

RDL/075/2025-26
Date: 15.11.2025

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 30th September, 2025

With reference to our earlier intimation No. RDL/067/2025-26 dated November 01, 2025 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, November 10, 2025 in respect of the Unaudited Standalone and Consolidated Financial Results for the Quarter ended 30th September, 2025.

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

Hasmukh K. Modi
Company Secretary

Encl.: a/a





RUSHIL

DECOR LIMITED

WE'LL MAKE IT

“Rushil Decor Limited
Q2 FY26 Earnings Conference Call”
November 10, 2025



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

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

Moderator:

Ladies and gentlemen, good day and welcome to the Rushil Decor Q2 FY26 Earnings Conference Call. As a reminder, all participant's lines will be in the listen mode only and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this 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 Karan Bhatelia. Thank you and over to you, sir.

Karan Bhatelia:

Thank you. A very good afternoon and welcome all to Rushil Decor's Q2 FY26 Earnings Conference Call hosted by Asian Market Securities. From the management side, we have Mr. Rushil Thakkar, Managing Director and Mr. Hiren Padhya, CFO.

I now hand over 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:

Thank you, Karan. Good afternoon, ladies and gentlemen. Welcome to Rushil Decor Limited's earnings conference call for the second quarter and half year ended 30th September, 2025. I would like to thank you and thank everyone for joining us today. I am joined by our CFO, Mr. Hiren Padhya. The investor presentation has been shared with the Stock Exchanges, and we hope you had an opportunity to review the material in advance. Let me begin by sharing an overview of our performance for the quarter.

After the temporary disruption in the operation during the first quarter, I am pleased to inform you that our manufacturing facilities are now operating at optimum levels. The fire incident at our Andhra Pradesh MDF facility is well behind us. And the business has returned to full operation normalcy.

In the MDF business, the segment delivered a revenue of INR 1,695 million in Q2 FY26. During the quarter, we faced external challenged such as a higher resin price and sourcing issues for raw material, which impacted the performance slightly year-over-year. However, the production resumed to the normal level with capacity utilization reaching 79% during the quarter.

Domestic demand remained encouraging, supported by the steady activities in the housing and furniture market, leading to a 5.2% year-over-year growth in Indian revenue. Export revenue nearly doubled subsequently as the shipments resumed post-normalization of the planned operations. However, on a year-over-year basis, export volumes was lower mainly due to shipment delays arising from the U.S. tariff-related uncertainty and logistics challenges in the selected markets.

On the realization side, we have recorded a 7.7% improvement year-over-year at the blended level with both domestic and export realization showing a strong traction driven by a better product mix and disciplined pricing strategy. Value-added MDF products contributed 45% by quantity and 56% by value, reflecting our ongoing focus on a premium higher-margin categories. The segment's EBITDA stood at INR 183 million with a margin of 10.8%.

Moving to our laminate business. Revenue from the operations was INR 562 million in Q2 FY26 compared to INR 503 million in Q2 FY25. Export revenue grew by 8.9% year-over-year, driven by improved realization in premium product categories and expansion into the new international markets. The blended realization improved 4% year-over-year, supported by a selective price adjustment and a higher share of premium products.

I am also pleased to share that Jumbo Laminate have started contributing to our revenues, marking a key milestone in our growth journey. We have also commenced the trial production for our Phase 2, which adds an additional capacity of 1.6 million sheets per annum.

With both phases in operation, we expect a meaningful scale up in the production volumes and export contributions over the coming quarters. Furthermore, during the quarter, the company added 10 new direct distributors and over 40 retailers and dealers, further expanding its network. Continued participation in international exhibitions and customer engagements has helped widen the export base and enhance brand visibility in overseas market.

On the sustainability front, we are continuing our plantation and agroforestry initiative across Andhra Pradesh and Karnataka, which ensures the consistent raw material availability while supporting the local communities. We have also initiated the plans for the solar rooftop installations across our manufacturing facilities, which will further reduce our energy cost and carbon footprint in the long run.

