

## RUSHIL DECOR LIMITED

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**RDL/030/2018-19**  
**Date: 14.08.2018**

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.: Submission of Q1 F.Y. 2018-19 Earnings Presentation**

We are enclosing herewith a copy of the Q1 F.Y. 2018-19 Earnings Presentation regarding the financial performance of the Company and other highlights for the period ended on June 30, 2018.

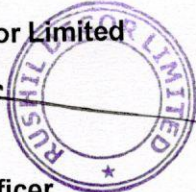
This is for your information please.

Thanking you,

Yours Faithfully,

For Rushil Decor Limited

*Modi*



(H. K. Modi)

Compliance Officer

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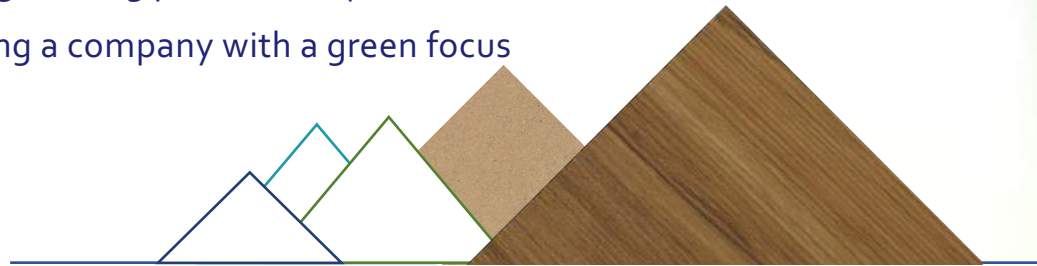
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# Where Style meets Substance

Re-engineering possibilities |

Building a company with a green focus



 **vir mdf**

 **vir laminate**

 **vir prelam**





## Safe Harbour

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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## Key Financials Highlights – Q1 FY19

### Net Sales

- Net Sales increased by 9.8 % YoY to INR 86.58 crores
- Laminate Sales up by 23.9% YoY to INR 44.68 crores
- MDF sales down by 5.2% YoY to INR 40.58 crores

### EBIDTA

- EBITDA increased by 2.5% YoY to INR 12.88 crs.
- EBITDA margin down by 91 bps to 14.82% on account of one-time Infrastructure costs at MDF unit

### Profit Before Tax

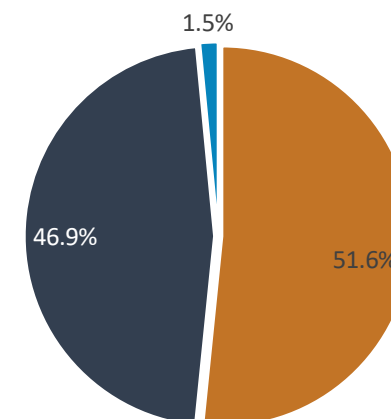
- PBT down by 4.6% to INR 8.14 crs. due to higher Interest and Depreciation costs

### Profit After Tax

- PAT declined by 19.3% YoY to INR 5.18 crores owing to higher Tax provision due to non-availability of MAT credit.

### Net Sales

Q1 FY19 – INR 86.58 Crs.



■ Laminates ■ MDF ■ WPC

## Results Overview

### Quarterly - Profit & Loss Summary

Particulars (INR crores)	Q1 FY'19	Q1 FY'18	Q4 FY'18	Q3 FY'18	Q2 FY'18
Revenue from Operations (Net)	86.58	78.87	88.08	83.96	92.56
Other Income	0.32	0.97	0.34	1.00	0.39
<b>Total Income</b>	<b>86.90</b>	<b>79.84</b>	<b>88.42</b>	<b>84.97</b>	<b>92.95</b>
Raw material costs	46.04	41.82	43.52	45.69	49.83
Employee costs	5.37	4.59	5.49	5.30	5.99
Other costs	22.62	20.87	21.65	20.87	21.37
<b>Total Expenditure</b>	<b>74.02</b>	<b>67.28</b>	<b>70.66</b>	<b>71.86</b>	<b>77.19</b>
<b>EBIDTA</b>	<b>12.88</b>	<b>12.56</b>	<b>17.76</b>	<b>13.11</b>	<b>15.76</b>
EBIDTA margin (%)	14.8%	15.7%	20.1%	15.4%	17.0%
Interest	2.61	2.23	2.45	1.95	2.07
Depreciation	2.13	1.80	1.99	1.89	1.85
Profit before Tax	8.14	8.54	13.32	9.27	11.83
PBT margin (%)	9.4%	10.7%	15.1%	10.9%	12.7%
Tax	2.96	2.12	4.28	2.34	3.25
Profit after Tax	5.18	6.42	9.04	6.94	8.58
PAT margin (%)	6.0%	8.0%	10.2%	8.2%	9.2%
Extraordinary Items	-	-	-	-	-
<b>Net P/L after Minority Interest</b>	<b>5.18</b>	<b>6.42</b>	<b>9.04</b>	<b>6.94</b>	<b>8.58</b>
Net Profit margin %	6.0%	8.0%	10.2%	8.2%	9.2%
Issued Shares (in crs.)	1.49	1.45	1.45	1.46	1.45
Diluted EPS (in INR)	3.49	4.44	6.21	4.78	5.93

