



Industry Report of Decorative Laminates and Plywood

August 2025

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Table of Contents

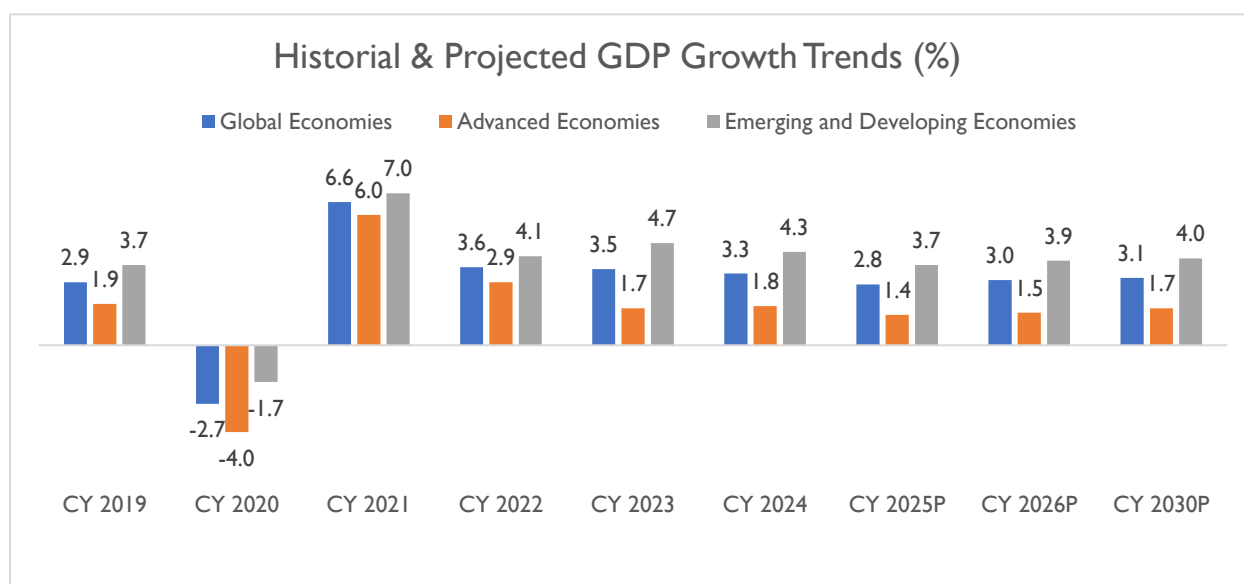
Global Macroeconomic Scenario	5
Global Economic Overview	5
Historical and Projected GDP Growth.....	5
Global Economic Outlook.....	6
Global Growth Projection.....	7
India Macroeconomic Analysis	8
Historical GDP and GVA Growth trend.....	8
Sectoral Contribution to GVA and annual growth trend.....	9
Annual & Monthly IIP Growth.....	10
Annual and Quarterly: Investment & Consumption Scenario	11
Inflation Scenario	13
Growth Outlook	15
Key Growth/Demographic Drivers for Economic Growth	16
Government focus on infrastructure development	16
Development of Domestic Manufacturing Capability	17
Strong Domestic Demand.....	17
India's Per capita GDP trends.....	19
Increasing Urbanization.....	19
Rural Vs Urban Working Population Age Group.....	20
Foreign Direct Investment Trend in India.....	21
Industry Overview	23
Market Segmentation of Indian Wooden Furniture Industry	24
Engineered Wooden Panel Product (Plywood, Particle Board and MDF)	24
Overview for Key Product Attributes: Wooden Based Furniture segment	26
Decorative Laminates	27
Key Demand Drivers: Decorative Laminates.....	32
Regulatory landscape	37
Trade Scenario: Decorative Laminates	39

Annual Export of Decorative Laminates from India & last 5-year growth trend.....	39
Sources: Ministry of Commerce & Industry, Trade Statistics.....	39
Sources: Ministry of Commerce & Industry, Trade Statistics.....	40
Top 5 Export Destination: Decorative Laminates.....	41
Sources: Ministry of Commerce & Industry, Trade Statistics.....	41
Top 5 Import Destination: Decorative Laminates	44
Key Production Regions Where Decorative Laminates Production is Concentrated	47
Key Factors Influencing These Regions Include:	49
Threats & Challenges.....	50
Threats	50
Challenges.....	51
Competitive Landscape	54
Analysis of Key Factors Shaping Competition in the Sector	55
Competitive Profile:.....	58
Rushil Décor Limited.....	58
Archidply Industries Limited.....	60
Comparative Financial Performance Analysis – FY 2025.....	63
Company Profile: Manilam Industries India Ltd.....	65

Global Macroeconomic Scenario

Global Economic Overview

The global economy, which recorded GDP growth at 3.3% in CY 2024, is expected to show resilience at 2.8% in CY 2025. This marks the slowest expansion since 2020 and reflects a 0.5%-point downgrade from January 2025 forecast. Moreover, the projection for CY 2026 has also reduced to 3.0%. This slowdown is majorly attributed due to numerous factors such as high inflation in many economies despite central bank effort to curb inflation, continuing energy market volatility driven by geopolitical tensions particularly in Ukraine and Middle East, and the re-election of Donald Trump as US President extended uncertainty around the trade policies as well as overall global economic growth. High inflation and rising borrowing costs affected the private consumption on one hand while fiscal consolidation impacted the government consumption on the other hand. As a result, global GDP growth is estimated to moderate by 2.8% in CY 2025 as compared to 3.3% in CY 2024.

