHIL DECOR LIMITED

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## Independent Auditor's Report

TO THE MEMBERS OF **RUSHIL DECOR LIMITED**

### REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying Ind AS Financial Statements of M/s RUSHIL DECOR LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Statement of Cash flows, the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information. (Herein after referred to as "Ind AS financial statements").

### MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these Ind AS Financial Statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS Financial Statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS Financial Statements.

### OPINION

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its Profits total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

### OTHER MATTER

The Comparative financial information of the Company for the year ended 31st March, 17 and the transition date opening date opening balance sheet as at 1st April, 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us and our reports for the years ended 31st March, 2017 and 31st March, 2016 dated 29th April, 2017 and 21st May, 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles

## Independent Auditor's Report (Contd.)

adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

### REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the **Annexure-"A"** a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. 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 dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act,
  - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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" and
- (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 its Ind AS Financial Statements as referred to in Note no. 37 to the Ind AS 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: 19th May, 2018

## Annexure A

### To the Independent Audit Report

#### REFERRED TO IN PARAGRAPH "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT OF OUR REPORT" OF EVEN DATE TO THE MEMBERS OF RUSHIL DECOR LIMITED:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, the fixed assets 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 to Companies, firms, limited liability partnerships 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.
- (v) The Company has not accepted any deposits from the public.
- (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, 2018 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no material dues of 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, Central Sales tax and Duty of Excise have not been deposited by the Company on account of Dispute:

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	10,31,840/-	2013-14	CIT (A), 9, Ahmedabad
Income Tax Act 1961	Penalty	32,270/-	2012-13	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 (*)
The Customs Act 1962	Custom Duty with Interest &Penalty	22,55,536/- with Interest 5,00,000/- Penalty	2014-15	Custom Excise & Service Tax Appellate Tribunal, Ahmedabad (*)
Central Sales Tax Act	Central Sales Tax	16,89,373/-	2013-14	Deputy Commissioner (Commercial Tax), Gandhinagar

## 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 give 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 accounting standards.
- (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: 19th May, 2018

## **Annexure B**

### **To the Independent Auditor's Report off Even Date on the Financial Statements of Rushil Decor Limited**

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

We have audited the internal financial controls over financial reporting of M/s RUSHIL DECOR LIMITED ("the Company") as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS**

The Company's management 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 its 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 Companies Act, 2013.

#### **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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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

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

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, 2018, 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.

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

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

Place: Ahmedabad  
Date: 19th May, 2018

## Balance Sheet

### 31st March, 2018

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

(Amount in ₹)

Particulars	Note No.	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>ASSETS</b>				
<b>Non - Current Assets</b>				
Property, Plant and Equipment	1	1,94,17,18,803	1,61,87,88,359	1,59,97,53,509
Capital work-in-progress	1	4,07,77,523	1,57,79,239	99,70,108
Other Intangible assets	2	11,36,414	1,09,002	2,20,846
<b>Financial Assets</b>				
(i) Investments	3	10,000	10,000	10,000
(ii) Trade receivables	4	1,85,08,010	76,65,778	77,40,350
(iii) Loans	5	23,16,780	16,53,405	24,92,238
Other non-current assets	6	23,52,65,212	5,28,42,388	5,06,06,009
<b>Total Non - Current Assets</b>		<b>2,23,97,32,742</b>	<b>1,69,68,48,171</b>	<b>1,67,07,93,060</b>
<b>Current Assets</b>				
Inventories	7	83,23,63,150	61,80,36,151	61,13,72,473
<b>Financial Assets</b>				
(i) Trade receivables	8	48,32,44,722	47,79,67,598	40,82,96,692
(ii) Cash and cash equivalents	9	56,51,699	1,97,17,854	1,83,92,825
(iii) Bank balances other than (ii) above	10	4,23,41,548	4,69,00,533	4,45,03,247
(iv) Loans	11	2,50,00,000	-	-
Other current assets	12	14,00,73,213	10,42,45,562	9,40,84,046
<b>Total Current Assets</b>		<b>1,52,86,74,332</b>	<b>1,26,68,67,698</b>	<b>1,17,66,49,283</b>
<b>Total Assets :</b>		<b>3,76,84,07,074</b>	<b>2,96,37,15,869</b>	<b>2,84,74,42,343</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	13	14,71,74,600	14,40,00,000	14,40,00,000
(b) Other Equity	14	1,55,94,11,103	1,11,32,00,176	82,69,02,248
<b>Total Equity</b>		<b>1,70,65,85,703</b>	<b>1,25,72,00,176</b>	<b>97,09,02,248</b>
<b>LIABILITIES</b>				
<b>Non-Current Liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	15	38,86,43,225	33,08,64,511	43,69,13,468
(ii) Other Financial Liabilities	16	4,16,50,993	3,85,37,257	3,78,99,900
Provisions	17	1,12,44,231	1,02,76,234	83,95,394
Deferred tax liabilities (Net)	18	28,38,43,991	26,91,27,317	25,22,82,308
Other non-current liabilities	19	1,34,88,561	1,25,44,184	-
<b>Total Non - Current Liabilities</b>		<b>73,88,71,001</b>	<b>66,13,49,503</b>	<b>73,54,91,070</b>
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	20	46,82,14,879	45,70,27,215	46,90,51,628
(ii) Trade payables	21	63,75,41,692	40,73,20,469	50,80,98,956
(iii) Other financial liabilities	22	15,60,15,880	14,24,12,545	13,94,51,890
Other current liabilities	23	1,82,09,488	2,56,37,387	1,06,27,800
Provisions	24	1,87,31,388	1,27,68,574	1,09,70,155
Current Tax Liabilities (Net)	25	2,42,37,043	-	28,48,596
<b>Total Current Liabilities</b>		<b>1,32,29,50,370</b>	<b>1,04,51,66,190</b>	<b>1,14,10,49,025</b>
<b>Total Equity and Liabilities :</b>		<b>3,76,84,07,074</b>	<b>2,96,37,15,869</b>	<b>2,84,74,42,343</b>

The accompanying Notes 1 to 54 are integral part of these Financial Statements.

As per our separate report of even date attached.

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

**CA Dr. Hiten Parikh**  
Partner  
Membership No.040230

Place: Ahmedabad  
Date: 19th May, 2018

For and on behalf of the Board of Directors, Rushil Decor 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

## Statement of Profit and Loss for the year ended 31st March, 2018

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

(Amount in ₹)

Sr. No	Particulars	Note No.	Year ended 31st March, 2018	Year ended 31st March, 2017
I	<b>Revenue from Operations</b>	26	<b>3,50,97,57,249</b>	<b>3,32,10,85,670</b>
II	Other Income	27	2,70,67,802	2,92,35,255
III	<b>Total Income (I + II)</b>		<b>3,53,68,25,051</b>	<b>3,35,03,20,925</b>
IV	<b>Expenses:</b>			
	Cost of Materials Consumed	28	1,89,63,08,560	1,69,29,13,171
	Purchases of Stock-in-Trade	29	1,55,10,713	76,78,821
	Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress	30	(10,32,37,753)	(2,25,47,970)
	Excise duty	31	7,45,64,991	25,98,81,516
	Employee Benefits Expense	32	20,97,93,520	18,48,27,758
	Finance Costs	33	8,70,23,507	10,37,10,454
	Depreciation and Amortisation Expense		7,52,93,456	6,89,22,864
	Other Expenses	34	85,19,44,099	71,69,61,937
	<b>Total Expenses (IV)</b>		<b>3,10,72,01,093</b>	<b>3,01,23,48,551</b>
V	<b>Profit before tax ( III- IV )</b>		<b>42,96,23,958</b>	<b>33,79,72,374</b>
VI	<b>Tax expense :</b>	35		
	(1) Current Tax		10,51,00,000	7,22,32,087
	(2) Deferred Tax		1,47,16,674	1,68,45,009
	<b>Total Tax Expenses (VI)</b>		<b>11,98,16,674</b>	<b>8,90,77,096</b>
VII	<b>Profit for the period ( V -VI )</b>		<b>30,98,07,283</b>	<b>24,88,95,278</b>
VIII	<b>Other Comprehensive Income</b>			
	A (i) Items that will not be reclassified to profit or loss		(16,91,616)	(39,31,598)
	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>(16,91,616)</b>	<b>(39,31,598)</b>
IX	<b>Total Comprehensive Income for the period (VII + VIII) (Comprising Profit and Other Comprehensive Income for the period)</b>		<b>30,81,15,667</b>	<b>24,49,63,680</b>
X	<b>Earnings per equity share (Face Value of ₹ 10/- each)</b>			
	Basic & Diluted	36	21.30	17.28

The accompanying Notes 1 to 54 are integral part of these Financial Statements.

As per our separate report of even date attached.  
For **Parikh & Majmudar**  
Chartered Accountants  
( Firm Regn.No.107525W)

**CA Dr. Hiten Parikh**  
Partner  
Membership No.040230

Place: Ahmedabad  
Date: 19th May, 2018

For and on behalf of the Board of Directors, Rushil Decor 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



## Cash Flow Statement for the year ended 31st March, 2018

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

Particulars	(Amount in ₹)	
	31st March, 2018	31st March, 2017
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before tax	42,96,23,958	33,79,72,374
<b>Adjustments for</b>		
Re-measurement gain/(loss) on defined benefit plans	(16,91,616)	(39,31,598)
Depreciation and amortisation expense	7,52,93,456	6,89,22,864
Interest and Finance cost	8,70,23,507	10,37,10,454
(Profit)/Loss on disposal of Property, Plant and Equipment	61,075	85,128
<b>Total</b>	<b>16,06,86,422</b>	<b>16,87,86,848</b>
<b>Operating Profit Before Working Capital Changes</b>	<b>59,03,10,380</b>	<b>50,67,59,222</b>
<b>Adjustment for Change In:</b>		
(Increase) / Decrease in Inventories	(21,43,26,999)	(66,63,678)
(Increase) / Decrease in Trade Receivables	(1,61,19,356)	(6,95,96,334)
(Increase) / Decrease in Financial Assets	19,20,81,303	(21,02,666)
(Increase) / Decrease in Other Assets	(21,82,50,476)	(1,27,45,553)
Increase / (Decrease) in Trade Payables	23,02,21,222	(10,07,78,486)
Increase / (Decrease) in Financial Liabilities	1,67,17,072	35,98,012
Increase / (Decrease) in Other Liabilities	(55,15,525)	2,94,34,611
Increase / (Decrease) in Short Term Provisions	59,62,814	17,98,419
<b>Total Adjustment for Change</b>	<b>(92,29,945)</b>	<b>(15,70,55,675)</b>
<b>Total</b>	<b>58,10,80,435</b>	<b>34,97,03,547</b>
Direct Taxes Paid (Net of Refunds)	(8,08,62,957)	(7,47,33,024)
<b>Net Cash Generated From Operations</b>	<b>50,02,17,478</b>	<b>27,49,70,523</b>
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(42,52,71,358)	(9,71,23,058)
Sale of Property, Plant and Equipment	9,60,688	33,82,928
Loans (Given)	(2,50,00,000)	-
Changes in Non Current Assets	(18,81,85,694)	5,44,212
<b>Net Cash Generated From Investing Activities</b>	<b>(63,74,96,364)</b>	<b>(9,31,95,918)</b>
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Money received against warrant	(5,00,00,000)	5,00,00,000
Capital Reserve	-	-
Issue of share capital	31,74,600	-
Securities premium	19,68,25,200	-
Increase / (Decrease) in Long term borrowings	5,77,78,714	(10,60,48,957)
Increase / (Decrease) in Short term borrowings	1,11,87,665	(1,20,24,413)
Interest and Finance cost	(8,70,23,507)	(10,37,10,454)
Dividend Paid (Including Tax On Dividend)	(87,29,941)	(86,65,752)
<b>Net Cash Generated From Financing Activities</b>	<b>12,32,12,731</b>	<b>(18,04,49,576)</b>
<b>Net Increase In Cash &amp; Cash Equivalents</b>	<b>(1,40,66,155)</b>	<b>13,25,029</b>
<b>Cash &amp; Cash Equivalents At</b>		
Opening	1,97,17,854	1,83,92,825
Closing	56,51,699	1,97,17,854

As per our separate report of even date attached.  
For **Parikh & Majmudar**  
Chartered Accountants  
( Firm Regn.No.107525W)

**CA Dr. Hiten Parikh**  
Partner  
Membership No.040230

Place: Ahmedabad  
Date: 19th May, 2018

For and on behalf of the Board of Directors, Rushil Decor 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

# Statement of Changes in Equity for the year ended 31st March, 2018

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

## A) EQUITY SHARE CAPITAL

Particulars	(Amount in ₹)
<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>For the year ended 31st March, 2017</b>	
Balance as at 1st April, 2016	14,40,00,000
Changes in equity share capital during the year -	-
Balance as at 31st March, 2017	14,40,00,000

## B) OTHER EQUITY

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

Particulars	Reserves and Surplus						Other Comprehensive Income	Total
	Capital Redemption Reserve	Securities Premium Reserve	Amalgamation Reserve	Money received against share warrants	General Reserve	Retained Earnings		
Balance at the beginning of the reporting period	50,000	40,33,32,356	33,00,000	5,00,00,000	60,00,000	65,40,26,316	(35,08,496)	1,11,32,00,176
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 shares issued during the year	-	19,68,25,200	-	-	-	-	-	19,68,25,200
Dividend on Equity Shares	-	-	-	-	-	(72,53,333)	-	(72,53,333)
Tax on Dividend	-	-	-	-	-	(14,76,608)	-	(14,76,608)
Adjustments as per Ind AS	-	-	-	-	-	-	(16,91,616)	(16,91,616)
Profit for the year	-	-	-	-	-	30,98,07,283	-	30,98,07,283
Balance at the end of the reporting period	50,000	60,01,57,556	33,00,000	-	60,00,000	95,51,03,659	(52,00,112)	1,55,94,11,103

## 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, 2017

Particulars	Reserves and Surplus						Other Comprehensive Income		Total
	Capital Redemption Reserve	Securities Premium Reserve	Amalgamation Reserve	Money received against share warrants	General Reserve	Retained Earnings	Remeasurements of Defined Benefit Plans		
							Other Comprehensive Income	Total	
Balance at the beginning of the reporting period	50,000	40,33,32,356	33,00,000	-	60,00,000	41,37,96,790	4,23,102	82,69,02,248	
Issued during the period	-	-	-	5,00,00,000	-	-	-	5,00,00,000	
Dividend on Equity Shares	-	-	-	-	-	(72,00,000)	-	(72,00,000)	
Tax on Dividend	-	-	-	-	-	(14,65,752)	-	(14,65,752)	
Adjustments as per Ind AS	-	-	-	-	-	-	(39,31,598)	(39,31,598)	
Profit for the year	-	-	-	-	-	24,88,95,278	-	24,88,95,278	
Balance at the end of the reporting period	<b>50,000</b>	<b>40,33,32,356</b>	<b>33,00,000</b>	<b>5,00,00,000</b>	<b>60,00,000</b>	<b>65,40,26,316</b>	<b>(35,08,496)</b>	<b>1,11,32,00,176</b>	

As per our separate report of even date attached.

