RUSHIL
DECOR LIMITED
WE'LL MAKE IT

RDL/033/2026-27
Date: 17.08.2026

To,
National Stock Exchange of India Ltd.
Exchange Plaza,
Bandra – Kurla Complex,
Bandra (E), Mumbai – 400051
NSE EQUITY SYMBOL: RUSHIL

To,
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001
SCRIP CODE: 533470

ISIN: INE573K01025

Subject: Transcript of the conference call for Unaudited Standalone and Consolidated Financial Results for the Quarter ended 30th June, 2026

With reference to our earlier intimation No. RDL/032/2026-27 dated August 10, 2026 and in terms of Regulation 30 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 10, 2026 in respect of the Unaudited Standalone and Consolidated Financial Results for the Quarter ended June 30, 2026.

The same will also be available on the website of the Company at www.rushil.com.

This is for your information and record.

Thanking you,

Yours faithfully,

For Rushil Decor Limited
MODI HASMUKH KANUBHAI
Digitally signed by MODI HASMUKH KANUBHAI
Date: 2026.08.17 09:39:44 +05'30'

Hasmukh K. Modi
Company Secretary

Encl.: a/a

"Rushil Decor Limited

Q1 FY27 Earnings Conference Call"

August 10, 2026

MANAGEMENT: **MR. RUSHIL THAKKAR – MANAGING DIRECTOR**
MR. HIREN PADHYA – CHIEF FINANCIAL OFFICER

MODERATOR: **MR. KARAN BHATELIA – ASIAN MARKET SECURITIES**

Moderator: Ladies and gentlemen, good day, and welcome to the Q1 FY27 Earnings Conference Call of Rushil Decor hosted by Asian Markets Securities Private Limited. As a reminder, all participant lines will be in a 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 '*'then '0'on your touch-tone 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. On behalf of Asian Markets Securities Private Limited, we welcome all to the Rushil Decor Q1 FY27 Investor Con-Call. From the management side, we have Rushil Thakkar, Managing Director and Hiren Padhya, CFO would like to hand over Rushil Bhai for his opening remarks. We can open the floor for Q&A. Thank you, and over to you Rushil Bhai.

Rushil Thakkar: Thank you Karan bhai. Good afternoon, ladies and gentlemen. Welcome to Rushil Decor Limited Earnings Conference Call for the first quarter ended 30th June 2026. Thank you for joining us today. I am joined by our CFO, Mr. Hiren Padhya. The earnings presentation has been shared with the stock exchanges, and we hope you had an opportunity to review it.

Let me begin with an overview of our performance and the operating environment during the quarter. The Q1 FY27 saw a steady improvement in the company's operating performance, supported by the normalized operation at our Andhra Pradesh MDF facility and improved contribution from the laminate business.

On a consolidated basis, revenue from operations increased to 27.8% year-over-year to INR 2,920 million in Q1 FY27. EBITDA was INR182 million with an EBITDA margin of 7.9%, while profit after tax was INR 20 million. During Q1 FY27, the company also undertook a planned annual maintenance shutdown during April. During the period, we continued to right size overhead cost, improve operational efficiency and streamline product inventory.

Coming to the laminate business, it remained a key growth driver during the quarter. Revenue increased 65.3% year-over-year to INR 736 million. Supported by improved domestic demand and improving traction in export market. Domestic revenue grew 60.6% year-over-year to INR 251 million, while the export revenue increased to 67.9% to INR 485 million. Total sales volume increased 27.9% year-over-year to approximately 8.8 lakh sheets. Blended realization also improved by 29.3% year-over-year to INR 836 per sheet, supported by an improved product mix. The business reported the EBITDA of INR 52 million with an EBITDA margin of 7%.

The Jumbo laminate business made a progress during Q1 FY27. Revenue was INR 110 million, representing a 25% substantial increase, while the total sales volume increased to 20.4% subsequently to approximately 1.13 lakh sheets. The business reported EBITDA of INR 23 million, translating into an EBITDA margin of 20.6%, in line with the management expectation. The improving contribution from the Jumbo laminate supported the overall performance of the laminate business. We continue to see increasing acceptance of our Jumbo laminate offerings across the international markets, which remains an important area of focus as we work towards improving capacity utilization.