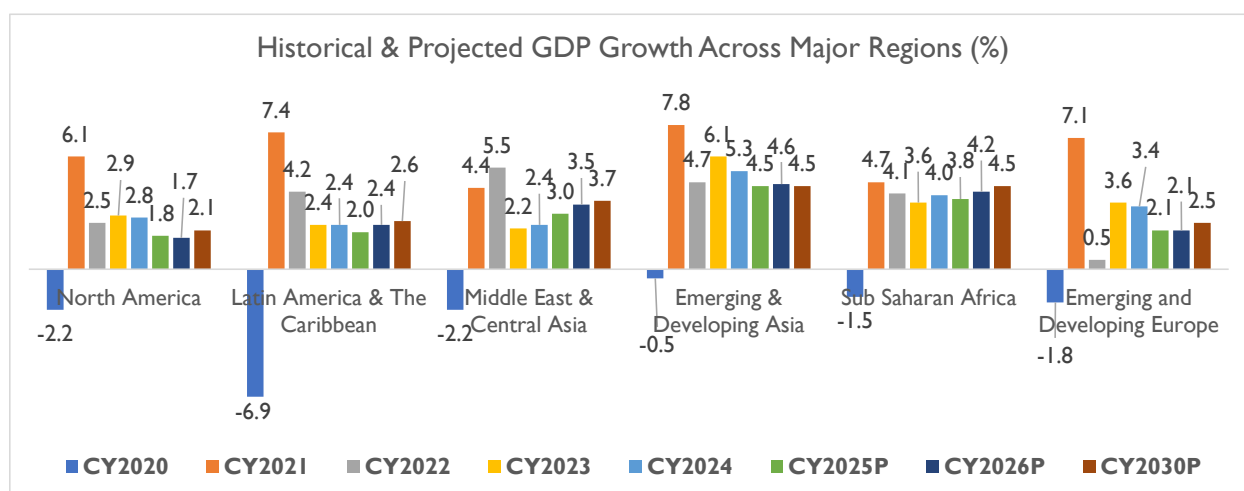


Source – IMF Global GDP Forecast Release April 2025

Note: Advanced Economies and Emerging & Developing Economies are as per the classification of the World Economic Outlook (WEO). This classification is not based on strict criteria, economic or otherwise, and it has evolved over time. It comprises of 40 countries under the Advanced Economies including the G7 (the United States, Japan, Germany, France, Italy, the United Kingdom, and Canada) and selected countries from the Euro Zone (Germany, Italy, France etc.). The group of emerging market and developing economies (156) includes all those that are not classified as Advanced Economies (India, China, Brazil, Malaysia etc.)

Historical and Projected GDP Growth

GDP growth across major regions exhibited a mixed trend between 2022-23, with GDP growth in many regions including North America, Emerging and Developing Asia, and Emerging and Developing Europe slowing further in 2024. In 2025, GDP growth rate in Emerging and Developing Asia (India, China, Indonesia, Malaysia, etc.) is expected to moderate further to 4.5% from 5.3% in the previous year, while in the North America, it is expected to moderate to 1.8% in CY 2025 from 2.8% in CY 2024.



Source-IMF World Economic Outlook April 2025 update.

Except Middle East & Central Asia, all other regions like Emerging and Developing Asia, Emerging and Developing Europe, Latin America & The Caribbean, Sub Saharan Africa and North America, are expected to record a moderation in GDP growth rate in CY 2025 as compared to CY 2024. Further, growth in the United States is expected to come down at 2.71% in CY 2025 from 2.80% in CY 2024 due to lagged effects of monetary policy tightening, gradual fiscal tightening, and a softening in labour markets slowing aggregate demand.

Global Economic Outlook

The global economy is navigating a period of exceptional uncertainty. Policy shifts, particularly those reshaping trade, have alarmed financial markets and bruised business sentiment. The U.S.'s reciprocal tariffs, which represent additional costs for businesses from almost all countries with which the U.S. trades, charge trade partners an import duty at a discounted rate of approximately half the rate that the trade partner currently imposes on the U.S. According to U.S. President Donald Trump, reciprocal tariffs, ranging from 10% to 50%, are meant to address trade barriers limiting U.S. exports. The *effective* tariff rate includes other tariffs imposed at an earlier date and cumulatively may now be higher than duties charged on U.S. imports. It is unclear whether the reciprocal tariffs represent a negotiating tool, and may therefore be temporary, or form part of broader long-term protectionist measures and industrial strategy.

Responses to reciprocal tariffs have been varied, with some economies promising swift countermeasures. More than 50 markets have sought negotiations with the US. While Malaysia is seeking a united response across ASEAN, the Chinese Mainland has retaliated with duties on all imports from the U.S., declaring it will "fight to the end". In early April, the U.S. confirmed the most aggressive steps yet, with a cumulative 145% tariff on some products imported from the Chinese Mainland. Brazil has readied itself by passing a bill allowing for retaliation, Australia has ruled out retaliatory levies, and the EU remains open to negotiation while preparing a package of countermeasures.

Tariffs and their unpredictable application have weighed on consumer and business sentiment, sunk global stock markets, raised recession risks, and made a global slowdown more likely. Our latest Global Business

Optimism Insights report for indicates a further decline in business optimism as firms continue to grapple with trade-related policy uncertainty and its broader economic implications. Export-driven sectors reported sharp declines in optimism. Financial risk perceptions remain elevated as businesses contend with high borrowing costs and persistent inflation expectations. More broadly, the uncertainty is reflected in delayed capital expenditure and a pullback in hiring.

Tariffs have begun to exert pressure on central banks by contributing to inflationary pressures and increasing financial market volatility. Central banks are adjusting forward guidance and policy frameworks and may begin to consider the likelihood of softer growth being a bigger priority than high inflation by starting to cut interest rates to support economies. For businesses, this uncertainty translates into unpredictable cost structures, fluctuating credit availability, and the management of operational costs through diversified supply networks.

The latest Dun & Bradstreet Global Business Optimism Insights report reveals a further decline in business optimism, though at a more moderate pace than in the prior quarter, as businesses continued to grapple with trade-related policy uncertainty and its broader economic implications. Export-driven sectors such as automotives, electricals, and metals saw sharp declines in optimism, particularly in the U.S., Mexico, South Korea, and Japan, where rising tariffs and shifting trade policies have fueled cost pressures and demand volatility. Financial risk perceptions remain elevated.

Global Growth Projection

At broader level, the global economy is expected to experience a slowdown in 2025, with GDP growth projected to decline to 2.8%, down from 3.3% in 2024. This deceleration reflects persistent inflationary pressure, geopolitical uncertainties and tightened monetary policies. However, a slightly recovery is anticipated in 2026, with growth projected to improve to 3.0%. Global inflation is expected to decline steadily, to 4.3% in 2025 and to 3.6% in 2026. Inflation is projected to converge back to the target earlier in advanced economies, reaching 2.2% in 2026, whereas in emerging market and developing economies, it is anticipated to decrease to 4.6% during the same period. Trade tariffs function as a supply shock for the countries imposing them, leading to a decrease in productivity and an increase in unit costs. Countries subject to tariffs experience a negative demand shock as export demand declines, placing downward pressure on prices. In each scenario, trade uncertainty introduces an additional layer of demand shock since businesses and households react by delaying investment and spending, and this impact could be intensified by stricter financial conditions and heightened exchange rate volatility. Moreover, Global trade growth is expected to slow down in 2025 to 1.7%. This forecast reflects increased tariff restrictions affecting trade flows and, to a lesser extent, the waning effects of cyclical factors that have underpinned the recent rise in goods trade. Geopolitical tensions as seen in the past such as the wars in Ukraine and the Middle East could exacerbate inflation volatility, particularly in energy and agricultural commodities.

India Macroeconomic Analysis

India emerged as one of the fastest growth economies amongst the leading advanced economies and emerging economies. In CY 2024, even amidst geopolitical uncertainties, particularly those affecting global energy and commodity markets, India continues to remain one of the fastest growing economies in the world and is expected to grow by 6.2% in CY 2025 and 6.3% in 2026.