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

**CA Dr. Hiten Parikh**  
Partner  
Membership No.040230

Place: Ahmedabad  
Date: 19th May, 2018

For and on behalf of the Board Directors, Rushil Decor 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

# Notes to the 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 National Stock Exchange and 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, Polyvinyl Chloride Board, Particle Board. The Company presently has manufacturing facilities at Itra, Mansa and Dhodakua in (Gujarat) and Chikmangaluru (Karnataka).

### (b) Basis of Preparation of Financial Statements :

The Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015. The Financial Statements up to year ended 31st March, 2017 were prepared in accordance with accounting standards notified under the Company (Accounting Standards) Rules 2006 read with Rule 7(1) of the Companies (Accounts) Rules, 2014 and the provisions of the Companies Act, 2013 (hereinafter referred to as the 'previous GAAP').

These Financial Statements are the first financial statements of the Company under Ind AS - the transition date being 1st April, 2016. The information as to how the Company has adopted Ind AS and the impact thereof on Company's financial position, financial performance and cash flows is presented in notes to financial statements.

The financial statements have been prepared under the historical cost basis, except for the Land which has been measured at fair value.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The Company's management evaluates all recently issued or revised accounting standards on an on-going basis.

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.

### (c) 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.

### (d) 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 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.

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

- 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 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.
- (e) Intangible Assets :**
- i) Intangible assets acquired by payment e.g. Computer Software are 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.

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### (f) 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 the fair value of the consideration received or receivable.
- ii) Sale of Goods: Revenue from sales of goods is recognised on transfer of significant risks and rewards of ownership to the customers. Revenue shown in the Statement of Profit and Loss are inclusive of Excise Duty upto 30th June, 2017 and the value of self-consumption, but excludes inter-transfers, returns, trade discounts, cash discounts, value added tax, central sales tax and Goods and Service Tax. Excise Duty expense has been disclosed in Statement of Profit and Loss as expenditure.
- iii) Services: Revenue from Services are recognised as and when the services are rendered.
- iv) Interest: Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable.

### (g) 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 is 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 favourable 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.

### (h) 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 upto 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.

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

- 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.
- vi) Stock-in-trade is valued at lower of cost or net realisable value.

### (i) Cash Flow Statement :

- i) Cash flows are reported using indirect method, whereby 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, 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.

### (j) Financial Assets :

- i) The Company classifies its financial assets as those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and those to be measured at amortised cost.
- ii) Trade receivables represent receivables for goods sold by the Company upto 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 within 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 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.

### (k) 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 upto the commencement of related Plant, Property and Equipment and subsequently under finance costs in profit and loss account.
- 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 upto 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. They are recognised initially and subsequently measured at amortised cost.
- 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.

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

- 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 are debited to the foreign exchange fluctuations in the statement of profit and loss.

### (l) 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 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.

### (m) 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. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rate at the date when the fair value is determined.

### (n) 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.



## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### (o) 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 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 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.

### (p) 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.

### (q) 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

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

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.

- iv) 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 settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

### (r) 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 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.

### (s) 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, CEO 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) Laminate Sheets (b) Medium Density Fibre Board (c) Polyvinyl Chloride Board and (d) Particle 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.

### (t) 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;

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

- (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);
  - (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 Financial Statements.

### (u) 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.

### (v) 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 Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 1. PROPERTY, PLANT AND EQUIPMENT AND CAPITAL WORK-IN-PROGRESS

Particulars	(Amount in ₹)										Total	
	Freehold Land	Leasehold Land	Buildings	Plant and Equipments	Furniture and Fixtures	Vehicles	Computers					
<b>Cost of Assets</b>	<b>17,85,00,000</b>	<b>5,25,00,000</b>	<b>43,89,23,466</b>	<b>1,18,50,40,594</b>	<b>65,14,117</b>	<b>4,39,86,126</b>	<b>34,77,787</b>					<b>1,90,89,42,090</b>
As at 1st April, 2016	-	-	2,85,56,339	3,97,75,655	1,68,26,503	51,59,898	14,08,905					9,17,27,300
Addition	-	-	-	37,40,460	-	12,16,695	-					49,57,155
Disposal / Adjustments	-	-	-	20,03,525	-	-	-					20,03,525
Transfer	-	-	-	-	-	-	-					-
<b>As at 31st March, 2017</b>	<b>17,85,00,000</b>	<b>5,25,00,000</b>	<b>46,74,79,805</b>	<b>1,21,90,72,264</b>	<b>2,33,40,620</b>	<b>4,79,29,329</b>	<b>48,86,692</b>					<b>1,99,37,08,710</b>
Addition	18,61,84,645	-	9,07,82,550	9,80,57,693	1,22,83,642	1,02,30,314	16,10,727					39,91,49,571
Disposal / Adjustments	-	-	-	-	-	21,43,457	-					21,43,457
Transfer	-	-	-	7,01,745	-	-	-					7,01,745
<b>As at 31st March, 2018</b>	<b>36,46,84,645</b>	<b>5,25,00,000</b>	<b>55,82,62,355</b>	<b>1,31,64,28,212</b>	<b>3,56,24,262</b>	<b>5,60,16,186</b>	<b>64,97,419</b>					<b>2,39,00,13,079</b>
<b>Depreciation</b>												
As at 1st April, 2016	-	-	5,92,26,528	23,19,59,124	28,06,288	1,18,92,742	33,03,899					30,91,88,581
Charge for the year	-	-	1,43,59,344	4,72,95,734	14,88,785	54,88,530	1,22,602					6,87,54,995
Disposal / Adjustments	-	-	-	7,73,337	-	7,15,762	-					14,89,099
Transfer	-	-	-	15,34,126	-	-	-					15,34,126
<b>As at 31st March, 2017</b>	<b>-</b>	<b>-</b>	<b>7,35,85,872</b>	<b>27,69,47,395</b>	<b>42,95,073</b>	<b>1,66,65,510</b>	<b>34,26,501</b>					<b>37,49,20,351</b>
Charge for the period	-	-	1,50,15,937	4,97,78,639	29,43,241	65,01,705	6,92,346					7,49,31,868
Disposal / Adjustments	-	-	-	-	-	11,21,694	-					11,21,694
Transfer	-	-	-	4,36,249	-	-	-					4,36,249
<b>As at 31st March, 2018</b>	<b>-</b>	<b>-</b>	<b>8,86,01,809</b>	<b>32,62,89,785</b>	<b>72,38,314</b>	<b>2,20,45,521</b>	<b>41,18,847</b>					<b>44,82,94,276</b>
<b>Net Block</b>												
<b>As at 31st March, 2017</b>	<b>17,85,00,000</b>	<b>5,25,00,000</b>	<b>39,38,93,933</b>	<b>94,21,24,869</b>	<b>1,90,45,547</b>	<b>3,12,63,819</b>	<b>14,60,191</b>					<b>1,61,87,88,359</b>
<b>As at 31st March, 2018</b>	<b>36,46,84,645</b>	<b>5,25,00,000</b>	<b>46,96,60,546</b>	<b>99,01,38,427</b>	<b>2,83,85,948</b>	<b>3,39,70,665</b>	<b>23,78,572</b>					<b>1,94,17,18,803</b>

### CAPITAL WORK IN PROGRESS AND PRE-OPERATIVE EXPENSES:

Particulars	(Amount in ₹)	
	TOTAL	TOTAL
As at 1st April, 2016	99,70,108	99,70,108
<b>As at 31st March, 2017</b>	<b>1,57,79,239</b>	<b>1,57,79,239</b>
<b>As at 31st March, 2018</b>	<b>4,07,77,523</b>	<b>4,07,77,523</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 2. OTHER INTANGIBLE ASSETS

(Amount in ₹)

Particulars	As at 31st March, 2018	
	Computer Software	Total
<b>Cost of Assets</b>		
As at 1st April, 2016	12,62,433	12,62,433
Addition - Software	56,025	56,025
Disposal / Adjustments	-	-
<b>As at 31st March, 2017</b>	<b>13,18,458</b>	<b>13,18,458</b>
Addition	13,89,000	13,89,000
Disposal / Adjustments	-	-
<b>As at 31st March, 2018</b>	<b>27,07,458</b>	<b>27,07,458</b>
<b>Amortisation</b>		
As at 1st April, 2016	10,41,587	10,41,587
Charge for the year	1,67,869	1,67,869
Disposal / Adjustments	-	-
<b>As at 31st March, 2017</b>	<b>12,09,456</b>	<b>12,09,456</b>
Charge for the period	3,61,588	3,61,588
Disposal / Adjustments	-	-
<b>As at 31st March, 2018</b>	<b>15,71,044</b>	<b>15,71,044</b>
<b>Net Block</b>		
<b>As at 31st March, 2017</b>	<b>1,09,002</b>	<b>1,09,002</b>
<b>As at 31st March, 2018</b>	<b>11,36,414</b>	<b>11,36,414</b>

### 3. INVESTMENTS :

(Amount in ₹)

Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
Investment in government securities or trust securities National savings certificate		10,000		10,000		10,000
<b>Total</b>		<b>10,000</b>		<b>10,000</b>		<b>10,000</b>

### 4. TRADE RECEIVABLES :

(Amount in ₹)

Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
<b>Non-current Trade Receivable</b>						
Unsecured, Considered Good		1,85,08,010		76,65,778		77,40,350
<b>Total</b>		<b>1,85,08,010</b>		<b>76,65,778</b>		<b>77,40,350</b>

### 5. LOANS :

(Amount in ₹)

Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
Loans to Staff		23,16,780		16,53,405		24,92,238
<b>Total</b>		<b>23,16,780</b>		<b>16,53,405</b>		<b>24,92,238</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 6. OTHER NON-CURRENT ASSETS :

(Amount in ₹)						
Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
(a) Advance for Capital goods		20,88,14,244		2,06,28,551		2,11,72,763
(b) Security Deposit						
Unsecured, Considered Good		2,46,47,220		2,68,58,659		2,55,08,434
(c) Advance other than Capital goods		46,678		34,00,162		19,25,137
(d) Other Loan and advances						
Unsecured, Considered Good		4,78,468		6,76,338		3,73,338
(e) Advance Income Tax , TDS & TCS		12,78,602		12,78,678		16,26,337
<b>Total</b>		<b>23,52,65,212</b>		<b>5,28,42,388</b>		<b>5,06,06,009</b>

### 7. INVENTORIES : (AS TAKEN, VALUED & CERTIFIED BY A DIRECTOR)

(Amount in ₹)						
Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
(a) Raw Materials		30,65,19,929		23,54,85,736		25,63,94,130
(b) Work in progress		5,64,23,632		5,69,48,716		5,71,78,352
(c) Finished goods (Finished Goods at Port ₹ 4,11,91,301/- P.Y ₹ Nil)		38,65,95,705		28,28,32,868		26,00,55,262
(d) Stores and spares		8,16,17,721		4,22,72,865		3,67,83,488
(e) Power & Fuel		12,06,163		4,95,966		9,61,241
<b>Total</b>		<b>83,23,63,150</b>		<b>61,80,36,151</b>		<b>61,13,72,473</b>

### 8. TRADE RECEIVABLES :

(Amount in ₹)						
Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
(i) Outstanding for a period exceeding six months						
Unsecured, Considered Good		2,10,53,087		2,89,61,807		2,19,90,616
(ii) Others						
Unsecured, Considered Good		46,21,91,635		44,90,05,791		38,63,06,076
<b>Total</b>		<b>48,32,44,722</b>		<b>47,79,67,598</b>		<b>40,82,96,692</b>