Looking ahead, we expect the momentum to sustain in the coming quarter, supported by the incremental contribution from the Jumbo Laminate facility, improved capacity utilization in MDF and continued expansion in the international markets. We remain committed to disciplined execution, cost optimization and strengthening our brand presence globally.

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

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 second quarter and first half of FY2026. A quarter marked by a period of steady operational recovery as our business returned to normal levels after the temporary disruption at the Andhra Pradesh MDF plant earlier this year. Production and dispatches have stabilized. Capacity utilization in MDF has reached 79%, while laminate operated at 90% utilization during the quarter.

Now turning to the consolidated financials. Revenue from operations for Q2 FY26 was INR 2,356 million, reflecting a 2.3% growth year-over-year and a strong 31.5% increase sequentially, supported by normalization of operations and improvement in realizations across both product categories. Gross profit for the quarter was INR 1,059 million with a margin of 44.9%. EBITDA was INR 225 million, representing a margin of 9.5%, while profit after tax was INR 51 million with a margin of 2.2%.

For the first half of FY26, revenue from operations stood at INR 4,148 million, lower by 8.9% year-over-year, primarily due to the plant shutdown in Q1. Gross profit for the half year was INR 1,803 million with a margin of 43.5%, gross margin. EBITDA for the same period stood at INR 203 million, while the company reported a net loss of INR 89 million with the normal operations now fully restored. We expect performance to improve in the second half.

Now moving to segment performance, starting with MDF. Revenue for MDF segment in Q2 FY26 was INR 1,695 million, a marginal decline of 1.3% year-over-year, but a strong sequential growth of 36.4%, reflecting the resumption of operations at the Andhra Pradesh facility. Domestic MDF revenue grew 5.2% year-over-year, supported by improved demand and better pricing, while export revenue declined 22.9% year-over-year due to external challenges such as the U.S. tariff issue. Despite this, export realization improved by 8.3%, demonstrating our focus on enhancing value in key markets. Overall MDF EBITDA for Q2 FY26 was INR 183 million with a margin of 10.8%.

Realization improved across the board with blended realization up 7.7% year-over-year, driven by a higher share of value-added products, which now contributes 45% by quantity and 56% by value. For H1 FY26, MDF revenue was at INR 2,938 million, which is lower by 13.8% year-over-year due to the production loss in Q1 FY26, while EBITDA was INR 110 million with a margin of 3.7%.

Moving to our Laminate segment. The business continued its stable growth momentum. In Q2 FY26, laminate revenue increased by 8.9% year-over-year and 22.9% sequentially to INR 547 million. Domestic revenue grew 8.8% year-over-year, while export revenue rose 8.9% year-over-year. Laminate EBITDA for the quarter was INR 42 million with a margin of 7.7%. Blended realization improved 4% year-over-year with a strong growth in export realization, which increased by 10.7%.

For the first half of FY26, Laminate revenue was INR 992 million, up 1.2% year-over-year and EBITDA was INR 87 million with a margin of 8.8%. On the balance sheet front, the company's net debt-to-equity ratio stood at 0.42x as of 30th September 2025, reflecting continued financial prudence. In October 25, we received a INR 114 million from government of Andhra Pradesh under the Industrial Development policy 2015-20, which includes power subsidy and stamp duty reimbursement.

To summarize, the fire incident impact is now behind us and operations have fully stabilized, while the quarter presented challenges such as higher raising prices external headwinds in export, our improvement in realizations, higher general trade mix and expanding distributor base have helped offset some of the pressure. With capacity utilization normalized and new capacity contributing to the growth, we remain optimistic about delivering an improved performance in the second half of the year.

