



RUSHIL
DECOR LIMITED

Rushil Décor Limited

INVESTOR PRESENTATION

Q3 FY2024



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Highlights on the Past Quarter

- The revenue from operations for the third quarter of FY24 stood at INR 213 crore, marking a notable sequential growth of 4%. This positive trend can be attributed to robust festive demand and strong traction from both domestic and export markets.
- In the month of December, our Chikmagalur plant in Karnataka not only achieved its highest-ever sales volume but also demonstrated exceptional operational efficiency, surpassing 120% in capacity utilization.
- MDF Q3 sales volumes grew by 15% YoY with blended realizations at ~ INR 24,000 per CBM. We are increasing market presence for our products and enhancing penetration further in Tier 2, 3 cities.
- With an impressive EBITDA margins of more than 14% this quarter, our focus remains on boosting operational efficiencies, implementing cost reduction measures, and continuously improving margins. As previously guided, we are on track to maintain margins within the range of 15-17% for FY24.
- Exports accounted for 30% of total revenues, and we anticipate that the export segment will contribute an estimated INR 250 crores to our revenues by FY24. Looking ahead, our long-term ambition is to double the revenues for our exports in the next 3-4 years.
- Increased demand for our products is driven by rapid urbanization, infrastructure development, and rising consumer spending on home renovations. These factors not only boost demand but also reinforce our position as a key player in thriving markets.
- For the quarter, we executed impactful branding activities covering ~60,000+ sq.ft through Retail branding, significantly enhancing our market presence. Additionally, we successfully organized over 70 carpenter/contractor meets, fostering valuable connections and reinforcing our commitment to engagement and collaboration within the industry.

Chairman's Message

Mr. Krupeshbhai G. Thakkar



“The company's significant advancement on its growth path instills optimism for a strong performance in Q4FY24 as well.

As we propel towards our long-term vision, we chart a course of expansion, recognizing the pivotal role of prudent decision-making and avoid overleveraging. Embracing a forward-thinking approach, we shall explore new areas of business for sustained growth.

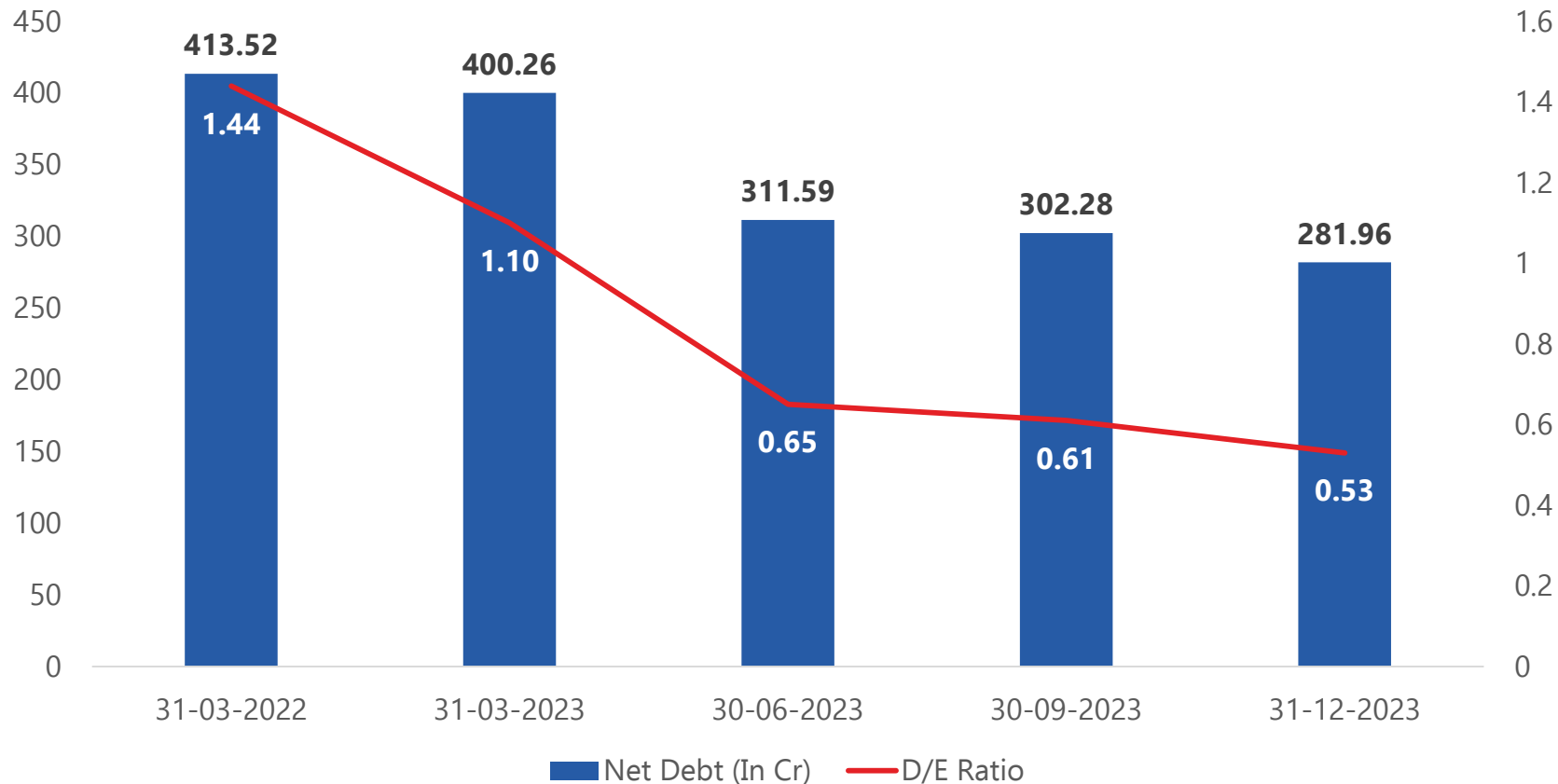
Looking ahead, our vision is not only to achieve market leadership but also to become a catalyst for positive industry change through innovation, sustainability, and customer satisfaction.”

Fund Raising Objectives

Sr. No	Particulars	Amount Upto (Rs. In Cr)	Tentative Time Frame for Utilisation
1.	Decorative laminates including bigger size (Jumbo size) laminates manufacturing Project at Mansa	90.00	Upto 2 years from the date of receipt of fund
2.	Working Capital Margin Requirement	10.00	Upto 2 years from the date of receipt of fund
3.	MDF Plant & Machinery as well as Civil Work for existing MDF Manufacturing Plants	10.00	Upto 2 years from the date of receipt of fund
4.	General Corporate Purpose	12.66	Upto 2 years from the date of receipt of fund
	TOTAL	122.66	

These additional resources will play a pivotal role in propelling our growth strategies, enhancing our product offerings, and expanding our market reach.

Debt Profile – Significantly Reduced Debt to Equity Ratio



While we aim to capitalize on emerging opportunities, we aspire to uphold our debt-to-equity ratio within 1, ensuring a balanced and responsible financial structure

Rushil at a Glance



100+ Year
lineage of wood engineering.

25+ Years
in Decorative Laminates
& MDF Boards

2nd Largest
manufacturer of MDF boards and
one the largest player in organized
laminates.

5 State-of-the-art
manufacturing facilities across India,
strategically positioned to deliver
customised products to its
customers.



1,200+
SKUs / Designs



6
Distinct Brands



600+
Direct Distributors



4,400+
Retailers Dealers



3 Star
Export House Recognition



3,000+
Workforce

Rushil Décor stands as a prominent luminary in the wood panel sector, manufacturing exquisite laminates and MDF boards

Offering Specialized Products - Laminates



 **3**
Units

 **3.49** Million
Sheets Per Annum
Installed Capacity

 **80%**
Average Capacity
Utilization for Q3FY24

APPLICATION

Home Furniture

Cabinet Doors

Desktops

Wardrobes

Wall Paneling

Commercial
Furniture

Laminates Expansion Plan For Export Growth

Production

~28 lakh

sheets per annum



RDL, 608, GIDC Mansa, Dist.
Gandhi Nagar, Gujarat

Expected Revenue
Potential in FY25

60-80 Cr

Expected Revenue
Potential in FY26

160-180 Cr

Expected Margins %

~12-15%

Benefits



Increased Capacity



Improved quality with
jumbo size



Catering to developed
markets – Europe, USA,
Australia and New Zealand



Improved top and bottom
line



Growth trajectory - last year
margin 6 to 7 % present 10
to 11 % after new project
around 12-15%



This expansion is in line
with the management
strategy

Offering Specialized Products - MDF



INTERIOR GRADE



EXTERIOR GRADE



HDFWR



2

Units



3,30,000 CBM

Per Annum
Installed Capacity



72%

Average Capacity
Utilization for Q3FY24

APPLICATION

Residential &
Commercial
furniture

Wall Paneling

Architectural
Moldings

Industrial
Products

Sports Goods

Display
Cabinets

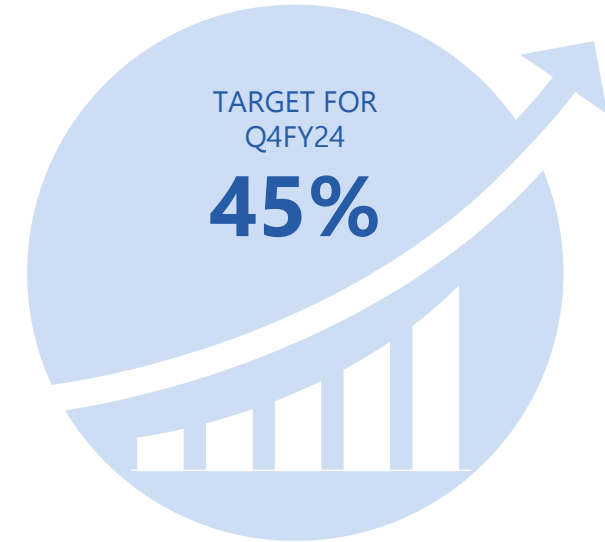
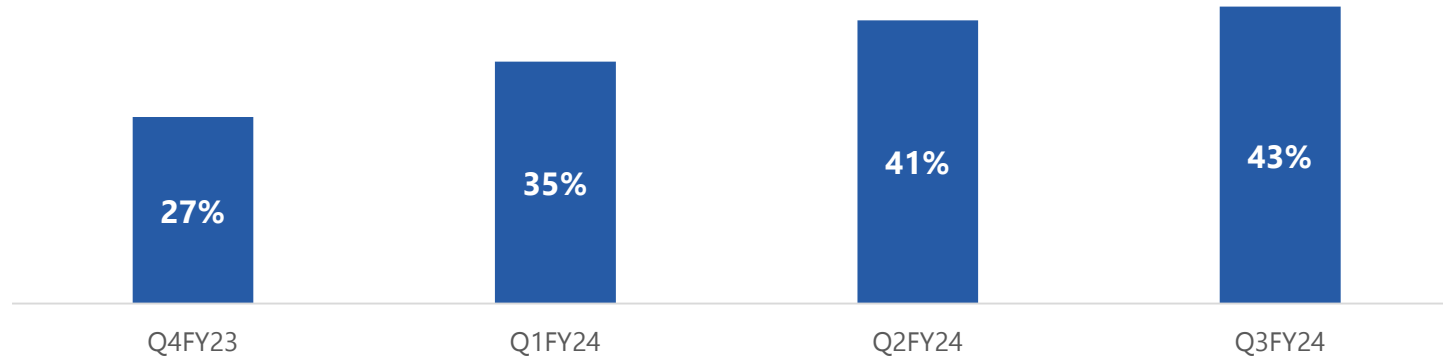
CNC Routing

