



RUSHIL

DECOR LIMITED

WE'LL MAKE IT

RDL/017/2024-25

Date: 09.05.2024

To,
National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra – Kurla Complex,
Bandra (E), Mumbai – 400 051
NSE EQUITY SYMBOL: RUSHIL

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001
SCRIP CODE: 533470

ISIN: INE573K01017

Dear Sir / Madam,

Ref: Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Regulation 41(4) and 82(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

Subject: Monitoring Agency Report for the Quarter ended March 31, 2024

In accordance with Regulation 32(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Regulation 41(4) and 82(4) of the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, we are enclosing herewith the Monitoring Agency Report dated May 06, 2024 issued by CARE Ratings Limited, Monitoring Agency, for the Quarter ended March 31, 2024 in respect of utilization of proceeds of the Preferential Issue of the Company.

Further, we wish to inform you that the Company has received Rs. 31.72 Crores through the preferential issue and may receive the balance amount within the time limit as mentioned in the SEBI (ICDR) Regulations. Out of which Rs. 25.47 crores has been utilized upto the Quarter ended March 31, 2024 for the objects stated in the Private Placement Offer Letter and there have been no deviations or variations in the use of proceeds raised from the Preferential Issue.

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

Thanking you,

Yours faithfully,

For Rushil Decor Limited

Hasmukh K. Modi
Company Secretary

Encl.: a/a



RUSHIL DÉCOR LTD., 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

PH: +91-79-61400400 | FAX: +91-79-61400401 | EMAIL: INFO@RUSHIL.COM | WWW.RUSHIL.COM

No. CARE/ARO/GEN/2024-25/1024

Mr. Krupesh Thakkar
Managing Director
Rushil Decor Limited

Rushil House, Near Neelkanth Villa
Off S.P. Ring Road, Shilaj,
Ahmedabad, Gujarat – 380058

May 06, 2024

Dear Sir,

Monitoring Agency Report for the quarter ended March 31, 2024 - in relation to the Preferential Issue of Rushil Decor Limited ("the Company")

We write in our capacity of Monitoring Agency for the Preferential Issue for the amount aggregating to Rs.122.66 crore of the Company and refer to our duties cast under 162A of the Securities & Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations.

In this connection, we are enclosing the Monitoring Agency Report for the quarter ended March 31, 2024 as per aforesaid SEBI Regulations and Monitoring Agency Agreement dated October 26, 2023.

Request you to kindly take the same on records.

Thanking you,
Yours faithfully,



Anuja Parikh

Assistant Director

anuja.parikh@careedge.in

Report of the Monitoring Agency

Name of the issuer: Rushil Decor Limited

For quarter ended: March 31, 2024

Name of the Monitoring Agency: CARE Ratings Limited

(a) Deviation from the objects: Nil

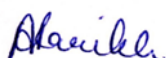
(b) Range of Deviation: Not applicable

Declaration:

We declare that this report provides an objective view of the utilization of the issue proceeds in relation to the objects of the issue based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The MA does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives. This Report is not intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever. Nothing mentioned in this report is intended to or should be construed as creating a fiduciary relationship between the MA and any issuer or between the agency and any user of this report. The MA and its affiliates also do not act as an expert as defined under Section 2(38) of the Companies Act, 2013.

The MA or its affiliates may have credit rating or other commercial transactions with the entity to which the report pertains and may receive separate compensation for its ratings and certain credit related analyses. We confirm that there is no conflict of interest in such relationship/interest while monitoring and reporting the utilization of the issue proceeds by the issuer, or while undertaking credit rating or other commercial transactions with the entity.

