



RESULT PRESENTATION Q1FY20

JUNE 2019



Material and information provided in this presentation may contain ‘forward-looking statements’. These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties which could cause actual outcomes and results to differ materially from these statements.

Risks and uncertainties include general industry and market conditions, and general domestic and international economic conditions such as interest rate and currency exchange fluctuations. Risks and uncertainties particularly apply with respect to product-related forward-looking statements. Product risks and uncertainties include, but are not limited, to technological advances and patents attained by competitors, challenges inherent in new product development; claims and concerns about product safety; obtaining regulatory approvals; domestic and foreign industry reforms; industry trends, and governmental laws and regulations affecting domestic and foreign operations.

Also, for products that are approved, there are manufacturing and marketing risks and uncertainties, which include, but are not limited, to inability to build production capacity to meet demand, unavailability of raw materials, and failure to gain market acceptance.

The Company undertakes no obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

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MARKETING

- Laminate
- MDF Board
- PVC Board



REVENUE STREAMS (FY19)

- Laminates ₹ 18,293 lacs (0.9% YoY)
- MDF ₹ 15,646 lacs (-9.3% YoY)
- PVC Boards ₹ 638 lacs (1442% YoY)



5 YEARS CAGR (FY15-19)

- Revenue - 5.67%
- EBITDA - 10.13%



VISION

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

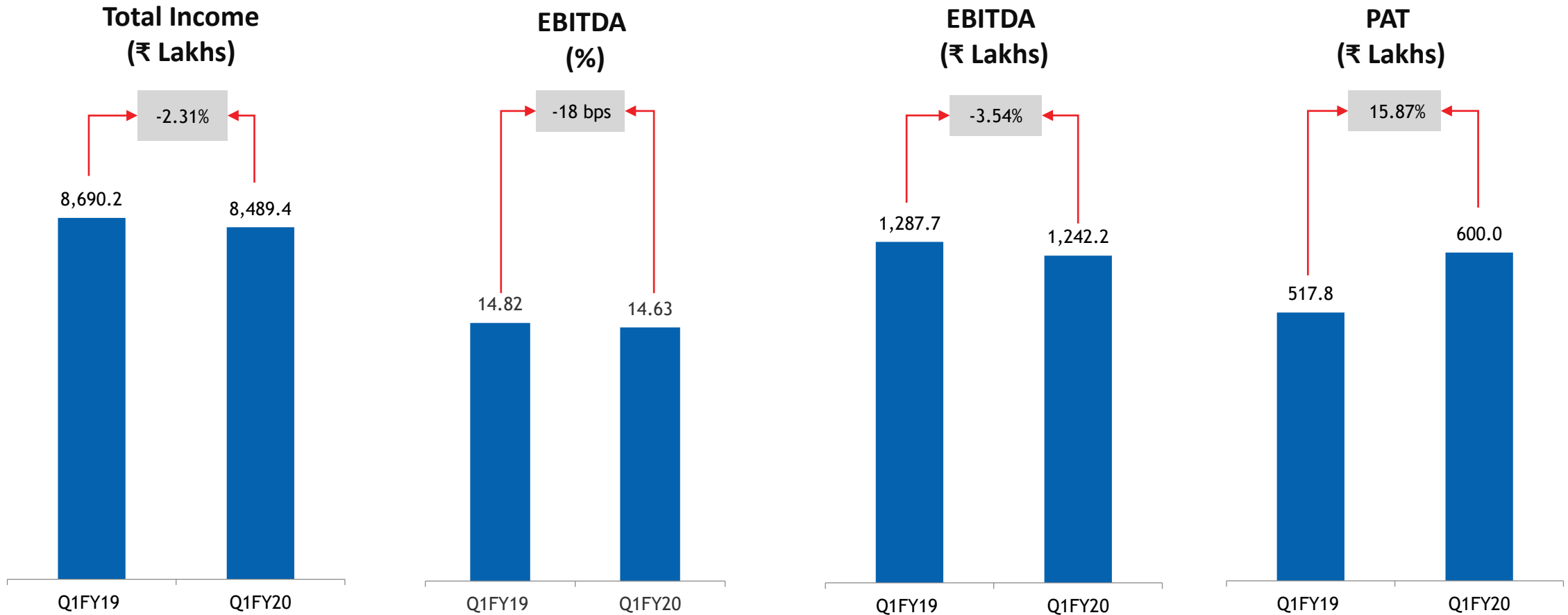


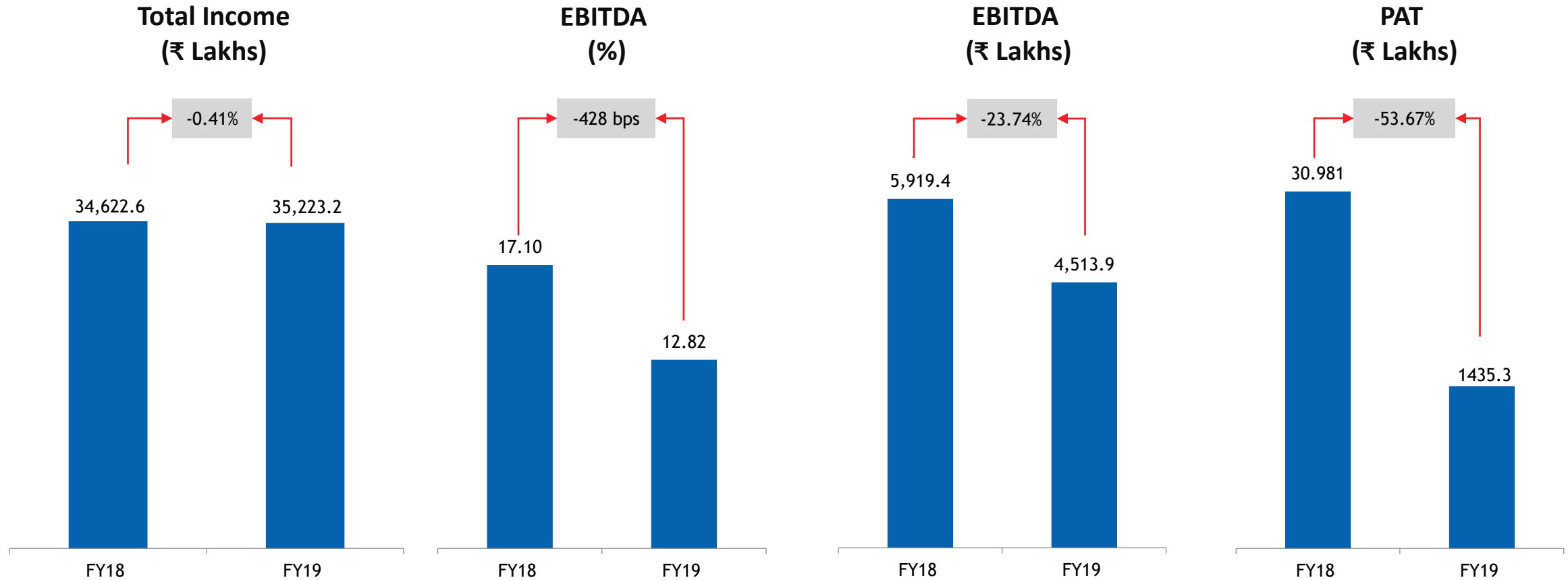
MISSION

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



RESULT HIGHLIGHTS





- Operating Revenue dipped 7.12% in Q1FY20 to ₹8,489.4 lakhs against ₹ 9140.4 Lakhs in Q4FY19
- EBITDA dipped by 23.7% YoY in FY19 with margins at 12.8%
- The dip in margins were affected primarily due, year on year volume reduction and lower utilizations levels, increased staff cost as measures are being taken to monitor bring in operational efficiencies
- The outlook for the future for RUSHIL DECOR remains buoyant

MARKET SHARE OF SEGMENTS

- Current market share of the business remains intact
- New marketing initiatives to strengthen our position in various segment offering
- Focus to increase our share gradually in Laminate, MDF & PVC segment

FUNDAMENTALS OF GROWTH

- Product Penetration through multiple customer channels
- Housing Deficit & Macro demand
- Capacity Expansion

FUTURE OF FURNITURE

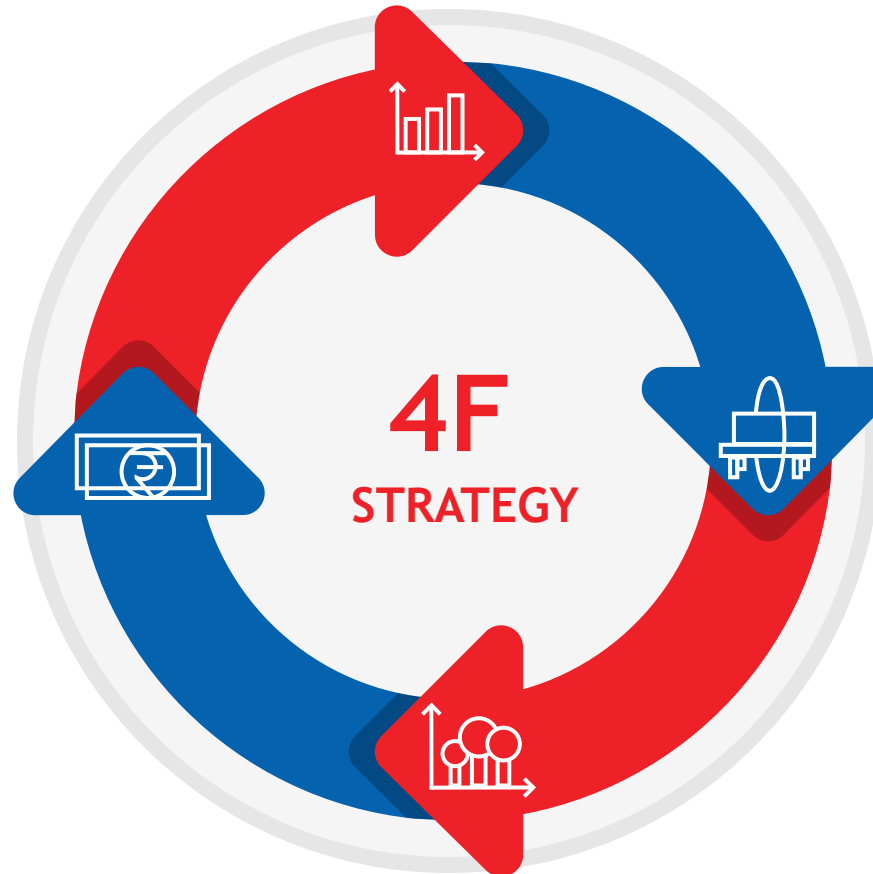
- MDF & PVC led Value engineering
- Quality performance
- Design integrity & thinking