## Results Overview – Laminate Segment

### Laminates Segment | Financial & Operating Parameters

Particulars (INR crores)	Q1 FY'19	Q1 FY'18	Q4 FY'18	Q3 FY'18	Q2 FY'18
<b>FINANCIAL PARAMETERS</b>					
Net Sales	44.68	36.06	46.48	46.54	47.78
EBITDA	5.84	2.89	8.18	6.71	5.88
EBITDA Margin (%)	13.08	8.01	17.60	14.41	12.30
Profit Before Tax	3.98	1.18	6.42	5.01	4.14
PBT Margin (%)	8.91	3.27	13.82	10.76	8.66
<b>OPERATIONAL PARAMETERS</b>					
Capacity (Sheets)	8,73,125	8,73,125	8,73,125	8,73,125	8,73,125
Production (Sheets)	7,63,160	8,39,767	8,40,071	8,60,287	8,38,236
Sales (Sheets)	7,39,446	6,63,631	8,18,279	8,24,920	8,42,818
Utilisation (%)	87.41	96.18	96.21	98.53	96.00
Average Realisation (INR / Sheet)	604	543	568	564	567

## Results Overview – MDF Segment

### MDF Segment | Financial & Operating Parameters

Particulars (INR crores)	Q1 FY'19	Q1 FY'18	Q4 FY'18	Q3 FY'18	Q2 FY'18
<b>FINANCIAL PARAMETERS</b>					
Net Sales	40.58	42.81	41.27	37.39	44.78
EBITDA	7.24	9.69	10.12	6.40	9.88
EBITDA Margin (%)	17.84	22.64	24.52	17.12	22.06
Profit Before Tax	4.83	7.38	7.69	4.27	7.69
PBT Margin (%)	11.90	17.24	18.63	11.41	17.18
<b>OPERATIONAL PARAMETERS</b>					
Capacity (CBM)	22,500	22,500	22,500	22,500	22,500
Production (CBM)	21,099	22,940	22,234	18,766	22,616
Sales (CBM)	19,838	23,153	20,340	18,085	22,948
Utilisation (%)	93.77	101.96	98.82	83.40	100.52
Average Realisation (INR / CBM)	20,458	18,488	20,289	20,673	19,515



## Managing Director's Message

### Commenting on the Q1 results, Managing Director, Mr. Krupesh Thakkar, said,

*"In the current quarter the MDF sales declined by 5% on account of increased competition and partially due to seasonal factors. MDF division's EBIDTA fell by 25% on account of the above and also due to one-time infrastructure repair costs at the MDF plant.*

*During the qtr., the Laminate business performed extra-ordinarily well with sales of INR 44.68 crs. and EBIDTA of INR 5.84 crs.*

*While, the MDF business faced short-term impediment in Q1, our long-term vision of replacing plywood with MDF in India, gaining market leadership in the furniture market and being the first partner of choice remains strong as ever.*

*This quarter also saw a near 10% increase in per unit realisation of both our key products Laminates and MDF boards. The rise has been on account of our single-minded focus on value added products and brand building efforts."*

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## Quarterly Highlights & Way Forward

### Capacity Utilization

- Laminates – 87.4%
- MDF – 93.8%

### Per Unit realisation

- Laminates – INR 604 per sheet (11.2% increase YoY)
- MDF – INR 20,458 per sheet (10.7% increase YoY)

### Preferential Allotment

- INR 20 crores raised via. Private Placement of Equity to Investors

### Import of MDF

- Company has tied-up with manufacturers of MDF in Southeast Asia for import of low thickness MDF boards in India

### Way Forward

- Strive to increase sales and per unit realisation of our Laminate sheets and MDF boards
- Focus on Brand building with Increase in advertisement spends to 3% of Sales in FY19
- Qualitative augmentation of sales & brand teams, distributors, retailers and furniture manufacturers etc.

## New MDF plant at Andhra Pradesh

### Land & Building

- Land acquisition concluded at Atchutapuram in Vishakhapatnam district, Andhra Pradesh
- Contract for factory building construction is executed and work has commenced on the acquired land

### Machinery

- Orders for main MDF manufacturing line place with Siempelkamp Maschinen-und Anlagenbau GmbH of Germany.
- Advance payment made to the machinery supplier.

Status  
Update

### Plant Works

- Company has executed necessary contracts/ placed work orders for works related to fabrication, erection, electricity, energy plant, sub-station, transformers etc.
- Advances paid to suppliers/ service providers



### Financial Arrangements

- German banks to provide supplier credit in the form of ECA credit facility for main MDF line
- ECB Facility for other capital expenditure. Sanction letter received from banks
- INR 40 crs. raised via. preferential allotment

**Commercial production at the new A. P. MDF plant expected to commence from April, 2020**