Turning to the MDF business. Operations remained stable during Q1 FY27 following the planned annual maintenance shutdown. Revenue increased to 17.2% year-over-year to INR 1,456 million. The EBITDA was INR 123 million with a margin of 8.4%. Focus remains on increasing the share of value-added MDF products, which will help improve realization, profitability and over the medium term.

We also continuing to strengthen our MDF retail presence across the key markets during Q1 FY27. Revenue increased 13.1% year-over-year to INR 96 million, supported by 6.9% growth in sales volume. The business reported the EBITDA of INR 8 million during Q1 FY27. The broader operating environment remains challenging. Chemical and other raw material price remained elevated, while freight costs were significantly higher and the shipping routes continue to face disruption arising from ongoing conflict in West Asia.

Despite these challenges, the laminate business reported a significant increase in export revenue, supported by increasing acceptance of jumbo laminate across the international market and improved product mix. At the same time, we rationalized our domestic market mix by optimizing supplies across the selected regions. This has allowed us to focus more on market and customer segment offering better profitability across the MDF and laminate business.

During Q1 FY27, we further strengthened our domestic distribution network by adding direct 15 distributors and 46 retailers and dealers. We're also expanding our international presence by entering into two new markets, Honduras and Greece. These initiatives will help us improve our market reach, strengthen product availability and support further growth across our business.

Looking ahead, our focus for FY2027 remains on improving capacity utilization in Jumbo Laminates business and increasing the share of value-added MDF business. We will also focus on improving the overall business through better product mix.

Additionally, we continue to focus on improving our working capital and reducing debt. With no major capital expenditure plan beyond the maintenance capex, we remain focused on strengthening our cash flow, improving operational efficiency and creating long-term value for all our stakeholders. Thank you.

That concludes my remarks. I will now hand over the call to our CFO, Mr. Hiren Padhya, to take you through the financial performance in greater detail.

Hiren Padhya: Good afternoon, everyone, and thank you, Mr. Rushil. A warm welcome to all participants joining us today. I will now take you through the financials and operational performance of Rushil Decor Limited for the Q1 FY27.

Starting with the consolidated financial performance. Revenue from operations for Q1 FY27 was INR 2,290 million, reflecting a growth of 27.8% year-on-year. Gross profit for Q1 FY27 was INR 892 million with a gross profit margin of 39%. EBITDA was INR 182 million with an EBITDA margin of 7.9%. Profit before tax was INR 25 million, while PAT was INR 20 million.

The improvement in revenue was supported by normalized operations at Andhra Pradesh MDF facility and higher contribution from the laminate business. Profitability during Q1 FY27 was impacted by elevated chemical and other raw material costs and higher freight costs.

Moving to segmental performance, starting with MDF business. MDF revenue for Q1 FY27 was INR 1,456 million, representing a growth of 17.2% year-over-year. The growth was driven by the India MDF business with revenue increasing 32.9% year-on-year to INR 1,447 million. India sales volume increased by 16.1% to 52,162 CBM, while India realization improved by 14.4% year-on-year to INR 27,736 per CBM.

Export performance in MDF remained subdued during Q1 FY27 as the company continues to take a calibrated approach towards MDF exports with greater focus on markets and customer segments offering better profitability. Following the resumption of operations after the planned annual maintenance shutdown, production gradually normalized with MDF capacity utilization at 66% during Q1 FY27. From a profitability perspective, MDF EBITDA for Q1 FY27 was INR 123 million with an EBITDA margin of 8.4%.

Moving to the laminate business. Laminate revenue for Q1 FY27 was INR 736 million, representing a growth of 65.3% year-on-year. India laminate revenue increased by 60.6% year-on-year to INR 251 million, while export revenue grew 67.9% to INR 485 million. India sales volume increased by 6.1% year-on-year to approximately 3 lakh sheets, while India realizations improved by 51.4% to INR 825 per sheet.

