

**RDL/042/2025-26**

**Date: 19.08.2025**

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: INE573K01025**

Dear Sir / Madam,

**Subject: Transcript of the conference call for Unaudited Standalone and Consolidated Financial Results for the Quarter ended 30<sup>th</sup> June, 2025**

With reference to our earlier intimation No. RDL/033/2025-26 dated August 04, 2025 and in terms of Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the transcript of the conference call with Investors and analysts held on Monday, August 11, 2025 in respect of the Unaudited Standalone and Consolidated Financial Results for the Quarter ended 30<sup>th</sup> June, 2025.

The same will also be available on the website of the Company at [www.rushil.com](http://www.rushil.com).

This is for your information and record.

Thanking you,

Yours faithfully,

**For Rushil Decor Limited**

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**Hasmukh K. Modi**  
Company Secretary

**Encl.: a/a**





## “Rushil Decor Limited Q1 FY'26 Earnings Conference Call”

**August 11, 2025**



**MANAGEMENT:** **MR. RUSHIL THAKKAR - MANAGING DIRECTOR,**  
**RUSHIL DECOR LIMITED**  
**MR. KEYUR GAJJAR - CEO, RUSHIL DECOR LIMITED**  
**MR. HIREN PADHYA – CFO, RUSHIL DECOR LIMITED**  
**MODERATOR:** **MR. KARAN BHATELIA - ASIAN MARKET SECURITIES**  
**PVT LTD**

*Rushil Decor Limited  
August 11, 2025*

**Moderator:** Ladies and gentlemen, good day and welcome to the Rushil Decor Limited Q1 FY'26 Earnings Conference Call hosted by Asian Markets Securities Pvt. Ltd.

As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '\*' than '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Karan Bhatelia. Thank you and over to you, sir.

**Karan Bhatelia:** Thank you, Anushka. A very good afternoon and welcome all to Rushil Decor's 1<sup>st</sup> Quarter FY'26 Earnings Conference Call hosted by Asian Markets Securities.

From the management side, we have Mr. Rushil Thakkar, Managing Director; Keyur Gajjar, CEO and Hiren Padhya, CFO. I now hand over the call to Rushil Bhai for his opening remarks post which we can open the floor for Q&A. Thank you and over to you, sir.

**Rushil Thakkar:** Good afternoon, ladies and gentlemen. Welcome to Rushil Decor Limited's Earnings Conference Call for the 1st Quarter ended 30<sup>th</sup> June 2025. I would like to thank everyone for taking the time to join us.

Today, I am joined by our CEO – Mr. Keyur Gajjar and our CFO – Mr. Hiren Padhya. The earnings presentation has been shared with the Stock Exchange and we trust you had the opportunity to review the material.

Let me begin by addressing an unfortunate event during the quarter:

In early April, a fire broke out at our Andhra Pradesh MDF facility. Thankfully, there were no injuries and no damages to the core manufacturing assets or inventory. The incident was contained to an area outside the main operational zone. Production was disrupted temporarily and resumed in mid-May. While this impacted our performance for the quarter, we have initiated the insurance claim for the process and are covered for both material loss and the loss of profit.

In the MDF business, the revenue for the quarter was Rs. 1,242 million as compared to Rs. 1,692 million in Q1 FY'25. On the profitability front, the temporary shutdown impacted our EBITDA margins and the business reported a negative EBITDA of Rs. 73 million. The loss of 43 days of production, which also includes 8 days of planned maintenance shutdown, has led to a decrease in volumes, which stood to 52,074 cubic meters during the quarter. However, it is encouraging to note that the blended realization improved by 4.5% year-over-year, supported by the

disciplined pricing and improved product mix. Despite of disruption, we have observed a steady recovery in operations since the resumption.

Turning to the laminate business:

Revenue was Rs. 445 million at 5.6% decline year-over-year. The decline was primarily due to the lower export volumes, which were down by 16.9% year-over-year. However, the blended realization improved by 5% year-over-year, with export market realization rising 5.7% and the Indian market realization increasing 7.3% year-over-year respectively driven by the selective price adjustments and a favorable product mix. During the quarter Phase-I of Jumbo Laminate facility in Gandhinagar began the commercial production. However, the dispatches were deferred as we awaited key certifications required for exporting to certain regions. With these certifications now secured and the machinery aligned to the targeted production mix, we are set to begin the dispatches from the second quarter. Additionally, Phase-II of Jumbo Laminate project is progressing well and is expected to be operational by October 2025.

As part of our sustainability efforts, we continued our plantation programme in Andhra Pradesh and Karnataka, having planted over 24 million saplings to date. This initiative, which works closely with local farmers, reinforces our commitment to responsible sourcing and long-term environmental stewardship. Looking ahead, the impact of the fire incident was limited to Quarter 1. Operations at Andhra Pradesh MDF facilities are now running at the close to optimal level. With normalised production, improved capacity utilization and contribution from the Jumbo Laminate facility, we expect a strong performance in Quarter 2 and we remain committed to disciplined execution and strengthening our product offerings. That concludes my remarks.