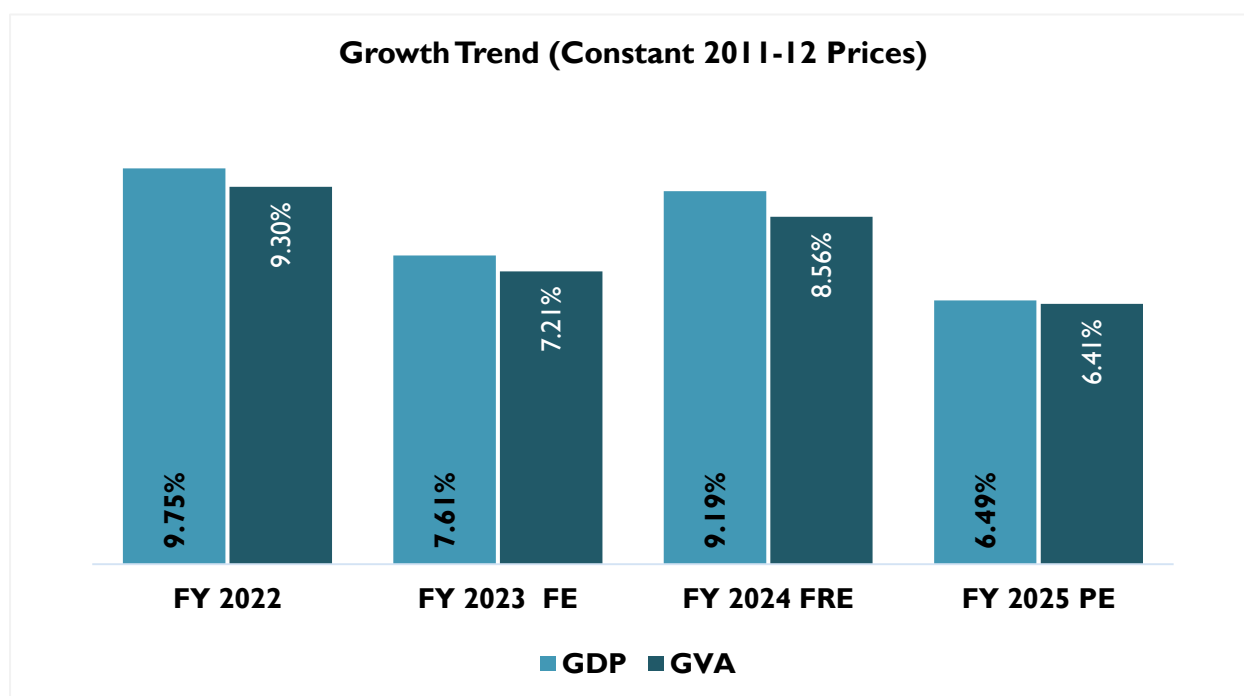
Country	CY 2020	CY 2021	CY 2022	CY 2023	CY 2024	CY 2025	CY 2026 P	CY 2030 P
India	-5.8%	9.7%	7.6%	9.2%	6.5%	6.2%	6.3%	6.5%
China	2.3%	8.6%	3.1%	5.4%	5.0%	4.0%	4.0%	3.4%
United States	-2.2%	6.1%	2.5%	2.9%	2.8%	1.8%	1.7%	2.1%
Japan	-4.2%	2.7%	0.9%	1.5%	0.1%	0.6%	0.6%	0.5%
United Kingdom	-10.3%	8.6%	4.8%	0.4%	1.1%	1.1%	1.4%	1.4%
Russia	-2.7%	5.9%	-1.4%	4.1%	4.1%	1.5%	0.9%	1.2%

Source: World Economic Outlook, April 2025

The Government stepped spending on infrastructure projects to boost the economic growth had a positive impact on economic growth. The capital expenditure of the central government increased by average 26.52% during FY 2023-FY 2024 which slowed to 7.27% in FY 2025 which is expected to translate in moderating GDP growth of 6.5% in 2024. In the Union Budget 2025-2026, the government announced INR 11.21 billion capex on infrastructure (10.12% higher than previous year revised estimates) coupled with INR 1.5 trillion in interest-free loans to states. This has provided much-needed confidence to the private sector, and in turn, expected to attract the private investment.

Historical GDP and GVA Growth trend

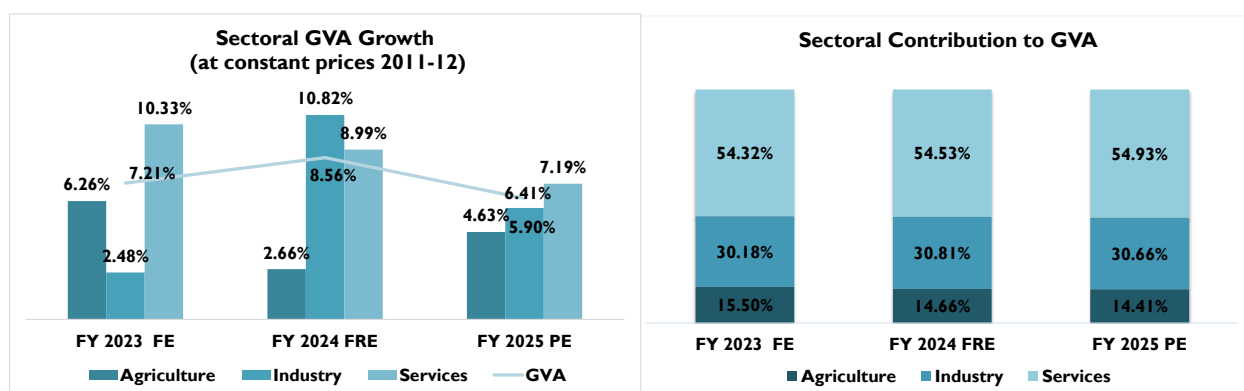
As per the latest estimates, India's GDP at constant prices is estimated to grow to INR 187.96 trillion in FY 2025 (Provisional Estimates) with the real GDP growth rates estimated to be 6.5% for FY 2025. Similarly, real Gross Value Added (GVA) growth stood is estimated to have moderated to 6.4% in FY 2025. Even amidst global economic uncertainties, India's economy exhibited resilience supported by robust consumption and government spending.



Source: Ministry of Statistics & Programme Implementation (MOSPI), National Account Statistics: FY2025.