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

- Moderator:** The first question comes from the line of Resha Mehta from Green Edge Wealth.
- Resha Mehta:** So, my first question is on laminates. So why would the export volumes have seen a degrowth. And what is the outlook here. Because as I understand, U.S. revenue is very small for us. Hardly 2%, 3% revenue comes from the U.S. So why has there been a degrowth here?
- Rushil Thakkar:** So basically, degrowth was because of two things. First was the resin pricing again because the resin plays a major role in our laminate as a raw material. So we did an evaluation that we go for a high-value production first. So the value-added products have played a substantial role over there. And we will be recovering that by this quarter as well.
- Hiren Padhya:** I think I would like to add one more thing as rightly pointed by Rushil Bhai. See, when we are just having such a constraint in terms of raw material, we have just a strategic move of deciding value-added products. So that is being reflected in our realization also. If you see realization in this quarter, it has increased in both cases, domestic and export.
- Resha Mehta:** Okay. But it has nothing to do with slow global growth or anything of that sort, right? The outlook in terms of global and export laminates continues to be good. Would that be the right understanding?
- Rushil Thakkar:** Yes.
- Resha Mehta:** So, with the existing capacity that we already had, I'm not talking about excluding the Jumbo Laminate, the existing laminate capacity, what was the peak revenue possible here?
- Rushil Thakkar:** So, typically when we see the production cycle of laminate. So we have a different product mix altogether. So capacity utilization-wise, anything above 85% is considered as 100% and plus in laminates. So we are already utilizing the existing capacity at the best level possible.
- Resha Mehta:** So when we did around INR 200 crores revenue in Laminates in FY25, so that is basically supposed to be the peak revenues for the existing laminate capacity, right?
- Rushil Thakkar:** Yes. So It may vary 5% to 10%. But yes, according to product mix, if we have a good value addition proportion going on at that point of time, so maybe 5% or 10% higher revenues can be achieved from the existing capacity.
- Resha Mehta:** For Phase 1 of Jumbo Laminate, what would be our current capacity utilization.
- Rushil Thakkar:** It would be in the range of somewhere around 80% to 85%.
- Resha Mehta:** So it's almost close to optimum level?
- Rushil Thakkar:** Yes, we are already doing the existing capacity utilization at the optimal level possible.
- Resha Mehta:** When you say existing, I'm meaning the Phase 1, right? The Phase 1 Jumbo.
- Rushil Thakkar:** No. I'm talking about the old facility.

Resha Mehta: I'm referring to the Phase 1 Jumbo Laminate facility.

Rushil Thakkar: Yes. So currently, if you see for the Q1 FY26, we have applied for all the required certifications, which we require to export in the developed markets. And by September mid, we received almost the confirmation and certifications from all the required certification companies. So now on the utilization from Q3 FY26 will be optimal on that level. Currently, the utilization won't be a higher side because of the certification is not in place. So the actual capacity utilization will be noted from Q3 and Q4 FY26.

Resha Mehta: So in 1 quarter, I mean, in the same quarter in Q3 itself, it would be possible to ramp up to 80%, 85% capacity of laminate, on a quarterly basis, not on an annualized basis.

Rushil Thakkar: No, that won't be possible to optimize 80%, 85% in Q3 FY26 itself because it is subject to the customer side also because once we got those certifications, the first time consignment will be going to the customers in the countries. Once it is online and then we can achieve that. So it is all about the time. So Q3 FY26 will be in optimization of somewhere around 30% to 40%.

Resha Mehta: Okay. And what would be the exact capacity utilization in terms of Q4?

Rushil Thakkar: For Q4, we are estimating around 50% to 55%.

Resha Mehta: Right. And even in Jumbo Laminate, the optimum capacity utilization is the same at around 85% plus.

Rushil Thakkar: The technology and everything remains the same. So the optimal level is considered to be the 80% and 85%.

Resha Mehta: Got it. And what is the peak revenue that is possible from Phase 1 and 2 for Jumbo laminate.

Rushil Thakkar: It depends, So if we consider according to the product mix, the average realization would be somewhere around INR 100 to INR 125 crores.

Resha Mehta: Okay. So what is the capex we put in for these 2 phases, Phase 1 and Phase 2.

Rushil Thakkar: Together, we have kept the capex of somewhere around INR 100 crores.