I will now hand over the call to our CFO, Mr. Hiren Padhya, who will take you through the financial performance in greater detail. Thank you.

**Hiren Padhya:**

Good afternoon, everyone. Thank you, Mr. Rushil. And a warm welcome to all participants joining us today. Let me take you through our financial performance for the quarter ended 30<sup>th</sup> June 2025. The 1st Quarter of FY'26 was operationally challenging, largely due to temporary disruption at Andhra Pradesh plant. As previously shared, a fire incident in April led to a suspension of production, which had a significant impact on revenue, volumes, capacity utilization and overall profitability.

During the quarter, our consolidated revenue from operations was Rs. 179.2 crores reflecting a decline of 20.4% year-over-year and 22.4% quarter-on-quarter. Gross profit was Rs. 74.4 crore with a gross margin of 41.5% compared to 45.4% in Q1 FY'25. EBITDA for the quarter was negative. However, if Forex loss of Rs. 5.7 crore is excluded, then the EBITDA would have been Rs. 3.5 crore with a margin of 2% positive.

Now moving to segment performance, starting with the MDF business. Revenue was Rs. 124.2 crore, down by 26.6% year-over-year. Volumes declined by nearly 30% year-over-year due to temporary shutdown of operations and significantly lower exports, which were strategically reduced to optimize blended realization. As a result, blended realization improved by 4.5% year-over-year. Additionally, it is important to note that around 40% to 50% of our domestic MDF revenue is recorded on an ex-factory basis. If reported on a FOR basis, our domestic realization would be approximately 4% to 5% higher than the currently stated. This will provide a more comparable view with industry peers.

Now turning to Laminate business, revenue for the quarter was Rs. 44.5 crore, a decline of 5.6% year-over-year. The domestic market remained resilient with revenue growing by 9.3% year-over-year. Laminate EBITDA for the quarter increased 5.9% year-over-year to Rs. 4.5 crore with a margin of 10.2% and blended realization improved by 5% year-over-year. In terms of balance sheet position, our net debt equity ratio improved to 0.4x as of 30<sup>th</sup> June 2025. On the fund raising part, we received Rs. 93 crore out of Rs. 122.7 crore, which was proposed as a preferential allotment. A small portion of allotment was forfeited due to non-conversion, but this has not impacted Jumbo Laminate's Phase-II expansion plan.

To summarise, Q1 impacted by an unforeseen operational disruption has impacted the overall performance. Having said that, we have resumed full operation at MDF plant. The Laminate business continues to remain steady and we are confident of regaining growth momentum as we move into the second half of the fiscal year.

Thank you for your attention. I would now like to open the floor for questions and answers.

**Moderator:** Thank you very much. We will now begin the question and answer session. We take the first question from the line of Rehan Saiyyed from Trinetra Asset Managers. Please proceed.

**Rehan Saiyyed:** Good evening, sir. Thank you for giving me the opportunity. So, I have a couple of questions. First, on the capacity utilization side. With MDF capacity utilization at 58% this quarter, how quickly do you expect to ramp up back to pre-incident level? And would you be seeing any temporary outsourcing to be demand for this?

**Rushil Thakkar:** So, I would like to say that, first of all, during this incident, our Chikmagalur plant reported the capacity utilization of roughly around 99%. And hopefully, we will be doing the same in the same quarter as well. Coming back to the Andhra Pradesh plant, because of the incident, we were reported to have a 43% capacity utilization. On the earlier quarter, if you see, we have already utilized the capacity up to 80% to 85%, which we are targeting for this quarter as well.

**Rehan Saiyyed:** Okay. And my second question is around the MDF volume. Sir, you have mentioned that the company aims for 50% of MDF volumes from value-added products in FY'26? So, what proportion was achieved in the quarter and what new SKUs is being introduced to drive this shift? This is my last question. Thank you.

**Keyur Gajjar:** This quarter, we have achieved almost 41% in terms of quantity. And usually, it's around 44-45%. But because of the AP plant issue, we couldn't achieve 45% or more. But I think in coming quarters, we will be able to manage 50%. And we are fully concentrating on achieving 50% of value-added business. That's our main objective because we really wish to increase our value, our realizations. And I think this is one of the best ways.

**Rehan Saiyyed:** Okay. So, you are expecting this thing in the second half or by Quarter 2?

**Keyur Gajjar:** Yes. Gradually by the second quarter or third quarter, we will be able to come close.

**Rehan Saiyyed:** Okay. That's it from my side and good luck for 2<sup>nd</sup> Quarter.

**Moderator:** Thank you. We take the next question from the line of Sandy Mehta from Evaluate Research. Please proceed.

**Sandy Mehta:** Yes. Good afternoon. Thanks for taking my question. I think it's been a little bit frustrating for shareholders because the company has plans in place for higher margin products, exports. The revenues have grown for the last few years, but the margins and the earnings have been disappointing, to be very honest. Can you just talk a little bit about where you expect margins to be? What are your margin expectations for this year and next year? What should shareholders look forward to as a normalized level of margins or profitability going forward? Thank you.