Flooring

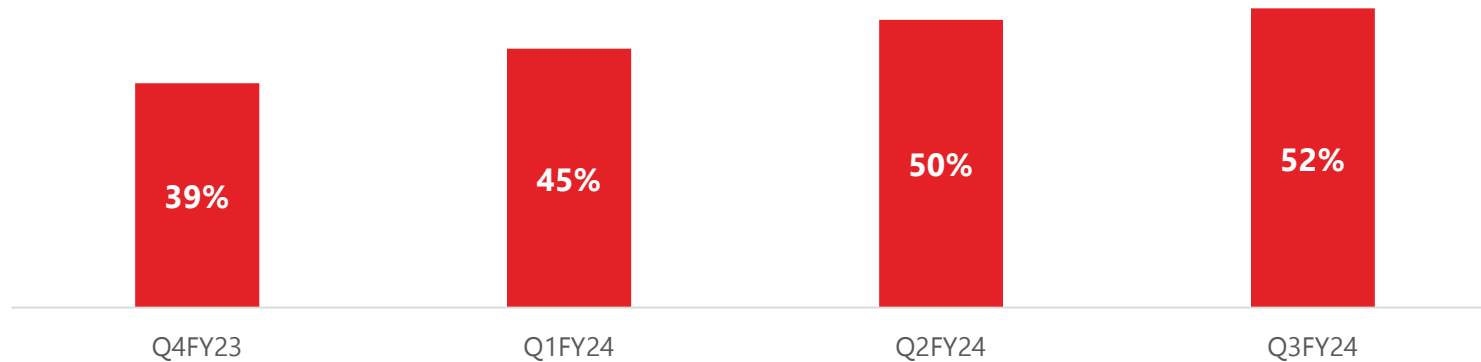
Doors &
Partition
Cornices

MDF Quarterly Trend for Value Added (Quantity & Value)

■ Quantity in %



■ Value in %



As per our guidance earlier in the year to achieve a target of 45% in quantity and 55% in value terms, we are pleased to report that we are well within reach of these targets.

Farm to Furniture – Step towards Sustainable Sourcing and Delivering Quality

27,000

Hectares of land cultivated

~15 mn

Plantation supported to the farmers

~135 mn

Trees planted in Karnataka and Andhra Pradesh

~8 mn

Saplings to be planted by FY24

ENSURING SUSTAINABLE SUPPLY OF WOOD



Benefits to Farmers

Farmers can now use their unused land for agro-forestry

An Optional Revenue Stream as RDL Procures Wood at Competitive Prices

Agroforestry practices contribute to sustainable land management and can improve the long-term productivity of farmland

Benefits to Community

Conservation of natural resources & forest

Economic momentum, sustainable livelihoods, and employment opportunities for thousands of skilled and unskilled individuals

Environmental protection security
Vulnerability reduction against natural calamities

Benefits to Rushil Décor Limited

Ensures consistent supply of raw materials from farmers

Plants are strategically located nearer to agro-forestry plantations helps in reduce transportation, lower emissions

We are committed to promoting agroforestry to sequester carbon and to broaden the social, economic and environmental sustainability of rural development

Agroforestry diversifies offering vital social, economic, and environmental benefits, shaping a greener planet and a better future for all

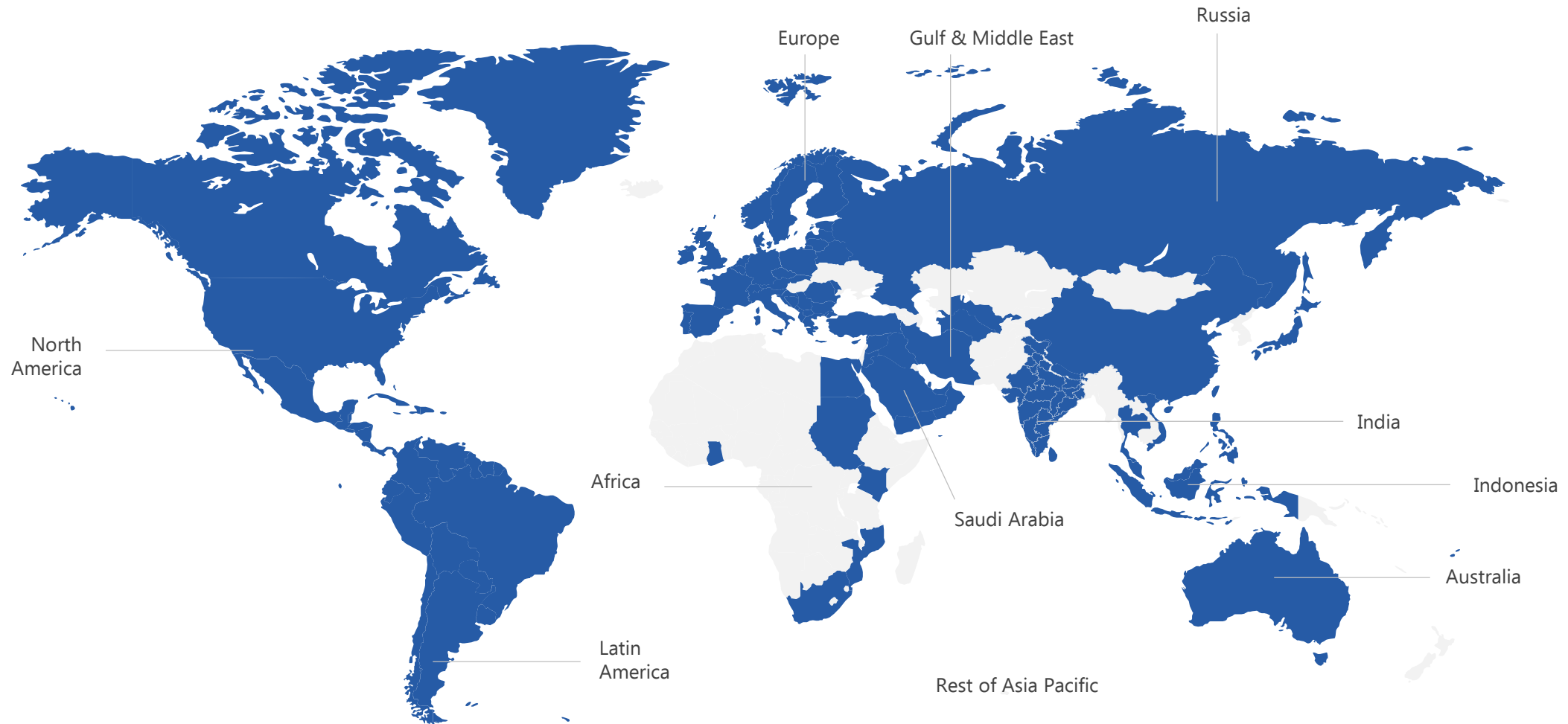
Farm to Furniture – Institutional Partners

- Networking with Indian Paper Manufacturers Association (IPMA) for encouraging plantation in commanding areas of Rushil Décor Ltd.'s units.
- Learning and practicing with Wood is Good magazine and development of National working plant code for forest management standards (IWST/ IPIRTI, Autonomous body of Ministry of Environment Forest and Climate Change)
- Efforts for minimizing import with AIPM and DGTR
- Knowledge sharing with Central Pulp and Paper Research Institute (CPPRI – Ministry of Industry and Commerce), IPMA, ICFRE, IWST and IPIRTI



Source: Company Data

Expanding Footprints to 50+ Countries



As we embark on our expansion into newer regions, we see significant opportunities for our value-added products. We continue to prioritize product development and innovation and ensure that our products meet the demands of the new market.

Our Core Competencies



Product Innovation & Value Engineering

We persistently prioritize design and quality in our product innovation, aiming to make our brand stand out in the market.



Strategically Located Manufacturing Plants

Strategically situating our manufacturing facilities near raw material sources guarantees a steady, cost-effective supply chain, ensuring operational efficiency for Rushil Decor.

Strong Branch and Dealer Network

Through a vast network of 600+ distributors and 4,400+ retailers nationwide, Rushil Decor achieves efficient customer reach across diverse locations, solidifying its domestic presence.

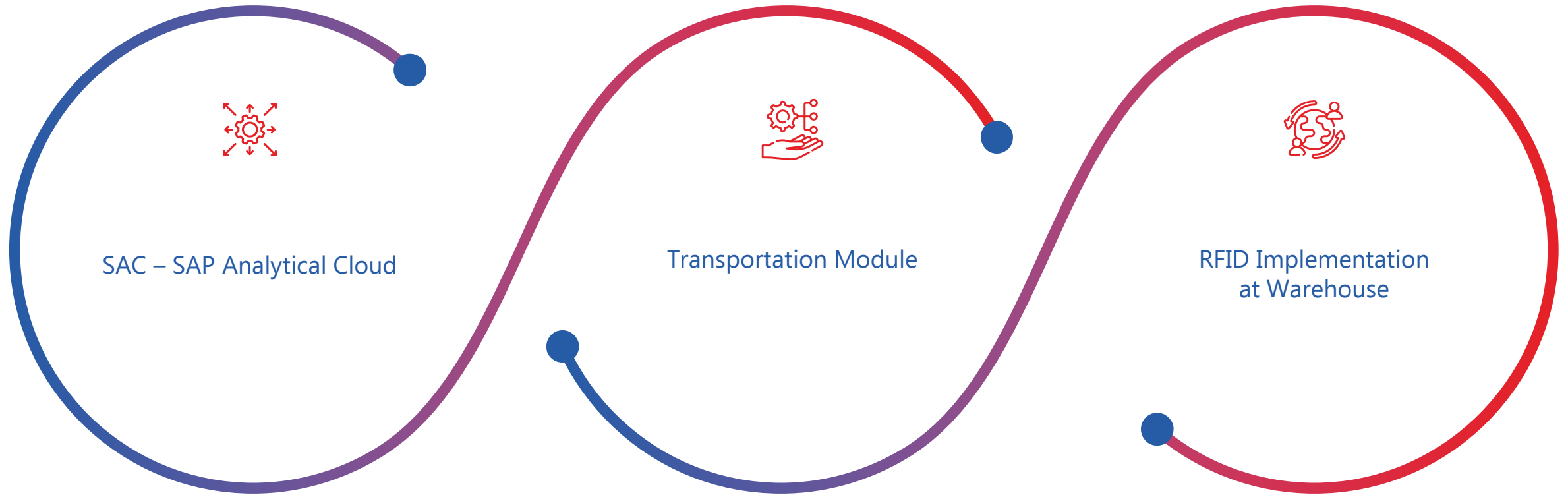


Significant Export Presence

We've expanded to 50+ countries, building a strong export brand, which not only fuels growth but also diversifies risk for sustainable expansion.