Export sales volume increased by 43.4% year-on-year to approximately 5.7 lakh sheets, while export realization increased by 17.1% to INR 842 per sheet. In Laminates EBITDA for Q1 FY27 was INR 52 million with an EBITDA margin of 7%. Within the laminate business, Jumbo laminates portfolio continues to scale up. Revenue from Jumbo laminates stood at INR 110 million during Q1 FY27 with sales volume of approximately 1.13 lakh sheets. EBITDA was INR 23 million, translating into a strong EBITDA margin of 20.6%.

Coming to PVC business, revenue for Q1FY27 was INR 96 million, representing a growth of 13.1% year-on-year. Sales volume increased by 6.9% year-on-year, while EBITDA for Q1 FY27 was INR 8 million with a margin of 7.9%.

To summarize, the company reported stable performance supported by normalized MDF operations and higher contribution from laminate business. The laminate segment, including Jumbo laminates, remains an important area of growth, while MDF business continues to focus on improving its product mix realizations.

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

Moderator: Thank you. We will now begin the question-and-answer session. The first question is from the line of Rushabh Sharedalal from Pravin Ratilal Wealth.

Rushabh Sharedalal: Sir, my first question is on the MDF business. So, I'm just slightly new to the company, and I would request you to explain slightly in detail. So, for FY26, we have done MDF sales of around INR 630 crores. Assuming that it would have been a normal year, what would have been the breakup of that into exports and domestic?

And within domestic, what would have been the breakup between OEM and the retail sales within the MDF, and just an additional question on that. So for the current quarter that ended, so Q1 FY27, what was the retail sales and the OEM sales?

Rushil Thakkar: So when we speak about domestic sales pattern, our pattern is 35% to 40% of volume has been sold to OEM and balance is done through distribution and retail channels. Talking about the export, our strategy is really clear that we'll be exporting somewhere around 4,000 to 5,000 cubic meters a month. So in order to just maintain the production capacity in a better manner. And because of this 4,000 - 5,000 cubic meters export, there is less pressure on domestic sales as well.

Rushabh Sharedalal: Right. So normally, our sales to OEMs are closer to 30% to 40% of the MDF sales, right? That understanding is correct, right?

Rushil Thakkar: 35% to 40%.

Rushabh Sharedalal: Right. So what has been the volume growth in the MDF sales for Q1 FY27 to OEM and to retail? What has been the breakup?

Rushil Thakkar: As per Q4, it is same.

Rushabh Sharedalal: Right, sir. Sir, my next question is on the industry dynamics. So the last information available in the public suggest that there were significant supply as compared to demand. So can you just brush us up on what are the latest numbers and any other capacity of MDF that is coming up? Just want to understand that how will the pricing play out going ahead because there is one leader who has not taken a price reduction and there's another player which has already taken. So just wanted to know your views on the industry dynamics.

Rushil Thakkar: See, as we have mentioned earlier, MDF as an industry is growing at a 20% CAGR. And when we talk about 20% CAGR, that means an additional capacity of 800 cubic meters a day can be absorbed in the market easily. But as you see, there are too many new factories coming into the market, maybe it is organized or unorganized.

So yes, going ahead, we see the good amount of competition in domestic market. And yes, we have taken some hike, which was acceptable to the market and the raw material prices have been included in that. So yes, we don't see any negative side of pricing going at this point of time. The prices, you can say, is more sustainable at this point of time.

Moderator: The next question is from the line of Ankit Gulgulia from Gravitas Consulting.

Ankit Gulgulia: Just wanted to understand how does the company looks forward for the debt overall that we are having in the balance sheet? Are we looking to steadily reduce the debt in terms of the overall debt equity? Or will it more or so remain the same what we are seeing witnessing right now?

Hiren Padhya: Okay. As of now, if you see the debt, including working capital is around INR 260 crores. Now we have got a scheduled repayment. And as per the schedule, every year, we are making a repayment of almost INR 55 crores. So if you see the current quarter, we have reduced debt to the extent of INR 18 crores in this quarter only.

So considering the schedule which we have been given by the banks and the financial institutions, approximately Q2 FY29, we will be able to clear our debt. So practically, In FY29 will be debt-free company. And as mentioned in the speech also, for this particular financial year, we are not planning for any additional capex, except a small operational capex to the extent of INR 5 crores to INR 10 crores.