FE is Final Estimates, FRE is First Revised Estimate and PE is Provisional Estimates

Sectoral Contribution to GVA and annual growth trend



Source: Ministry of Statistics & Programme Implementation (MOSPI)

FE is Final Estimates, FRE is First Revised Estimate and PE is Provisional Estimates

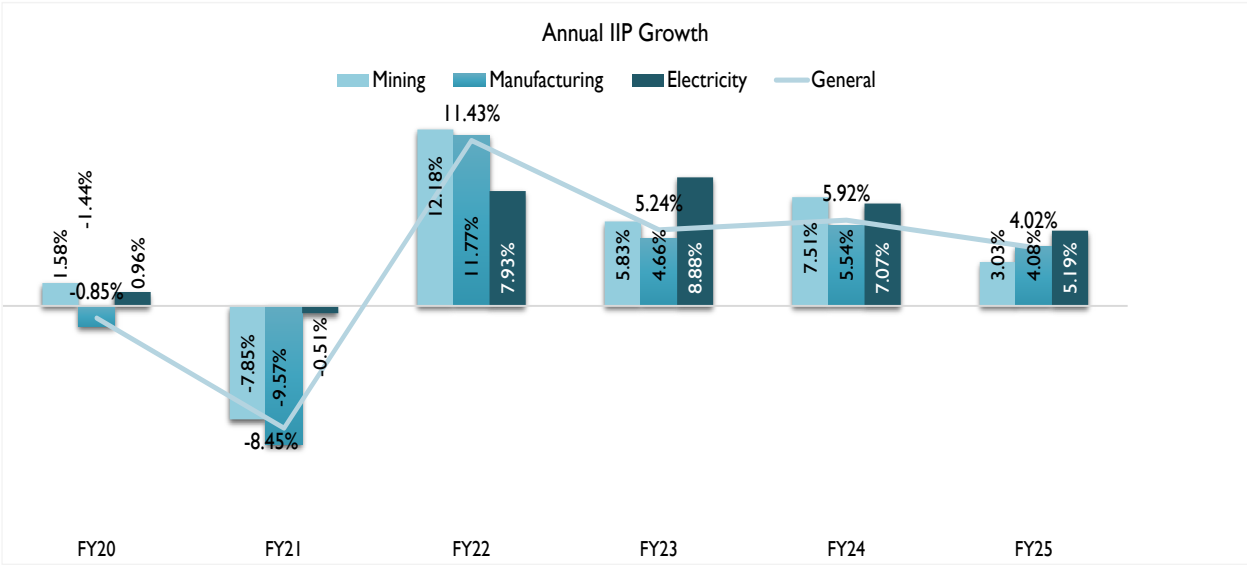
Sectoral analysis of GVA reveals that the industrial sector experienced a moderation in FY 2025, recording a 5.90% y-o-y growth against 10.82% year-on-year growth in FY 2024. Within the industrial sector, growth moderated across sub sector with mining, manufacturing, and construction activities growing by 2.69%, 4.52%, and 9.35% respectively in FY 2025, compared to 3.21%, 12.30%, and 10.41% in FY 2024. Growth in the utilities sector too moderated to 6.03% in FY 2025 from 8.64% in the previous year. The industrial sector's contribution to GVA moderated marginally from 30.81% in FY 2024 to 30.66% in FY 2025.

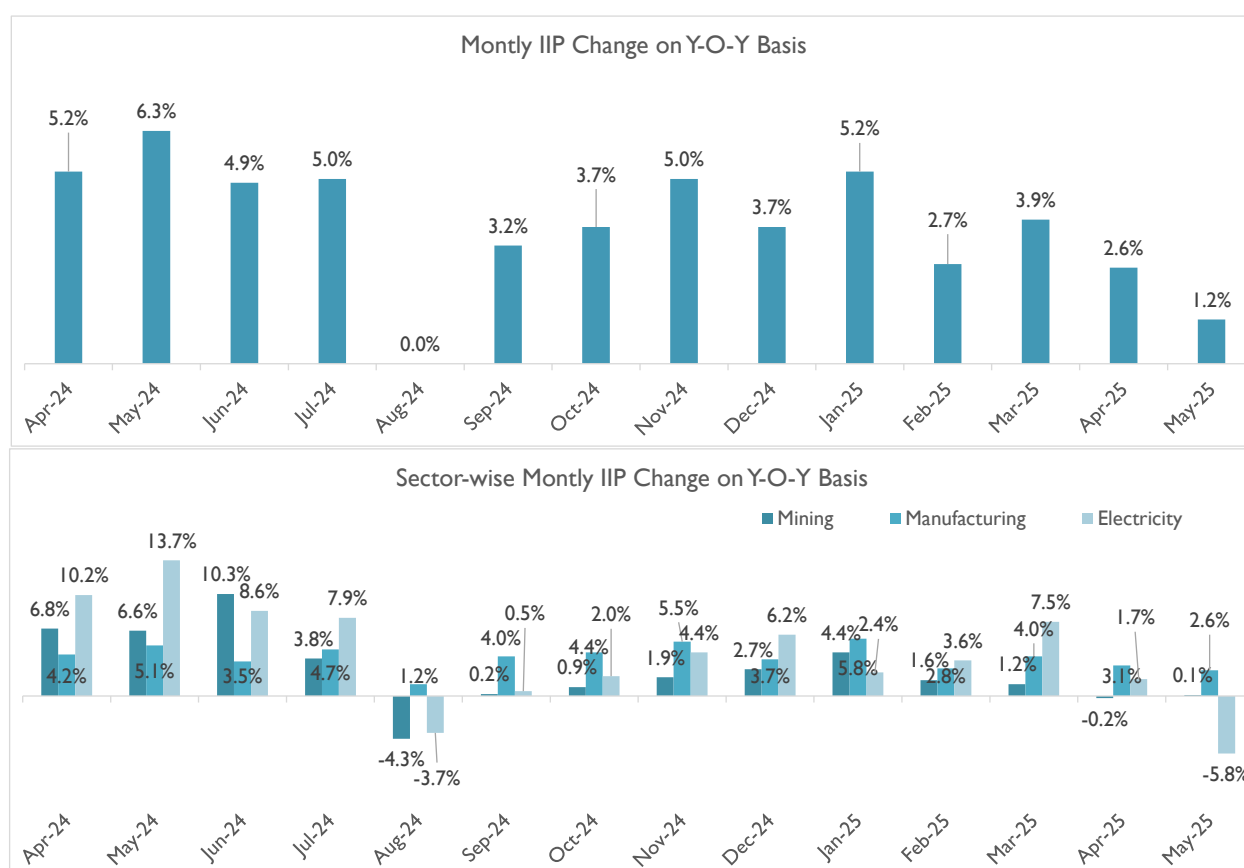
The services sector continued to be the main driver of economic growth, although its pace moderated. It expanded by 7.19% in FY 2025 from 8.99% in FY 2024. The services sector retained its position as the largest contributor to GVA, rising from 54.32% in FY 2023 to 54.53% in FY 2024, with a further increase to 54.93% in FY 2025.