We have submitted the report herewith in line with the format prescribed by SEBI, capturing our comments, where applicable. There are certain sections of the report under the title "Comments of the Board of Directors", that shall be captured by the Issuer's Management / Audit Committee of the Board of Directors subsequent to the MA submitting their report to the issuer and before dissemination of the report through stock exchanges. These sections have not been reviewed by the MA, and the MA takes no responsibility for such comments of the issuer's Management/Board



Signature:

Name and designation of the Authorized Signatory: Anuja Parikh

Designation of Authorized person/Signing Authority: Assistant Director

1) Issuer Details:

Name of the issuer : Rushil Decor Limited
Name of the promoter : Mr Krupesh Ghanshyambhai Thakkar,
Ms. Krupa Krupesh Thakkar,
M/s. Rushil International and
Mr. Krupesh Ghanshyambhai Thakkar (HUF)
Industry/sector to which it belongs : Laminates and MDF Boards

2) Issue Details

Issue Period : 18 months from date of allotment i.e. December 23, 2023
Type of issue : Preferential Share Warrants Issue
Type of specified securities : Equity Warrants
IPO Grading, if any : Not applicable
Issue size (in Rs. crore) : Rs.122.66 crore (Note 1)*

* The offer comprises of 42,00,000 equity warrants of the company convertible into equal number of equity shares of face value of Rs.10 at an issue price (including warrant subscription price (Rs.74.25 per warrant) and warrant exercise price (Rs.222.75 per warrant) of Rs.297.00 per equity warrant as determined on the relevant date (for the purpose of calculating the price of equity warrants convertible into equal number of equity shares to be issued in terms hereof in accordance with the provisions of Chapter V of the SEBI ICDR Regulations aggregating to Rs.124,74,00,000.00 for cash consideration by way of preferential allotment.

Subsequently, share Allotment committee vide meeting dated December 23, 2023, approved allotment of 41,30,000 equity warrants of the company convertible into equal number of equity shares of face value Rs.10 at an issue price (including warrant subscription price (Rs.74.25 per warrant) and warrant exercise price (Rs.222.75 per warrant) aggregating to Rs.122,66,10,000.00 for cash consideration.

Note 1:

The company had offered 41,30,000 warrants convertible to equity shares under the preferential issue, at Rs. 297 per share (including share premium of Rs.287 per share) aggregating to ₹122.66 crore.

| Particulars | Remarks |
|--|-----------|
| Total equity warrants issued as part of preferential issue (in Nos.) ^ | 41,30,000 |
| Warrants subscription price (in Rs.) | 74.25 |
| Total proceeds received from warrants issued [received in Q3FY24] (in Rs. crore) | 30.66 |
| Partial warrants conversion proceeds [received in Q4FY24] (Rs. crore) | 1.06 |
| Net proceeds available for utilisation (in Rs. crore) | 31.72 |

^Each warrant is convertible into one (1) equity share and the conversion can be exercised at any time within a period of 18 months from date of allotment of warrants, in one or more tranches, as the case maybe and on such other terms and conditions applicable. Option for conversion of warrants into equity shares will be available upon payment of full price of warrant before such exercise of option.

3) Details of the arrangement made to ensure the monitoring of issue proceeds:

| Particulars | Reply | Source of information / certifications considered by Monitoring Agency for preparation of report | Comments of the Monitoring Agency | Comments the Board of Directors |
|---|----------------|---|--|--|
| Whether all utilization is as per the disclosures in the Extraordinary General Meeting (EGM) Notice? | Yes | Chartered Accountant certificate*; Bank statement | Yes | Yes |
| Whether shareholder approval has been obtained in case of material deviations# from expenditures disclosed in the EGM Notice? | Not applicable | Not applicable | Not applicable | Not applicable |
| Whether the means of finance for the disclosed objects of the issue have changed? | No | Not applicable | Not applicable | Not applicable |
| Is there any major deviation observed over the earlier monitoring agency reports? | Not applicable | Not applicable | Not applicable | Not applicable |
| Whether all Government/statutory approvals related to the object(s) have been obtained? | Not applicable | Not applicable | Not applicable | Not applicable |
| Whether all arrangements pertaining to technical assistance/collaboration are in operation? | Not applicable | Not applicable | Not applicable | Not applicable |
| Are there any favorable/unfavorable events affecting the viability of these object(s)? | No | Not applicable | No | No |
| Is there any other relevant information that may materially affect the decision making of the investors? | No | Not applicable | No | No |

* Chartered Accountant certificate from M/s. Pankaj R. Shah & Associates dated April 11, 2024

#Where material deviation may be defined to mean:

- a) Deviation in the objects or purposes for which the funds have been raised
- b) Deviation in the amount of funds actually utilized by more than 10% of the amount projected in the EGM Notice.