FINANCIAL & GEOGRAPHIC STRONGHOLD

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

THE AGRO-FORESTRY EDGE

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





BRAND & PRODUCT OFFERINGS

LAMINATES

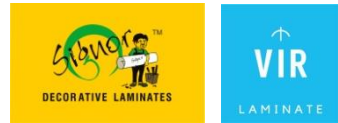


India's one of the leading player in the organized laminates segment

Design leaders

PRODUCTS

Our Brands



Advantage

- Attractive
- Eco-friendly
- Durable
- Safe
- Pocket-friendly

MANUFACTURING

Units

3

(ALL BASED IN GUJARAT, INDIA)

Capacity

34.9

LAKH SHEETS PER ANNUM

Utilization

82.6%

(FY19)

MARKETING

Network

46

DISTRIBUTORS

4

CONSIGNMENT STOCKIST

2

DEPOTS

5

BRANCHES

1,950

DEALERS

Areas



INDIA



AUSTRALIA



GULF & MIDDLE EAST



INDONESIA



REST OF ASIA PACIFIC

**MDF
BOARDS**



India's one of the leading manufacturer of MDF

Quality Experts



PRODUCTS

Range

4 Ft. X 8 Ft. MDF Boards with thickness range from 7.5 mm to 30 mm, both in Interior & Exterior grades

Our Brands



MANUFACTURING

Units

1

(Based in Karnataka, India). Proposed new unit to be set up in Andhra Pradesh State of the art CNC machines that make MDF with homogeneity and less wastage

Capacity

300

CBM/ day to be increased to 1,100 CBM/PD after the initiation of the Andhra Pradesh unit

Utilization

90.6%

(FY19)



MARKETING

Network

150+

DISTRIBUTORS

1

CONSIGNMENT STOCKIST

1

BRANCH

1100+

DEALERS

4

DEPOTS

Areas



INDIA

(Bhiwandi, Hyderabad, Delhi, Karnataka)

Millennials' Furniture Preferences



Medium Density Boards (MDF)

Why MDF is ideal for DIY?

1. Precise engineering & advanced wood technology
2. Excellent screw holding properties
3. Affordability and durability

- Made from wood, fibres and resin
 - Sourced through agroforestry
 - Machine dried and pressed to produce dense, stable sheets.
-
- DIY (Do-it-yourself) trends gaining traction
-
- More stable than solid wood
 - Withstands changes in heat and humidity better.
-
- Millennials want furniture compatible with their lifestyle
 - Easy on the pocket.

PVC



☆☆☆
Value Engineering Experts



PRODUCTS

Range

Wide range of PVC Boards both in Interior & Exterior grades

Our Brands



MANUFACTURING

Units

Chikmagalur,
Karnataka

Capacity

5,760
MT per annum

Started Operation

2018



MARKETING

Network

- New offering
- Introduced through current marketing channels

Branch





1

Areas



INDIA

DESIGN LED VALUE ENGINEERING

	Laminates	MDF Boards	PVC Board		
Value Proposition	Design Leaders	Quality Experts	Value Engineering Expert	CUSTOMER VANTAGE	
Price - point	<ul style="list-style-type: none"> Competitively priced products for domestic and export markets 	<ul style="list-style-type: none"> Competitively priced products for domestic markets (South India - logistics advantage) 	<ul style="list-style-type: none"> Quality extruded products for domestic and export markets 		 Affordable
Product Excellence	<ul style="list-style-type: none"> ISO 9001:2008; ISO 14001:2004; BSOHSAS 18001:2007 quality certification for management systems of all the laminate plants by ISOQAR. Certificate of compliance by UK certification and inspection Ltd 	<ul style="list-style-type: none"> Certified by Bureau of Indian Standards (BIS) 	<ul style="list-style-type: none"> Eco-friendly Versatility & ease of use LEED certification led carbon credits 		 User-friendly
Durability	<ul style="list-style-type: none"> Used for both interior and exterior applications and heavy-duty industrial applications 	<ul style="list-style-type: none"> MDF boards are manufactured using German technology and machines 	<ul style="list-style-type: none"> Durable (8-10 years) 		 Best-in-class Quality
Cutting - edge range	<ul style="list-style-type: none"> 500+ designs & 50+ textures & finishes in HPL segment alone. Constant innovation Strong product development and Merchandising team 	<ul style="list-style-type: none"> Current capability of MDF boards thickness range - 7.5 mm to 30 mm New plant at Andhra Pradesh: Capability of producing the entire range of thickness of MDF Board from 1 mm to 30 mm 	<ul style="list-style-type: none"> Commercial operations started in 2018. 		 Aesthetic Appeal



AWARENESS DRIVES

Education programmes for carpenters, interior decorators and architects to drive usage of MDF and PVC

- Enhance the knowledge of MDF and PVC among end-users
- Provide material usage training
- One-on-one meetings with architects
- Door to door visit to retail customers
- TV ads
- Dealer & distributors engagement

FOCUS ON INSTITUTIONAL SALES



Exclusive contracts with various institutions - hospitals, educational institutes, residential builders etc.



