



RUSHIL DECOR LIMITED

**ANNUAL
REPORT
2017-18**

 **vir laminate**

 **virext-lam**

 **vir prelam**

 **vir mdf**

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Disclaimer

This document contains statements about expected future events and financials of Rushil Decor Limited which are forward-looking. By their nature, forward-looking statements require The Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management's Discussion and Analysis Report of this annual report.

Online version of the report can be downloaded
from: <https://www.rushil.com/financial>

Or simple scan here:



Today's customer is more educated, more demanding and always looking for an aesthetic appeal. Fulfilling their desires and aspirations requires the mindset to foresee the upcoming trends, innovate and continuously deliver exciting products.

At Rushil Decor Limited (referred as RDL or 'the Company'), we are one of India's leading listed decorative solution providers manufacturing wide variety of Decorative and Industrial Laminated Sheets and Medium Density fibre boards (MDF), WPC Board with superior designs, colours and finishing.

Our diverse product and eco-friendly solutions, truly serve even the minutest customer aspirations while maintaining highest standards of quality, convenience and consistency in an affordable manner.

Today, we are amongst the top 5 brands in domestic MDF Board manufacturing industry as well as in the laminates segment providing inspiration to become 'Numero Uno' in our forte.

₹ 346.23 Cr
REVENUES IN 2017-18

₹ 59.19 Cr
EBIDTA* IN 2017-18

₹ 21.30
EPS* IN 2017-18

₹ 30.98 Cr
PAT* IN 2017-18

*EBIDTA: Earnings before interest, depreciation, tax, and amortization

*EPS: Earnings Per Share

*PAT: Profit After Tax

Investor information:

SHAREHOLDING STRUCTURE:
PROMOTER AND
PROMOTER GROUP
(53.62%),
FIIS (15.37%),
NON-INSTITUTIONS (30.98%),
OTHER DIIS (0.03%)

NSE SYMBOL:
RUSHIL

MARKET
CAPITALISATION:
₹ 1,162.90 Cr
AS ON
MARCH 31, 2018

BSE CODE:
533470

BLOOMBERG CODE:
RDL:IN

DIVIDEND:
5%

AGM DATE: 22-09-18 | AGM VENUE: Registered office of the Company at S. No. 125, Near Kalyanpura Patia, Village Itla, Gandhinagar Mansa Road, Tal. Kalol, Dist. Gandhinagar - 382845, Gujarat INDIA.

Desire to deliver excellence beyond customer expectations

Operates three state-of-the-art manufacturing facilities to produce wide variety of Decorative and Industrial Laminates in Gujarat. Produces MDF Boards through its plant in Karnataka.

Focused on providing aesthetic appeal to your furniture – a 'want' of the future generation.

Determined to grow to a larger scale through its greenfield project for manufacturing thick and thin MDF Boards in Visakhapatnam, Andhra Pradesh.

Provides more value added product range through its entry into Wood Polymer Composite (WPC) segment – an eco-friendly, recycled material of the future.