And considering the fact that we are totally focusing into, new project of Jumbo and increasing our capacity in MDF and realizations. So immediately for next couple of quarters or maybe 1 or 2 years, we are not planning for any further debt. So practically, it is a question of 2 years from now.

Ankit Gulgulia: Yes. So effectively, if there is no further capex plan for at least 1 or 2 years, so we can see probably an aspiration of a net debt-free company. Am I correct with that?

Hiren Padhya: Yes.

Moderator: The next question is from the line of Rusmik Oza from 9 Rays Equiresearch.

Rusmik Oza: Sir, my question was on laminate business. We have a capacity of 28 lakh sheets of jumbo laminates. And in Q1, we have done a volume of roughly around close to 1,30,000 sheets. So, I just want to check out, does this mean that our annualized run rate, the utilization level is only 15% right now? Is my understanding correct, sir?

Rushil Thakkar: So currently, our utilization is 29%, just to correct you because this has a different product mix. And the capacity what we give you is on the basis of 1 mm thicknesses. And the production which we have is of the average 6mm to 12mm. So this way, we consider our capacity utilization is 29% and aspiration of utilizing this year is somewhere around 55% to 60%.

Rusmik Oza: Okay. And going with the run rate INR 11 crores per quarter and that's 29% full utilization at 85%, what could be the potential revenue, sir, from this jumbo laminate?

Rushil Thakkar: Again, I would like to say here that this year, our aspiration, again, is to take it to somewhere around 60% of utilization, which will take us to somewhere around INR 75 crores. And going ahead, if we utilize the capacity at somewhere around 90%, the potential revenue we can generate from this press would be somewhere around INR 140 crores.

Rusmik Oza: Okay. Sir, my next question was on MDF. Sequentially, in Q4, our utilization level had gone up to 83% vis-a-vis 75% of the full year. Now it's come down to 66%. Any reasons you can attribute to that? And going forward, what kind of utilization levels we anticipate for the full year in MDF business?

Rushil Thakkar: See, every industry requires an annual plant shutdown to make sure that other months like out of 365 days, other days of the plant can be utilized effectively. So every year in the month of April, we take kind of a planned shutdown for every plant so that we are ready for other days to work with full capacity. That is the only reason we see.

Rusmik Oza: Okay. So for full year, last year, we operated at around 75% utilization. So will we meet that or will you be above that?

Rushil Thakkar: It will go up.

Rusmik Oza: Okay. Nice to hear that, sir. And my second question was, in case of the difference between, say, if you normalize that 1 mm sheet of laminate, what could be the price difference between jumbo laminates and the normal laminates, sir?

Rushil Thakkar: See, it again depends on what kind of product mix we are planning. It's not just 6mm what we see. It's about the facade 6mm is a different rate, then the physical 6mm is a different rate, fire retardancy is a different rate. So we cannot average it out until and unless we finally prepare our balance sheet. So it becomes very difficult for us to say an average rate what can be the realization.

Rusmik Oza: Okay. And sir, if I dissect the number of the laminate business, as compared to last year, the margins were around 10%. And if I remove the Jumbo laminates, then the normal laminate business margin has come down to 5%, sir. Is it completely because of the hit on the gross margin? Or is there something beyond that?

Rushil Thakkar: See, our business in Gulf region is also very high, and that we used to do from our older plants. So that was one of the hit and another was the chemical hits because in laminates, we have done some further commitments over the supply. So because of this thing only these are the 2 main impacts, the margins were hit in the older laminate business.

And also, there was a plant shutdown in laminate plant as well, where we had 2 boilers running in one of the plants where we implemented the jumbo capacity. Now we have done a single boiler unit. So that also was one of the reasons why the production was also less.

Rusmik Oza: Okay. And sir, earlier in the last quarter, you had said that you all are aiming for that 10% to 12% EBITDA margin going forward. Any ballpark color by when we can reach that 10% to 12% EBITDA margin on a consolidated basis?

Rushil Thakkar: If you ask me about, again, aspiration, I want to go this quarter. But realistically, yes, we may take 1 or 2 quarters more to reach up to that level.