### 9. CASH AND CASH EQUIVALENTS :

(Amount in ₹)						
Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
(a) Balances with Scheduled Banks						
On Current Account		20,05,739		17,27,841		29,27,385
Bank of Baroda - EEFC Account in US\$		3,67,333		1,57,13,292		1,30,52,695
Bank of Baroda - EEFC Account in Euro		58,073		-		-
(b) Cash on hand		32,20,554		22,76,721		24,12,745
<b>Total</b>		<b>56,51,699</b>		<b>1,97,17,854</b>		<b>1,83,92,825</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 10. OTHER BANK BALANCES

(Amount in ₹)						
Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
Fixed Deposit with Banks		4,23,41,548		4,69,00,533		4,45,03,247
<b>Total</b>		<b>4,23,41,548</b>		<b>4,69,00,533</b>		<b>4,45,03,247</b>

### 11. LOANS AND ADVANCES

(Amount in ₹)						
Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
Other Loans		2,50,00,000		-		-
<b>Total</b>		<b>2,50,00,000</b>		<b>-</b>		<b>-</b>

### 12. OTHER CURRENT ASSETS :

(Amount in ₹)						
Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
Balance with government authorities		2,88,61,829		1,85,52,814		2,31,91,037
Licence on hand & Licence Receivables		7,15,20,872		4,75,15,564		3,33,34,166
Advance to Suppliers		2,13,45,876		2,11,76,616		1,59,96,301
Prepaid Expenses		1,25,71,674		87,55,978		63,85,371
Other Advances		57,72,962		82,44,590		1,51,77,171
<b>Total</b>		<b>14,00,73,213</b>		<b>10,42,45,562</b>		<b>9,40,84,046</b>

### 13. SHARE CAPITAL :

(Amount in ₹)						
Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
<b>Authorised :</b>						
20000000 (P.Y 20000000) Equity Shares of ₹ 10/- each		20,00,00,000		20,00,00,000		20,00,00,000
<b>Total</b>		<b>20,00,00,000</b>		<b>20,00,00,000</b>		<b>20,00,00,000</b>
<b>Issued &amp; Subscribed and Paid up :</b>						
14717460 (P.Y 14400000) Equity Shares of ₹ 10/- each fully paid up		14,71,74,600		14,40,00,000		14,40,00,000
<b>Total</b>		<b>14,71,74,600</b>		<b>14,40,00,000</b>		<b>14,40,00,000</b>

#### 1) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

(Amount in ₹)						
Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
At the beginning of period	1,44,00,000	14,40,00,000	1,44,00,000	14,40,00,000	1,44,00,000	14,40,00,000
Issued during the year	3,17,460	31,74,600	-	-	-	-
Outstanding at the end of year	1,47,17,460	14,71,74,600	1,44,00,000	14,40,00,000	1,44,00,000	14,40,00,000

Note : The Company has only one class of shares having Par value of ₹ 10 per share Each Share Holder ie 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:

(Amount in ₹)

Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April, 2016	
	Number of shares held	% holding in that class of shares	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	13.53	19,90,900	13.83	20,25,950	14.07
Krupesh Ghanshyambhai Thakkar and Ghanshyambhai Ambalal Thakkar Repre. Rushil International (Partnership Firm)	18,45,770	12.54	18,45,770	12.82	18,45,770	12.82
Krupesh Ghanshyambhai Thakkar	15,42,484	10.48	15,42,484	10.71	15,42,484	10.71
Krupesh G. Thakkar Karta of Krupesh Ghanshyambhai Thakkar (HUF)	13,89,683	9.44	13,89,693	9.65	13,89,693	9.65
Shriram Credit Company Limited	-	-	-	-	8,93,931	6.21

### 14. OTHER EQUITY :

(Amount in ₹)

Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
<b>Securities Premium Account</b>						
Opening Balance	40,33,32,356		40,33,32,356		40,33,32,356	
Add : Addition during the year	19,68,25,200		-		-	
<b>Total</b>	<b>60,01,57,556</b>	<b>60,01,57,556</b>	<b>40,33,32,356</b>	<b>40,33,32,356</b>	<b>40,33,32,356</b>	<b>40,33,32,356</b>
<b>Amalgamation Reserve</b>		33,00,000		33,00,000		33,00,000
<b>Capital Redemption Reserve (For Redemption of Preference Share Capital)</b>		50,000		50,000		50,000
<b>General Reserve</b>						
Opening Balance	60,00,000		60,00,000		60,00,000	
Add : Addition during the year	-	60,00,000	-	60,00,000	-	60,00,000
<b>Retained Earnings</b>						
Balance Brought Forward From Previous Year	65,40,26,316		41,37,96,790		18,35,77,370	
Adjustment as per IND AS						
Add: Fair Value of Land	-		-		21,18,53,194	
Less: DTL created as per Fair Value of Land	-		-		4,50,41,655	
Add: Fair Value of Term loan effect	-		-		8,68,855	
Add: Profit on M2M of Forward Contract (Net of tax)	-		-		1,38,604	
<b>Total</b>	<b>65,40,26,316</b>		<b>41,37,96,790</b>		<b>35,13,96,368</b>	
Add: Profit/(Loss) for the year	30,98,07,283		24,88,95,278		7,10,66,174	
<b>Total</b>	<b>96,38,33,600</b>		<b>66,26,92,068</b>		<b>42,24,62,542</b>	



**Notes to the Financial Statements (Contd.)**

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

**14. OTHER EQUITY : (Contd.)**

Particulars	(Amount in ₹)					
	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
Less :Final Dividend on equity share (amount per share ₹ 0.50 (31st March, 2016 and 31st March,2017)	72,53,333		72,00,000		-	
Less : Tax on Equity Dividend	14,76,608		14,65,752		-	
Less : Interim Dividend on equity share (amount per share ₹ Nil (31st March, 2016 amount per share ₹ 0.50)			-		72,00,000	
Less : Tax on Equity Dividend		<b>95,51,03,659</b>	-	<b>65,40,26,316</b>	<b>14,65,752</b>	<b>41,37,96,790</b>
<b>Money received against share warrants :</b>						
Opening Balance	5,00,00,000		-		-	
Add : Issued during the period	14,99,99,800		5,00,00,000		-	
Less: Converted into Equity Shares	19,99,99,800		-		-	
Closing Balance	-		5,00,00,000	5,00,00,000	-	-
<b>Other Comprehensive Income</b>						
<b>(a) Remeasurements of Defined Benefit Plans</b>						
Balance as per last Financial year	(35,08,496)		4,23,102		-	
Add: For the Year	(16,91,616)		(39,31,598)		4,23,102	
Closing Balance	-	(52,00,112)	-	(35,08,496)	-	4,23,102
<b>Total</b>		<b>1,55,94,11,103</b>		<b>1,11,32,00,176</b>		<b>82,69,02,248</b>

**15. BORROWINGS :**

Particulars	(Amount in ₹)					
	31st March, 2018	31st March, 2018	31st March, 2017	31st March, 2017	1st April, 2016	1st April, 2016
	Current maturities	Non-Current Portion	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	-	2,61,34,829	2,61,34,830	2,61,34,829	5,22,69,659
(b) Term loan-iii External Commercial Borrowing (US\$ 63,00,000 ) (Note :1)	6,84,28,500	-	6,80,92,500	6,80,92,500	6,95,62,500	13,91,25,000
(c) Term loan A/c no 01500600020603	-	-	23,33,333	-	40,00,000	23,33,333
(d) Corporate loan A/c no 01500600020796	3,00,00,000	5,96,33,208	2,50,00,000	8,93,93,754	2,00,00,000	11,41,24,650
(e) Term loan A/c no 01500600020907	62,50,000	1,72,52,252	62,50,000	2,34,80,297	62,50,000	2,96,93,995
(f) Term loan A/c no 01500600021047	62,50,000	2,48,33,157	62,50,000	3,10,20,158	-	2,00,00,000

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 15. BORROWINGS : (Contd.)

(Amount in ₹)

Particulars	31st March, 2018	31st March, 2018	31st March, 2017	31st March, 2017	1st April, 2016	1st April, 2016
	Current maturities	Non-Current Portion	Current maturities	Non-Current Portion	Current maturities	Non-Current Portion
(g) Term loan A/c no 01500600021195	58,33,000	9,99,77,944	-	-	-	-
(h) Corporate loan A/c no 01500600021248	-	12,00,00,000	-	-	-	-
(i) Term loan A/c no 01500600021225	9,37,500	2,14,52,010	-	-	-	-
<b>(b) Unsecured Loans from related parties From Directors and related parties</b>	<b>32,49,152</b>	<b>80,30,535</b>	<b>20,13,297</b>	<b>4,03,56,058</b>	<b>27,13,919</b>	<b>1,07,99,890</b>
<b>(c) From Others</b>						
Vehicle Loans (refer note 2 below)	51,74,584	77,35,517	46,90,993	48,47,464	62,29,715	61,12,211
Loan from LIC (refer note 3 below)	-	35,16,250	-	35,16,250	-	35,16,250
Loan from Karnataka VAT-I (refer note 4 below)	-	16,62,411	-	14,81,650	-	13,20,544
Loan from Karnataka VAT-II (refer note 4 below)	-	72,37,740	-	64,50,749	-	-
Loan from Karnataka VAT-III (refer note 4 below)	-	35,56,563	-	-	-	-
Inter corporate loans	11,25,740	-	-	2,67,04,030	22,25,000	5,59,95,505
<b>(d) Deferred Revenue (KVAT LOAN) (refer note 4 below)</b>	<b>-</b>	<b>1,37,55,638</b>	<b>-</b>	<b>93,86,771</b>	<b>-</b>	<b>16,22,431</b>
<b>Total</b>	<b>15,33,83,305</b>	<b>38,86,43,225</b>	<b>14,07,64,952</b>	<b>33,08,64,511</b>	<b>13,71,15,963</b>	<b>43,69,13,468</b>

#### Note:1

#### Term loan from Bank of Baroda

Secured by way of hypothecation of raw material, stocks, book debt, movable assets of the Company and also secured by way of equitable mortgage of a) land and building and plant and machinery of the Company b) office premises situated at flat no 1 & 2 krinal apartment, paldi, ahmedabad belonging to the Company c) residential bungalow situated 4, pushpa dhanwa owners association, vastrapur, ahmedabad belonging to Mr. Ghanshyambhai Thakkar d) plot situated at lati bazar, ahmedabad in the name of Mr. Ghanshyambhai Thakkar e) Pledge of fixed deposit of ₹ 0.73 Cr f) Pledge of fixed deposit of ₹ 0.20 Cr and also secured by way of personal guarantee of Mr. Ghanshyambhai Thakkar and Mr. Krupeshbhai Thakkar.

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### Term of Repayment

Particulars	Repayment Schedule		
Term loan A/C NO. 01500600020467	24 quarterly instalments (23 instalments of ₹ 65,33,707.33 plus interest) Interest will be charged as and when due. The repayment was proposed to start after 33 months (including moratorium period of 15 months from the date of first disbursement)		
ECB TERM LOAN	24 quarterly instalments (24 instalments of US\$ 2,62,500 plus interest) The repayment has begun from April,2013. The repayment was proposed to start after 33 months initial moratorium from the date of first disbursement. March-15 term loan evaluated @ 62.495 per US\$ and March-14 term loan evaluated @ 59.89 per US\$. So far as on Date 31/03/2017, sixteen instalments are been paid.		
Term loan A/C NO. 01500600020603	Term loan is to be repaid in 60 monthly instalments after completion of moratorium period of 12 months from the date of first disbursement. The term loan is to be repaid by 59 equal monthly instalments each of ₹ 3.34 Lakhs and last instalment of ₹ 2.94 Lakhs. The interest is to be served on monthly basis.		
Corporate loan A/C NO. 01500600020796	Corporate loan is to be repaid in 24 quarterly instalments 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.		
	<b>Year</b>	<b>No. of instalments</b>	<b>Total (₹ in Lakhs)</b>
	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>1,500</b>
Corporate loan A/C NO. 01500600020907	Corporate loan is to be repaid in 24 quarterly instalments 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 instalments</b>	<b>Total (₹ in Lakhs)</b>
	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>
Corporate loan A/C NO. 01500600021047	Corporate loan is to be repaid in 24 quarterly instalments 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 instalments</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>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

Particulars	Repayment Schedule		
Term loan A/C NO. 01500600021195	Term loan is to be repaid in 24 quarterly instalments 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 instalments</b>	<b>Total (₹ in Lakhs)</b>
	2017-18	58.33x4	233.32
	2018-19	58.33x4	233.32
	2019-20	58.33x4	233.32
	2020-21	58.33x4	233.32
	2021-22	58.33x4	233.32
	2022-23	58.33x4	233.40
		<b>Total</b>	<b>1,400.00</b>
Corporate loan A/C NO. 01500600021248	Corporate loan is to be repaid in 24 quarterly instalments after completion of moratorium period of 12 months from the date disbursement as under. The interest is to be served on monthly basis.		
	<b>Year</b>	<b>No. of instalments</b>	<b>Total (₹ in Lakhs)</b>
	2017-18	50.00x1	50.00
	2018-19	50.00x4	200.00
	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	50.00x3	150.00
		<b>Total</b>	<b>1200.00</b>
Term loan A/C NO. 01500600021225	Term loan is to be repaid in 24 quarterly instalments 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 instalments</b>	<b>Total (₹ in Lakhs)</b>
	2017-18	9.375x4	37.50
	2018-19	9.375x4	37.50
	2019-20	9.375x4	37.50
	2020-21	9.375x4	37.50
	2021-22	9.375x4	37.50
	2022-23	9.375x4	37.50
		<b>Total</b>	<b>225.00</b>

**Note :2** Secured by hypothecation on vehicle purchased under hire purchase agreements. Repayment schedule is as under.