Preferred vendor for schools set up by Government of Gujarat under the Sarva Shiksha Abhiyaan scheme

CORPORATE CUSTOMERS

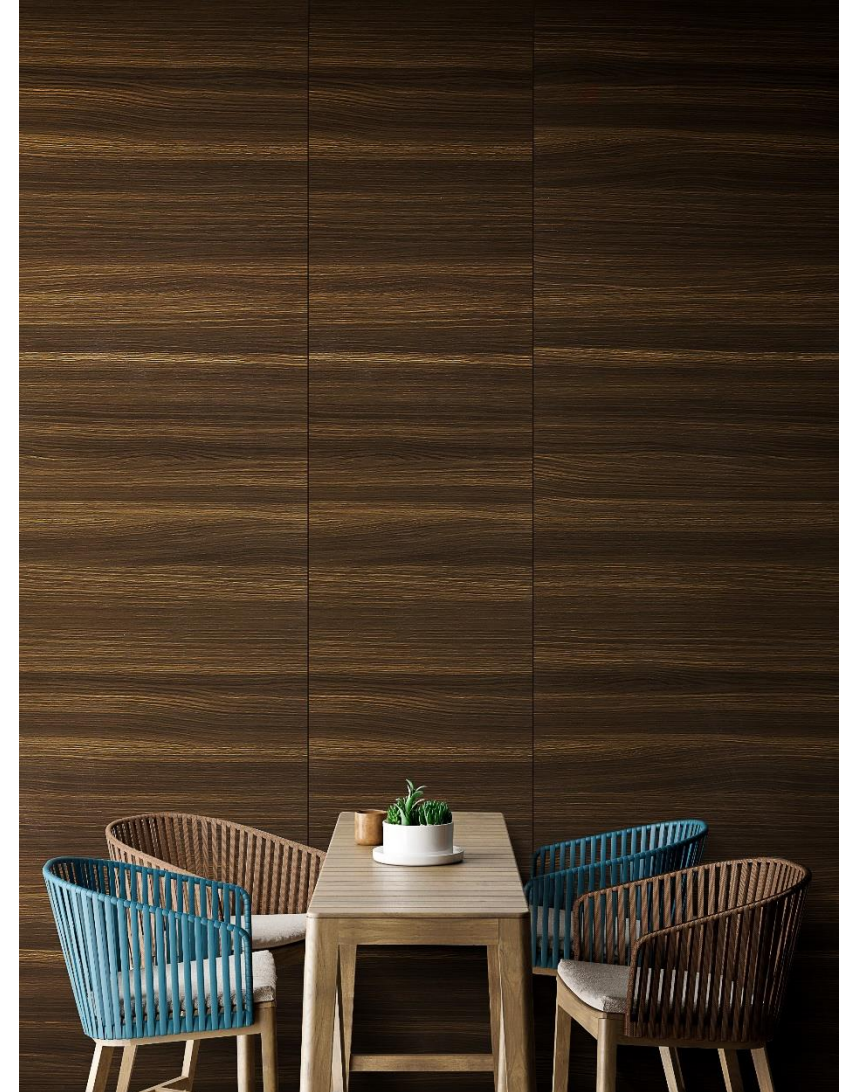
magpie
furniture

ifi Impression
Furniture
Industries

SPACEWOOD[®]
Modern Living Furniture

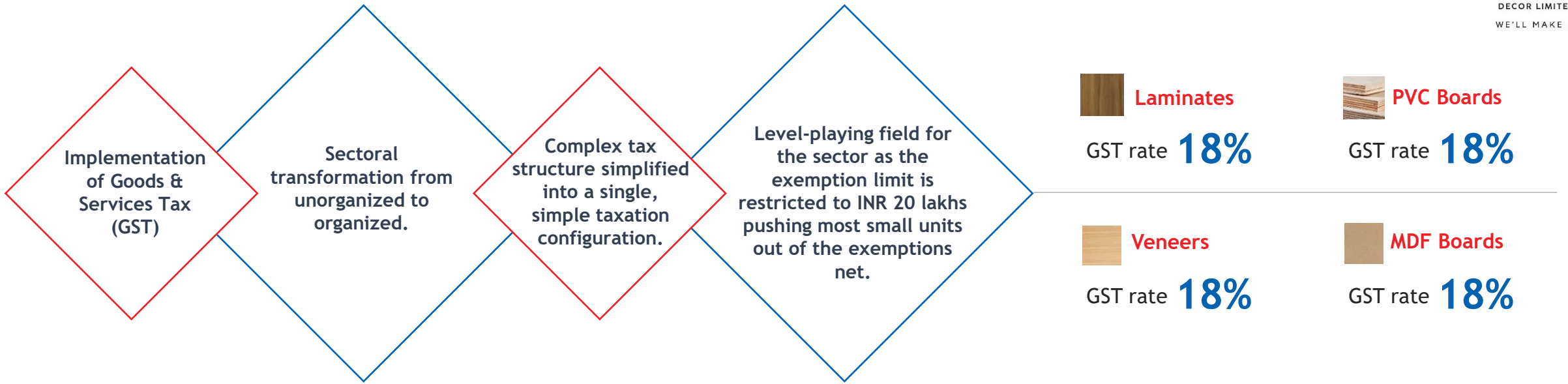
SOBHA

PRODUCTS OFFERING BY RUSHIL DECOR





MACROS & INDUSTRY SCENARIO



IMPACT OF GOVERNMENT SPONSORED MISSION



- Demand for plywood, MDF boards and laminates is likely to remain strong with the Government's focus on infrastructure and low-cost housing
- India - 3rd largest consumer market globally driving demand

LEED certified Green Buildings (picking up in India) can only use MDF + PVC and no plywood

The impetus to the Make in India programme on a global platform gives indigenous manufacturers an inherent advantage



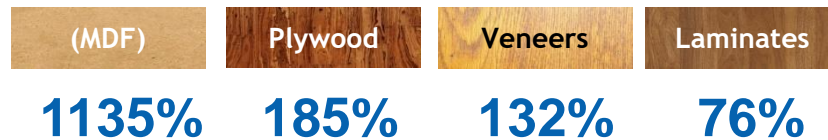
Engineered Products

Surface Products

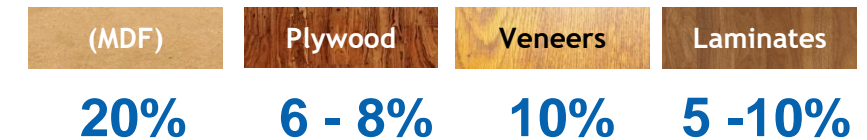
	Timber	Plywood	Medium Density Boards (MDF)	Particle Boards	Veneers	Laminates	PVC
Lifecycle	Lifetime durability (25 + years)	Durability (~20 years)	Sturdy (8-10 years)	Fragile (>5 years)	<ul style="list-style-type: none"> Cheap Non aesthetic 	<ul style="list-style-type: none"> Sturdy + durable Style oriented 	Durable (8-10 years)