4) Details of objects to be monitored:

(i) Cost of objects –

| Sr. No | Item Head | Source of information / certifications considered by Monitoring Agency for preparation of report | Original cost [^] (as per the EGM Notice) in Rs. Crore | Revised Cost in Rs. Crore | Comments of the Monitoring Agency | Comments of the Board of Directors | | |
|--------------|--|--|---|---------------------------|---|------------------------------------|---------------------------|---------------------------------------|
| | | | | | | Reason for cost revision | Proposed financing option | Particulars of firm arrangements made |
| 1 | Decorative laminates including bigger size (Jumbo size) laminates manufacturing Project at Mansa | Chartered Accountant certificate*, Bank statements, EGM Notice | 90.00 | Not applicable | All the proceeds from preferential issue have been utilized appropriately for the objectives mentioned in the EGM notice. | Not applicable | Not applicable | Not applicable |
| 2. | Working Capital Margin Requirement | Chartered Accountant certificate*, Bank statements, EGM Notice | 10.00 | Not Applicable | | Not Applicable | Not Applicable | Not Applicable |
| 3 | MDF Plant & Machinery as well as Civil Work for existing MDF Manufacturing Plants | Chartered Accountant certificate*, Bank statements, EGM Notice | 10.00 | Not Applicable | | Not Applicable | Not Applicable | Not Applicable |
| 4 | General Corporate Purpose | Chartered Accountant certificate*, Bank statements, EGM Notice | 12.66 | Not Applicable | | Not Applicable | Not Applicable | Not Applicable |
| Total | | | 122.66 | | | | | |

* Chartered Accountant certificate from M/s. Pankaj R. Shah & Associates dated April 11, 2024

[^]Subject to conversion of warrants into equity shares

(ii) Progress in the objects –

| Sr. No. | Item Head | Source of information / certifications considered by Monitoring Agency for preparation of report | Amount as proposed in the EGM Notice in Rs. Crore @ (A) | Amount raised ^ | Amount utilised in Rs. Crore | | | Unutilized Amount in Rs. Crore as on March 31, 2024 (C=A-B) | Amount yet to be received | Comments of the Monitoring Agency | Comments of the Board of Directors | |
|--------------|--|--|---|-----------------|---|---------------------------------|--|---|---------------------------|---|--|---------------------------|
| | | | | | As at beginning of the quarter in Rs. Crore | During the quarter in Rs. Crore | At the end of the quarter in Rs. Crore (B) | | | | Reasons for idle funds | Proposed course of action |
| 1 | Decorative laminates including bigger size (Jumbo size) laminates manufacturing Project at Mansa | Chartered Accountant certificate*, Bank statements, EGM Notice | 90.00 | 31.72 | 9.15 | 12.23 | 21.38 | 6.25 | 90.94 | Out of received Rs.31.72 crore, Rs.25.47 crore has been spent till Q4FY24 and the balance is kept in the Monitoring account, Escrow account and in Bank FD. | The project is in progress and the fund will be used in due course | Not Applicable |
| 2 | Working Capital Margin Requirement | Chartered Accountant certificate*, Bank statements, EGM Notice | 10.00 | | - | - | - | | | | The fund will be used in due course | Not Applicable |
| 3 | MDF Plant & Machinery as well as Civil Work for existing MDF Manufacturing Plants | Chartered Accountant certificate*, Bank statements, EGM Notice | 10.00 | | 0.27 | 0.50 | 0.77 | | | | The work is in progress and the fund will be used in due course | Not Applicable |
| 4 | General Corporate Purpose | Chartered Accountant certificate*, Bank statements, EGM Notice | 12.66 | | - | 3.32 | 3.32 | | | | The fund will be used in due course | Not Applicable |
| Total | | | 122.66 | 31.72 | 9.43 | 16.05 | 25.47 | 6.25 | 90.94 | | | |

* Chartered Accountant certificate from M/s. Pankaj R. Shah & Associates dated April 11, 2024

@ Out of the total Rs. 122.66 crores, the company has received Rs. 31.72 crores and balance is pending to be received from the allottees.

^ Includes Rs.30.67 crore of warrant subscription proceeds [in Q3FY24] and Rs.1.06 crore from partial conversion of warrants [in Q4FY24].