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

Name of Bank	Monthly instalments including interest (In ₹)	Period	Commencing Date
AXIS BANK LIMITED LOAN NO. AUR000302328191	94,286	10.4.2017 TO 10.3.2020	10.4.2017
AXIS BANK LIMITED 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 LIMITED A/C NO LAABD00030528056	90,312	1.12.2014 TO 1.11.2019	1.12.2014
ICICI BANK LIMITED A/C NO LAABD00032973849	87,056	1.8.2015 TO 1.7.2018	1.8.2015
ICICI BANK LIMITED A/C NO LAAB00035591912	50,405	10.5.2017 TO 10.4.2020	10.5.2017
KOTAK MAHINDRA BANK LIMITED (LOAN AGREE NO CE-452818)	70,706	1.8.2015 TO 1.6.2018	1.8.2015
KOTAK MAHINDRA BANK LIMITED (LOAN AGREE NO CE-452824)	70,706	1.8.2015 TO 1.6.2018	1.8.2015
KOTAK MAHINDRA BANK LIMITED (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

**Note :3** Secured against pledge of keyman Insurance policies of directors.

### **Note :4 Loan from Karnataka VAT**

Secured by way of Bank guarantee. The loan is repayable in 3 equal annual instalment 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
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
01-04-2026	-	-	29,64,394
<b>Total</b>	<b>29,42,975</b>	<b>1,43,76,195</b>	<b>88,93,182</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 16. OTHER FINANCIAL LIABILITIES :

Particulars	(Amount in ₹)					
	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
	Current maturities	Non-Current Portion	Current maturities	Non-Current Portion	Current maturities	Non-Current Portion
(a) Trade Deposit from Customers	17,25,000	3,73,59,066	-	3,14,24,136	-	3,06,07,641
(b) Trade Payables (including trade payable for capital goods ₹ 42,67,656/- previous year ₹ 51,13,117/-)		42,91,927		71,13,121		72,92,259
<b>Total</b>		<b>4,16,50,993</b>		<b>3,85,37,257</b>		<b>3,78,99,900</b>

### 17. LONG TERM PROVISIONS :

Particulars	(Amount in ₹)					
	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
Provision for Gratuity		1,12,44,231		1,02,76,234		83,95,394
<b>Total</b>		<b>1,12,44,231</b>		<b>1,02,76,234</b>		<b>83,95,394</b>

### 18. DEFERRED TAX LIABILITIES (NET) :

Particulars	(Amount in ₹)					
	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
Deferred tax liabilities (Net)		28,38,43,991		26,91,27,317		25,22,82,308
<b>Total</b>		<b>28,38,43,991</b>		<b>26,91,27,317</b>		<b>25,22,82,308</b>

### 19. OTHER NON-CURRENT LIABILITIES :

Particulars	(Amount in ₹)					
	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
		Non-Current Portion		Non-Current Portion		Non-Current Portion
<b>(a) Deferred Revenue (Subsidy)</b>						
At the beginning of the year	1,31,79,592				-	
Add: Added during the year	-		1,38,15,000		-	
Less: Released to the statement of profit and loss at the end of the year	(6,35,408)		(6,35,408)		-	
	<b>1,25,44,184</b>		<b>1,31,79,592</b>		-	
Less : Current (Amount Disclosed under the head Other Current Liabilities refer Note 23)	(6,35,408)		(6,35,408)		-	
Non-current		<b>1,19,08,776</b>		<b>1,25,44,184</b>		-
<b>(b) Advance from customers</b>		<b>15,79,785</b>		<b>-</b>		-
<b>Total</b>		<b>1,34,88,561</b>		<b>1,25,44,184</b>		-

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 20. BORROWINGS :

(Amount in ₹)

Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
<b>Current Borrowings</b>						
Loans repayable on demand						
<b>Working Capital From Banks</b>						
Bank of Baroda - Cash Credit Loans (including Working capital demand loan of ₹ 10 Cr P.Y ₹ 7 Cr (refer note no.1)		23,08,03,317		21,76,28,368		23,48,79,084
Bank of Baroda - Packing Credit (refer note no.1)		17,60,98,141		18,89,17,000		18,63,12,050
Bank of Baroda - Foreign Bills Purchase (refer note no.1)		6,13,13,421		5,04,81,847		4,78,60,494
<b>Total</b>		<b>46,82,14,879</b>		<b>45,70,27,215</b>		<b>46,90,51,628</b>

#### Note:1

#### Working Capital facility from Bank of Baroda

Secured by way of hypothecation of raw material, stocks, book debt, movable assets of the Company and also secured by way of equitable mortgage of a) land and building and plant and machinery of the Company b) office premises situated at flat no 1 & 2 krinkal apartment, paldi, ahmedabad belonging to the Company c) residential bungalow situated 4, pushpa dhanwa owners association, vastrapur, ahmedabad belonging to Mr. Ghanshyambhai Thakkar d) plot situated at lati bazar, ahmedabad in the name of Mr. Ghanshyambhai Thakkar e) Pledge of fixed deposit of ₹ 0.73 Cr f) Pledge of fixed deposit of ₹ 0.20 Cr and also secured by way of personal guarantee of Mr. Ghanshyambhai Thakkar and Mr. Krupeshbhai Thakkar.

### 21. TRADE PAYABLES : (refer note no.48)

(Amount in ₹)

Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
Total outstanding dues of micro enterprises and small enterprises (including trade payable for capital goods ₹ 1,55,232/- previous year ₹ Nil)		4,30,74,016		2,18,29,595		2,46,46,531
Total outstanding dues of creditors other than micro enterprises and small enterprises (including trade payable for capital goods ₹ 5,13,56,220/- previous year ₹ 1,28,93,206/-)		59,44,67,676		38,54,90,874		48,34,52,425
<b>Total</b>		<b>63,75,41,692</b>		<b>40,73,20,469</b>		<b>50,80,98,956</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 22. OTHER FINANCIAL LIABILITIES :

(Amount in ₹)

Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
(a) Current maturities of long-term debt;		15,18,59,153		13,87,51,655		13,44,02,044
(b) From Directors and related parties		32,49,152		20,13,297		27,13,919
(c) Interest accrued but not due on borrowings;		9,07,575		16,47,593		23,35,927
<b>Total</b>		<b>15,60,15,880</b>		<b>14,24,12,545</b>		<b>13,94,51,890</b>

### 23. OTHER CURRENT LIABILITIES :

(Amount in ₹)

Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
Advance from customers		1,46,79,668		1,69,51,980		68,36,644
Duties and taxes		28,94,412		80,49,999		37,91,156
Deferred Revenue (Subsidy)		6,35,408		6,35,408		-
<b>Total</b>		<b>1,82,09,488</b>		<b>2,56,37,387</b>		<b>1,06,27,800</b>

### 24. PROVISIONS :

(Amount in ₹)

Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
Provision for employee benefits		61,59,610		51,37,741		50,65,141
Provision for Gratuity		24,76,750		18,09,856		16,09,796
Provision for expenses		1,00,95,028		58,20,977		42,95,218
<b>Total</b>		<b>1,87,31,388</b>		<b>1,27,68,574</b>		<b>1,09,70,155</b>

### 25. CURRENT TAX LIABILITIES (NET):

(Amount in ₹)

Particulars	Amount	31st March, 2018	Amount	31st March, 2017	Amount	1st April, 2016
<b>Provision of Income tax (Net of Advance Tax &amp; TDS)</b>						
For 2017 - 2018	2,42,37,043		-		-	
For 2015 - 2016	-	2,42,37,043	-	-	28,48,596	28,48,596
<b>Total</b>		<b>2,42,37,043</b>		<b>-</b>		<b>28,48,596</b>



**Notes to the Financial Statements (Contd.)**

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

**26. REVENUE FROM OPERATIONS**

(Amount in ₹)				
Particulars	Amount	31st March, 2018	Amount	31st March, 2017
<b>I. Revenue from operations</b>				
<b>A. Sale of Products</b>				
Direct Export Turnover		97,53,78,971		1,02,00,22,024
Deemed Export Turnover		-		13,87,932
Domestic Turnover		2,43,15,38,212		2,21,27,62,730
<b>Gross Turnover</b>		<b>3,40,69,17,183</b>		<b>3,23,41,72,686</b>
<b>B. Other Revenue from operations</b>		<b>10,28,40,066</b>		<b>8,69,12,984</b>
<b>Total Revenue from operations</b>		<b>3,50,97,57,249</b>		<b>3,32,10,85,670</b>

(Amount in ₹)				
Details of product sold	Amount	31st March, 2018	Amount	31st March, 2017
- Decorative laminate sheet		1,66,85,61,726		1,66,30,18,049
- Medium Density Fiber Board		1,71,65,45,345		1,56,14,77,641
- Polyvinayl Chloride Board		41,38,520		-
- Trading				
Melamine	21,58,000		72,00,000	
Phenol	1,43,68,961		11,58,118	
Base Paper	3,91,149		2,48,060	
Raw Veneer and Layons	-		10,70,818	
Tissue Paper	5,24,865		-	
Treated Kraft Sheets	1,000		-	
Kraft Paper	2,27,617	1,76,71,592	-	96,76,996
<b>Total</b>		<b>3,40,69,17,183</b>		<b>3,23,41,72,686</b>

(Amount in ₹)		
Other operating revenue as under	31st March, 2018	31st March, 2017
Licence due income	10,28,40,066	8,69,12,984
<b>Total</b>	<b>10,28,40,066</b>	<b>8,69,12,984</b>

**27. OTHER INCOME :**

(Amount in ₹)				
Particulars	Amount	31st March, 2018	Amount	31st March, 2017
Dividend		-		-
Foreign Exchange Gain		1,89,11,944		1,92,59,985
Interest Income (TDS ₹ 6,34,492/- and P.Y. ₹ 5,71,704/-)		75,20,450		93,39,862
Deferred Revenue Amortised (IND AS-20) Refer note No. 19		6,35,408		6,35,408
<b>Total</b>		<b>2,70,67,802</b>		<b>2,92,35,255</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 28. COST OF MATERIALS CONSUMED:

(Amount in ₹)				
Particulars	Amount	31st March, 2018	Amount	31st March, 2017
<b>Raw Material Consumed:</b>				
Opening Stock of Raw Material	23,54,85,736		25,63,94,130	
Add : Purchases (Net of Excise, Discount Rate Diff. & Material for Resale ₹ 1,55,10,713/- previous year ₹ 76,78,821/-)	1,87,02,11,244		1,58,51,63,509	
Add : Freight, Octroi, and Clearing & Forwarding	3,13,19,679		3,08,68,175	
Add : C.V.D., Other Duty & Licence Use	6,58,11,830		5,59,73,093	
<b>Total</b>	<b>2,20,28,28,489</b>		<b>1,92,83,98,907</b>	
Less : Closing Stock of Raw Material	30,65,19,929		23,54,85,736	
<b>Total</b>		<b>1,89,63,08,560</b>		<b>1,69,29,13,171</b>

(Amount in ₹)				
Details of raw material and its components	Amount	31st March, 2018	Amount	31st March, 2017
BASE PAPER		25,66,19,766		29,02,87,235
KRAFT PAPER		36,80,75,556		31,91,23,321
PHENOL		15,18,35,364		11,86,40,730
METHANOL		2,14,36,553		2,25,71,973
FORMALDEHYDE		10,54,61,090		8,24,38,857
MELAMINE		9,34,16,632		7,65,28,631
WOOD		38,52,57,004		37,84,58,084
UREA FORMALDEHYDE RESIN		24,04,32,022		21,02,04,798
MUF RESIN		4,24,21,706		2,82,96,127
WAX		2,54,19,328		2,23,11,596
PIGMENT DYE		1,90,65,219		2,25,19,031
IMPREGATION PAPER		5,58,78,576		4,47,27,177
IMPREGATION RESIN		3,05,48,772		2,01,58,843
PVC K57		1,37,79,635		-
MODIFIER LP90		63,87,197		-
OTHERS		8,02,74,140		5,66,46,768
<b>Total</b>		<b>1,89,63,08,560</b>		<b>1,69,29,13,171</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 29. PURCHASE OF STOCK-IN-TRADE :

Particulars	(Amount in ₹)	
	31st March, 2018	31st March, 2017
Melamine	19,39,795	52,35,421
Phenol	1,25,89,077	12,42,984
Base Paper	3,64,666	2,36,702
Raw Veneer and Layons	-	9,63,714
Tissue Paper	3,79,346	-
Treated Kraft Sheets	922	-
Kraft Paper	2,36,907	-
<b>Total</b>	<b>1,55,10,713</b>	<b>76,78,821</b>

### 30. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS:

Particulars	(Amount in ₹)			
	Amount	31st March, 2018	Amount	31st March, 2017
<b>Opening Stock</b>				
Finished Goods	28,28,32,868		26,00,55,262	
Stock-in-Progress	5,69,48,716		5,71,78,352	
<b>Total</b>	<b>33,97,81,584</b>		<b>31,72,33,614</b>	
<b>Less : Closing Stock</b>				
Finished Goods	38,65,95,705		28,28,32,868	
Stock-in-Progress	5,64,23,632		5,69,48,716	
<b>Total</b>	<b>44,30,19,337</b>		<b>33,97,81,584</b>	
<b>Increase/(Decrease) in Stock of Finished Goods &amp; Stock-in-Progress</b>		<b>(10,32,37,753)</b>		<b>(2,25,47,970)</b>