Rusmik Oza: Okay. And any guidance you would like to give for FY27 on the total revenue of the company, sir?

Rushil Thakkar: So I would just say one thing that as we have given the guidance earlier, we are on it, and we will be proving our best out of the business what we are currently doing.

Rusmik Oza: Okay. Last request, sir, is it possible to actually have a plant visit to see this, Jumbo laminate facility, if it's possible?

Rushil Thakkar: You can contact our investor relationship partner at Churchgate, and they will arrange.

Moderator: The next question is from the line of Anubhav Goel from Cosma Ventures.

Anubhav Goel: Sir, this 90% you mentioned the total jumbo sales of INR 140 crores, this is Phase 1 plus Phase 2, right?

Hiren Padhya: Yes, both the phase put together.

Anubhav Goel: Okay. Got it. And sir, my next question is, if you can just give more color on how we are planning to ramp up Jumbo? Like is it the similar set of clients and channels we have for our existing laminate exports business? Because I think the largest player here has warehouses, we have people on ground to find clients and get orders, while we are doing it largely from India. So how are we approaching this? And will it take a few years to get to this INR 140 crores number?

Rushil Thakkar: So first of all, these are all new markets where we are approaching. So there are some markets where we are already there. But basically, all this exercise takes a few years. We have team already sitting in India. It's not that we are not doing a different approach. We have a different approach as well. But this is typically all the certifications, all kind of necessary documentation has to be done for the countries where we are approaching. So we have already cracked many of the countries where the Jumbo laminates have been sailing as one of the biggest products.

But these markets are like a very slow opener. Like once you are done with them, your contract is for 2 years, 3 years. So we need to crack that contracts. And we are on it and we'll be like our next aspiration about using this plant at 50%, 55% this year, and we will be utilizing like 70%, 75% next year. So yes, very soon down the line 2 years, we may reach to our targeted revenue.

Anubhav Goel: Okay. Got it, sir. And sir, just my last question is it's a very volatile situation. But any color you can give, sir, on what should we expect for laminate margins for Q2 and rest of the year from this 5% in Q1?

Hiren Padhya: As you rightly pointed, laminate with older laminate, excluding this jumbo has got normal margin for the last couple of years is around in the range of 9% to 10%. So this particular quarter, we have got shutdown. So that has affected. Secondly, the chemical prices has also a negative impact as of now.

Third, the war situation has also affected. So I think all these 3 aspects has affected the whole quarter. But otherwise, our normal margin is in the range of 9% to 10%. And if we include the jumbo part, I think our margin should be more than 10%, at least as a combined laminate segment. So it will further improve provided there is no uncertainty in terms of chemical pricing and war.

Moderator: The next question is from the line of Resha Mehta from GreenEdge Wealth.

Resha Mehta: Sir, so one is on the MDF bit. So our volume growth was flat for Q1 FY27. Any specific reasons? If I recall correctly, I think in Q1 FY26, we had a fire and our plant was shut for days. In fact, we should have seen a good volume ramp-up in this Q1 FY27 because I believe the base was weak year-on-year.

Rushil Thakkar: So there is no specific reason because our volumes, which we have delivered is on the line because as we had taken a shutdown, which was planned. Another thing was chemical pricing and third was situation in West Asia because we are dependent on exports in Gulf as well. So these are the 3 main reasons

Resha Mehta: How have exports been in MDF in Q1? Have we exported anything or not really?

Rushil Thakkar: No, not a big volume somewhere around 255 CBM export.

Resha Mehta: So was there growth in the export side? Or was it flat? Or was there a degrowth for the export volumes of MDF?

Rushil Thakkar: No. Actually, we had the orders in hand, but because of the container shortage across the globe, we were not able to find the containers at the right price because of which the export volume was a bit on the lower side.

Resha Mehta: And sir, typically, when we take those maintenance shutdowns, and I believe this was a planned maintenance shutdown, right? So I believe normally, the way companies operate is that they stock up for the inventory for the loss of production days. And hence, ideally, it should not impact sales volume if there is demand. That would be a fair understanding, sir?