(iii) Deployment of unutilised Issue of Warrants [Convertible into Equity Shares on Preferential Basis] proceeds:

| Sr. No. | Type of instrument and name of the entity invested in | Amount invested | Maturity date^ | Earning | Return on Investment (%) | Market Value as at the end of quarter |
|--------------|---|-----------------|-------------------|----------------|--------------------------|---------------------------------------|
| 1 | Bank FD [Bank of Baroda] | 6.15 | December 26, 2024 | Not Applicable | 7.45% | 6.15 |
| 2 | Balance in Escrow A/c [HDFC Bank] | 0.01 | Not applicable | Not Applicable | Not Applicable | 0.01 |
| 3 | Balance in Monitoring A/c [Bank of Baroda] | 0.09 | Not applicable | Not Applicable | Not Applicable | 0.09 |
| Total | | 6.25 | | | | |

(iv) Delay in implementation of the object(s)

| Objects | Completion Date | | Delay (no. of days/ months) | Comments of the Board of Directors | |
|--|-----------------------|-------------|-----------------------------|------------------------------------|---------------------------|
| | As per the EGM Notice | Actual | | Reason of delay | Proposed course of action |
| Decorative laminates including bigger size (Jumbo size) laminates manufacturing Project at Mansa | December 2025 | On Schedule | Not Applicable | Not Applicable | Not Applicable |
| Working Capital Margin Requirement | December 2025 | On Schedule | Not Applicable | Not Applicable | Not Applicable |
| MDF Plant & Machinery as well as Civil Work for existing MDF Manufacturing Plants | December 2025 | On Schedule | Not Applicable | Not Applicable | Not Applicable |
| General Corporate Purpose | December 2025 | On Schedule | Not Applicable | Not Applicable | Not Applicable |

5) Details of utilization of proceeds stated as General Corporate Purpose (GCP) amount in the EGM Notice document:

| Sr. No | Item Head | Amount in Rs. Crore | Source of information / certifications considered by Monitoring Agency for preparation of report | Comments of Monitoring Agency | Comments of the Board of Directors |
|--------|---|---------------------|--|-------------------------------|------------------------------------|
| 1. | Purchase of Raw material, stores & spares | 3.32 | Chartered Accountant certificate*, Bank statements | None | None |

* Chartered Accountant certificate from M/s. Pankaj R. Shah & Associates dated April 11, 2024

Disclaimers to MA report:

a) This Report is prepared by CARE Ratings Ltd (hereinafter referred to as "**Monitoring Agency/MA**"). The MA has taken utmost care to ensure accuracy and objectivity while developing this Report based on the information provided by the Issuer and information obtained from sources believed by it to be accurate and reliable. The views and opinions expressed herein do not constitute the opinion of MA to deal in any security of the Issuer in any manner whatsoever.

b) This Report has to be seen in its entirety; the selective review of portions of the Report may lead to inaccurate assessments. For the purpose of this Report, MA has relied upon the information provided by the management /officials/ consultants of the Issuer and third-party sources like statutory auditors (or from peer reviewed CA firms) appointed by the Issuer believed by it to be accurate and reliable.

c) Nothing contained in this Report is capable or intended to create any legally binding obligations on the MA which accepts no responsibility, whatsoever, for loss or damage from the use of the said information. The MA is also not responsible for any errors in transmission and specifically states that it, or its directors, employees do not have any financial liabilities whatsoever to the users of this Report.

d) The MA and its affiliates do not act as a fiduciary. The MA and its affiliates also do not act as an expert to the extent defined under Section 2(38) of the Companies Act, 2013. While the MA has obtained information from sources it believes to be reliable, it does not perform an audit and undertakes no independent verification of any information/ certifications/ statements it receives from auditors (or from peer reviewed CA firms), lawyers, chartered engineers or other experts, and relies on in its reports.

e) The MA or its affiliates may have other commercial transactions with the entity to which the report pertains. As an example, the MA may rate the issuer or any debt instruments / facilities issued or proposed to be issued by the issuer that is subject matter of this report. The MA may receive separate compensation for its ratings and certain credit-related analyses, normally from issuers or underwriters of the instruments, facilities, securities or from obligors.