Consumer Factors	<ul style="list-style-type: none"> Expensive Environmental damage 	<ul style="list-style-type: none"> Not as expensive as timber Old technology 	<ul style="list-style-type: none"> Cost-effective Malleable yet strong Versatility of use 	<ul style="list-style-type: none"> Lightweight and not sturdy Least expensive 	<ul style="list-style-type: none"> Decorative Expensive 	<ul style="list-style-type: none"> Decorative Eco-friendly Affordable 	<ul style="list-style-type: none"> Eco-friendly Versatility & ease of use - LEED compliant Strong yet affordable
Industry Size & Growth	Size: INR 120 billion CAGR: 10-12%	Size: INR 180 billion CAGR: 6-8%	Size: INR 18 billion CAGR: 20%	Size: INR 27 billion CAGR: 15%	Size: INR 10 billion CAGR: 10%	Size: INR 50 billion CAGR: 10%	Size: INR 10 billion CAGR: 10.7%
Barriers To Entry	Highly unorganized (80%+) & import dependent due to availability constraints	Highly unorganized (70%)	Fully Organized (100%)	Highly unorganized (70%)	Organised: 65%	Organized (55%)	Organized (Material of the future)



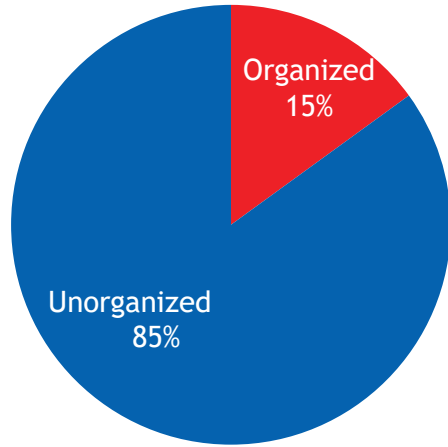
Global
Production Growth (1995 - 2016)



India
Industry CAGR Revenue (2012 - 2018)



Percentage share of organized/
unorganized furniture industry.