Details of Finished Goods	(Amount in ₹)	
	31st March, 2018	31st March, 2017
- Decorative laminate sheet	26,79,30,144	19,65,50,471
- Medium Density Fiber Board	10,14,10,062	8,62,82,397
- Polyvinayl Chloride Board	1,72,55,499	-
<b>Total</b>	<b>38,65,95,705</b>	<b>28,28,32,868</b>

### 31. EXCISE DUTY

Particulars	(Amount in ₹)			
	Amount	31st March, 2018	Amount	31st March, 2017
Excise duty on Sales		7,45,64,991		25,98,81,516
<b>Total</b>		<b>7,45,64,991</b>		<b>25,98,81,516</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 32. EMPLOYEE BENEFITS EXPENSES:

(Amount in ₹)				
Particulars	Amount	31st March, 2018	Amount	31st March, 2017
Salary & Bonus		20,36,01,327		17,94,52,855
Contribution to Provident Fund etc.		61,92,193		53,74,903
<b>Total</b>		<b>20,97,93,520</b>		<b>18,48,27,758</b>

### 33. FINANCE COSTS:

(Amount in ₹)				
Particulars	Amount	31st March, 2018	Amount	31st March, 2017
Interest on Cash Credit		2,98,80,504		2,97,51,058
Interest on Term Loan		3,25,75,690		4,08,63,864
Interest to Unsecured loan		77,04,029		1,32,99,194
Interest to Financial Institution		17,98,232		37,75,477
Other Financial Charges		1,50,65,052		1,60,20,861
Foreign Exchange Fluctuation		-		-
<b>Total</b>		<b>8,70,23,507</b>		<b>10,37,10,454</b>

### 34. OTHER EXPENSES:

(Amount in ₹)				
Particulars	Amount	31st March, 2018	Amount	31st March, 2017
<b>Stores &amp; Spares Consumed :</b>				
Opening Stock	4,22,72,865		3,67,65,314	
Add : Purchases	8,99,99,009		7,02,72,459	
<b>Total</b>	<b>13,22,71,874</b>		<b>10,70,37,773</b>	
Less: Closing Stock	8,16,17,721	5,06,54,153	4,22,72,865	6,47,64,908
Commission on Imports		5,55,877		14,22,741
Central Excise Duty Expenses		6,48,093		14,89,175
Jobwork Charges		83,59,546		73,70,140
Power & Fuel Consumed :				
Opening Stock	4,95,966		9,79,415	
Add : Purchases	25,98,40,718		22,03,18,039	
<b>Total</b>	<b>26,03,36,684</b>		<b>22,12,97,454</b>	
Less: Closing Stock	12,06,163	25,91,30,521	4,95,966	22,08,01,488
<b>Repairs &amp; Maintenance :</b>				
Machinery	75,15,382		55,52,577	
Building	28,59,661		34,67,616	
Others	12,02,159	1,15,77,202	8,73,801	98,93,994
Wages		11,16,46,981		9,89,16,501
Transport Charges		12,22,535		2,18,373
Factory Expenses		1,59,08,281		1,66,03,289
Advertisement Expenses		2,68,19,769		1,38,05,549
Audit Fees*		3,75,000		3,75,000

**Notes to the Financial Statements (Contd.)**

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

**34. OTHER EXPENSES: (Contd.)**

(Amount in ₹)				
Particulars	Amount	31st March, 2018	Amount	31st March, 2017
Sales Commission		5,11,91,320		5,36,16,677
Computer Maintenance Expenses		16,16,801		11,57,813
Corporate Social Responsibility contribution		69,48,893		18,30,203
Donation		2,85,900		2,43,502
General/ Miscellaneous Expenses		96,93,741		98,58,096
Insurance Expenses		35,67,908		47,85,677
Legal & Professional Charges		1,75,18,576		1,18,19,484
Loss on Sale of Fixed Assets		61,075		85,128
Postage and Telephone Expenses		45,18,076		41,84,130
Equity Enhancement Expense		5,03,001		-
Printing and Stationary Expenses		20,50,660		30,22,837
Swachh Bharat Cess		2,55,610		11,58,103
Krishi Kalyan Cess		2,52,691		9,73,490
Rent, Rate and Taxes		1,14,23,490		97,57,484
Selling Expenses		21,77,84,722		14,56,24,023
Sundry Balances Written off		25,02,268		-
Travelling, Conveyance and Vehicle Expenses		3,48,71,409		3,31,84,132
<b>Total</b>		<b>85,19,44,099</b>		<b>71,69,61,937</b>

(Amount in ₹)				
Particulars	Amount	31st March, 2018	Amount	31st March, 2017
As auditors - Statutory audit		2,50,000		2,50,000
Tax audit		1,25,000		1,25,000
Taxation Matters		-		-
Management Services		-		-
Company Law Matters		-		-
Certification fees & other services		-		-
Reimbursement of expenses		-		-
<b>Total</b>		<b>3,75,000</b>		<b>3,75,000</b>

**35. TAX EXPENSE :**

(Amount in ₹)				
Particulars	Amount	31st March, 2018	Amount	31st March, 2017
(1) Current Tax		10,51,00,000		7,22,32,087
(2) Deferred Tax		1,47,16,674		1,68,45,009
<b>Total</b>		<b>11,98,16,674</b>		<b>8,90,77,096</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 35. TAX EXPENSE : (Contd.)

Particulars	(Amount in ₹)			
	Amount	31st March, 2018	Amount	31st March, 2017
<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	34.608%		34.608%	
Accounting Profit Before Tax	42,79,32,342		33,40,40,776	
Current Tax expenses on Profit before tax expenses at the enacted income tax rate in India	14,80,98,825		11,56,04,832	
Non deductible expenses for Tax Purpose	3,26,08,487		2,86,94,630	
Deductible Expenses for Tax purposes	(4,25,56,638)		(3,97,06,663)	
MAT Credit Entitlement	(3,30,50,673)		(3,22,65,546)	
Excess Provision of earlier years written back	-		(95,166)	
<b>A : Current tax as reported in the Statement of Profit and Loss</b>		<b>10,51,00,000</b>		<b>7,22,32,087</b>
<b>Reconciliation of Deferred Tax Liability</b>				
Timing Difference of Depreciation (Deferred tax liability)	1,54,77,468		1,78,90,154	
Gratuity Payment (Deferred Tax Liability)	(5,65,803)		(7,20,158)	
Capital gain on land revaluation-Deferred Tax Liability)	(1,94,991)		(3,24,987)	
<b>B : Deferred tax as reported in the Statement of Profit and Loss "</b>		<b>1,47,16,674</b>		<b>1,68,45,009</b>
<b>C : Total Tax expense as reported in the Statement of Profit and Loss C=A+B "</b>		<b>11,98,16,674</b>		<b>8,90,77,096</b>

### 36. EARNINGS PER SHARE :

Particulars	(Amount in ₹)	
	Year ended 31st March, 2018	Year ended 31st March, 2017
<b>Basic/Diluted Earnings per Share</b>		
Number of Equity Shares at the beginning of the year	1,44,00,000	1,44,00,000
Number of Equity Shares allotted during the year:		
80,000 Shares allotted during the year dated 17th May, 2017	80,000	-
26,666 Shares allotted during the year dated 29th May, 2017	26,666	-
1,05,820 Shares allotted during the year dated 25th Nov, 2017	1,05,820	-
1,04,974 Shares allotted during the year dated 15th Feb, 2017	1,04,974	-
Total Number of Equity Shares at the end of the year	1,47,17,460	1,44,00,000
Weighted average number of equity shares	1,45,42,108	1,44,00,000
Profit for the year (after tax, available for equity shareholders) In ₹	30,98,07,283	24,88,95,278
<b>Basic and Diluted Earnings Per Share ₹</b>	<b>21.30</b>	<b>17.28</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 ₹ 10,64,110/- (P.Y ₹ 61,60,050)
2.	Disputed Excise Demand Matter Under Appeal ₹ 83,96,065/- (P.Y ₹ 58,87,440/-)
3.	Disputed Custom Duty Matter Under Appeal ₹ 27,55,536/- (P.Y ₹ 27,55,536)
4.	Disputed VAT Liability matter under Appeal ₹ 16,89,373/- (P.Y ₹ NIL)

###### 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 ₹ 2,69,57,924/- (P. Y ₹ 38,04,964/-)

(3) Outstanding Bank Guarantee ₹ 2,62,12,352/- (PY ₹ 1,73,19,170/-)

#### b. Commitments:

Estimated amount of contracts remaining to be executed on capital account and not provided for net of advances, ₹ 107,89,28,751/- (previous year ₹ 5,54,10,254/-)

### 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

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, 2018	As at 31st March, 2017	As at 1st April, 2016
<b>FINANCIAL ASSETS</b>			
<b>Measured at Amortised Cost</b>			
(i) Trade and Other Receivables	50,17,52,732	48,56,33,376	41,60,37,042
(ii) Cash and Cash Equivalents	56,51,699	1,97,17,854	1,83,92,825
(iii) Loans	2,73,16,780	16,53,405	24,92,238

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

(Amount in ₹)			
Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
(iv) Other Financial Assets	10,000	10,000	10,000
<b>FINANCIAL LIABILITIES</b>			
<b>Measured at Amortised Cost</b>			
(i) Borrowings	85,68,58,104	78,78,91,726	90,59,65,096
(ii) Trade Payables	63,75,41,692	40,73,20,469	50,80,98,956
(iii) Other Financial Liabilities	19,76,66,873	18,09,49,802	17,73,51,790

### (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.

#### 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.



## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

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, 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>
<b>As at 31st March, 2017</b>				
Borrowings	45,70,27,215	24,29,66,637	8,78,97,874	78,78,91,726
Trade Payables	40,73,20,469	71,13,121	-	41,44,33,590
Other Financial Liabilities	14,24,12,545	3,85,37,257	-	18,09,49,802
<b>Total</b>	<b>1,00,67,60,229</b>	<b>28,86,17,015</b>	<b>8,78,97,874</b>	<b>1,38,32,75,118</b>
<b>As at 1st April, 2016</b>				
Borrowings	46,90,51,628	29,41,48,257	14,27,65,211	90,59,65,096
Trade Payables	50,80,98,956	72,92,259	-	51,53,91,215
Other Financial Liabilities	13,94,51,890	3,78,99,900	-	17,73,51,790
<b>Total</b>	<b>1,11,66,02,474</b>	<b>33,93,40,416</b>	<b>14,27,65,211</b>	<b>1,59,87,08,101</b>

### Credit Risk

Credit risk is the risk that counter party 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 homogeneous 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, 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>
<b>As at 31st March, 2017</b>				
Loans to Employees	-	16,53,405	-	16,53,405
Trade Receivables	47,79,67,598	76,65,778	-	48,56,33,376
Other Financial Assets	-	-	-	-
<b>Total</b>	<b>47,79,67,598</b>	<b>93,19,183</b>	<b>-</b>	<b>48,72,86,781</b>

### (a) For hedging currency

Particulars	As at	As at
	31st March, 2018	31st March, 2017
Outstanding Forward Contract	2,767.81	1,626.27

## 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)
31-03-2018	0.255940 USD 2.174250 EURO	1,909.98	2.506316 USD 1.070496 EURO	1,491.62
31-03-2017	0.201159 USD 0.004416 EURO	133.50	3.686749 USD 0.091574 EURO 4.521708 JPY	2,480.43

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. OPERATING SEGMENT:

#### Primary

The primary segment of the Company, comprising of 'Decorative, Laminates', 'Particle Board' and 'Medium Density Fiber Board'.