The agriculture sector saw an acceleration, with growth increasing from 2.66% in FY 2024 to 4.63% in FY 2025. However, its contribution to GVA declined marginally from 14.66% in FY 2024 to 14.41% in FY 2025. Overall, Gross Value Added (GVA) growth moderated to 6.41% in FY 2025 from 8.56% in FY 2024

Annual & Monthly IIP Growth

Industrial sector performance as measured by IIP index exhibited moderation in FY 2025, recording a 4.02% y-o-y growth against 5.92% increase in the previous year. The manufacturing index showed moderation and grew by 4.08% in FY 2025 against 5.54% in FY 2024. Mining sector index too moderated and exhibited a growth of 3.03% in FY 2025 against 7.51% in the previous years while the Electricity sector Index, also witnessed moderation of 5.19% in FY 2024 against 7.07% in the previous year.



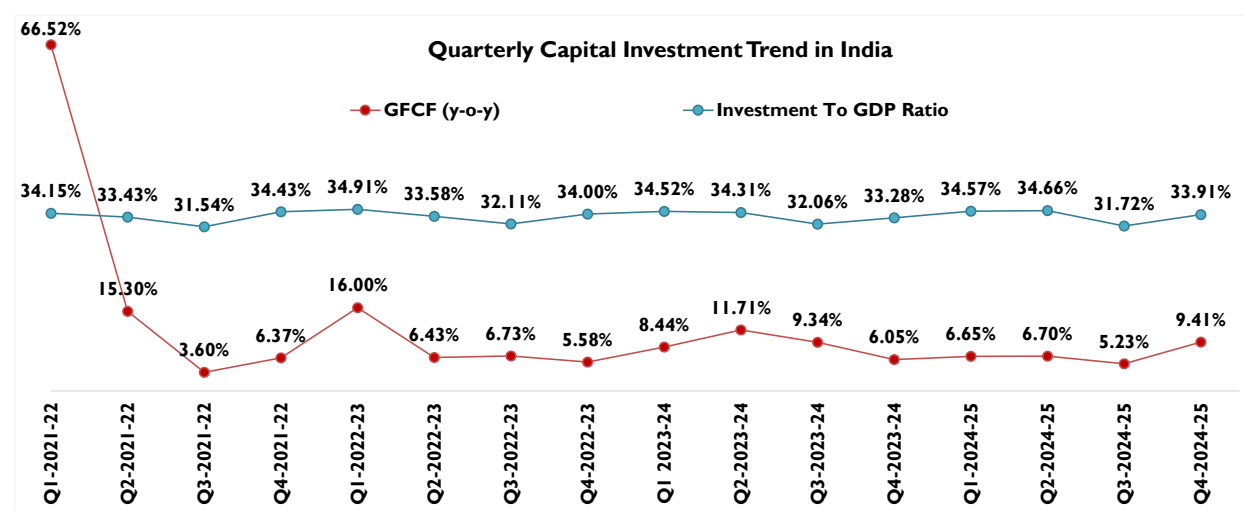
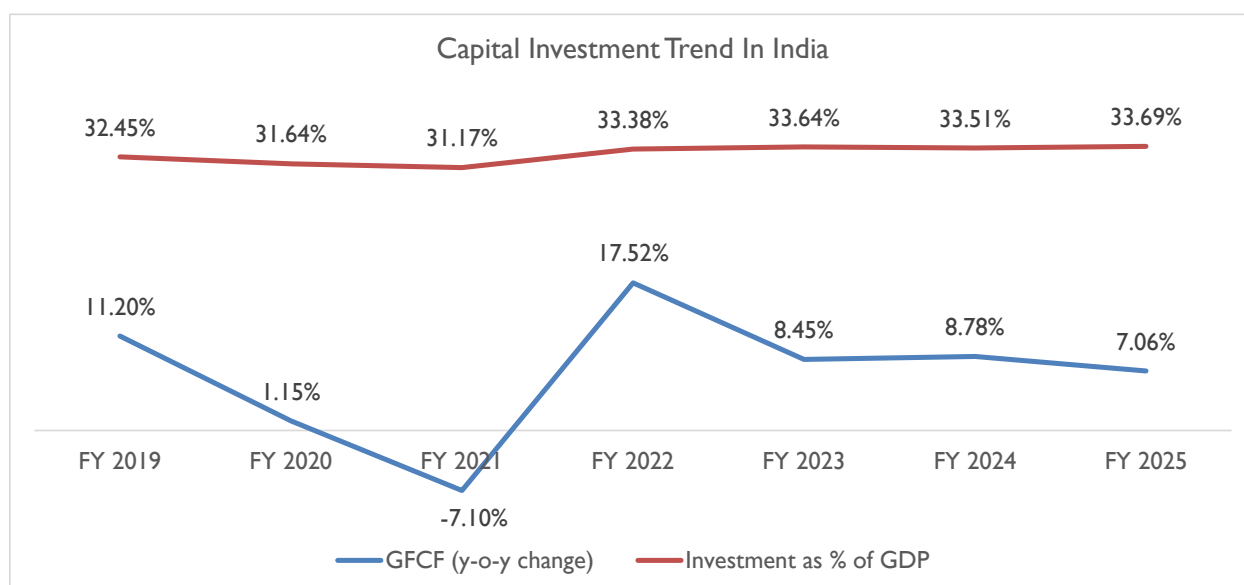


Source: Ministry of Statistics & Programme Implementation (MOSPI)

The IIP growth rate for the month of May 2025 is 1.2% which was 2.6% in the month of April 2025. The growth rates of the three sectors, Mining, Manufacturing and Electricity for the month of May 2025 are (-)0.1%, 2.6% and (-)5.8% respectively.