Rushil Thakkar: Yes, that is a fair understanding. We did plan for the inventory required for domestic. And we did the sales among that only. But the thing was the unexpected chemical price, which were fluctuating because of the domestic buyers were a bit reluctant on buying either they are buying at the right price or not, either they want to pile up the stock or not. They will just ask for the requirement. They will not ask for anything to stock up because of which the volumes remained flat.

Resha Mehta: Okay. And overall, I think for the quarter, our gross margins have declined significantly, which is a 900 bps decline, if I look at it quarter-on-quarter. Of course, we've seen a lot of inflation. But just to quantify this, so if I look at MDF, I believe we had taken around 15% price hikes. So post the 15% price hike that we have taken, have we taken any more price hikes? If yes, no, what is still the gap left to be covered up?

Rushil Thakkar: We didn't took any price hike after 15%. And current market scenario is all about the demand supply. So everyone is playing accordingly, I would say.

Resha Mehta: So after this 15% price hike, of course, I think our margins have declined, which effectively means that there is more inflation to come. So how much more price hikes hypothetically, we would need to take to cover up for this input cost inflation?

Rushil Thakkar: Actually, I cannot give you any guidance on that because the reality is market is not going to accept any further price hikes.

Resha Mehta: Okay. So let me ask you this way. So the 15% price hike that we have taken, is that also still sustaining on ground at 15%? Or are we passing on some trade discounts and effectively, what it means is that 15% price hike that we have taken, it is probably actually only plus 10% or something that effect on ground?

Rushil Thakkar: No. So currently, the 15% hike is what we are sustaining at. And we are not passing any kind of discounts or anything. So we are maintaining our given price hike.

Resha Mehta: Okay. And sir, a similar question on the laminate side also that we had taken around 10% price hikes in the past. So any more price hikes that we took in Q1 FY27? And again, how much more gap to be covered for inflation, if any, if you can share that number as well?

Rushil Thakkar: In laminate, the 10% price is covering our inflation as of now. And we don't see a further hike in that as well.

Moderator: The next question is from the line of Vicky Waghwani from Guardian Capital Partners.

Vicky Waghwani: I had 3 questions basically for MDF business. So what is the current export run rate now? Has started again in full how are the things today?

Rushil Thakkar: No. Export is still on the lower side because of the freight component, very high currently. So we have a good book of orders with us in hand. But unfortunately, the containers rate are so high that we need to take that permissions from customers before exporting it. So yes, we are on it, and we will be doing it with a positive way for this quarter.

Vicky Waghwani: Sir, it was somewhere around 1,500 to 2,000 CBM per month was my knowledge earlier. What is current situation, if you could please give?

Rushil Thakkar: It was 4,000 to 5000 CBM. The run rate for the last year was. And currently, if we just talk about July, we have somewhere around 3,200 CBM.

Vicky Waghwani: Okay. Sir, second question is if you could give some color on raw material pricing, resin pricing and wood prices quarter-on-quarter?

Rushil Thakkar: Wood pricing has remained flat this quarter, but the resin prices have gone substantially high like somewhere around close to 35% to 40%.

Vicky Waghwani: Okay. Perfect. Have they come down now in July because crude has corrected a bit.

Rushil Thakkar: Very marginal, very, very marginal.

Moderator: The next question is from the line of Rusmik Oza from 9 Rays Equiresearch.

Rusmik Oza: My question was regarding the Jumbo laminate. For this 28 lakh sheet capacity, what was the capex we have done, sir, in this?

Rushil Thakkar: Did a capex of somewhere around INR 90 crores.

Rusmik Oza: INR 90 crores. And potentially, we'll do asset turn of around 1.4x or 1.5x on this to reach around INR 140 crores at full potential, right?

Rushil Thakkar: Yes.

Rusmik Oza: Yes. And sir, in Q1 FY27, we have reported almost 20% EBITDA margin for this Jumbo laminate, and this is at just a utilization of around 29%. So as we ramp up this to around, say, by end of the year to 55%, 60% next year, 75%, what could be the ideal EBITDA margins we can expect from this business, Jumbo laminates?