#### Segment wise Revenue, Results and capital employed

Primary business segments – Revenue by nature of products:

	(Amount in ₹)	
DETAILS	2017-18	2016-17
Decorative Laminated Sheets	1,66,85,61,726/- (*)	1,66,30,18,049/- (*)
Medium Density Fiber Board	1,71,65,45,345/-	1,56,14,77,641/- (*)
Polyvinyl Chloride Boards	41,38,520/-	-
<b>Total</b>	<b>3,38,92,45,591/-</b>	<b>3,22,44,95,690/-</b>

(\*) Does not include trading Sales of ₹ 1,76,71,592/- (Previous year ₹ 96,76,996/-)

Revenue by geographical regions

- (i) Decorative Laminate Sheets

	(Amount in ₹)	
DETAILS	2017-18	2016-17
India	69,31,82,755/-	64,72,17,214/- (*)
Outside India	97,53,78,971/-	1,01,58,00,835/-
<b>Total</b>	<b>1,66,85,61,726/-</b>	<b>1,66,30,18,049/-</b>

(\*) Does not include Trading sales of ₹ 1,76,71,592/- (Previous year ₹ 86,06,178/-)

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

(ii) Medium Density Fibre Board

	(Amount in ₹)	
Details	2017-18	2016-17
India	1,71,65,45,345/-	1,55,72,56,452/-(*)
Outside India	-	42,21,189/-
<b>Total</b>	<b>1,71,65,45,345/-</b>	<b>1,56,14,77,641/-</b>

(\*) Does not include Trading sales of ₹ Nil/- (Previous year ₹ 10,70,818/-)

(iii) Polyvinyl Chloride Boards

	(Amount in ₹)	
Details	2017-18	2016-17
India	41,38,520/-	-
Outside India	-	-
<b>Total</b>	<b>41,38,520/-</b>	<b>-</b>

### Segment wise Revenue (Gross), Results, Assets and Liabilities

	(Amount in ₹)	
Particulars	Year ended on 31st March, 2018	Year ended on 31st March, 2017
<b>1 Segment Revenue (Gross)</b>		
a Laminates & allied products	1,81,32,73,115	1,77,22,30,415
b Particle Board	-	-
c Medium Density Fiber Board	1,72,52,01,318	1,56,74,24,380
d Polyvinyl Chloride Boards`	41,38,520	-
e Unallocated	-	-
<b>Total</b>	<b>3,54,26,12,953</b>	<b>3,33,96,54,795</b>
Less: Inter segment revenue	3,28,55,704	1,85,69,125
<b>Gross sales from Operations</b>	<b>3,50,97,57,249</b>	<b>3,32,10,85,670</b>
<b>2 Segment Results</b>		
Profit before Interest and Tax:		
a Laminates & allied products	21,83,64,427	21,93,99,746
b Particle Board	-9,65,561	29,14,644
c Medium Density Fiber Board	32,67,05,957	25,04,40,301
d Polyvinyl Chloride Boards`	-54,86,315	-
e Unallocated	-	-
<b>Total</b>	<b>53,86,18,508</b>	<b>47,27,54,691</b>
<b>Less:</b>		
i Interest	8,70,23,507	10,37,10,454
ii Other Unallocable expenditure	2,19,71,043	3,10,71,863
<b>Add:</b>		
i Unallocable income	-	-
<b>Total Profit Before Tax and Other Comprehensive Income</b>	<b>42,96,23,958</b>	<b>33,79,72,374</b>
<b>3a Segment Assets</b>		
a Laminates	1,60,48,29,565	1,43,80,55,429
b Particle Board	71,69,959	7,28,70,349
c Medium Density Fiber Board	1,52,44,53,035	1,43,57,32,174
d Polyvinyl Chloride Boards`	20,35,43,011	-
e Unallocated	36,38,81,865	1,70,57,917
<b>Total Segment Assets</b>	<b>3,76,84,07,074</b>	<b>2,96,37,15,869</b>
<b>3b Segment Liabilities</b>		
a Laminates	89,47,78,024	77,75,71,837
b Particle Board	82,900	82,900
c Medium Density Fiber Board	35,70,67,799	25,96,82,214
d Polyvinyl Chloride Boards`	4,56,75,441	-
e Unallocated	2,53,46,206	78,29,239
<b>Total Segment Liabilities</b>	<b>1,32,29,50,370</b>	<b>1,04,51,66,190</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 42. RELATED PARTY TRANSACTION:

(a) Names of related parties and description of relationship:

Sr. No.	Nature of Relationship	Name of Related Parties
1	Associate Companies/Enterprise	Rushil International Decoply Agency Shri Krupa Decorative Veneer Private Limited Surya Panel Private Limited Ghanshyam Sales Agency VirStuddio Private Limited (OPC) Ratnatej Infrastructure Private Limited Vir Decorative Sheets Private Limited Ghanshyam Forwarders Private Limited
2	Key Management Personal	Ghanshyambhai A. Thakkar Krupeshbhai G. Thakkar Kaushikbhai J. Thakkar Keyurbhai Gajjar Rushil K. Thakkar Vipul S Vora Hasmukh Modi
3	Relative of key management person	Ghanshyambhai A. Thakkar HUF Krupeshbhai G. Thakkar HUF Krupaben K. Thakkar Saraswatiben N. Thakkar Dinuben G. Thakkar Masumi K. Thakkar Rushvi R. Thakkar Alka G. Thakkar Ambalal D. Thakkar HUF Aditi V. Thakkar Dhara V. Thakkar Dhvanil V. Thakkar Mrunal Keyur Gajjar Manthan K. Thakkar Viresh Thakkar Snehal K Thakkar HUF Alpa S Thakkar Precision Engineering & Fabrication

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 31.03.2018**

(Amount in ₹)

Nature of Transaction As on -->	Associate Companies/ Enterprises		Key Management Personnel		Relatives of Key Management Personnel		Total	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>(A) Volume of Transactions</b>								
<b>1) Sales of Goods</b>								
Shri Krupa Decorative Veneer Private Limited	-	13,87,932	-	-	-	-	-	13,87,932
Surya Panel Private Limited	2,75,29,568	-	-	-	-	-	2,75,29,568	-
<b>2) Goods Purchased</b>								
Shri Krupa Decorative Veneer Private Limited	-	10,29,367	-	-	-	-	-	10,29,367
Surya Panel Private Limited	11,50,318	-	-	-	-	-	11,50,318	-
<b>3) Capital Service / Goods Purchased</b>								
Shri Krupa Decorative Veneer Private Limited	-	25,22,234	-	-	-	-	-	25,22,234
<b>4) Freight / Demurrage Charges</b>								
Ghanshyam Forwarders Private Limited	6,90,000	75,85,299	-	-	-	-	6,90,000	75,85,299
Surya Panel Private Limited	41,78,368	-	-	-	-	-	41,78,368	-
<b>5) Sales of Capital Item</b>								
Shri Krupa Decorative Veneer Private Limited	-	2,14,200	-	-	-	-	-	2,14,200
<b>6) Loan Taken/ Granted</b>								
<b>(A) Loan Taken</b>								
<b>i) Ghanshyambhai Thakkar - HUF</b>								
Loan taken	-	-	-	-	2,47,377	4,26,830	2,47,377	4,26,830
Loan repaid	-	-	-	-	7,01,534	1,50,850	7,01,534	1,50,850
Balance at 31st March	-	-	-	-	2,24,494	6,78,651	2,24,494	6,78,651
Balance at 1st April	-	-	-	-	6,78,651	4,02,671	6,78,651	4,02,671

## 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	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
ii) Ambalal D. Thakkar - HUF								
Loan taken	-	-	-	-	57,762	27,55,313	57,762	27,55,313
Loan repaid	-	-	-	-	28,00,000	1,50,000	28,00,000	1,50,000
Balance at 31st March	-	-	-	-	1,04,227	28,46,465	1,04,227	28,46,465
Balance at 1st April	-	-	-	-	28,46,465	2,41,152	28,46,465	2,41,152
iii) Krupeshbhai G. Thakkar - HUF								
Loan taken	-	-	-	-	12,86,140	10,38,177	12,86,140	10,38,177
Loan repaid	-	-	-	-	24,14,500	6,67,385	24,14,500	6,67,385
Balance at 31st March	-	-	-	-	3,56,580	14,84,940	3,56,580	14,84,940
Balance at 1st April	-	-	-	-	14,84,940	11,14,148	14,84,940	11,14,148
iv) Smt. Dinuben G. Thakkar								
Loan taken	-	-	-	-	2,32,227	52,79,251	2,32,227	52,79,251
Loan repaid	-	-	-	-	17,49,642	50,02,236	17,49,642	50,02,236
Balance at 31st March	-	-	-	-	99,195	16,16,610	99,195	16,16,610
Balance at 1st April	-	-	-	-	16,16,610	13,39,595	16,16,610	13,39,595
v) Krupaben K. Thakkar								
Loan taken	-	-	-	-	5,19,763	5,01,34,873	5,19,763	5,01,34,873
Loan repaid	-	-	-	-	3,21,83,069	1,95,89,915	3,21,83,069	1,95,89,915
Balance at 31st March	-	-	-	-	9,52,784	3,26,16,090	9,52,784	3,26,16,090
Balance at 1st April	-	-	-	-	3,26,16,090	20,71,132	3,26,16,090	20,71,132
vi) Rushil K. Thakkar								
Loan taken	-	-	-	-	6,37,607	3,72,370	6,37,607	3,72,370
Loan repaid	-	-	-	-	8,61,650	-	8,61,650	-
Balance at 31st March	-	-	-	-	2,01,450	4,25,493	2,01,450	4,25,493
Balance at 1st April	-	-	-	-	4,25,493	53,123	4,25,493	53,123
vii) Krupeshbhai G Thakkar								
Loan taken	-	-	5,53,83,130	1,50,95,488	-	-	5,53,83,130	1,50,95,488

**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	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
Loan repaid	-	-	5,59,48,176	1,77,70,130	-	-	5,59,48,176	1,77,70,130
Balance at 31st March	-	-	4,74,405	10,39,450	-	-	4,74,405	10,39,450
Balance at 1st April	-	-	10,39,450	37,14,092	-	-	10,39,450	37,14,092
viii) Ghanshyambhai A Thakkar								
Loan taken	-	-	94,45,692	2,67,51,244	-	-	94,45,692	2,67,51,244
Loan repaid	-	-	90,90,666	2,98,70,016	-	-	90,90,666	2,98,70,016
Balance at 31st March	-	-	15,09,150	11,54,124	-	-	15,09,150	11,54,124
Balance at 1st April	-	-	11,54,124	42,72,896	-	-	11,54,124	42,72,896
ix) Kaushikbhai J Thakkar								
Loan taken	-	-	2,00,000	-	-	-	2,00,000	-
Loan repaid	-	-	-	-	-	-	-	-
Balance at 31st March	-	-	3,00,000	1,00,000	-	-	3,00,000	1,00,000
Balance at 1st April	-	-	1,00,000	1,00,000	-	-	1,00,000	1,00,000
x) Masumi K. Thakkar								
Loan taken	-	-	-	-	43,49,870	2,00,000	43,49,870	2,00,000
Loan repaid	-	-	-	-	-	-	-	-
Balance at 31st March	-	-	-	-	45,52,402	2,00,000	45,52,402	2,00,000
Balance at 1st April	-	-	-	-	2,02,532	-	2,02,532	-
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
<b>7) Managerial Remuneration</b>								
Ghanshyambhai Thakkar	-	-	1,05,69,278	85,88,309	-	-	1,05,69,278	85,88,309
Krupeshbhai G. Thakkar	-	-	1,05,58,679	85,63,222	-	-	1,05,58,679	85,63,222
Kaushik J Thakkar	-	-	4,79,784	4,10,277	-	-	4,79,784	4,10,277

## 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	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>8) Dividend Paid</b>								
Ghanshyambhai 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
Krupeshbhai 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
Smt. 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
<b>9) Interest Expenses</b>								
Ghanshyambhai Thakkar HUF	-	-	-	-	60,762	49,043	60,762	49,043
Krupeshbhai G. Thakkar	-	-	6,11,835	5,03,965	-	-	6,11,835	5,03,965
Krupeshbhai Thakkar HUF	-	-	-	-	45,881	1,59,256	45,881	1,59,256
Smt. Dinuben G. Thakkar	-	-	-	-	54,410	1,31,801	54,410	1,31,801
Ambalal D. Thakkar - HUF	-	-	-	-	64,180	70,703	64,180	70,703
Krupaben K. Thakkar	-	-	-	-	4,20,617	41,15,278	4,20,617	41,15,278
Rushil K. Thakkar	-	-	-	-	65,939	20,120	65,939	20,120
Ghanshyambhai Thakkar	-	-	1,83,024	11,19,681	-	-	1,83,024	11,19,681
Masumi K. Thakkar	-	-	-	-	3,88,744	2,532	3,88,744	2,532
<b>10) Salary to Relatives of Key Management Personnel</b>								
Krupaben K. Thakkar	-	-	-	-	45,67,829	43,75,570	45,67,829	43,75,570
Rushil k Thakkar	-	-	-	-	12,97,905	10,13,483	12,97,905	10,13,483



**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	
	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17	2017-18	2016-17
<b>11) Salary to Key Management Personal</b>								
Keyurbhai Gajjar	-	-	50,49,658	37,91,312	-	-	50,49,658	37,91,312
Vipulbhai Vora	-	-	33,26,728	28,50,764	-	-	33,26,728	28,50,764
Hashmukhbhai Modi	-	-	15,48,151	13,25,005	-	-	15,48,151	13,25,005
<b>12) Lease Rent Expense</b>								
Ratnatej Infrastructure Private Limited	1,20,000	1,20,000	-	-	-	-	1,20,000	1,20,000
Krupeshbhai G. Thakkar	-	-	70,35,000	56,00,000	-	-	70,35,000	56,00,000
<b>13) Reimbursement of Processing Fees</b>								
Krupesh G. Thakkar	-	-	3,54,000	-	-	-	3,54,000	-
<b>14) Lease Rent Deposit</b>								
Ratnatej Infrastructure Private Limited	32,00,000	-	-	-	-	-	32,00,000	-
<b>15) Clearing &amp; Forwarding Expense</b>								
Shri Krupa Decorative Veneer Private Limited	-	-	-	-	-	-	-	-
Vir Studdio Private Limited (OPC)	46,667	-	-	-	-	-	46,667	-

**43. 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	2017-18	2016-17
Employers contribution to provident fund	61,92,193/-	53,74,903/-

## 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 favourable 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 cashflows.