Digital Parivartan – Phase 2



Implementation of SAP phase 2 supports business transformation and innovation, ultimately contributing to organization's long-term success

Led by Strong and Experienced Management Team



Mr. Krupeshbhai G. Thakkar
Chairman

Bachelor's degree in commerce from Gujarat University

30+ years of experience in laminates and other allied products

Manages and leads operations



Mr. Rushill Thakkar
Director

Graduate with over 9 years of experience

Played significant role in setting up new MDF facility in Andhra Pradesh

Responsible for logistics & warehousing, exports



Mr. Keyur M. Gajjar
Chief Executive Officer

Bachelor's degree in engineering and MBA

Over 2 decade of experience

Responsible for planning and overall functioning of organization



Mr. Hiren Padhya
Chief Financial Officer

Qualified Chartered Accountant, Company Secretary and Cost Accountant

Over 30 years of experience in financial management



Mr. Hasmukh K. Modi
Company Secretary

Associated with Company for the last 14 years

Commerce graduate and Company Secretary qualifications

Completed ICMAI in 2011

Branding Activities



- The new TV commercial (TVC) effectively demonstrates the capabilities of MDF, positioning it as a superior alternative to plywood and other wood-based panels.
- The commercial aimed at encouraging carpenters, interior decorators and other professionals to adopt VIR MDF for crafting durable and stylish furniture, shelves, doors, cabinets and various other applications.
- The TV commercial was aired across India in leading business, news and GEC channels



PAN India Branding Activities

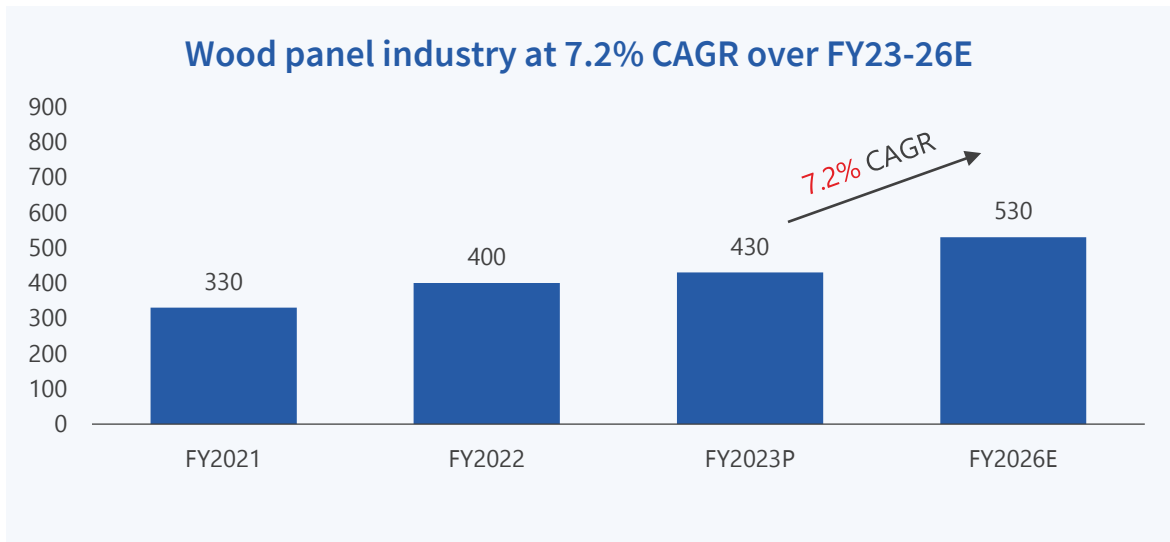
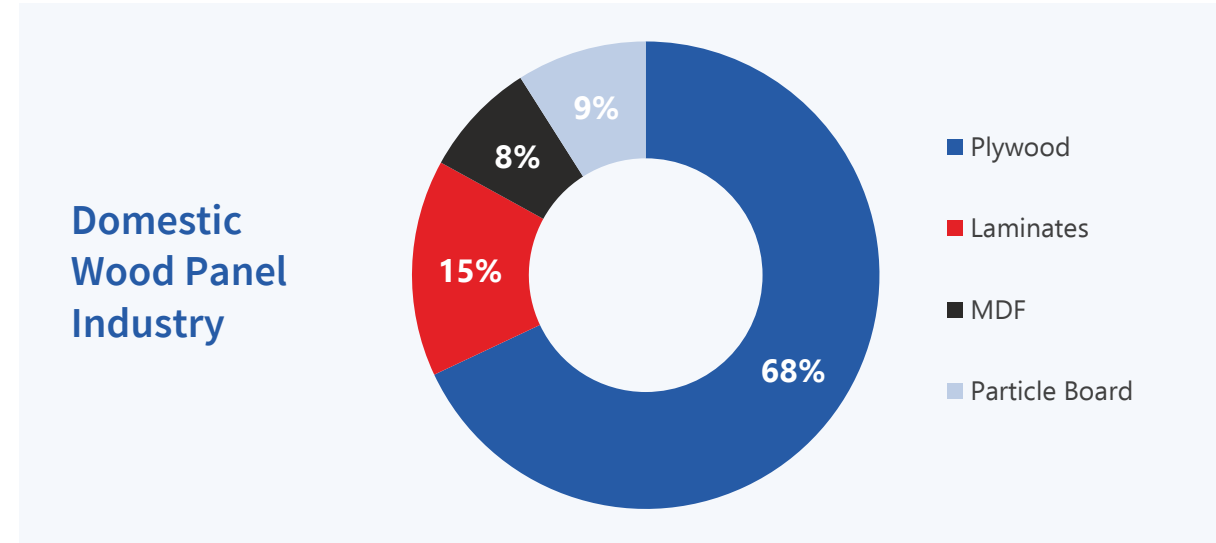
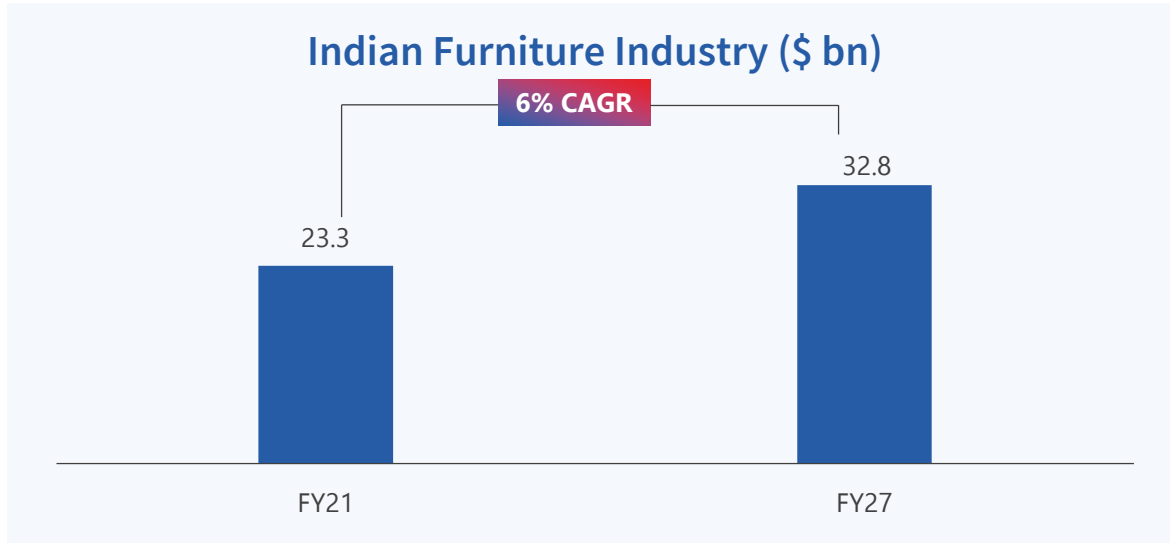


During the quarter, we successfully covered an extensive area of ~60,000+ sq.ft. through Retail Branding and enhancing brand visibility in the market.

Carpenter / Contractor/ Dealer Meets



Indian Wood Panel Industry Overview



Indian Furniture industry expected to accelerate to CAGR of 6.0% over FY21-27 to reach USD 32.8 bn

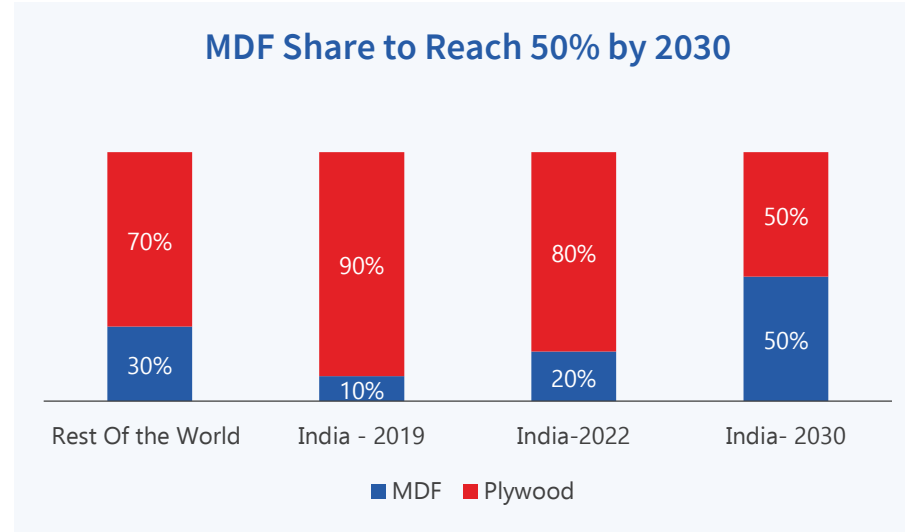
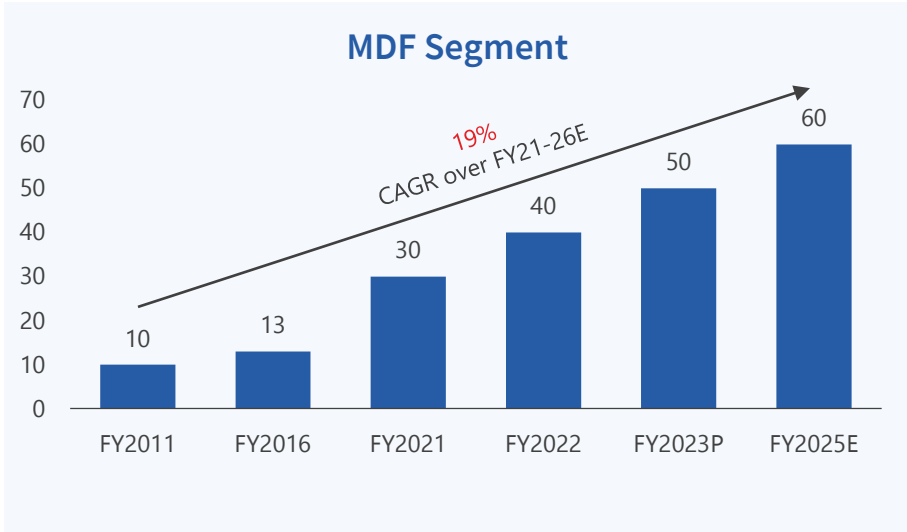
Real estate market in India is expected to grow at ~20% CAGR over CY21-30E and reach USD1tn by 2030.