Rushil Thakkar: See, it is very earlier in this situation to say because of the fluctuating raw material prices. But we would say our expectation is we would maintain such margins across the year.

Rusmik Oza: Okay. And my last question, sir, if I'm trying to understand the full potential of the company, if you run the MDF at around 85% utilization, we should do around INR 750 crores, INR 800 crores of revenue.

And another laminates earlier, we used to do INR 200 crores on a steady state. And if I add INR 140 crores jumbo laminates, the total should go to around INR 1,100 crores, maybe 2, 3 years down the line, if you're running all the plants at 85% utilization. Is this assumption fair enough, sir?

Hiren Padhya: See, as of now, you know the turnover last year, right? Now coming to MDF, where you rightly said, but then it depends upon the actual capacity utilization along with the value-added proportion. Now internally, we have a target of MDF per se to achieve the, I mean, quantity-wise target of 50% and value-wise 60% in terms of products.

If that achieves, I think the turnover may exceed whatever you are saying. However, in case of laminates, normal turnover is around INR 200 crores for the existing laminates. So that can go up to INR 250 crores definitely. Now in case of jumbo, again, it will take some time. and considering the today's volatile situation, I think we would not like to give any guidance as of now.

But yes, MDF will have a better realization in quarters to come. So far as laminate is concerned, normal margins will maintain in terms of existing value that is around 9% and Jumbo, as rightly said by Rushil bhai, we will start to have better margin in the coming quarters, but it is again too early to say. So I think the real picture will come maybe after 1 or 2 quarters. So it is too early to give any guidance on this side. But this will be better, that is for sure.

Rusmik Oza: Because as a long-term investor, we're just trying to understand the full potential of the company in a normal steady state of business, maybe 2, 3 years down the line.

Moderator: The next question is from the line of Pranav Marjan, who is an Individual Investor.

Pranav Marjan: Sir, actually, I have 2 questions. One, I want to understand the positioning of the company in MDF segment? And second thing, I want to ask the difference in realization of the Rushil Decor and the other listed players. There is difference is around 15% to 16% for 8 to 9 years of period?

Rushil Thakkar: Okay. So first question, I would like to answer in this way that we view the realization on flat basis. We do not add any logistic cost or we do not add anything. So whatever we say our number is actual realization what we make, right?

If I add my freight cost, then roughly across India, my freight cost will be anything somewhere to 9%, then we can like extrapolate this way as well. So our strategy is clear that whatever we deliver, whatever we say the number are the realistic number, we do not extrapolate it in this way and another thing is the value addition.

So value addition plays another big role. So if you see our plant in this way that our target of value addition was somewhere around 50%, which we are committing this time also.

And last year, but the actual scenario for Q1 FY27 was 45% of value addition. And in terms of revenue, it was 54% of revenue addition. So this way, if we consider ourselves, then we are not in difference of 10% to 15%. Our margins are like 2% or 3%, maybe plus or minus to other competitors.

Pranav Marjan: Okay. And sir, other thing on the BIS. I want to understand how much importers have got the BIS license till the date? And how much exporters have got the BIS license?

Rushil Thakkar: Export, like all Indian manufacturers has got the BIS license.

Pranav Marjan: Sorry, importers.

Rushil Thakkar: And as per the information, 8 to 10 factories have already got the BIS licenses. Few are from Vietnam, few are from Thailand. But there is no subsequent amount of import in India as of now.

Pranav Marjan: And one more question on the raw material cost. From the competitor, your cost is 4% to 5% higher. So what is the reason of that? And I just researched in the South, the timber cost is 3% to 5% lower as compared to North. So you need to have a lower raw material cost, I think.

Rushil Thakkar: No. Raw material is all dependent on the sourcing thing. Wood prices have been stable for quite a long time. And this resin prices have been volatile because of too many reasons. It's not just one reason.

Pranav Marjan: Sir, actually, I want to understand the raw material. There is a difference of 5% to 6% of raw material cost between you and your competitor. So I want to understand the difference. And I think your cost will be lower because wood prices in South are lower by 3% to 4%.