Resha Mehta: And that should generate, say, around INR 200 crore revenue both put together?

Rushil Thakkar: So both put together would be doing the revenue of somewhere around INR 150 crores to INR 175 crores.

Resha Mehta: Got it. And this is possible to achieve by the end of next financial year, right? FY27 by the end.

Rushil Thakkar: For next financial year, yes, it is possible to achieve.

Resha Mehta: Got it. And the other one was on the MDF. So are the thick and thin MDF capacities fungible?

- Rushil Thakkar:** So currently, our capacity altogether is 1,100 cubic meters per day, out of which 300 cubic meters is from Chikmagalur in and 800 cubic meters is from Andhra Pradesh plant. Andhra Pradesh plant has capacity to make MDF from 2 millimetres up to 30 millimetres and Chikmagalur facility has capacity to make from 7 millimetres to 30 millimetres.
- Resha Mehta:** Basically, it's not fungible, right? I mean you can't manufacture thick MDF in a thin MDF plant and vice versa. Would that be fair to assume?
- Rushil Thakkar:** No. So in Chikmagalur, thin MDF production is not possible. But Andhra Pradesh plant is all advanced technology plant. So it is possible to make any thickness in them. And the capacity has already been utilized at an optimal level.
- Resha Mehta:** Got it. And in MDF, what led to improved realization. I mean price hikes or what would that have been or increasing sales of value-added products? And also why was there a volume degrowth in MDF too.
- Rushil Thakkar:** So first answer is, yes, the value addition proportion has increased as well as the realization for the quarter has also increased. So our target was to achieve 50% by value addition in terms of quantity by the end of this financial year. So we are gearing up and have increased this to 45% in Q2 FY26, which has added in additional revenue and our realization has also increased subsequently for both exports and domestic. That was the first answer. So second answer is, Yes, there was a crisis going on, on the side of resins because U.S. putting tariffs on Iranian chemicals due to which there was a price rise in resin and which led to plant shutdown for a couple of days because of which we were not able to produce the quantity and we were not able to add that realization of that revenue to our top line as well.
- Resha Mehta:** Sorry, so there was a plant shutdown of the resin supplier, right, not our plant. no.
- Rushil Thakkar:** We had to shut down the plant for a day or 2 because of the resin crisis.
- Resha Mehta:** Okay. So I mean, has the resin prices kind of cooled off? Or is it still as bad it was in Q2 FY26.
- Rushil Thakkar:** No. Now it has been coming back to the place, and we don't see any crisis coming this quarter.
- Resha Mehta:** Okay. And just a few bookkeeping questions. What is the tax rate guidance on an annualized basis for FY26 and going ahead?
- Hiren Padhya:** Tax 22% plus surcharge and health & education cess.
- Resha Mehta:** Effectively, 27%?
- Hiren Padhya:** No. It is around 25.17%.
- Hiren Padhya:** We have 2 options. 30% and 22%. So we are just opting for that option. It is around 25%.
- Resha Mehta:** Yes, 25%. Okay. And any update on the fire losses or the claim?