LAMINATES INDUSTRY SNAPSHOT

- Consumption of Indian panel products has grown at a CAGR of 5-10% for the organised segment
- Increasing consumerism and urbanization are key growth drivers



- Industry size - ₹ 5,000 crore
- 40% organized sector
- 60% unorganized sector
- CAGR

MDF INDUSTRY SNAPSHOT

- ~33% of India's requirement met through imports from China, Malaysia, Thailand and Sri Lanka
- Significant advantages over plywood spurring popularity



- 100% organized sector
- Industry size - ₹ 1,800 crore
- CAGR of 16% between 2012 and 2017

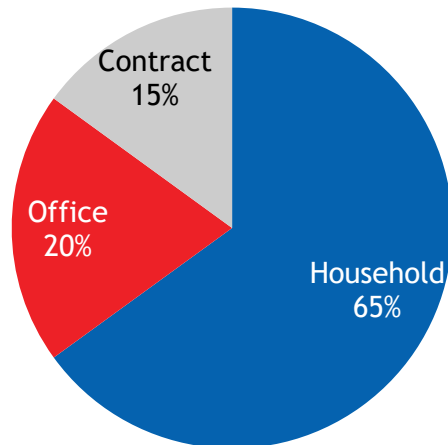
PVC INDUSTRY SNAPSHOT

- Globally preferred alternative to wood and wood products
- LEED certification (green building) & enhanced recycled content credit



- Industry size - ₹ 1,000 crore
- CAGR of 10.7% between 2016 and 2021
- 15% Organized & 85% Unorganized

Consumer in the furniture industry





OPERATIONAL METRICS

OPERATIONAL METRICS - QUARTERLY

Operational Metrics	Q2FY18	Q3FY18	Q4FY18	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20
Installed capacity								
Laminates (Nos)	8,73,125	8,73,125	8,73,125	8,73,125	8,73,125	8,73,125	8,73,125	8,73,125
MDF Boards (CBM)	22,500	22,500	22,500	22,500	22,500	22,500	22,500	22,500
PVC Boards (CBM)	0	0	3,120	3,120	3,120	3,120	3,120	3,120
Production								
Laminates (Nos)	8,38,236	8,60,287	8,40,071	7,63,160	7,69,664	7,38,430	6,14,465	7,11,226
MDF Boards (CBM)	22,616	18,766	22,234	21,099	18,554	20,051	21,861	21,443
PVC Boards (CBM)	0	0	535	626	307	420	674	208
Sales								
Laminates (Nos)	8,42,818	8,24,920	8,18,279	7,39,446	8,25,530	7,29,589	7,04,409	6,85,822
MDF Boards (CBM)	22,948	18,085	20,340	19,838	18,927	18,084	22,736	19,744
PVC Boards (CBM)	0	0	71	236	378	253	376	269
Laminates (Revenue ₹ Lakhs)	4,798.4	4,709.5	4,705.2	45,03.4	5,040.6	4,618.9	4,130.5	4,108.2
EBIT	565.8	572.8	786.3	540.8	537.2	278.3	583.8	434.0
%	11.8	12.2	16.7	12.0	10.7	6.0	14.1	10.6
MDF Boards (Revenue ₹ Lakhs)	4,496.8	3,759.5	4,147.1	4,070.0	3,773.1	3,422.6	4,380.8	4,208.1
EBIT	875.2	593.4	940.0	610.3	330.6	192.3	500.2	630.9
%	19.5	15.8	22.7	15.0	8.8	5.6	11.4	15.0
PVC Boards (Revenue ₹ Lakhs)	0.0	0.0	41.4	131.6	194.7	130.9	181.0	164.0
EBIT	0.0	0.0	-54.9	-35.3	-47.8	-19.2	-8.4	-30.4
%	-	-	-132.6	-26.8	-24.6	-14.7	-4.6	-18.5

OPERATIONAL METRICS - ANNUALLY

Operational Metrics	FY14	FY15	FY16	FY17	FY18	FY19
Installed capacity						
Laminates (Nos)	30,00,000	34,92,500	34,92,500	34,92,500	34,92,500	34,92,500
MDF Boards (CBM)	90,000	90,000	90,000	90,000	90,000	90,000
PVC Boards (CBM)	0	0	0	0	3,120	12,480
Production						
Laminates (Nos)	28,56,232	30,92,901	32,54,194	31,31,445	33,78,361	28,85,719
MDF Boards (CBM)	54,652	62,898	70,628	80,082	86,556	81,565
PVC Boards (CBM)	0	0	0	0	535	2,026
Sales						
Laminates (Nos)	28,80,001	30,30,509	31,69,639	31,60,266	31,49,648	29,98,974
MDF Boards (CBM)	47,667	61,661	69,097	77,276	84,526	79,585
PVC Boards (CBM)	0	0	0	0	71	1,243
Laminates (Sales ₹ Lakhs)	15,777.2	16,306.3	17,000.3	16,849.0	18,132.7	18,293.4
EBIT	2,475.4	1,889.8	1,612.4	2,151.5	2,183.6	1,940.1
%	15.7	11.6	9.5	12.8	12.0	10.6
MDF Boards (Sales ₹ Lakhs)	7,841.5	10,511.3	14,298.5	15,661.6	17,252.0	15,646.5
EBIT	436.9	877.6	1,684.3	2,499.5	3,267.1	1,633.3
%	5.6	8.3	11.8	16.0	18.9	10.4
PVC Boards (Sales ₹ Lakhs)	0.0	0.0	0.0	0.0	41.4	638.1
EBIT	0.0	0.0	0.0	0.0	-54.9	-110.7
%	-	-	-	-	-132.6	-17.3