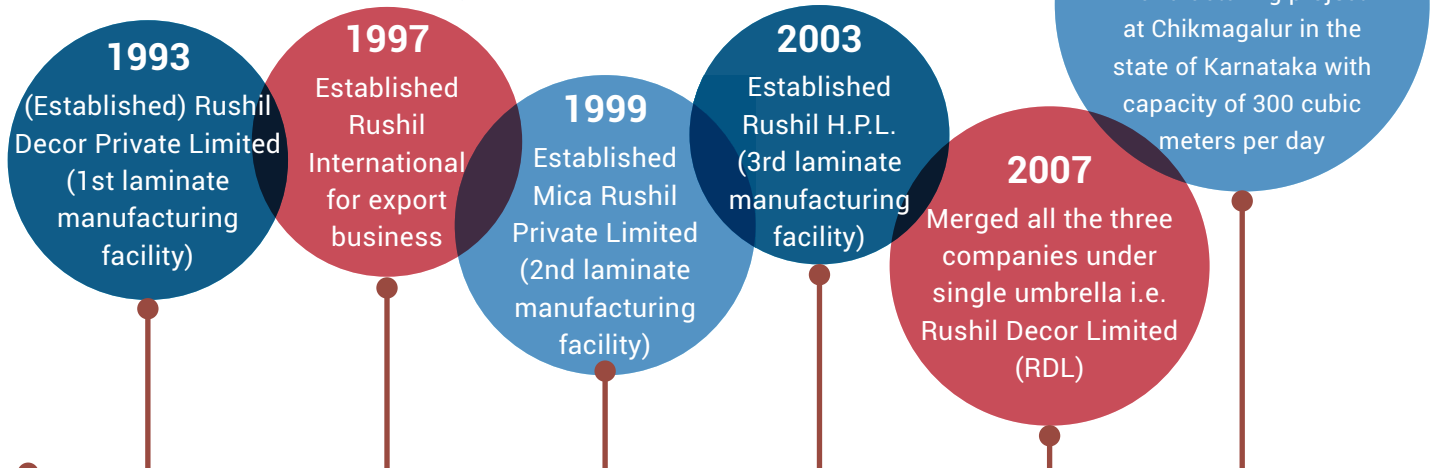
Showcases its awareness and recognition amongst customers through array of brands like 'Vir Laminate', 'Vir MDF', 'Vir Prelam', Vir PVC, Vir WPC, Vir Door, Vir 90 degree and our other brand names having VIR as prefix.

And most importantly, through all this, 'Delivering Desires' to become the best in its own business forte.

That's Rushil Decor Limited for you.



Journey of more than 25 years towards an impeccable future



OUR VISION

To be the numero uno Indian Brand in the Laminate industry and to establish ourselves as the most reliable MDF Board supplier in India.

OUR MISSION

To help our customers in achieving their business objectives by providing innovative, best-in-class products produced with expertise and excellence.

34.9

Lakhs sheets per annum
CAPACITY

1,100⁺

DESIGNS

120⁺

TEXTURES

**2011**

Came out with an IPO and listed at BSE and NSE

2012

Started commercial production of medium density fibre board at Chikmagalur, Karnataka

2013

Established Prelam Board manufacturing facility along with Medium Density Fibre Board plant at Chikmagalur as forward integration

2016

The MDF plant attained over 90% capacity utilisation, whereas the laminate plants continued to operate at near optimum capacity utilisation level

2017

Signed MOU with the AP Government on 28th January 2017, to establish a project of MDF in Atchutapuram in Vizag District; and the AP Government has issued a letter of 26.34 Acres of Industrial Land

2018

Commencement of commercial production of WPC Board at Chikmagalur, Karnataka

Desire to serve customer aspirations

RDL IS POSITIONED AS INDIA'S TOP 5 PRODUCERS OF MDF BOARDS AS WELL AS LAMINATES. WITH PRIMARY FOCUS ON THREE SEGMENTS, VIZ., MDF BOARDS, LAMINATE AND WPC, OUR STRATEGIC COMPETITIVE ADVANTAGE IS DERIVED FROM OUR 'DESIGN FIRST', 'QUALITY FIRST' AND 'BRAND CONSCIOUS' APPROACH OFFERING INNOVATIVE PRODUCTS, DESIGN VARIATIONS AND VALUE ENGINEERED ALTERNATIVES TO OUR CUSTOMERS



In Laminated sheet segment our value proposition is to be a design leader offering wide array of sheet designs at a competitive price point in the domestic as well as export markets. Our product excellence is reinstated with several quality certifications like ISO 9001:2008, ISO 14001:2004, BSOHSAS 18001: 2007 and certificate of compliance of quality systems and standards for high pressure decorative laminates and compact laminates by UK certification and Inspection Ltd.



In MDF Boards (including prelam MDF Board segment), we offer competitively priced products manufactured using German technology and machines. With our current capacity to provide a thickness ranging between 7.5 mm to 30 mm, we are in process of setting up our state-of-the-art MDF manufacturing plant in Andhra Pradesh to produce the entire thickness range of MDF Boards from 1 mm to 30 mm.