Rushil Thakkar: Yes. But at the same point of time, the resin manufacturers are presently located more in the north than south. So typically, resin is to be bought from other zones, maybe north, sometime west. So that plays a bigger vital role as well. It's not just the wood cost, which makes the MDF.

Pranav Marjan: Okay. And on the export side, I just want to understand that, as you mentioned that freight cost is high. But for the Vietnam and South Asian countries, the freight cost will be higher than India. So as in India, we have any kind of competitive advantage. And your manufacturing is very short distance with port, right? So how that demand is going to affect like in the West Asia, who is fulfilling the demand, sorry?

Rushil Thakkar: Currently, Thailand and Vietnam are the people who are fulfilling their demand because the markets are open there for them as well. India because of this BIS factory does not have so they have got the limitation of exporting it to India. Another thing is they have got a competitive advantage on raw material side.

So because of which they are also getting the better raw material pricing that way. It's on the way, like if you incur the logistic cost, then they have a raw material saving. If you don't incur the logistic cost, then you have raw material on the higher side. So ultimately, the selling price and selling points remain same at this point.

Pranav Marjan: Okay, sir. And in FY27, what is the expectation of OEMs and retail mix in MDF segment?

Rushil Thakkar: As I earlier mentioned that there would be somewhere around 35% to 40% of OEM and rest would be to the retail.

Pranav Marjan: Sir, what is the difference between OEM and retail, the difference in realization and the MDF.

Rushil Thakkar: See, OEMs are long-term partners. They are not short-term partners. So OEM contracts has been done for a longer run, and that gives us a support for the longer run. but obviously because of this all bulk, they have an advantage. But there is currently at this point of time, the price for the retail and OEM remains the same.

Pranav Marjan: And as you mentioned that you have long-term contracts, the price is fixed or not in that long-term contract?

Rushil Thakkar: No. That depends. We have not got any fixed price contract.

Pranav Marjan: Okay. So price is not fixed in the long-term contracts, right?

Rushil Thakkar: Yes.

Moderator: The next question is from the line of Pratyush Dammani, an Individual Investor.

Pratyush Dammani: I just wanted to understand the market pricing dynamics. So since you said there's a little oversupply, what is the reason we are able to take price hikes in an environment where there's an oversupply?

Rushil Thakkar: So this price hike is typically taken because of the raw material price difference, which has been substantially high in comparison to the pre-war situation. That is the only reason this price hike has happened. There is no other reason.

Pratyush Dammani: But is there a possible inventory loss in the future if the prices of raw material remains elevated and if there is still oversupply in the market?

Rushil Thakkar: Maybe yes.

Moderator: The next question is from the line of Resha Mehta from GreenEdge Wealth.

Resha Mehta: So I was asking on the laminate bit. So we have taken a 10% price hike in Q4 FY26. So have we taken more price hikes? Or we are sustaining?

Rushil Thakkar: No, we have not taken any further price hikes apart of 10%. And we are recovering all the overheads out of this 10%. So we don't see any stress over this.

Resha Mehta: Okay. And sir, what has led to this realization? I understand jumbo laminates it is a small part of it. It's just a INR 10 crores revenue contributor, but this realization growth of 30% can be attributed to what?

Rushil Thakkar: Mainly, this was the product mix, which has made a big difference. We did a good amount of value-added business in laminate also, which has escalated our sheet realization in this year.

Resha Mehta: Sir, in laminates, we have seen a volume growth of around 28%, right? So what exactly is driving such high volume growth? Is it the domestic market? Is it the export market? I understand Jumbo is a new entrant here, but Jumbo laminates is just a small INR10 crores revenue contributor. I would imagine our laminates business has also grown.

Rushil Thakkar: Yes. So the volume has been basically from domestic and export markets. It's not just from the single domestic market. We have got some new customers in Far East also, which have played a good amount of role in Far East business. And apart from that, somewhere around 15% to 20%, we have grown in domestic market as well.

Moderator: Thank you, ladies and gentlemen, that was the last question for today. I would now like to hand the conference over to the management for the closing comments.

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

Moderator: Thank you, sir. On behalf of Asian Markets Securities Private Limited, that concludes this conference. Thank you for joining us. You may now disconnect your lines.

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, wherever require.