Annual and Quarterly: Investment & Consumption Scenario

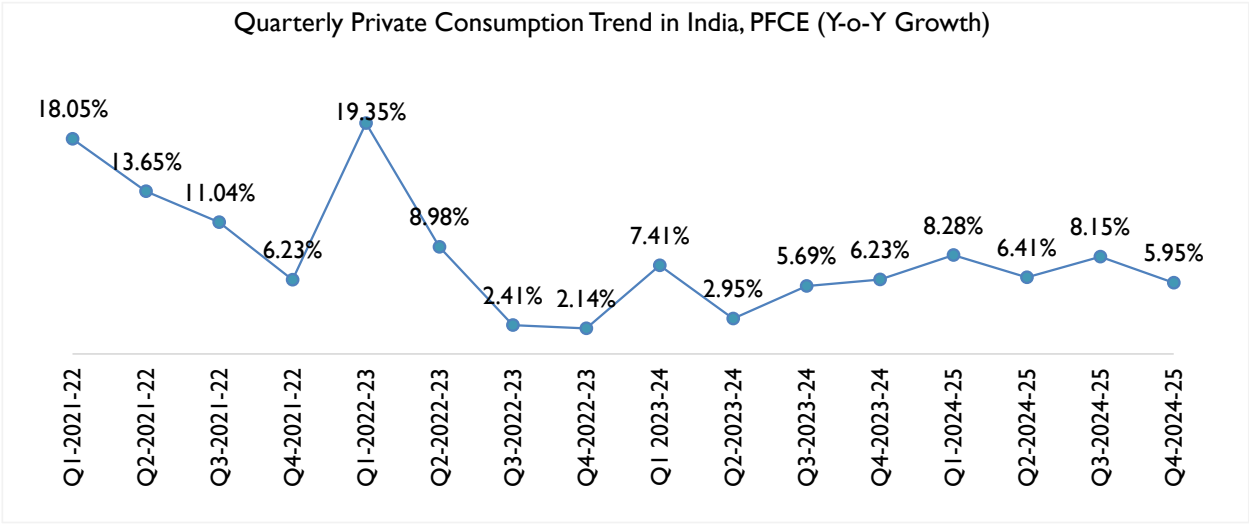
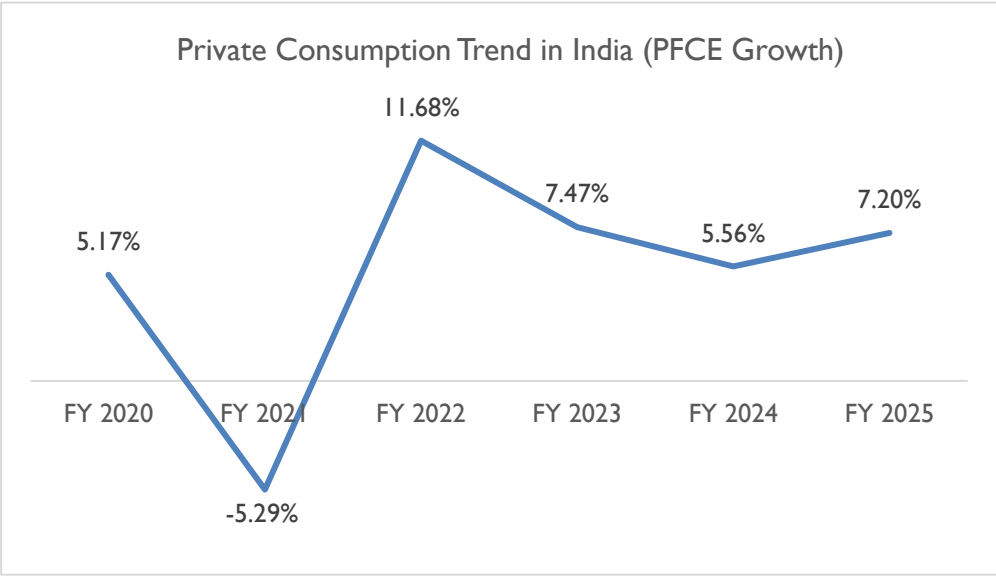
Other major indicators such as Gross fixed capital formation (GFCF), a measure of investments, has shown fluctuation during FY 2025 as it registered 7.06% year-on-year growth against 8.78% yearly growth in FY 2024, taking the GFCF to GDP ratio measured to 33.69%.



Source: Ministry of Statistics & Programme Implementation (MOSPI)

On quarterly basis, GFCF exhibited a fluctuating trend in quarterly growth over the previous year same quarter. In FY 2024, the growth rate moderated to 6.05% in March quarter against the previous two quarter as government went slow on capital spending amidst the 2024 general election while it observed an improvement in Q1 FY 2025 by growing at 6.65% against 6.05% in the previous quarter and moderated in the subsequent two quarter. On yearly basis, the growth rate remained lower compared to the same quarter in the previous year during FY 2025. The GFCF to GDP ratio measured 33.91% in Q4 FY 2025.

Private Consumption Scenario



Sources: MOSPI

Private Final Expenditure (PFCE) a realistic proxy to gauge household spending, observed growth in FY 2025 as compared to FY 2024. However, quarterly data indicated some improvement in the current fiscal as the growth rate improved over the corresponding period in the last fiscal.

Inflation Scenario

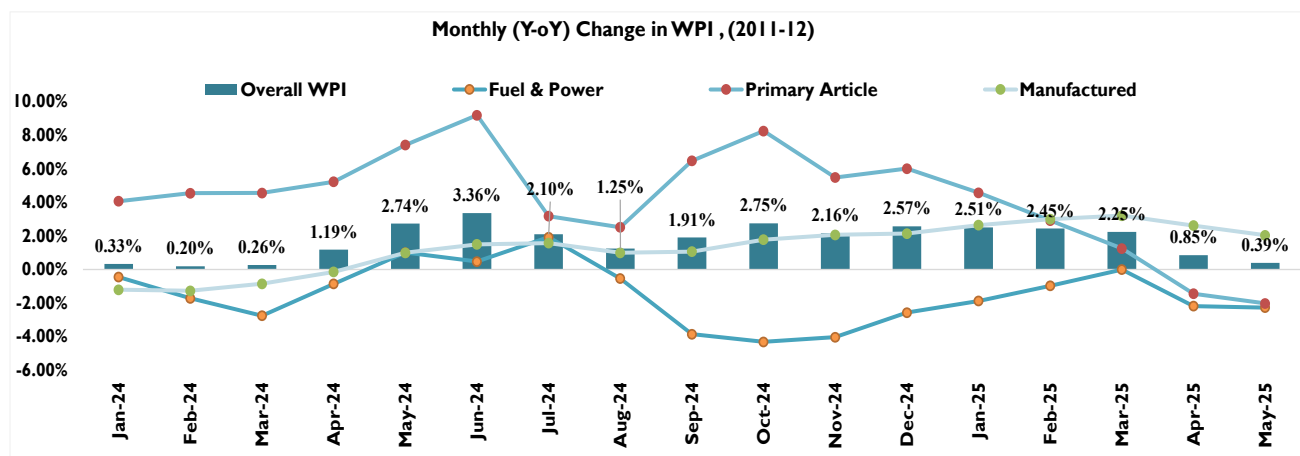
The inflation rate based on India's Wholesale Price Index (WPI) exhibited significant fluctuations across different sectors from January 2024 to May 2025. The annual rate of inflation based on All India Wholesale Price Index (WPI) number is 0.39% (provisional) for the month of May 2025 (over May 2024). Positive rate of inflation in May 2025 is primarily due to increase in prices of manufacture of food products, electricity, other manufacturing, chemicals and chemical products, manufacture of other transport equipment and non-food articles etc.