The Market is mainly growing on account of :

- Urbanization
- Large scale young population
- Rising disposable income

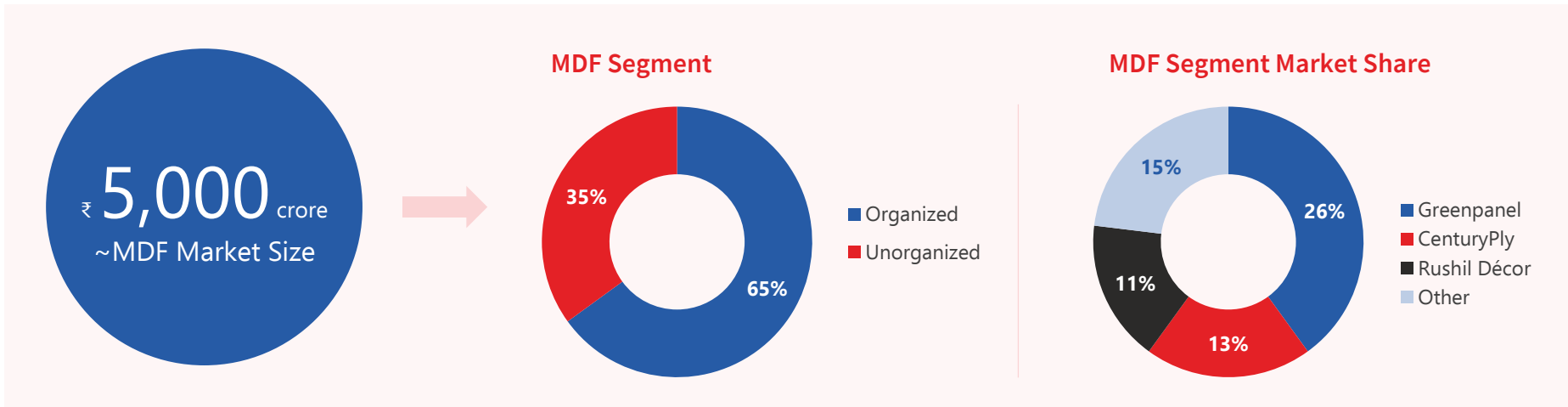
Industry Data, Industry Reports, PL, Axis Capital, Haitong Securities

MDF Industry Overview



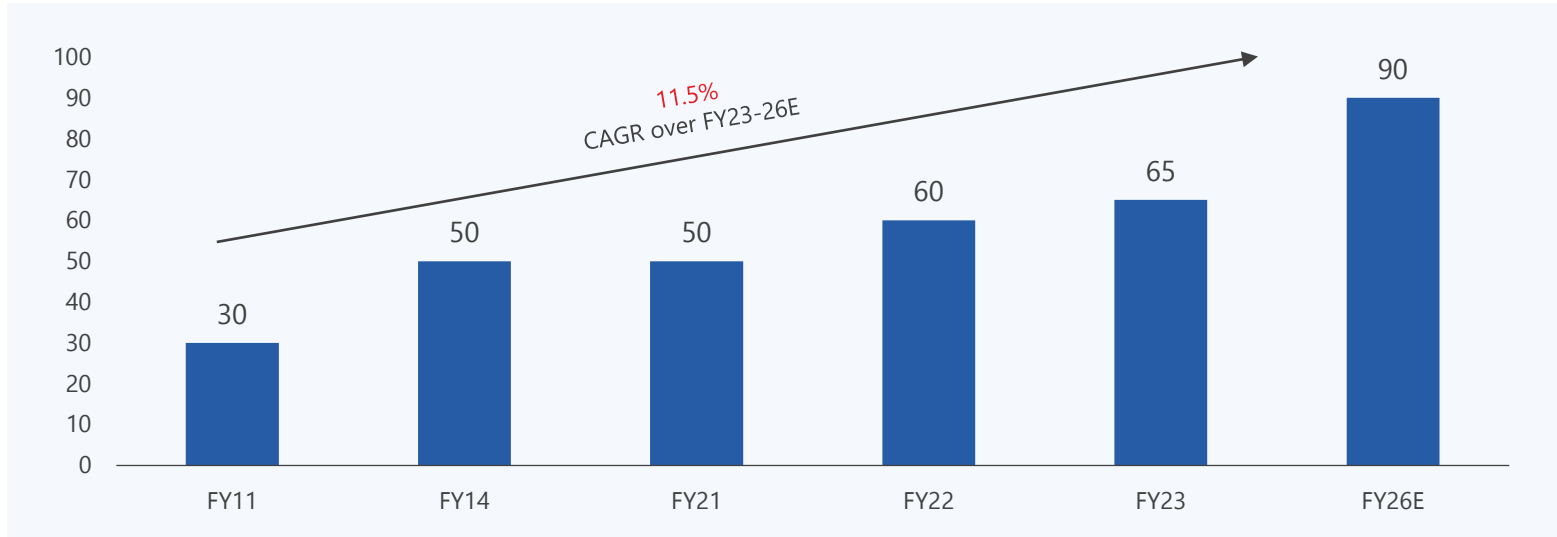
Growth Drivers

- Growth in the Real Estate Sector
- Modernization of Furniture Industry
- Rapid Pace of Urbanisation
- Changing demographics of Young Population
- Sustainability and Green Building Practices
- Reduction in Furniture Cycle Time



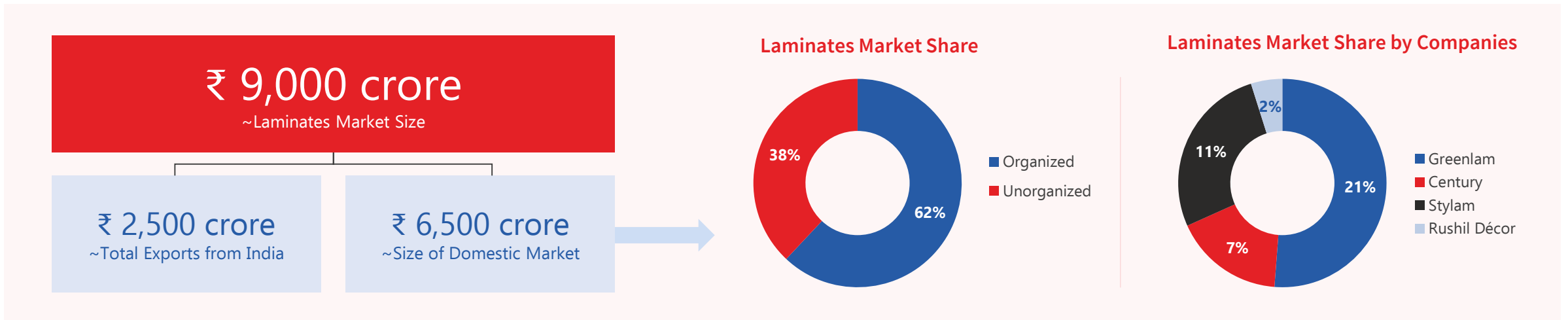
Source: PL report, Industry Report, Company Data

Laminates Industry Overview



Laminates business at 11.5% CAGR over FY23-26E

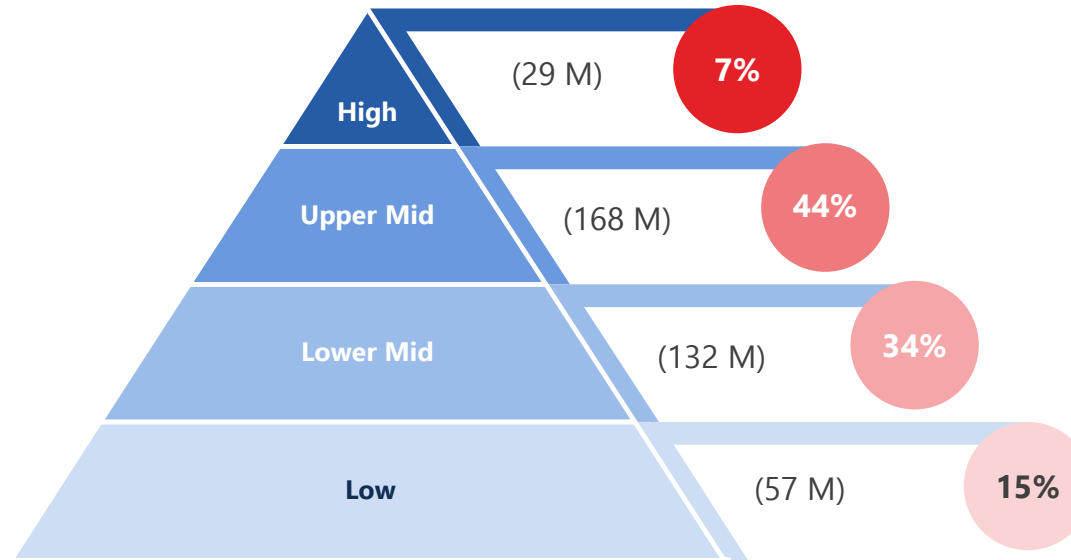
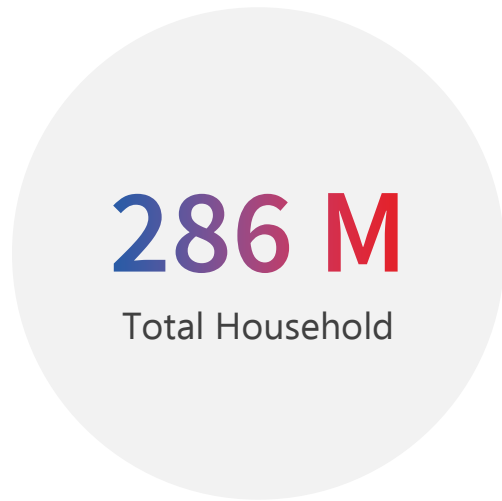
The laminates market is growing due to higher living standards, a preference for modern home furnishings, and increased urbanization



Source: PL report, Industry Report, Company Data

Woodpanel - To Grow on the back of Rising Middle Income Household

Increasing share of middle-class households (Est 2030)



Favorable demographic
(India's population in age group 25-64 years reached >65%)

Rapid Urbanisation
(India's (36% in CY22; Expected to reach >50% by CY45)

Rising per capital Income
Expected to reach USD 3,300 by CY25)