**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, 2018	For the year ended 31st March, 2017
Current Service Cost	62,41,025	69,22,893
Interest Expense on Defined Benefit Obligation (DBO)	2,99,963	5,30,300
<b>Defined Benefit Cost included in Profit and Loss</b>	-	-
Remeasurements - Due to Financial Assumptions	68,87,700	16,17,503
Remeasurements - Due to Experience Assumptions	-	4,09,371
Remeasurements - Due to Experience Adjustments	(84,70,970)	(60,77,721)
Return on plan assets excluding amounts included in interest income	(1,08,346)	1,19,249
<b>Defined Benefit Cost included in Other Comprehensive Income</b>	(16,91,616)	(39,31,598)
<b>Total Defined Benefit Cost in Profit and Loss and OCI</b>	<b>48,49,372</b>	<b>35,21,595</b>

### (v) Movement in Defined benefit liability:

(Amount in ₹)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Opening Defined Benefit Obligation	1,20,86,090	1,03,51,945
Interest Expense on Defined Benefit Obligation (DBO)	-	-
Current Service Cost	63,26,507	37,25,900
Total Remeasurements included in OCI	(16,91,616)	39,31,598
Less: Benefits paid	-	(4,11,714)
Less: Contributions to plan assets	(30,00,000)	(50,00,000)
<b>Closing benefit obligation</b>	<b>1,37,20,981</b>	<b>1,20,86,090</b>
Current Liabilities of Closing benefit obligation	1,12,44,231	1,02,76,234
Non-Current Liabilities of Closing benefit obligation	24,76,750	18,09,856

### (vi) Sensitivity Analysis of Defined Benefit Obligation:

(Amount in ₹)

Under Base Scenario	2017-18			2016-17	
	LAM	MDF	WPC	LAM	MDF
<b>(A) Discount rate Sensitivity</b>					
Increase by 0.5%	64,82,146	1,75,14,623	25,078	80,18,078	1,06,31,215
(% change)	(6.61%)	(5.02%)	(10.61%)	(5.16%)	(4.50%)
Decrease by 0.5%	74,48,597	1,94,51,178	31,462	89,31,081	1,16,75,359
(% change)	7.32%	5.48%	12.14%	5.64%	4.88%
<b>(B) Salary growth rate Sensitivity</b>					
Increase by 0.5%	72,91,905	1,90,64,016	30,118	89,06,439	1,16,12,320
(% change)	5.06%	3.38%	7.35%	5.35%	4.32%
Decrease by 0.5%	65,98,025	1,77,95,844	25,969	80,68,061	1,07,17,033
(% change)	(4.94%)	(3.49%)	(7.44%)	(4.57%)	(3.72%)
<b>(C) Withdrawal rate (W.R.) Sensitivity</b>					
W.R. x 110%	69,18,233	1,84,33,516	27,665	86,08,119	1,12,52,595
(% change)	(0.33%)	(0.04%)	(1.39%)	1.82%	1.09%
W.R. x 90%	69,65,868	1,84,50,353	28,447	83,77,354	1,10,12,532
(% change)	0.36%	0.05%	1.40%	(0.91%)	(1.07%)

### (vii) Actuarial assumptions:

(Amount in ₹)

Particulars	For the year ended 31st March, 2018	For the year ended 31st March, 2017
Mortality Table: Indian Assured Lives Mortality (2006-08) Table		
Discount Rate (per annum)	7.55%	7.52%
Rate of escalation in salary (per annum)	10.00%	6.00%
Withdrawal rate	2% at all ages	2% at all ages

### (viii) The above details are certified by the actuary.

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 44. CORPORATE SOCIAL RESPONSIBILITY CONTRIBUTION

- (a) Gross amount required to be spent by the Company during the year ₹ 40,59,899/- (Previous year ₹ 22,85,013/-)  
 (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	2017-18	Nil	Nil	Nil
(ii) On purposes other than (i) above	2017-18	69,48,893/-	Nil	69,48,893/-

45. 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.

46. Inventories are as taken, valued and certified by the management.

### 47. DEFERRED TAX ASSETS/(LIABILITY):

The breakup of Deferred Tax as at 31.03.2018 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)	24,40,70,871	22,85,93,403
- Capital gain on land revaluation (Deferred Tax Liability)	4,45,21,677	4,47,16,668
<b>Deferred Tax Assets.</b>		
- Gratuity Payment (Deferred Tax Liability)	47,48,557	41,82,754
<b>Net Deferred Tax Liability</b>	<b>28,38,43,991</b>	<b>26,91,27,317</b>

### 48. MICRO, SMALL & MEDIUM ENTERPRISE:

As per the Micro, Small & Medium Development Act, 2006 and to the extent of the information available, amounts unpaid as at the year ended together with the interest paid / payable, is as follows:

Particulars	(Amount in ₹)	
	2017 - 18	2016 - 17
The Principal Amount	4,30,74,016/-	2,18,29,595/-
Interest Paid under MSMED Act, 2006	NIL	NIL
Interest due (Other than 23.3 (b))	NIL	NIL
Interest accrued and unpaid	NIL	NIL
Interest due and payable till actual payment	NIL	NIL

### 49. (A) CONSUMPTION OF RAW MATERIALS IN TERMS OF VALUE AND PERCENTAGE:

Sr. No. Particulars	(Amount in ₹)			
	2017-18	%	2016-17	%
i) Imported (*)	70,57,76,051	37.22	63,33,51,555	37.40
ii) Indigenous	1,19,05,32,510	62.78	1,05,97,58,660	62.60
<b>Total</b>	<b>1,89,63,08,561</b>	<b>100.00</b>	<b>1,69,29,13,171</b>	<b>100.00</b>

(\*) Includes high seas purchase/bond transfer

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 49. (B) CONSUMPTION OF STORES AND SPARES IN TERMS OF VALUE AND PERCENTAGE:

(Amount in ₹)

Sr. No. Particulars	2017-18	%	2016-17	%
i) Imported	1,19,61,295	23.61	1,50,79,415	23.28
ii) Indigenous	3,86,92,858	76.39	4,96,85,493	76.72
<b>Total</b>	<b>5,06,54,153</b>	<b>100.00</b>	<b>6,47,64,908</b>	<b>100.00</b>

### 49. (C) TRADING GOODS:

(Amount in ₹)

Sr. No. Particulars	2017-18	%	2016-17	%
i) Imported (*)	1,52,72,884	98.47	54,72,123	71.26
ii) Indigenous	2,37,829	1.53	22,06,698	28.74
<b>Total</b>	<b>1,55,10,713</b>	<b>100.00</b>	<b>76,78,821</b>	<b>100.00</b>

(\*) Includes high seas purchase/bond transfer

### 50. PARTICULARS OF POWER AND FUEL COST:

(Amount in ₹)

Sr. No. Particulars	2017-18	2016-17
1 Electricity	18,35,61,992	15,78,77,635
2 Lignite & Coal	6,97,58,857	5,74,17,351
3 Diesel Expense	58,09,672	55,06,502
<b>Total</b>	<b>25,91,30,521</b>	<b>22,08,01,488</b>

### 51. CIF VALUE OF IMPORTS

(Amount in ₹)

Sr. No. Particulars	2017-18	2016-17
i) Raw Material	47,13,44,359	54,33,15,584
ii) Capital Goods	9,01,02,104	1,53,56,243

### 52. FIRST TIME ADOPTION OF IND AS:

#### A) Effects of Ind AS adoption on Balance Sheet as at 31st March, 2017 and 1st April, 2016

(Amount in ₹)

Particulars	Note No.	As at 31st March, 2017 (End of last period presented as per IGAAP)			As at 1st April, 2016 (Date of Transition)		
		As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS	As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS
<b>ASSETS</b>							
<b>Non-current Assets</b>							
Property, Plant and Equipment	a, i	1,40,32,61,702	21,55,26,657	1,61,87,88,359	1,38,79,00,315	21,18,53,194	1,59,97,53,509
Capital work-in-progress		1,57,79,239	-	1,57,79,239	99,70,108	-	99,70,108
Other Intangible assets		1,09,002	-	1,09,002	2,20,846	-	2,20,846
<b>Financial Assets</b>							
(i) Investments	b(i)	1,15,988	(1,05,988)	10,000	1,12,128	(1,02,128)	10,000
(ii) Trade receivables	b(i)	-	76,65,778	76,65,778	-	77,40,350	77,40,350
(iii) Loans	b(i)	-	16,53,405	16,53,405	-	24,92,238	24,92,238
(iii) Others	b(i)	4,77,54,560	(4,77,54,560)	-	4,69,52,407	(4,69,52,407)	-
Other non-current assets	b(i)	1,30,22,345	3,98,20,043	5,28,42,388	1,21,57,725	3,84,48,284	5,06,06,009

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

(Amount in ₹)

Particulars	Note No.	As at 31st March, 2017 (End of last period presented as per IGAAP)			As at 1st April, 2016 (Date of Transition)		
		As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS	As per IGAAP*	Adjustments on transition to Ind AS	As per Ind AS
<b>Current assets</b>							
Inventories		61,80,36,151	-	61,80,36,151	61,13,72,473	-	61,13,72,473
Financial Assets							
(i) Investments		-	-	-	-	-	-
(ii) Trade receivables		47,79,67,598	-	47,79,67,598	40,82,96,692	-	40,82,96,692
(iii) Cash and cash equivalents	b(ii)	6,66,18,387	(4,69,00,533)	1,97,17,854	6,28,96,072	(4,45,03,247)	1,83,92,825
(iv) Bank balances other than (iii) above	b(ii)	-	4,69,00,533	4,69,00,533	-	4,45,03,247	4,45,03,247
(v) Loans		-	-	-	-	-	-
<b>Other current assets</b>	b(i)	10,57,18,233	(14,72,672)	10,42,45,562	9,57,10,383	(16,26,337)	9,40,84,046
<b>Total Assets</b>		<b>2,74,83,83,205</b>		<b>2,96,37,15,869</b>	<b>2,63,55,89,149</b>		<b>2,84,74,42,343</b>
<b>EQUITY AND LIABILITIES</b>							
<b>EQUITY</b>							
(a) Equity Share capital		14,40,00,000	-	14,40,00,000	14,40,00,000	-	14,40,00,000
(b) Other Equity	Equity Reco	90,57,51,112	20,74,49,064	1,11,32,00,176	65,90,83,250	16,78,18,998	82,69,02,248
(c) Money received against share warrants	b(v)	5,00,00,000	(5,00,00,000)	-	-	-	-
<b>LIABILITIES</b>							
<b>Non-current liabilities</b>							
Financial Liabilities							
(i) Borrowings	c	33,16,57,802	(7,93,291)	33,08,64,511	43,77,82,323	(8,68,855)	43,69,13,468
(ii) Other Financial Liabilities	b(i)	3,85,37,257	-	3,85,37,257	3,78,99,900	-	3,78,99,900
Provisions		1,20,86,090	(18,09,856)	1,02,76,234	1,00,05,190	(16,09,796)	83,95,394
Deferred tax liabilities (Net)	g	22,31,39,337	4,59,87,980	26,91,27,317	20,72,40,653	4,50,41,655	25,22,82,308
<b>Other non-current liabilities</b>	d, i	-	1,25,44,184	1,25,44,184	-	-	-
<b>Current liabilities</b>							
Financial Liabilities							
(i) Borrowings		45,70,27,215	-	45,70,27,215	46,90,51,628	-	46,90,51,628
(ii) Trade payables							
Total outstanding dues of micro enterprises and small enterprises		2,18,29,595	-	2,18,29,595	2,46,46,531	-	2,46,46,531
Total outstanding dues of creditors other than micro enterprises and small enterprises		38,54,90,874	-	38,54,90,874	48,34,52,425	-	48,34,52,425
(iii) Other financial liabilities	b(i)	-	14,24,12,545	14,24,12,545	-	13,94,51,890	13,94,51,890
Other current liabilities	b(i)	17,37,26,182	(14,80,88,795)	2,56,37,387	15,45,51,118	(14,39,23,318)	1,06,27,800
Provisions	b(i), c	51,37,741	76,30,833	1,27,68,574	78,76,131	30,94,024	1,09,70,155
Current Tax Liabilities (Net)	b(i)	-	-	-	-	28,48,596	28,48,596
<b>Total Equity and Liabilities</b>		<b>2,74,83,83,205</b>		<b>2,96,37,15,869</b>	<b>2,63,55,89,149</b>		<b>2,84,74,42,343</b>

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### B) Statement of Reconciliation of Equity (Shareholders' Funds) as at 31st March, 2017 and 1st April, 2016

(Amount in ₹)

Sr. No.	Particulars	Note No.	As at 31st March, 2017	As at 1st April, 2016
<b>1</b>	<b>Total Equity (Shareholders' Fund) as per IGAAP</b>		<b>1,09,97,51,112</b>	<b>80,30,83,250</b>
2	Gain/(Loss) on Fair Valuation of Property, Plant and Equipment	a	21,18,53,194	21,18,53,194
3	Deferred Tax impact of Ind AS adjustments	g	(4,59,87,980)	(4,50,41,655)
4	Recognition of Prepaid Processing Fees	e	7,93,291	8,68,855
5	Adjustment for Asset related from Government Grants	d, i	(1,00,00,000)	-
6	Recognition of Depreciation on Asset related from Government Grants	i	(1,41,537)	-
7	Adjustment on account of Mark to Market Forward Contract	c	4,90,681	1,76,210
8	Deferred Revenue Written off	i	6,35,408	-
9	Tax Impact of Ind AS Adjustments	h	(1,93,993)	(37,606)
<b>10</b>	<b>Total Equity as per Ind AS</b>		<b>1,25,72,00,177</b>	<b>97,09,02,248</b>