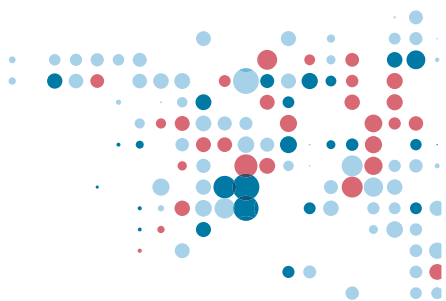
In WPC Segment, we provide an eco-friendly, versatile and durable and 100% recycled product.

A value engineered product – truly saving Mother Nature.



Desire to be 'Numero Uno'

WE, AT RDL, ARE PERFECTLY POISED TO GRAB THE OPPORTUNITY PROVIDED BY THE EXPONENTIAL DEMAND FOR THE NEW-AGE FURNITURE MATERIALS DRIVEN BY THE 'WANT' OF THE 'CONVENIENCE' GENERATION. TODAY'S GENERATION IS ALWAYS IN SEARCH FOR 'READYMADE' PACKAGES – BE IT READYMADE CLOTHES, PACKAGED SPICES, READYMADE RESIDENTIAL COMPLEX OR READYMADE FURNITURE. AN INCREASING CONSUMER PREFERENCE FOR READYMADE FURNITURE WILL LEAD TO STRONG GROWTH IN THE MDF SEGMENT.



The wood engineered products like MDF Boards, laminates, WPC has been growing significantly over the past years, across both globally and domestically. Majority of this industry is captured by plywood manufacturers with MDF seizing the second highest proportion. However, with the passage of time, MDF is getting much larger coverage for its inherent benefits like cheaper material, ease of handling, wider range, higher strength and greater fire, moisture and temperature resistance capacity than plywood.

The domestic MDF Board industry has witnessed around 20% CAGR as compared to 6-8% for plywood during 2012-2017. This has augured well with the



20% CAGR
MDF industry
growth between
2012-2017

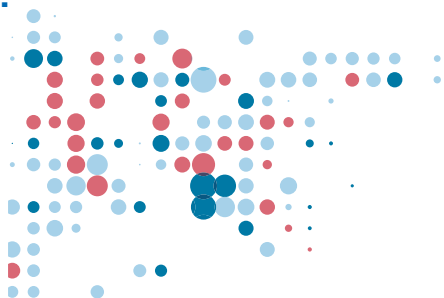
fact that India has one of the lowest per capita MDF consumption as compared to its global peers giving its domestic MDF industry a chance to grow manifold.

Keeping up to this rapid pace of growth in MDF industry, we commenced greenfield expansion of MDF Board with thrice the capacity to manufacture thick and thin MDF Boards at Visakhapatnam, Andhra Pradesh. The Location was strategically chosen as Southern India is the primary market for MDF Boards and has adequate supply for its key raw materials. Besides, it also has proximity to the Visakhapatnam port. Land for the project has been allotted by the AP State Government to us and the equipment vendors are finalised. We expect this state-of-the-art facility to be on-stream by the FY2020.



Desire to be 'eco-friendly'

WITH GROWING URBANISATION DRIVE THROUGHOUT THE COUNTRY AND WITH INCREASE IN POLLUTION THROUGH EMISSION OF GREENHOUSE GASSES, FALLOUT OF GREATER INDUSTRIALISATION, THE VERY EXISTENCE OF MOTHER NATURE IS AT STAKE. DUE TO UNPLANNED AND RAPID DEFORESTATION, GLOBAL WARMING AND DEPLETION OF OZONE LAYER IN THE ATMOSPHERE IS INCREASING.



We, at RDL, despite being in an industry where wood is a basic raw material, desire to become 'eco-friendly' through our innovative alternative product offerings and path- breaking strategic concepts like agro-forestry. In our endeavour to do so, we have set up a unit in Chikmagalur, Karnataka, to manufacture wide variety of wood PVC panels as a higher value-added and eco-friendly product which can be considered as alternative of Plywood. WPC is a composite of recycled natural fibre and polymer offering a strong, durable, cost effective, maintenance-friendly, non-hazardous, pesticide proof, weather, UV rays and moisture resistant alternative to plywood with no process waste generation. With application ranging between furniture industry, automotive, construction