- Hiren Padhya:** Yes. The insurance companies, being government companies, where you know better, the way they are just asking for the details, etc. So we have been giving complete details. And I think the way things are moving, maybe, 1 or 2 weeks, we will be able to file the final claim latest by this month end definitely. And this claim would be on two parts. One is like loss of material and second part would be the loss of profit, both the policies, we already had.
- Resha Mehta:** Okay. And lastly, what was the PVC and ply division's EBITDA margins in Q2 FY26.
- Hiren Padhya:** In the case of PVC, the EBITDA margin was around 5% to 6% as of now. Whereas, earlier quarters, and the last year, it was not good, but for the last 1 or 2 quarters, it has been improving. And as of now, it is around 6%.
- Resha Mehta:** And ply?
- Hiren Padhya:** Ply is very minimal. I mean, the operations are very minimal. So it is not material. And if you see our notes also in accounts, as of now, we are already having 51%, which we want to just reduce over a period of time. So slowly, gradually, we will take a call.
- Resha Mehta:** On the ply division, right?
- Hiren Padhya:** Yes.
- Moderator:** The next question comes from the line of Keshav from HDFC Securities.
- Keshav:** Just wanted to understand one thing, what is the maximum capacity utilization for your MDF plant.
- Rushil Thakkar:** So if you see the utilization of our MDF plant, our Chikmagalur facility, we have utilized up to 120% also. And currently talking about the current Andhra Pradesh plant, the utilization can again reach up to 100% and 105%. But currently, assuming and giving the guidance ahead, the utilization may stand somewhere around 90%, 95% on the blended basis.
- Keshav:** Understood. Got it. So in spite if you make more value-added with minimum utilization in 90%, 95%, because you know some of the peers talk about 85%, 90% is the peak utilization if we go for value added. So that is the reason I'm asking the question means whether you will face capacity constraint in the coming year FY27 and how you plan to go for it? Because if you plan expansion, it will take time. So how are you seeing the future growth on MDF side?
- Rushil Thakkar:** So currently, we have a capacity for making a value addition on this capacity itself. So for us, currently, for next financial year also, the capacity is not remaining a concern for us.
- Keshav:** Okay. Got it. And what sort of price hike you have taken in this quarter? And do you have any further hike plan? And secondly, we are listing some of the bigger players are getting more aggressive on the pricing side. So how do you see it?

- Rushil Thakkar:** So we gave guidance of 5% price hike in the last quarter concall, but somehow we were not able to take it. So currently, the pricing are at the same level. And currently, the market is also accepting the same prices. So we are not seeing any price hike further at this moment.
- Keshav:** Got it. And the hike you have taken was only in the lower grade, not across all the grades. Is this understanding fair?
- Rushil Thakkar:** We tried to take a price hike across the all grades, but it didn't happen.
- Keshav:** Okay. And when you expect that possibly the industry can take a price hike, how long it is and might have impact on margin?
- Rushil Thakkar:** So first, if we talk about the price hike, currently, we don't see any possibilities to take a price hike because of the new capacities coming in. And if you see, there are a few more capacities, which will be under the operation by next year as well and that too from the new players. So we see a slightly difficult task to take a price hike.
- Keshav:** By how much capacity is coming by the new player? And can you please tell which player you are talking about?
- Rushil Thakkar:** So there is a company called Elixer, which is coming up in Madhya Pradesh. I don't know the rated capacity, what plant he has taken. And there is an M5 which is coming up in Kerala and Action Tesa is coming up with its new capacity and there are 2, 3 more unorganized players coming with the new capacity as well.
- Keshav:** Any sense what would be the capacity addition for this and next year for the industry?
- Rushil Thakkar:** I can get back to you with this question once I have the right information in hand.
- Keshav:** Understood. One last question from my side, this resin price, which has increased. So how do you see this impacting the margin?
- Rushil Thakkar:** So if we see as an overall impact, so it was an impact of current 1% to 1.5%. But the threat was about the supply not coming in even at the higher price of raw material paying. So that was the bigger threat. But now it is stabilizing and the raw material pricing would remain same but it will be a high price of 1% to 1.5%.
- Keshav:** So you are saying that because of higher resin prices, EBITDA margins will be impacted by 100 to 150 bps. And that is factored in Q2 FY26 or we'll see that impact in Q3 FY26 also now.
- Rushil Thakkar:** No, you will see the same resin prices for Q3 FY26 as well.
- Keshav:** So whatever the impact of higher resin is there that is already factored in Q2 FY26. So because of increase in resin prices, margin of Q3 FY26 won't be impacted at least sequentially, right?
- Rushil Thakkar:** Yes.
- Moderator:** The next question comes from the line of Deep Gandhi from Ithought PMS.