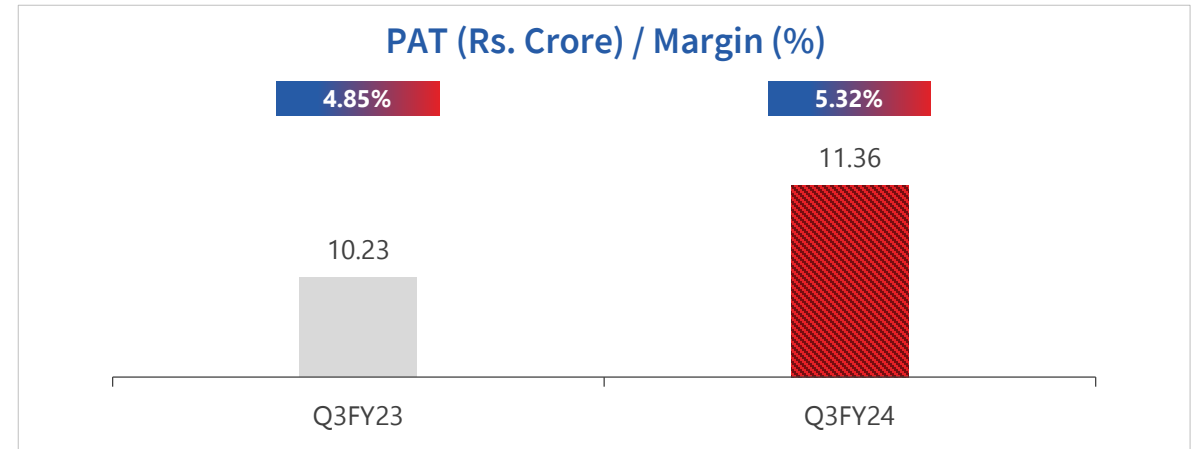
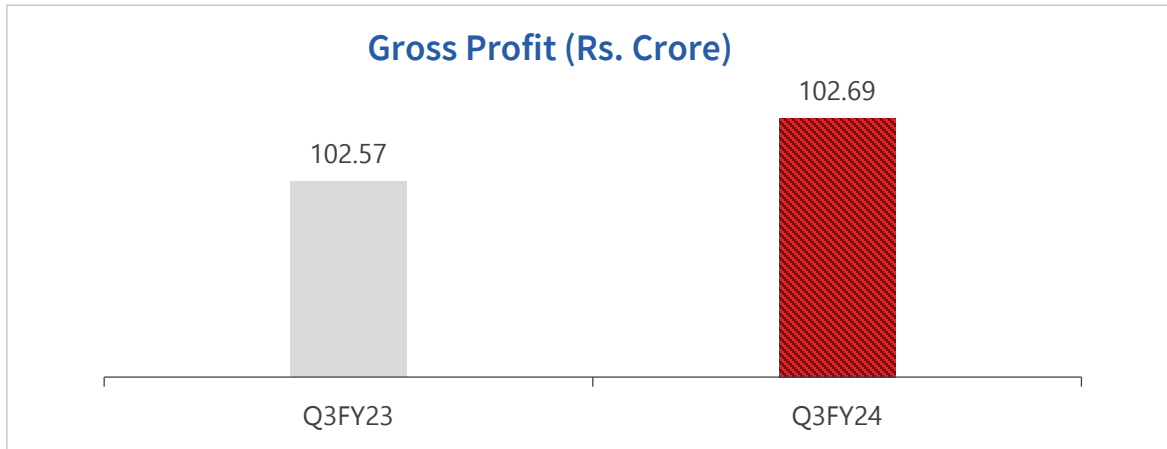
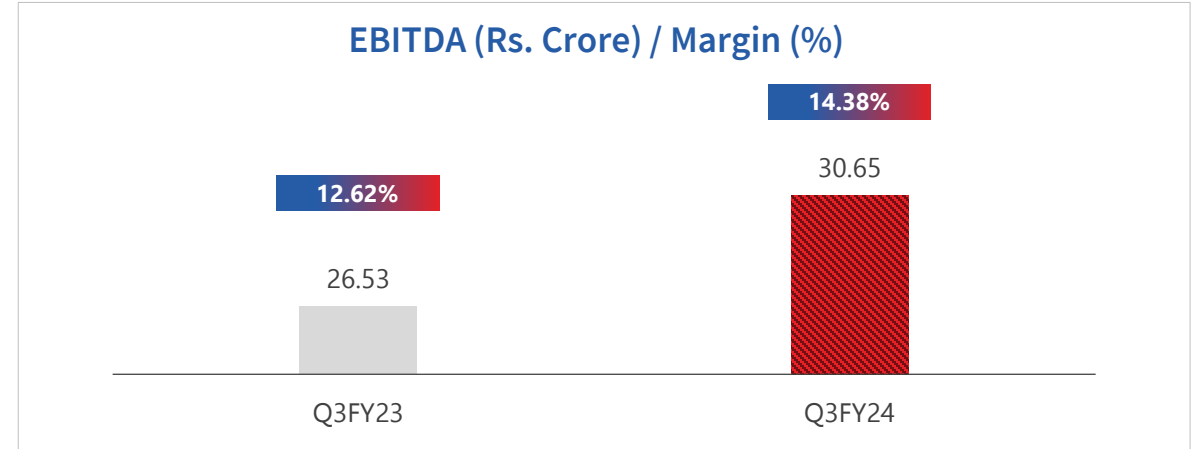
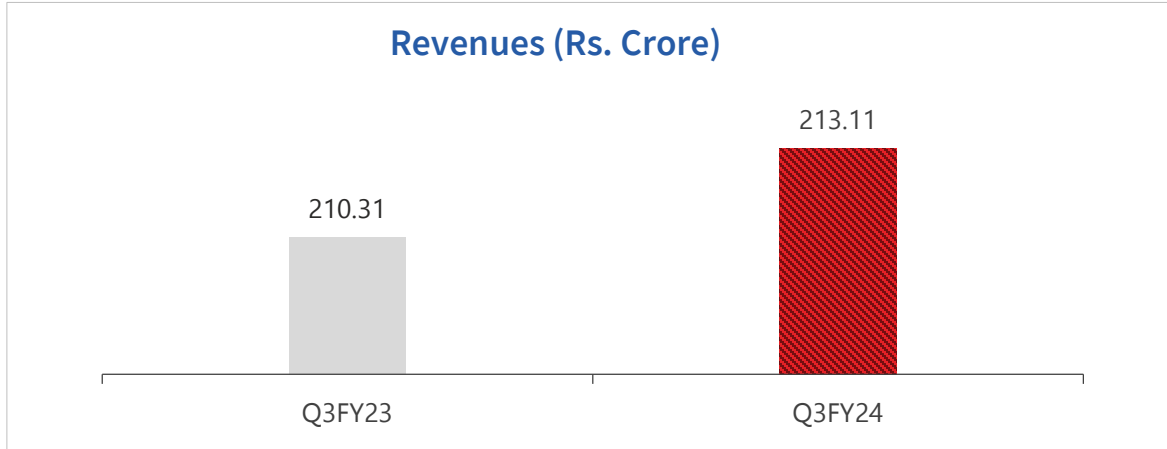
The surge in demand stems from both the residential and commercial real estate segments. Middle-class earnings have tripled from FY 13 to FY 22, growing from 4.4 lakhs to 13 lakhs.

Rising accessibility through deferred payment options is propelling the need for ready-to-assemble furniture, especially among young urban buyers

The ascent of e-commerce, or online retail, is propelling the share of online transactions in the Indian furniture sector from 3% to an estimated 5-6% by FY27.

Real estate sector expects ~20% CAGR over CY21-30E to reach USD1trn in market size.

Q3 FY24 Financial Highlights



Gross Profit – Revenue from operations – Total raw material cost

Q3 FY24 Segment Overview - Laminates

Particulars (Rs. Crore)	Q3 FY24	Q2 FY24	Q3 FY23	Y-o-Y (%)
Revenue from Laminates	49.40	49.08	55.01	-10.20%
Domestic	15.41	17.03	18.54	
Export	33.99	32.05	36.47	
EBITDA Margin %	10.53	10.51	11.29	
Sales Volume (Sheets)	7,37,024	7,74,032	7,77,834	-5.25%
Domestic (Sheets)	2,85,926	3,28,562	3,06,405	
Export (Sheets)	4,51,098	4,45,470	4,71,429	
Capacity Utilisation	80%	82%	82%	
Blended Realisation (Rs. Per Sheet)	670	634	707	-5.23%
Domestic Realisation (Rs. Per Sheet)	539	518	605	-10.91%
Export Realisation (Rs. Per Sheet)	754	720	774	-2.58%

Particulars (Rs. Crore)	9M FY24	9M FY23	Y-o-Y (%)
Revenue from Laminates	140.00	154.56	-9.42%
Domestic	47.68	54.11	
Export	92.32	100.45	
EBITDA Margin %	10.64	7.89	
Sales Volume (Sheets)	21,19,320	21,42,818	-1.10%
Domestic (Sheets)	8,67,013	9,06,333	
Export (Sheets)	12,52,307	12,36,485	
Capacity Utilisation	80%	83%	
Blended Realisation (Rs. Per Sheet)	661	721	-8.32%
Domestic Realisation (Rs. Per Sheet)	550	597	-7.87%
Export Realisation (Rs. Per Sheet)	737	812	-9.24%

The company is currently experiencing strong demand for our Premium Laminates project. We are actively engaging with our partners to further leverage and capitalize on this demand

Q3 FY24 Segment Overview - MDF

Particulars (Rs. Crore)	Q3FY24	Q2 FY24	Q3 FY23	Y-o-Y (%)
Revenue from MDF	157.96	149.65	151.93	3.97%
Domestic	127.63	120.00	130.27	
Export	30.33	29.64	21.66	
EBITDA Margin %	16.07	16.77	13.41	
Sales Volume (CBM)	65,896	60,413	57,310	14.98%
Domestic (CBM)	50,429	45,921	45,826	
Export (CBM)	15,467	14,492	11,484	
Capacity Utilisation	72%	75%	70%	
Blended Realisation (Rs. Per CBM)	23,966	24,770	26,510	-9.60%
Domestic Realisation (Rs. Per CBM)	25,310	26,132	28,428	-10.97%
Export Realisation (Rs. Per CBM)	19,586	20,455	18,857	3.87%

Particulars (Rs. Crore)	9M FY24	9M FY23	Y-o-Y (%)
Revenue from MDF	454.34	461.58	-1.57%
Domestic	365.45	392.23	
Export	88.89	69.35	
EBITDA Margin %	16.88%	23.60%	
Sales Volume (CBM)	1,85,398	1,70,400	8.80%
Domestic (CBM)	1,40,383	1,37,735	
Export (CBM)	45,015	32,665	
Capacity Utilisation	72%	73%	
Blended Realisation (Rs. Per CBM)	24,505	27,088	-9.54%
Domestic Realisation (Rs. Per CBM)	26,033	28,478	-8.59%
Export Realisation (Rs. Per CBM)	19,739	21,228	-7.01%