### C) Effects of Ind AS adoption on Standalone Statement of Profit & Loss for the year ended 31st March, 2017

Sr. No.	Particulars	Note No.	Year ended 31st March, 2017 (End of last period presented as per IGAAP)		
			As per IGAAP*	Adjustments on transition to Ind AS	
			As per IGAAP*	As per Ind AS	
<b>I</b>	<b>Revenue from Operations (Gross)</b>	b(iii)	3,31,93,99,466	(16,86,204)	3,32,10,85,670
	Less: Central Excise Duty	f	25,98,81,516	25,98,81,516	-
	Revenue from Operations (Net)		3,05,95,17,950	-	3,32,10,85,670
<b>II</b>	<b>Other Income</b>	c, d, i	2,82,85,376	(9,49,879)	2,92,35,255
<b>III</b>	<b>Total Income (I +II)</b>		<b>3,08,78,03,326</b>		<b>3,35,03,20,925</b>
<b>IV</b>	<b>Expenses:</b>				
	Cost of Materials Consumed		1,69,29,13,171	-	1,69,29,13,171
	Purchases of Stock-in-Trade		76,78,821	-	76,78,821
	Changes in Inventories of Finished goods, Stock-in-Trade and Work-in-progress		(2,25,47,970)	-	(2,25,47,970)
	Excise duty on Sales	f	-	(25,98,81,516)	25,98,81,516
	Employee Benefits Expense	b(i), j	20,64,66,597	2,16,38,839	18,48,27,758
	Finance Costs	e	10,36,34,890	(75,564)	10,37,10,454
	Depreciation and Amortisation Expense	i	6,87,81,327	(1,41,537)	6,89,22,864
	Other Expenses	b(iii)	69,75,68,492	(1,93,93,445)	71,69,61,937
	<b>Total Expenses (IV)</b>		<b>2,75,44,95,328</b>	<b>-</b>	<b>3,01,23,48,551</b>
<b>V</b>	<b>Profit before tax ( III- IV )</b>		<b>33,33,07,998</b>	<b>(46,64,376)</b>	<b>33,79,72,374</b>
<b>VI</b>	<b>Tax expense :</b>				
	(1) Current Tax	h	7,21,33,260	(98,827)	7,22,32,087
	(2) Deferred Tax	g	1,58,98,684	(9,46,325)	1,68,45,009
	(2) Short/(Excess) provision of earlier years	b(i)	(57,560)	(57,560)	-
<b>VII</b>	<b>Profit for the period (V -VI)</b>		<b>24,53,33,614</b>	<b>(35,61,664)</b>	<b>24,88,95,278</b>
<b>VIII</b>	<b>Other Comprehensive Income</b>				
	A (i) Items that will not be reclassified to profit or loss		-	39,31,598	(39,31,598)
	B (i) Items that will be reclassified to profit or loss		-	-	-

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

Sr. No.	Particulars	Note No.	Year ended 31st March,2017 (End of last period presented as per IGAAP)	
			As per IGAAP*	Adjustments on transition to Ind AS
	(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
	<b>Sub-total</b>		-	<b>(39,31,598)</b>
<b>IX</b>	<b>Total Comprehensive Income for the period (VII + VIII) (Comprising Profit and Other Comprehensive Income for the period)</b>		<b>24,53,33,614</b>	<b>3,69,934</b>
<b>X</b>	<b>Earnings per equity share (Face Value of ₹ 10/- each)</b>			
	Basic & Diluted		17.04	17.28

### D) Effects of Ind AS adoption on Standalone Cash Flow statement for the year ended 31st March, 2017

Sr. No.	Particulars	Note No.	Year ended 31st March,2017	
			As per IGAAP*	Effect of Transition to Ind AS
1	Net cash flows from operating activities		26,06,01,549	(1,43,68,974)
2	Net cash flows from investing activities		(9,15,95,763)	16,00,155
3	Net cash flows from financing activities		(16,52,83,471)	1,51,66,106
4	Net Increase in Cash and Cash Equivalents		37,22,315	-
5	Cash & Cash Equivalents - Opening Balance		6,28,96,072	-
6	Cash & Cash Equivalents - Closing Balance		6,66,18,387	-

### E) Statement of Reconciliation of total comprehensive income for the year ended 31st March, 2017

Sr. No.	Particulars	Note No.	Year ended 31st March,2017 (End of last period presented as per IGAAP)
<b>1</b>	<b>Net Profit after Tax as per previous Indian GAAP</b>		<b>24,53,33,614</b>
	Add:		
2	Adjustment on account of Mark to Market Forward Contract	c	3,14,471
3	Deferred Income Written off	d, i	6,35,408
4	Excise Duty	f	25,98,81,516
5	Reclassification of Actuarial loss on Defined Benefit plans to Other Comprehensive Income	j	39,31,598
	Less:		
6	Adjustment of Prepaid Processing Fees	e	75,564
7	Recognition of Depreciation on Asset related from Government Grants	i	1,41,537
8	Excise Duty	f	25,98,81,516
9	Deferred Tax impact of Ind AS adjustments	g	9,46,325
10	Tax Impact of Ind AS Adjustments	h	1,56,387
<b>11</b>	<b>Net Profit after Tax before OCI as per Ind AS</b>		<b>24,88,95,278</b>
12	Other Comprehensive Income	j	(39,31,598)
<b>13</b>	<b>Net Profit after Tax as per Ind AS</b>		<b>24,49,63,680</b>

#### Notes to first time adoption

##### a Property Plant and Equipment

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 equipment except Land which is measured at fair value.



## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### **b Re-Classification**

- b (i) Assets / liabilities which do not meet the definition of financial asset / financial liability have been reclassified to other asset / liability.
- b (ii) The Company has re-classified Fixed Deposit Investment from cash and cash equivalents to other bank balances.
- b (iii) As per Ind AS, revenue shall be measured at the fair value of the consideration received or receivable. Fair Value is to be adjusted for trade discounts and volume rebates allowed by the entity. The discount and the expected cash flows should be estimated at the time of sale and the expected discount should be recognised as a reduction of revenue.
- b (iv) Short/Excess Provision of Tax has been reclassified in Current Tax Expense.
- b (v) Money received against Share Warrants has been reclassified to Other Equity.

### **c Mark to Market Forward Contract**

Ind AS 109 requires all derivatives to be measured at fair value and recognise any changes in fair value on the reporting date in profit and loss account unless they are designated in a qualifying hedge relationship. Under previous GAAP, derivatives were not measured at fair value. Mark to Market (MTM) gain/(loss) shall be recognised in Profit and Loss account with a corresponding derivative asset/ liability at each reporting date. The Company has hedged its liability in foreign currency by entering into forward contracts.

### **d Deferred Revenue**

Under Indian GAAP, the Company credited capital investment subsidy in capital reserve. Under Ind AS, the Company has to recognise the capital subsidy as deferred revenue and released to 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.

### **e Long Term Borrowings**

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit and loss over the tenure of the borrowings as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit and loss as and when incurred, or were capitalised to plant and machinery if the same pertains to new project or expansion of existing facility.

### **f Excise Duty**

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of statement of profit and loss as part of expenses

### **g Deferred Tax**

Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

In addition, the various transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction in retained earnings.

### **h Provision for Income Tax**

Provision for Income Tax has been increased due to Ind AS Adjustments in Profit & Loss Account.

### **i Government Grant**

The deferred revenue relates to the asset related government grant received in earlier years, the same has been accounted for as deferred revenue against the recognition of related assets and depreciation on the same. Further such grant released to 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.

### **j Actuarial gain/(loss) on Defined Benefit plans for Employee Benefits:**

Under Ind AS, the change in defined benefit liability is split into changes arising out of service and interest cost and changes arising out of remeasurements. Changes due to service and interest cost are to be recognised in Profit and Loss account and the changes arising out of re-measurements are to be recognised directly in Other Comprehensive Income (OCI).

## Notes to the Financial Statements (Contd.)

RUSHIL DECOR LIMITED (CIN : L25209GJ1993PLC019532)

### 53. EXPENDITURE IN FOREIGN CURRENCY:

(Amount in ₹)

Sr. No. Particulars	2017-18	2016-17
i) Travelling Expenses	19,41,791	33,44,208
ii) Exhibition Expenses	19,05,027	36,47,449
iii) Bank charges, Interest & Commission	2,44,49,244	2,40,65,502
iv) Membership subscription	2,68,117	2,50,566
v) Stores Purchase	1,76,57,981	1,46,18,060
vi) Repair & Maintenance Import	8,89,750	-
vii) Processing Fees	47,57,100	-
viii) Demurrage Charges (FOREIGN)	2,17,200	-

### 54. EARNING IN FOREIGN EXCHANGE:

(Amount in ₹)

Sr. No. Particulars	2017-18	2016-17
i) FOB Value of exports	1,00,60,94,432	97,51,22,564
ii) Reimbursement of Processing fees	47,57,000	-

-: Significant accounting policies – A: -  
 -: Notes To Financial Statements 1 to 54: -

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

**CA Dr. Hiten Parikh**  
 Partner  
 Membership No.040230

Place: Ahmedabad  
 Date: 19th May, 2018

For and on behalf of the Board of Directors, Rushil Decor 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, Gandhinagar – Mansa Road, Village Itla, Tal: Kalol,  
 Dist. Gandhinagar – 382845, Gujarat.

**Tel.: (079) 61400400, Fax: (079) 61400401 Email ID: [cs@virlaminate.com](mailto:cs@virlaminate.com) Website: [www.rushil.com](http://www.rushil.com)**
**FORM NO. MGT – 11**
**PROXY FORM**

[Pursuant to section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L25209GJ1993PLC019532
Name of the Company	RUSHIL DECOR LIMITED
Registered office	S. No. 125, Near Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar - 382845, Gujarat, India
Name of the member (s)	
Registered Address	
E-mail Id:	
Folio No/ Client Id	
DP Id	

I/We being a member / members of ..... shares of the above named company, hereby appoint

1.	Name :	E-mail Id :
	Address:	Signature : ....., or failing him
2.	Name :	E-mail Id :
	Address:	Signature : ....., or failing him
3.	Name :	E-mail Id :
	Address:	Signature : .....

as my/our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the 24th Annual General Meeting of the Company to be held on Saturday, the 22nd day of September, 2018 at 11:30 A.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 below:

Resolution No.	Resolution
1	To receive, consider and adopt the Audited Financial Statements of the company for the Financial Year ended on 31st March, 2018 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, 2018.
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.
4	To consider the Re-appointment and fixing the remuneration of Mr. Kaushikbhai J. Thakkar (DIN: 06541630) as Whole-Time Director of the company.

 Affix ₹ 1  
 Revenue  
 Stamp

Signed this ..... day of ..... 2018

 \_\_\_\_\_  
 Signature of the member

 \_\_\_\_\_  
 Signature of the proxy holder(s)

**Note: 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.**



**RUSHIL DECOR LIMITED****Corporate Identification No.: L25209GJ1993PLC019532**Regd. Office: S. No.125, Near Kalyanpura Patia, Gandhinagar – Mansa Road, Village Itla, Tal: Kalol,  
Dist. Gandhinagar – 382845, Gujarat.**Tel.: (079) 61400400, Fax: (079) 61400401 Email ID: [cs@virlaminate.com](mailto:cs@virlaminate.com) Website: [www.rushil.com](http://www.rushil.com)****ATTENDANCE SLIP****(To be presented at the entrance)**

DP ID*	
Client ID*	
Folio No	
No. of Share:	

I/We hereby record my / our presence at the **24th Annual General Meeting** of the Company held on Saturday, the 22nd day of September, 2018 at 11:30 A.M. at S. No. 125, Near Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar - 382845, Gujarat, India.

\_\_\_\_\_  
Name of the Member / Proxy holder\_\_\_\_\_  
Signature of the Member / Proxy holder

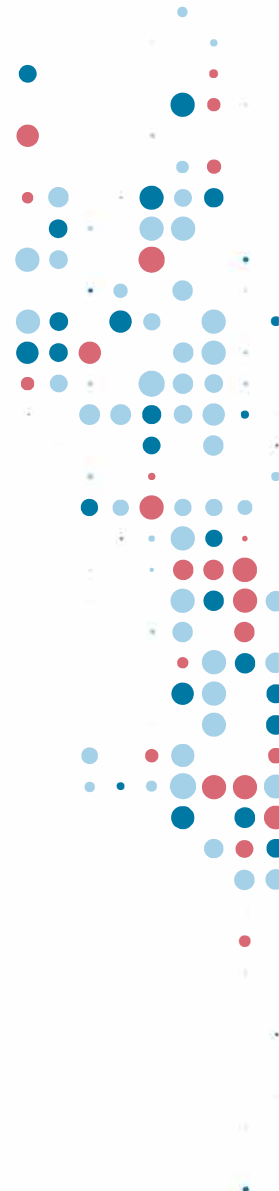
\* Applicable for investors holding shares in electronic form.

1. Please complete this attendance slip and hand it over at the entrance of the meeting hall.
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the meeting.









# RUSHIL DECOR LIMITED

## 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](mailto:info@rushil.com)
-  [www.rushil.com](http://www.rushil.com)

## Certification



IS : 2046-1995  
HGS-s 333  
  
CML : 7439785

IS 12406 : 2003  
  
CML : 4737475

IS: 14587 : 1998  
  
CML: 6200030374