- Deep Gandhi:** So sir, first question is on the laminate side. So I think the initial understanding was that the additional revenue from the Jumbo plant, both the cases was INR 300 crores also according to the press release. But now I think you mentioned INR 150 crores, INR 175 crores. So can you clarify this?
- Hiren Padhya:** See, I think you are referring to the announcement, which was saying. I mean, the total expansion in terms of Jumbo where there are 2 phases. And when we are saying a total turnover of 250 or 270. That means on the first year, suppose when we start the production of Phase 1 and Phase 2 and once it is stabilized in the first year, then total laminate segment will have a revenue of around INR 250 crores to INR 270 crores.
- If you consider Jumbo, I mean, a new project, optimum capacity, then after considering both the phases and optimal capacity, then it can cross INR 200 crores.
- Deep Gandhi:** Sure. So broadly, I mean, you meant that INR 200 crores will be from Jumbo business and INR 100 crores will be the base Laminate business, right, whenever we reach INR 300 crores total top line.
- Hiren Padhya:** So in the first year, when we talk optimal capacity of Jumbo projects with both the phases implemented, then the whole Laminate segment can go up to INR 450 crores to INR 500 crores in the next 2 to 3 years.
- Deep Gandhi:** So say, at INR 400 crores, INR 450 crores, what will be the contribution of the Jumbo business?
- Hiren Padhya:** Okay. Now the current EBITDA margin is in the range of 10% as of now. And the Jumbo will have around 14% to 16%. So I think if you consider INR 400 crore turnover than 50-50, then the blended margin should be in the range of 12% to 13% at least. It can be more.
- Deep Gandhi:** Okay. Sir, I mean when you reach INR 400 crores top line, 2 to 3 years down the line, what will be the share of the Jumbo business at that point of time?
- Rushil Thakkar:** The Jumbo business would be contributing somewhere around INR 120 crores to INR 150 crores.
- Deep Gandhi:** Even at INR 400 crores 2, 3 years down the line when you reach peak utilization.
- Rushil Thakkar:** No. This is just about the Phase 1. When we talk about Jumbo, so total capacity what we have newly installed can go up to another INR 240 crores to INR 250 crores. So altogether, if we put then the revenues would be somewhere around INR 400 crores to INR 500 crores.
- Deep Gandhi:** Okay. So I mean you mean only about the Jumbo business now, right? Or you are also including the traditional Laminates business.
- Rushil Thakkar:** No, both Laminate business put together. So if you talk about percentage of new like Jumbo and the existing one, the revenues would be 50%, 50%. And when you talk about just Jumbo Laminate Phase 1 and Phase 2 put together, it will be somewhere around INR 240 crores to INR 250 crores.

- Deep Gandhi:** That is helpful. Sir, second is I'm trying to understand more about the export orders, which you have talked about in the press release. So I mean, can you quantify out of the total capacity which you are setting up, both the sizes put together, how much of it is booked now through export orders which you would have received?
- Rushil Thakkar:** I need to calculate that how much percentage it is booked, but we have an assured orders from a few of the countries, which are roughly standing to somewhere around 105 containers. But I need to calculate in terms of capacity because there are too many thicknesses involved. And as you know that laminate has too many different categories of products. So the output of the production at the same time, some of the time may increase or some of that may decrease. So actual, we need to calculate it out and we can reach out to you with the question.
- Deep Gandhi:** Sure. If you don't have the numbers in terms of volumes, but say, when you reach INR 200 crores to INR 250 crores of peak revenue, any idea how much of that revenue visibility you already have based on the orders we have received if you have the numbers for that, that will also help.
- Rushil Thakkar:** So for Q3 FY26 and Q4 FY26, our estimated export from the Jumbo business would be somewhere around INR 25 crores to INR 30 crores. Because we just have got the certifications in the end of like mid-September. So now we have started executing the trial orders with the customers. So the cycle is a bit long because the delivery time to the countries where we are exporting is also longer.
- Deep Gandhi:** Sure. I was actually asking more about, say, for next 2, 3 years when you reach INR 200 crores, INR 250 crores revenue in the Jumbo business, how much of that is already booked. Do you have the numbers for that based on the orders we have received.
- Rushil Thakkar:** So it is too early to comment on that because as I told you that we have already started producing a trial order for the customers. And once the shipments which is there, then we can talk about the next order. So the delivery time typically for this is roughly more than 45 days once it is out on port. So still, we have started exporting as the first orders to our customers for the countries where the certification is required. But as I have commented earlier in my speech like Russia, we have an order of, I think, 15% to 20% of the capacity, which we already have started exporting it where the certification is not required.
- Deep Gandhi:** Sure. And sir, last question from my side. So the laminate EBITDA margins, which are impacted this quarter. So is it only because of the raw material price increase? Or are there also some upfront expenses which you would have done for the new plant commission.
- Hiren Padhya:** Yes. See, if you see last quarter, the EBITDA margin of laminate was in the range of 9.7%, 9.8%. As against that, this quarter, the segmental, the EBITDA margin is around 7.7%. This is mainly because of 2, 3 reasons. One is like, as you rightly pointed out, the couple of expense, which has already started incurring in terms of Jumbo. So that impact, if we remove, then the actual existing margin is in the range of 9.4%.