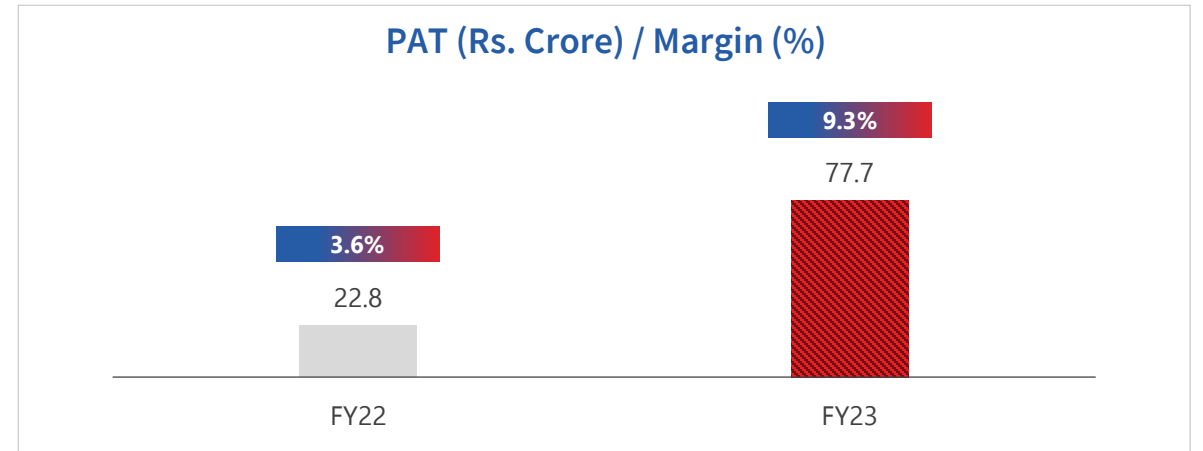
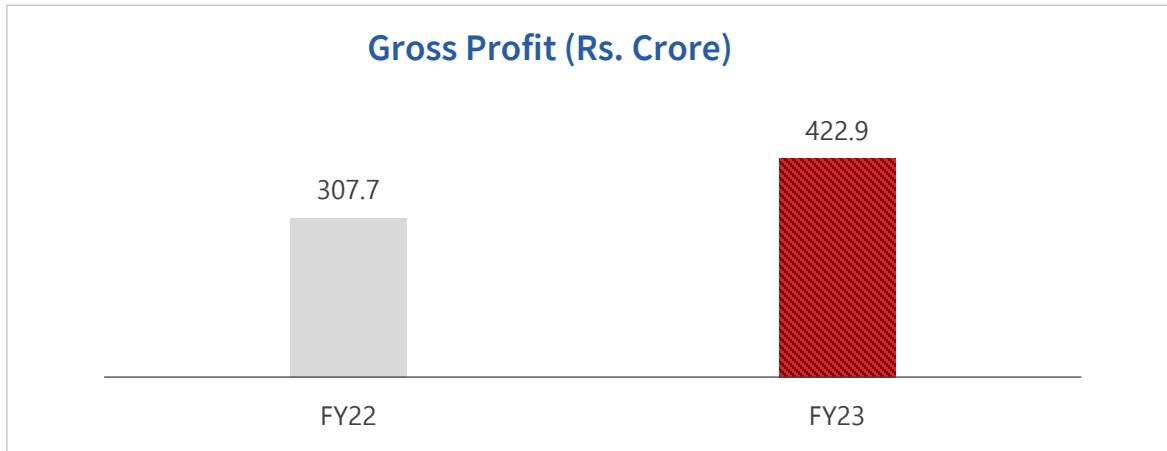
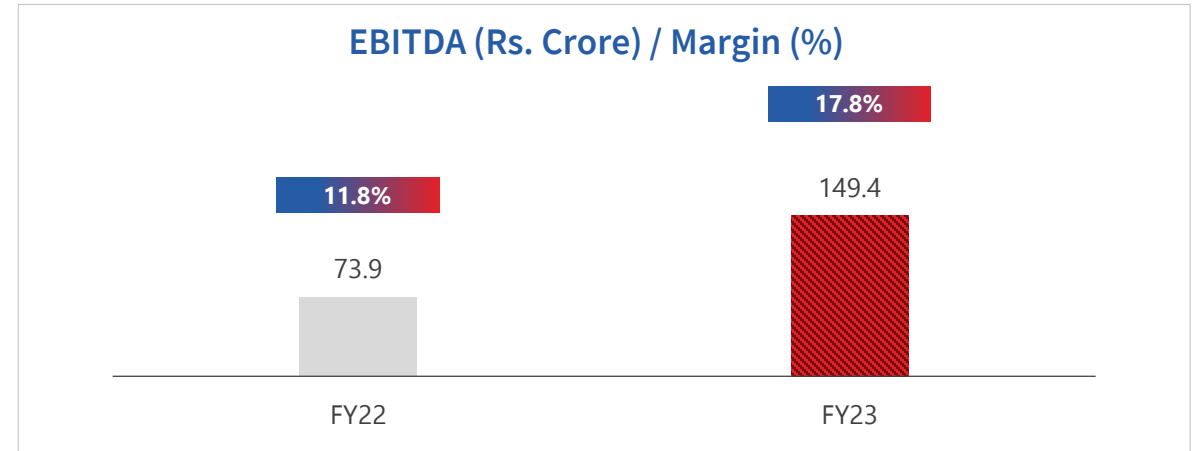
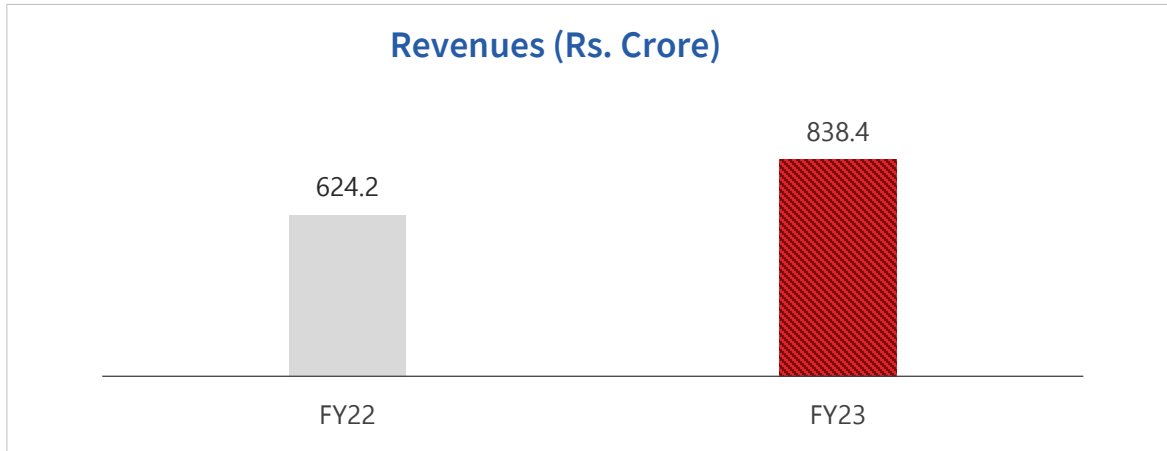
Strong demand for company's product in global market led to increase in volumes of MDF by ~15%

Profit & Loss Statement for Q3 & 9MFY24

Particulars (Rs. Crore)	Q3 FY24	Q2 FY24	Q3 FY23	Y-o-Y (%)	9M FY24	9M FY23	Y-o-Y (%)
Revenue	213.11	204.61	210.30	1.34%	610.54	624.48	-2.23%
Cost of Materials Consumed	97.33	109.72	105.42		311.81	313.83	
Changes in Inventories	13.10	-3.10	2.31		3.75	-19.09	
Employee Cost	15.02	14.07	11.88		41.87	34.59	
Other Expenses	57.01	54.72	64.17		162.44	173.97	
EBITDA*	30.65	29.18	26.53	15.54%	90.68	121.18	-25.17%
EBITDA Margin	14.38%	14.27%	12.62%		14.85%	19.40%	
Other Income	0.36	0.28	0.44		0.97	1.06	
Depreciation	7.38	7.36	7.07		21.98	19.67	
Finance Cost	8.41	8.34	6.48		24.28	16.99	
Exceptional Items	0.0	0.0	0.0		0.0	0.0	
PBT	15.21	13.76	13.42		45.40	85.57	
Tax	3.85	3.21	3.19		11.29	21.46	
PAT	11.36	10.55	10.23	11.03%	34.11	64.11	-46.80%
PAT Margin	5.32%	5.15%	4.85%		5.58%	10.25%	