FINANCIAL SUMMARY

PROFIT & LOSS STATEMENT- QUARTERLY

Profit & Loss (₹ Lakhs)	Q2FY18	Q3FY18	Q4FY18	Q1FY19	Q2FY19	Q3FY19	Q4FY19	Q1FY20
Income from Operations	9,255.8	8,392.5	8,808.5	8,658.3	8,918.7	8,143.2	8,653.9	8,396.9
Other Income	39.4	100.4	33.8	31.8	23.6	306.9	486.7	92.5
Total Income	9,295.2	8,493.0	8,842.3	8,690.2	8,942.3	8,450.2	9,140.6	8,489.4
Operating Expenses	7,719.4	7,182.1	7,066.0	7,402.5	7,940.7	7,567.4	7,798.9	7,247.2
EBITDA	1,575.9	1,310.9	1,776.3	1,287.7	1,001.6	882.8	1,341.7	1,242.2
Margin %	17.0	15.4	20.1	14.8	11.2	10.4	14.7	14.6
Depreciation	185.3	188.9	199.2	212.9	213.7	219.1	217.2	215.4
EBIT	1,390.6	1,122.0	1,577.1	1,075	787.9	663.7	1,124.6	1,026.8
Margin %	15.0	13.2	17.8	12.4	8.8	7.9	12.3	12.1
Financial Charges	207.2	194.8	245.2	260.8	278.0	325.3	494.9	325.1
Interest %	2.2	2.3	2.8	3.0	3.1	3.9	5.4	3.8
PBT	1,183.3	927.2	1,331.9	814.0	510.0	338.3	629.6	701.7
Margin %	12.7	10.9	15.1	9.4	5.7	4.0	6.9	8.3
Tax	324.8	233.6	428.1	296.2	190.2	125.9	246.2	101.7
PAT	858.5	693.6	903.8	517.8	319.7	212.5	383.5	600.0
Margin %	9.2	8.2	10.2	6.0	3.6	2.5	4.2	7.1
EPS	5.93	4.78	6.21	3.49	2.15	1.43	2.57	4.02

PROFIT & LOSS STATEMENT- ANNUALLY

Profit & Loss (₹ Lakhs)	FY14	FY15	FY16	FY17	FY18	FY19
Income from Operations	25,567.2	27,565.6	29,675.6	30,595.2	34,351.9	34,374.2
Other Income	162.6	242.7	81.5	283.0	270.7	849.0
Total Income	25,729.9	27,808.3	29,757.0	30,878.0	34,622.6	35,223.2
Operating Expenses	22,772.0	24,738.9	26,138.0	25,821.0	28,703.2	30,709.3
EBITDA	2,957.9	3,069.4	3,619.0	5,057.0	5,919.4	4,513.9
Margin %	11.5	11.0	12.2	16.4	17.1	12.8
Depreciation	762.9	692.3	648.9	689.2	752.9	862.9
EBIT	2,195.6	2,377.1	2,970.1	4369.2	5,166.5	3,651.0
Margin %	8.5	8.6	9.98	14.2	14.9	10.4
Financial Charges	1,542.6	1,434.6	1161.0	1,036.0	870.2	1,359.0
Interest %	6.0	5.6	4.5	4.0	3.4	5.3
PBT*	653.0	340.6	1,809.1	3,333.2	4,296.2	2,291.9
Margin %	2.5	1.2	6.1	10.8	12.4	6.5
Tax	351.3	405.2	1,095.0	879.7	1,198.2	856.6
PAT	301.6	-64.6	714.1	2,453.4	3,098.1	1,435.3
Margin %	1.2	-0.2	2.4	7.9	8.9	4.1
EPS	2.1	-0.5	5.0	17.0	21.3	9.6

* Includes Exceptional items Rs - 601.9 Lakhs

Balance Sheet (₹ Lakhs)	FY14	FY15	FY16	FY17	FY18	FY19
Share capital	1440.0	1440.0	1440.0	1440.0	1471.7	1,493.13
Reserves and Surplus	6,046.3	5,962.6	6,591.0	9,558.0	15,594.1	19,099.04
Non-current liabilities	9,350.1	7,506.2	7,354.9	6,613.5	7,388.7	22,444.86
Current liabilities	12809.4	11,285.1	5,333.0	4,474.0	6,996.3	15,002.94
Total Equity and Liabilities	29,645.8	26,193.9	20,718.9	22,085.5	31,450.8	58,039.97
Non-current assets	16,390.0	14,537.0	16,707.9	16,968.5	22,397.3	39,679.25
Current assets	13,255.8	11,656.8	11,766.5	12,668.7	15,286.7	18,360.72
Total Assets	29,645.8	26,193.9	28,474.4	29,637.2	37,684.1	58,039.97
Key Ratios	FY14	FY15	FY16	FY17	FY18	FY19
RoCE (%)	13.5	16.0	19.6	24.9	21.8	10.0
RoE (%)	4.0	-0.9	8.9	22.3	18.2	7.0
Debt to equity (x)	1.9	1.6	1.3	0.8	0.6	1.2
Interest coverage (x)	1.4	1.7	2.6	4.2	5.9	2.7
Inventory days	93.3	74.6	75.2	73.7	88.4	93.4
Receivable days	60.1	57.7	50.2	57.0	53.3	62.8
Payable days	112.3	103.9	103.6	84.6	107.9	125.1