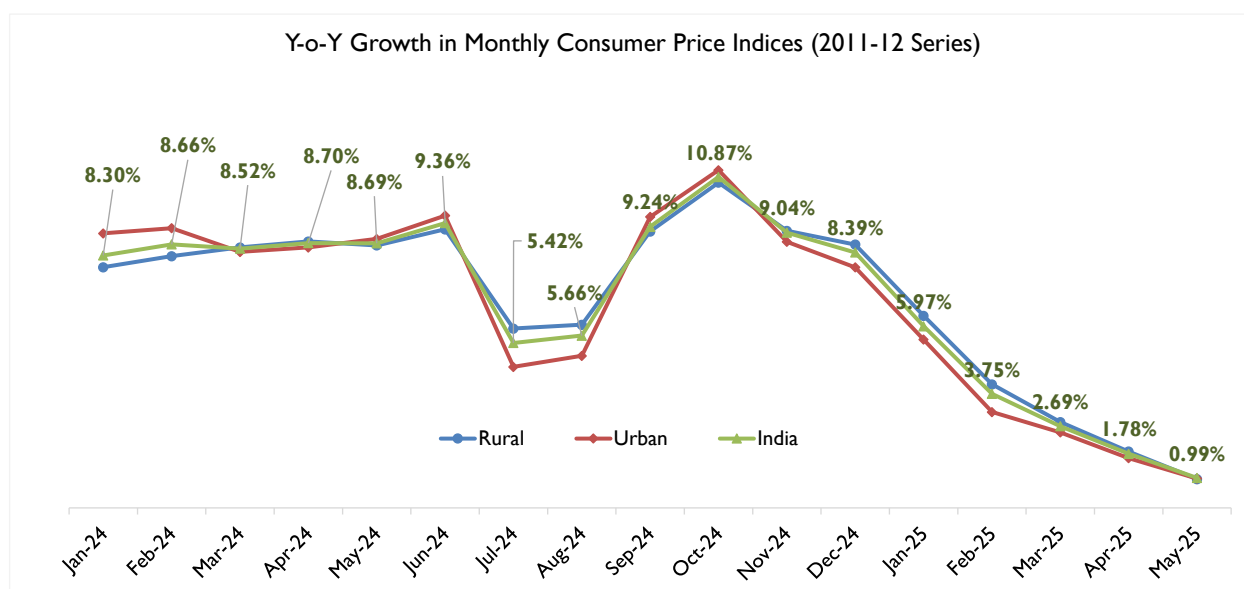
By May 2025, Primary Articles (Weight 22.62%), The index for this major group decreased by 0.05 % to 184.3 (provisional) in May 2025 from 184.4 (provisional) for the month of April 2025. Price of minerals (-7.16%)

and non-food articles (-0.63%) decreased in May 2025 as compared to April 2025. The price of food articles (0.56%) increased in May 2025 as compared to April 2025.

Moreover, power & fuel, the index for this major group declined by 0.95% to 146.7 (provisional) in May 2025 from 148.1 (provisional) for the month of April 2025. Price of mineral oils (-2.06%) decreased in May 2025 as compared to April 2025. The price of coal (0.81%) and electricity (0.80%) increased in May 2025 as compared to April 2025.

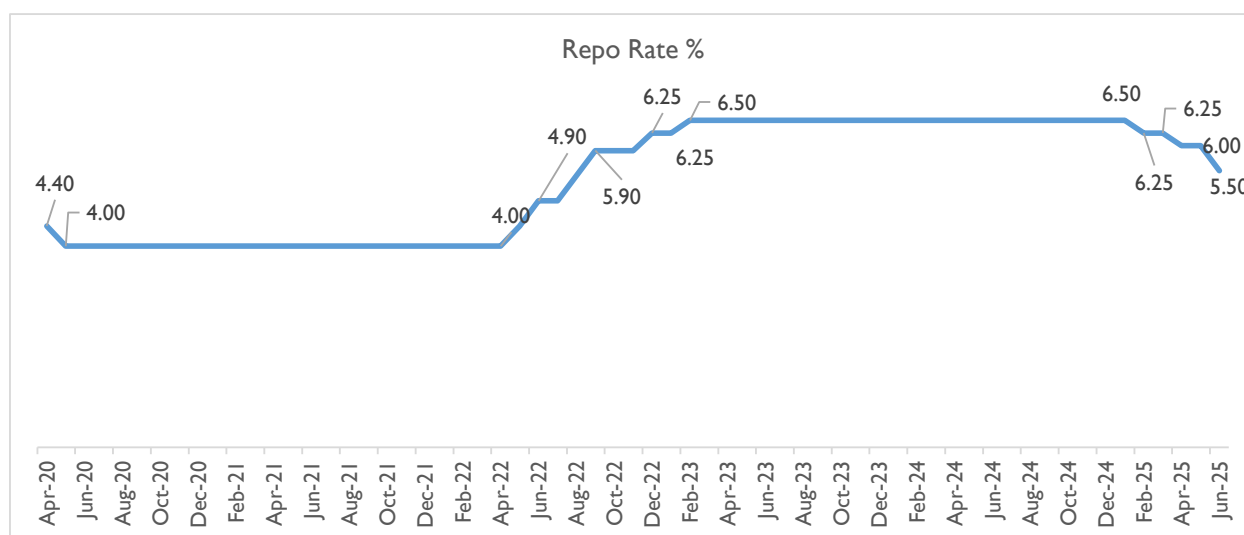
Furthermore, Manufactured Products (Weight 64.23%), The index for this major group remained unchanged at 144.9 (Provisional) in May 2025. Out of the 22 NIC two-digit groups for manufactured products, 10 groups witnessed an increase in prices, 9 groups witnessed a decrease in prices and 3 groups witnessed no change in prices. Some of the important groups that showed month-over-month increase in prices were other manufacturing; manufacture of other non-metallic mineral products; computer, electronic and optical products; pharmaceuticals, medicinal chemical and botanical products and textiles etc. Some of the groups that witnessed a decrease in prices were manufacture of food products, basic metals; rubber and plastics products, chemical and chemical products and electrical equipment etc. in May 2025 as compared to April 2025.





Source: MOSPI, Office of Economic Advisor

Retail inflation rate (as measured by the Consumer Price Index) in India showed notable fluctuations between January 2024 and May 2025. Overall, the national CPI inflation rate moderated to 0.99% by May 2025, indicating a gradual easing of inflationary pressures across both rural and urban areas. Rural CPI inflation peaked at 10.69% in October 2024, declining to 0.95 % in May 2025. Urban CPI inflation followed a similar trend, rising to 11.09% in October 2024 and then dropping to 0.96% in May 2025. CPI measured above 6.00% tolerance limit of the central bank since July 2023. As a part of an anti-inflationary measure, the RBI has hiked the repo rate by 250 bps since May 2022 and 8 Feb 2023 while it held the rate steady at 6.50 % till January 2025. On 6th June 2025, RBI reduced the repo rate by 50 basis points which currently stands at 5.50%.