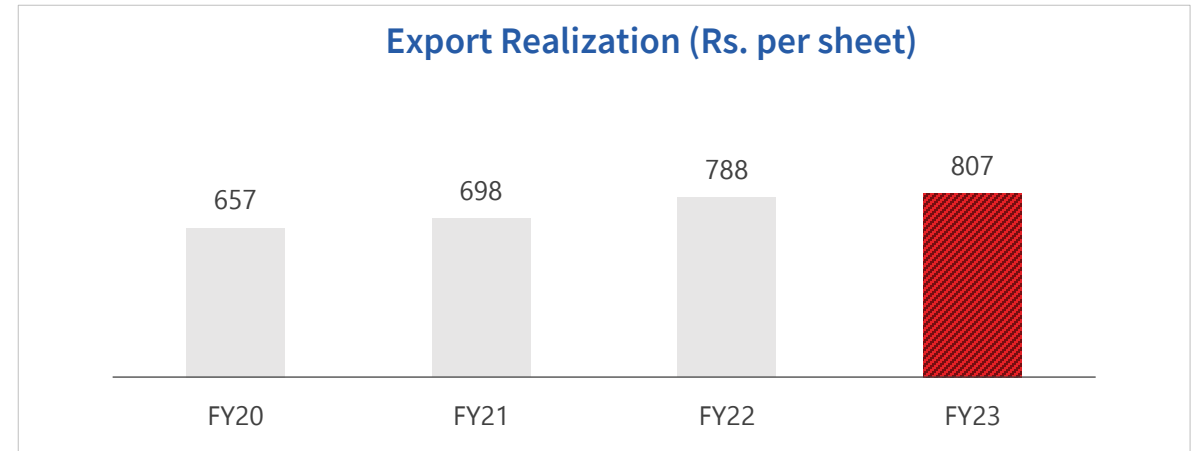
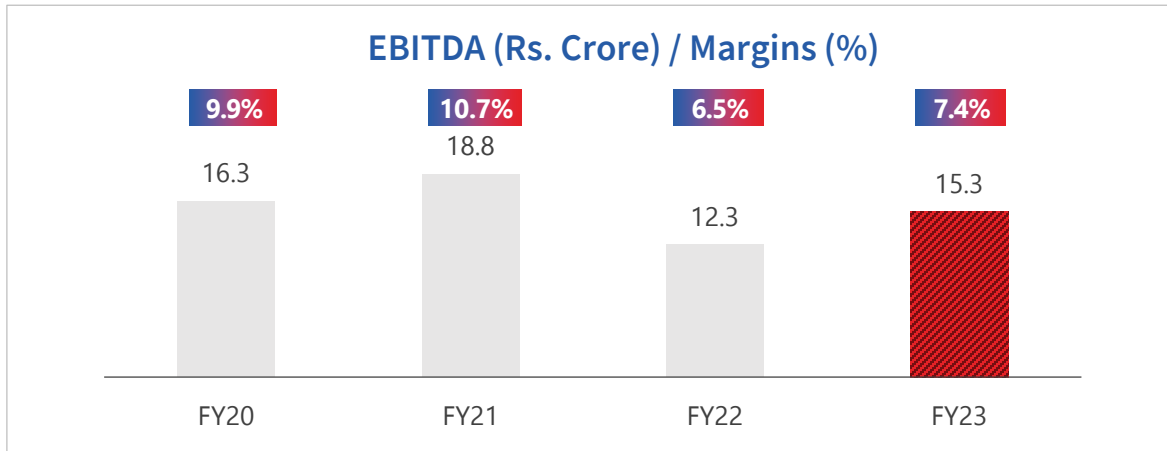
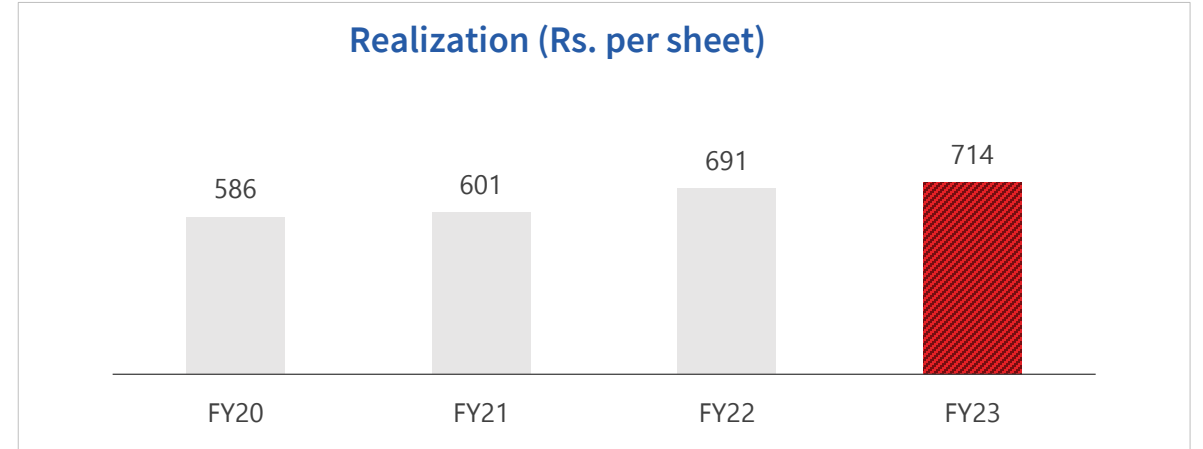
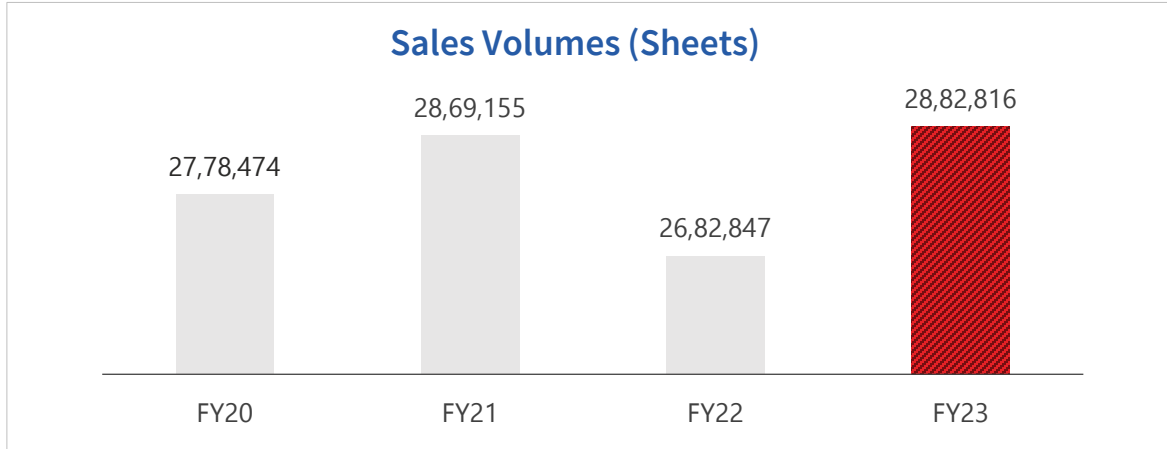
***For the quarter Q3FY24, if we do not consider forex loss, EBITDA in terms of value would be INR 33.74 crores and EBITDA Margins would be 15.83%**

FY23 Financial Highlights

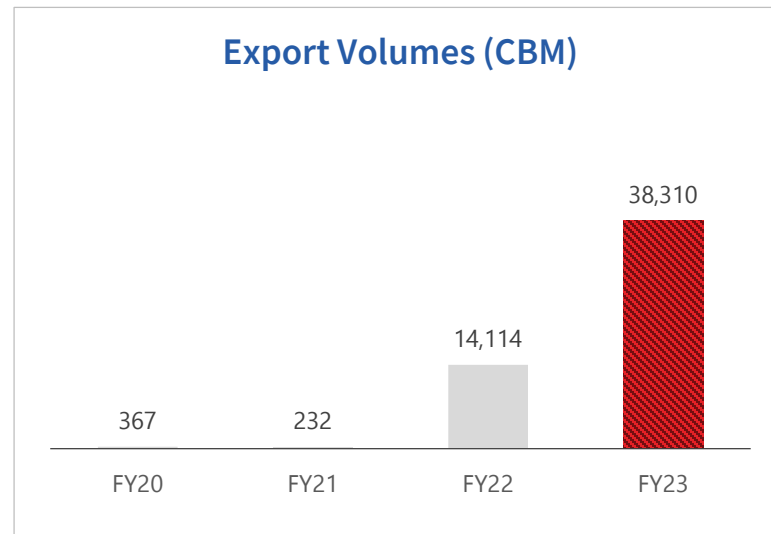
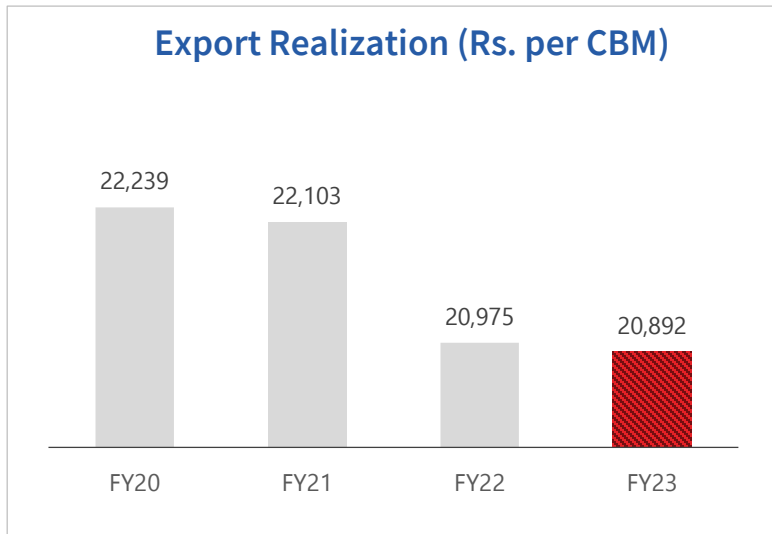
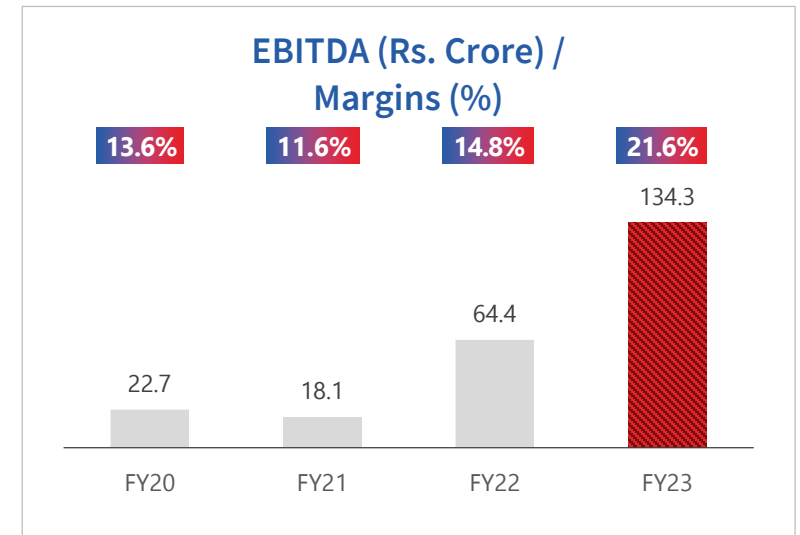
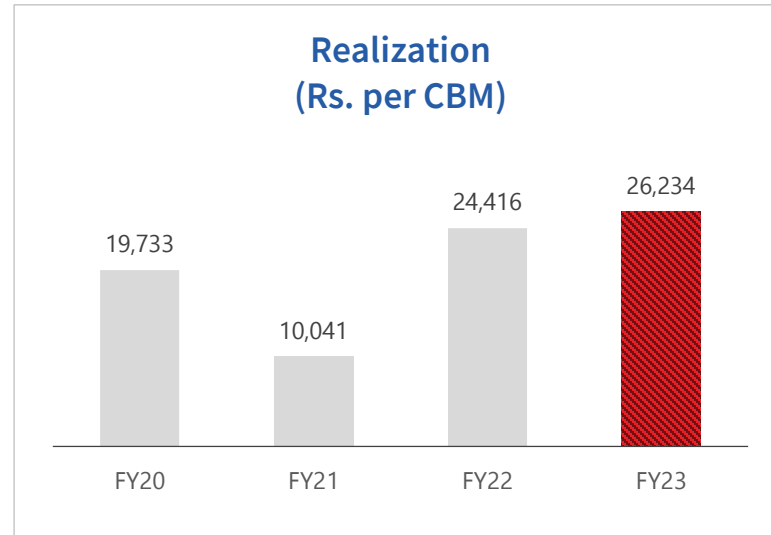
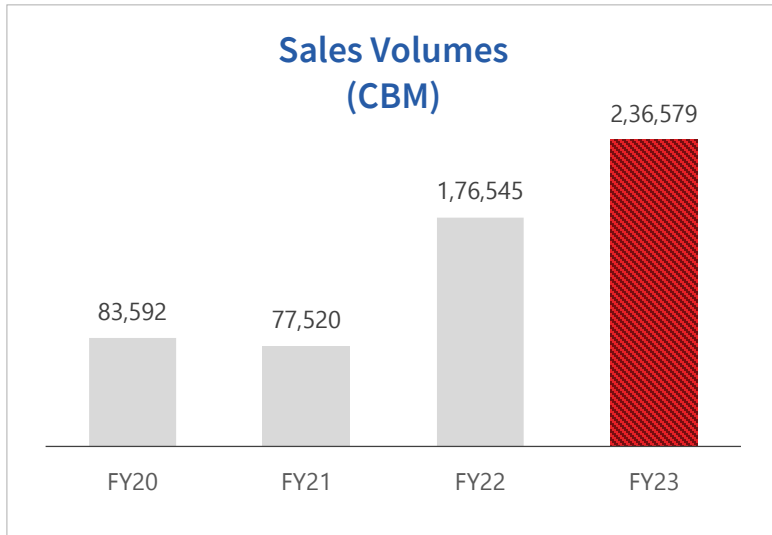