As against that, there are small other expenses like the arrears of increment, which has been affected in this particular quarter. And thirdly, again, there is a product mix, which also matters on the margin. So all put together, the difference in margin of 2% to 3% is because of this. But once we start the normal dispatch and production in Jumbo, this margin will again regain the same level of around 10%.

- Moderator:** The next question comes from the line of Madhur Rathi from Counter Cyclical Investments.
- Madhur Rathi:** Sir, I wanted to understand with what time lag do we pass on raw material price increase or decrease to our customers?
- Rushil Thakkar:** So currently, we have not passed the price hike to customers in MDF or laminate industry. Currently, the pricing are going on as of the requirement of the market, and we don't see an MDF price hike happening soon.
- Madhur Rathi:** Got it. Sir, I'm relatively new to the company, sir. So on the MDF business, it's more of a B2B business, should it look at from an EBITDA per metric tonne perspective or EBITDA margin perspective.
- Rushil Thakkar:** So we consider it not metric tonne. We consider it as a CBM. So it's a cubic meter margins what we see.
- Madhur Rathi:** All right. Sir, so I'm trying to understand, what percentage of the raw material is wood. So this 45% gross margin that we are doing, what percentage would be wood cost and resin and all other costs.
- Rushil Thakkar:** So if we consider on the pricing point of side, so the wood would be somewhere standing at 27% of the Sales price and the resin would be somewhere around 21%.
- Madhur Rathi:** Okay. Sir, with wood supply coming in, sir, how should we see our EBITDA per SCM or EBITDA margin going forward. Sir, and on a steady-state basis, what kind of EBITDA per SCM can we expect from the MDF business.
- Rushil Thakkar:** So currently, the EBITDA margin, what we see, we are currently assuming that as an EBITDA margin for Q3 FY26 and Q4 FY26.
- Madhur Rathi:** Right. But sir, if I look at the MDF segment from a 2 to 3 year perspective, with wood prices declining, so from that perspective, I'm trying to understand, should we look at still from EBITDA per cubic meter or EBITDA margin? How should we look at it? And what can be the steady state number for this figure?
- Hiren Padhya:** See, I would rather say that in terms of both ways you can just calculate. One is like, as rightly said, in terms of per CBM also, we can also say. So starting with the realization. But then the realization is a subjective matter where we would not prefer. We generally consider the percentage. So as Rushilbhai said that as of now, we are at around 11% EBITDA.