KEY MANAGEMENT PROFILE



**MR. GHANSHYAM A.
THAKKAR**

QUALIFICATION: B. Sc. Diploma in Civil Engineering

- Shri Ghanshyambhai A. Thakkar has an experience of more than 45 years in the industry of laminated sheets, MDF board and allied items
- He is the promoter of the Company
- He is Chairman Cum Whole Time Director in the Company. As a Whole Time Director he is involved in day to day operations of Company
- He is having Vast Experience in General Management & Production & Purchase



**MR. KRUPESH G.
THAKKAR**

QUALIFICATION: Bachelor of Commerce

- Over more than 2 decade of Experience in Laminate and MDF Industry
- He is the promoter of the Company.
- Presently he is Managing Director of the Company.
- Ex- President of Indian Laminate Manufacturer Association and also Member of Association of Indian Panel Board Manufacturer.
- He is having Vast Experience in General Management & Production & Purchase.



**MR. KEYUR M.
GAJJAR**

QUALIFICATION: Bachelor of Engineering, M.B.A

- Over 2 decade of Experience and associate with the Company for over a decade.
- Presently he is Chief Executive officer of the Company
- Responsible for the entire operation of the Group.

Market cap (INR)
45338.99 Lakhs
(as on 30th June 2019)

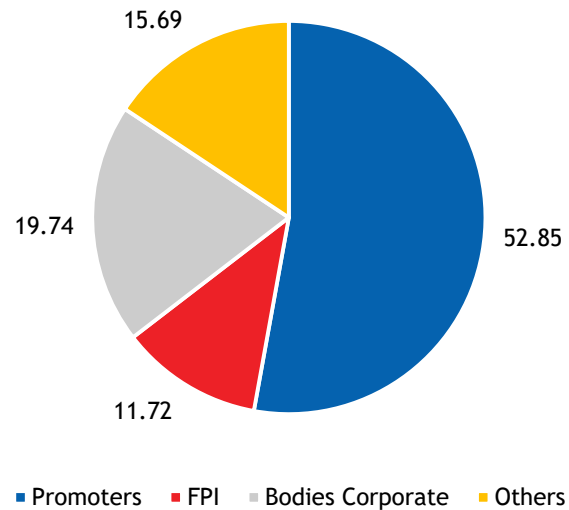
Shares Outstanding
149.3 Lakhs
(31th March 2019)

Bloomberg code
RDL:IN

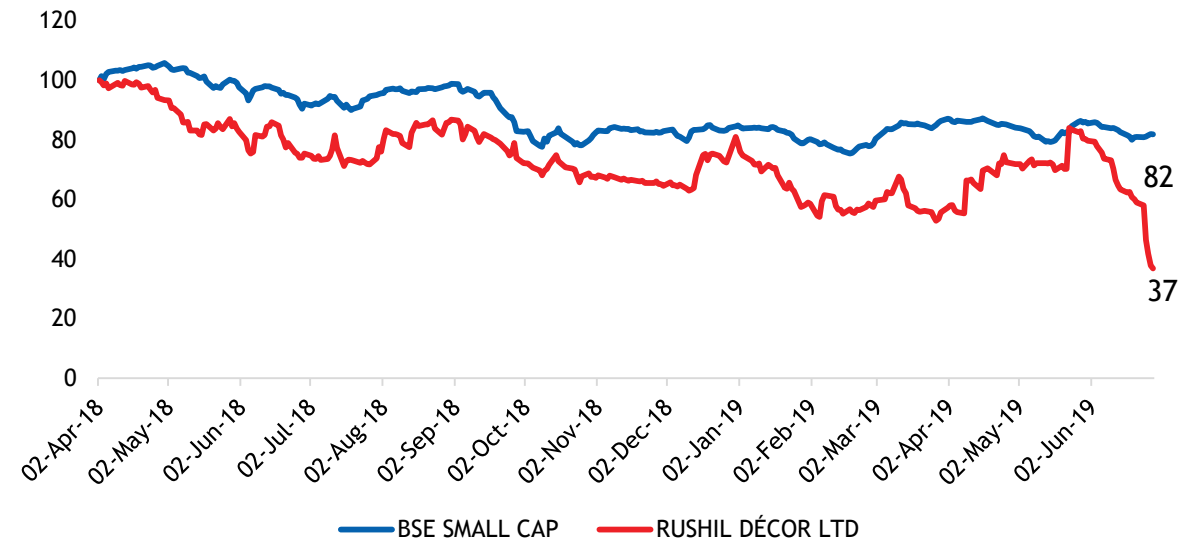
NSE code
RUSHIL

BSE code
533470

Share holding Pattern (30th June 2019)



Relative Stock Price vs BSE SMALL CAP INDEX





RUSHIL

DECOR LIMITED

WE'LL MAKE IT

Thank You



Vipul Vora



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