Gross Profit – Revenue from operations – Total raw material cost

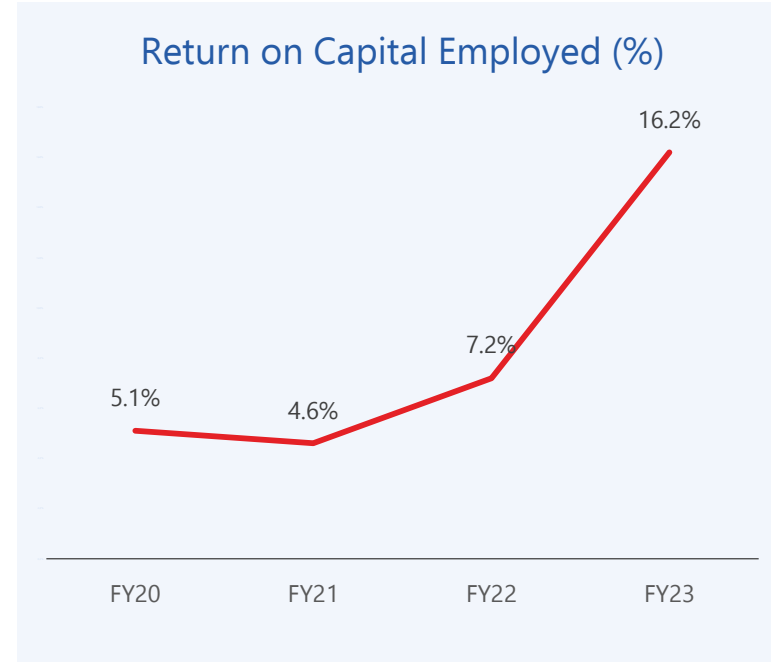
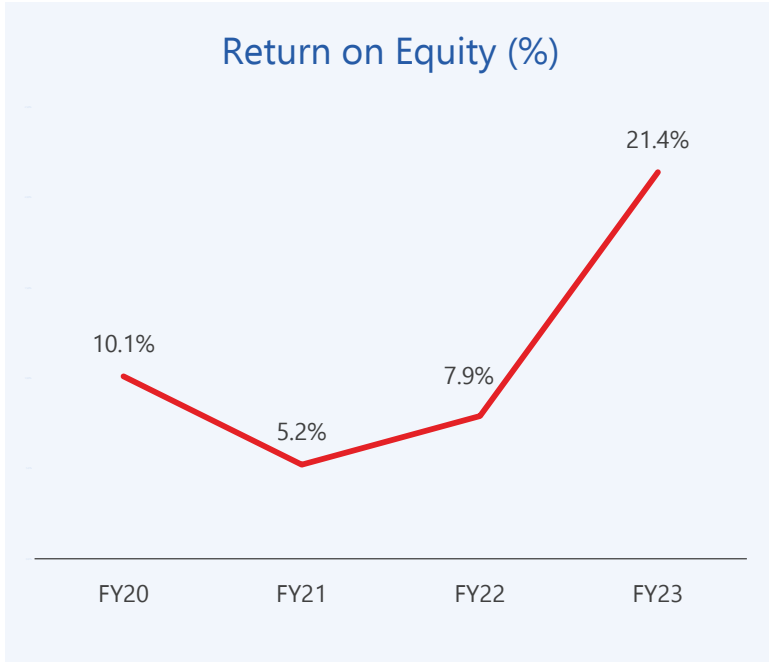
Annual Highlights – Laminates



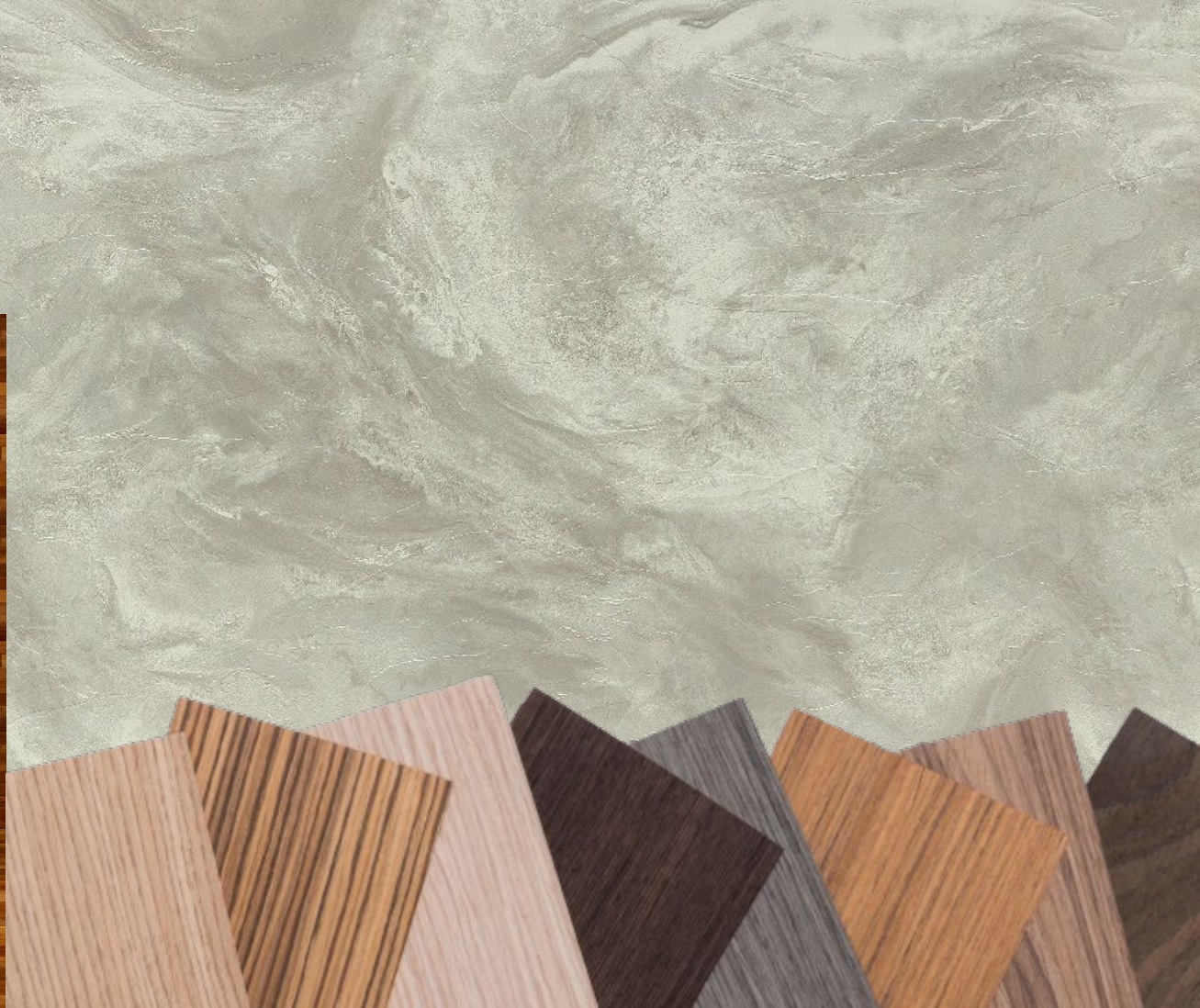
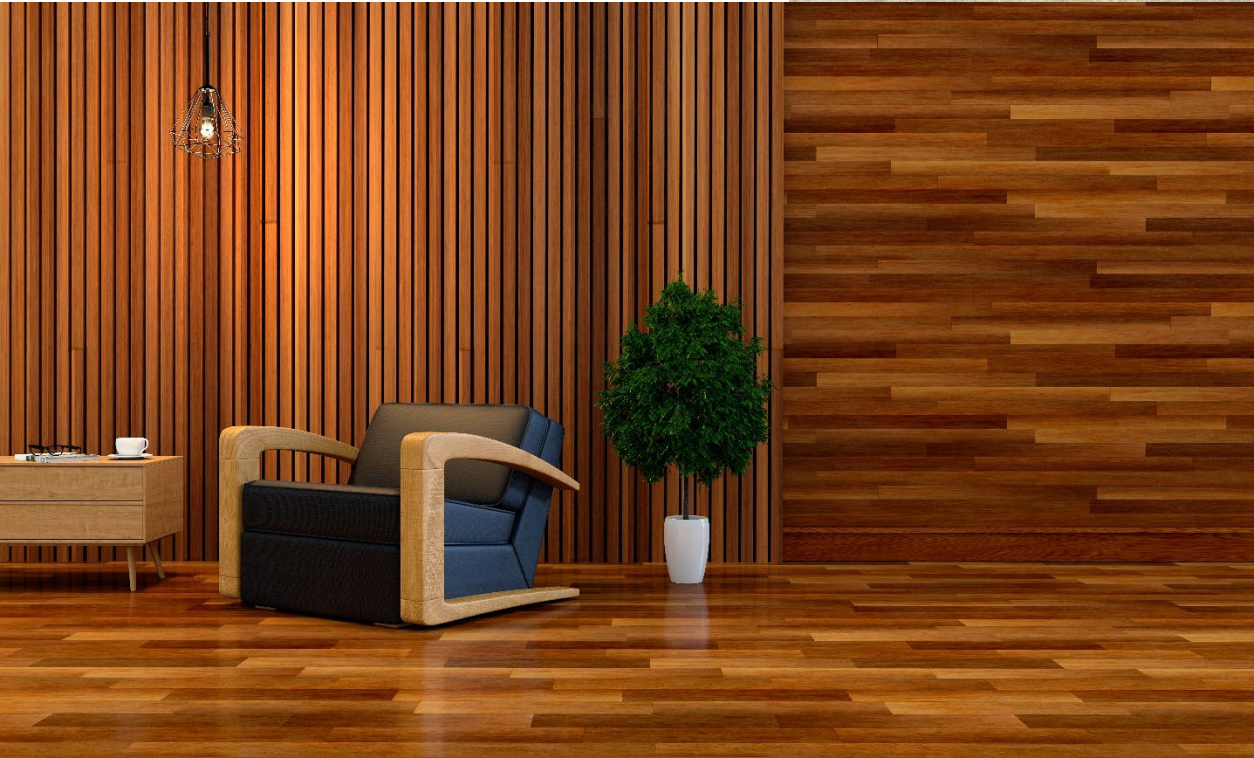
Annual Highlights – MDF



Key Financial Ratios



ROE – PAT/Shareholders Fund; ROCE – EBIT/(Shareholders Fund+Total Debt – Investments); Debt to Equity – Total Debt/ Equity



THANK YOU

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