- Rushil Thakkar:** And coming back to your question that wood and everything. So it's a supply and demand ratio, right? When the new industry comes, there is a higher demand in the market. Once the agroforestry stabilized or I say when the cycle is there of the crop cutting like 3 years or 5 years according to the state. At that point of time, when the supply is more, the pricing may go down. But at the same point of time, new industries jumping in may take the demand, the extra supply over there at the same pricing as well.
- It may get a dip, but I don't know exactly for the Q4 FY26, what will be the sense. But currently, we see the stable wood prices as of now for the Q3 FY26 as well.
- Hiren Padhya:** So in short, I think we are just tracking EBITDA margin in terms of percentage rather than per CBM because as we said, the realization may vary quarter-on-quarter. So I think it may not have the right base. So generally, we consider percentage as a right base for practical aspects.
- Moderator:** The next question comes from the line of Rahil from Sapphire Capital.
- Rahil:** Sir, in the quarter 1 call, you had said, I believe, in terms of revenue guidance, you had said INR 1,000 crores you expect in FY26, that's like 70% utilization at the Jumbo facility. But now I don't think you're expecting the Jumbo facility to contribute at those utilization levels, correct? So now going ahead, can you like give a revised outlook when it comes to the overall business combined for the whole year?
- Rushil Thakkar:** So currently, as you rightly said that we give a guidance for INR 1,000 crore plus, but we see still INR 970 crores of top line expected in the year ended FY26.
- Rahil:** How much, INR 970 crores?
- Rushil Thakkar:** Yes. As we have started our operations from Singapore office as well. So Singapore office will also contribute in terms of sales for that. So we still see ourselves as standing at INR 970 crores approximately at the year-end.
- Rahil:** And with what kind of overall margins, EBITDA margins?
- Rushil Thakkar:** At the percentage of somewhere around 10% to 12%.
- Rahil:** And considering the new capacity in Jumbo ramping up, any sort of like idea for the next financial year, what you have expecting in terms of your expectations for overall revenue and margins, a rough idea?
- Hiren Padhya:** Yes, I think the overall turnover, which we were expecting in the last quarter around INR 1,000 crores, which we are now, I mean, giving a guidance of INR 970 crores, which will include on one side, the additional turnover from Jumbo.
- And secondly, as Rushil bhai just suggested that we are just starting the operations of Singapore also. So both together, we are just targeting to have a revenue of around INR 970 crores. And here, margin-wise, I think whatever margins we have given in terms of percentage, that is around 11%, which we will maintain.

- Rahil:** That was for FY26, you've cleared. I'm asking for FY27.
- Hiren Padhya:** Okay. FY27, additional turnover of Jumbo, see, as of now, we are targeting around INR 30 crores turnover from this financial year. As against that, the next financial year, we can expect at least INR 100 crore turnover from Jumbo and additional turnover of Singapore also. So approximately, I think we can expect INR 1,100 crores or INR 1,100 crores plus overall turnover, including everything.
- Rahil:** This Singapore business, can you give more details? So, you're saying additional from Singapore. So how much this year, it will contribute and how much next year?
- Hiren Padhya:** Exact details, I think we'll be able to give next quarter only. It has just started. So the basic purpose of starting this operations at Singapore is like we already have operations and the sales in laminate around 60% export, out of which we have 2 main territory. One is Middle East and second is Far East.
- Now we want to, I mean, focus into Far East area where we want to reduce the response time at those couple of countries. And secondly, we want to increase the volume of business at that particular location. So on one side, we'll have operations, the lines and office and everything will start immediately. And then we'll start, I mean, increasing the volume also from this location.
- Rahil:** So, is it fair to say in FY27 next year, once Jumbo will ramp up to INR 100 crores and plus, our margins can be 12% plus EBITDA?
- Hiren Padhya:** Yes
- Moderator:** As there are no further questions, I would now like to hand the conference over to Rushil Thakkar for closing comments.
- Rushil Thakkar:** Thank you all for taking the time and join us today and for your continued interest in Rushil Decor. As we continue to navigate opportunities ahead, we'll remain committed for achieving our strategic objectives and delivering consistent value to our stakeholders. For any other further questions, please reach out our Investor Relations team at Churchgate Partners. Thank you once again.
- Moderator:** On behalf of Asian Market Securities, that concludes this conference. Thank you for joining us, and you may now disconnect your lines
- Notes:**
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