**Hiren Padhya:** I think it is a good question. See, starting of this financial year, we were just hoping for overall margin of around 12% to 13% EBITDA. Because of this unfortunate incident, 1st Quarter impact has already been done. So, for this financial year, the guidance from our side would be around 11% to 12% EBITDA margin as far as this financial year is concerned. However, the new project of Jumbo has already started not only production, but we have received a couple of orders also and we have started dispatching also. So, compared to the existing margins of laminates, which is hovering around 8% to 10% for the last one year, here the Jumbo has got margin of around 14% to 16%. So, overall margin of laminate, if you consider both the things together, next year would be relevant year for improving margin of laminates to the extent of 12% to 13% on a yearly basis, that is, '26-'27.

Coming to MDF, again, the utilization-wise, we have got ample space in terms of additional capacity. And second part is, as rightly mentioned in the last question, value added proportion,

which is in the range of 40% to 43%, which will definitely go up to 50% in terms of quantity and 60% in terms of value. Third is BIS standard implementation. And these all three factors together, we can definitely expect that the margin which we are going to have this financial year will improve by at least one or two percentage in terms of EBITDA, so far as next year, that is, '26-'27 is concerned. So, we are very much hopeful about it.

- Sandy Mehta:** So, overall then for '26-'27, what sort of EBITDA margin are you looking at overall next year?
- Hiren Padhya:** That is what I was trying to tell you. We are expecting 1% or 2% higher than the current. Current, we are targeting 11% to 12%. So, next year, we can target, around 13% or 14%.
- Sandy Mehta:** And earlier, a few years ago, the company had reported as high as 15% to 18%. So, is that possible or unlikely now going forward? We should look at 13% to 14% as your normalized level going forward?
- Keyur Gajjar:** We are saying that is what we are targeting to achieve minimum 13% to 14% next financial year. But yes, 15% to 16% is also possible and we are working hard on that product mix.
- Sandy Mehta:** Okay. I wish you luck. Thank you.
- Moderator:** Thank you. The next question is from the line of Samant Jain from Pinpoint Capital. Please proceed.
- Samant Jain:** I have a couple of questions. So a lot of your peers are talking about passing on the reduction in timber prices to customers in July. So, are we doing the same?
- Rushil Thakkar:** So, actually, in the current quarter, we still have a steady raw material pricing. So, yes, but in coming quarters, according to the demand supply as per the requirement, we see there may be a slightly decline during the quarters coming. And if at all we get an advantage, then we may consider that as well.
- Samant Jain:** Okay. And the second question is, one of our largest peers is doing a CAPEX in South India. So, should we expect some realization pressure there?
- Rushil Thakkar:** As of now, for this financial year, we don't see any pressure because coming up with a plant is 18 month to 24 month process. And for this financial year, we don't see any pressure for realization for the new capacity coming in.
- Keyur Gajjar:** Sorry, that new capacity is mainly it was lower thickness.
- Samant Jain:** What realizations can we expect from Jumbo Laminates?

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**Rushil Thakkar:** So, roughly, as we say that the EBITDA margins currently what we consider is roughly around 15% to 16%. And we will make sure that we try to achieve as we commit during the call.

**Samant Jain:** Okay. Thank you.

**Moderator:** Thank you. The next question is from the line of Maitri from Sapphire Capital. Please proceed.

**Maitri:** Just one question. What sort of revenue growth are we expecting for this year and the next fiscal year?

**Hiren Padhya:** I think in the last question I have already answered. However, the amount wise in terms of sales volume and the value, the turnover wise we are expecting around Rs. 1,000 crores this particular financial year. And next year we can further improve in terms of having achieved more than 70% capacity in terms of new plant that is Jumbo. We can definitely expect around Rs. 1,150 crores to Rs. 1,200 crore turnover in the next financial year. So far as EBITDA as I have informed, this financial year we are hoping for the best in terms of percentage would be around 11% to 12% and next financial year again at least 2% rise over current financial year.

**Maitri:** Yes. That is it from my side. Thank you.

**Moderator:** Thank you. As there are no further questions from the participants, I would now like to hand the conference over to the management for closing.

**Rushil Thakkar:** Thank you all for taking the time to join us today and for your continued interest in Rushil Decor. As we continue to navigate the opportunities ahead, we remain committed to achieving our strategic objectives and delivering the consistent value to our stakeholders. For any other questions, please reach out to our investor relations team at Churchgate Partners. Thank you once again.

**Moderator:** Thank you. On behalf of Asian Markets Securities Private Limited that concludes this conference. Thank you for joining us and you may now disconnect your line.

**Notes:** 1. This transcript has been edited for readability and does not purport to be a verbatim record of the proceedings.

2. Figures have been rounded off for convenience and ease of reference.

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