Sources: CMIE Economic Outlook

Growth Outlook

The Union Budget 2025-26 has laid the foundation for sustained growth by balancing demand stimulation, investment promotion and inclusive development. Inflation level is reaching within the central bank's target; the RBI may pursue further monetary easing that will support growth. The medium-term outlook is bright, fueled by the emphasis on physical and digital infrastructure spending. With a focus on stimulating demand,

driving investment and ensuring inclusive development, the budget introduces measures such as tax relief, increased infrastructure spending and incentives for manufacturing and clean energy. These initiatives aim to accelerate growth while maintaining fiscal discipline, reinforcing India's long-term economic resilience. The expansion of tax relief i.e zero tax liability for individuals earning up to INR 12 lacs annually under the new tax regime is expected to strengthen household finances and, consequently, boost consumption.

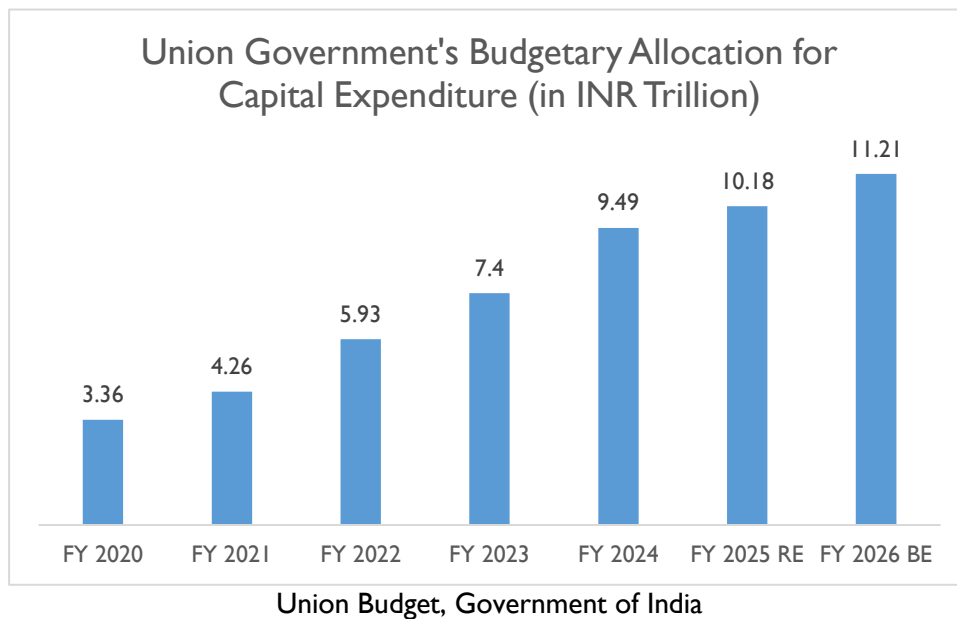
The external sector remains resilient, and key external vulnerability indicators continue to improve. However, tariff-related uncertainty is likely to weigh on exports and investment, prompting us to cut our FY26 GDP growth forecast to 6.3%.

Key Growth/Demographic Drivers for Economic Growth

Government focus on infrastructure development

Infrastructure development has remained recurring theme in India's economic development. As India aims to grow to a USD 5 trillion economy by 2027, Construction sector that include Infrastructure construction will be critical for boosting economic growth as it is the key growth enabler for several other sector. Infrastructure development provides impetus to other sectors like cement, bitumen, iron and steel, chemicals, bricks, paints, tiles, financial services among others. A unit increase in expenditure in construction sector has a multiplier effect on other sectors with a capacity to generate income as high as five times in other sectors. The sector enjoys intense focus from the Government which is well reflection in higher budgetary allocations. To push the infrastructure development, government has also announced higher budgetary allocation, various arrangement for raising funds through road asset monetization plan and converting of NHAI's existing InvIT into a public one is also planned. With economic targeting to reach USD 5 trillion economy by 2027, demand for various infrastructure facilities such as power, cargo movement, passenger movement is likely to grow which necessitate steady capacity addition in infrastructure facilities.

The launch of flagship policies like National Infrastructure Pipeline (NIP), and PM Gati Shakti plan have provided the coordination & collaboration that was lacking earlier. Both NIP and PM Gati Shakti are ambitious billion-dollar plans that aim to transform India's infrastructure, elevating it to the next level. These projects are expected to improve freight movement, debottleneck the logistics sector, and improve the industrial production landscape, which would provide the incremental growth in GDP.

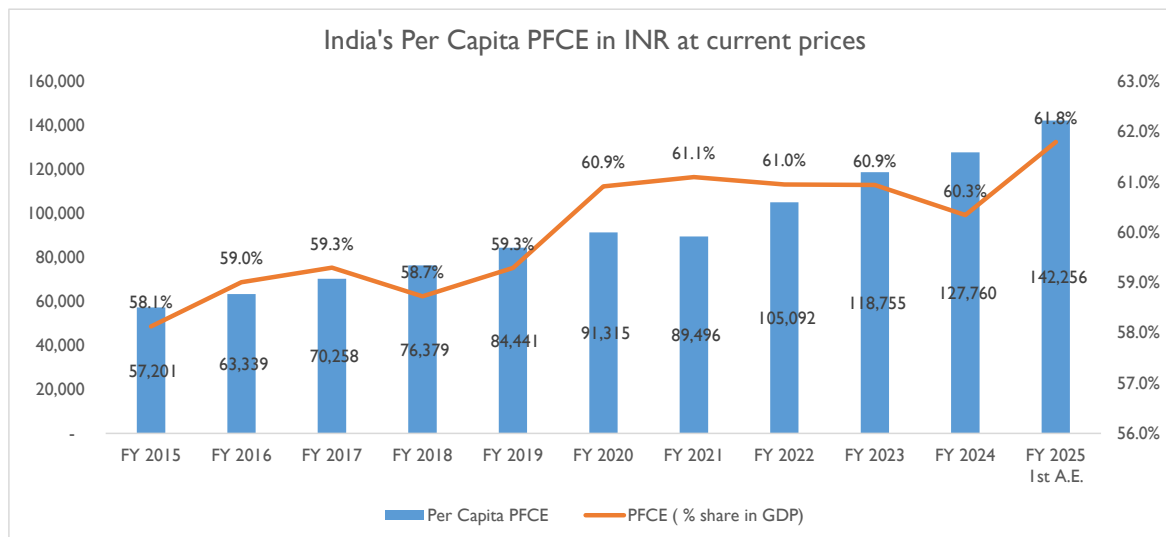


Development of Domestic Manufacturing Capability

The Government launched Production Linked Incentive (PLI) scheme in early 2020, initially aimed at improving domestic manufacturing capability in large scale electronic manufacturing and gradually extended to other sectors. At present it covers 14 sectors, ranging from medical devices to solar PV modules. The PLI scheme provides incentives to companies on incremental sales of products manufactured in India. This incentive structure is aimed to attracting private investment into setting up manufacturing units and thereby beef up the domestic production capabilities. The overall incentives earmarked for PLI scheme is estimated to be INR 2 trillion. If fully realizing the PLI scheme would have the ability to add nearly 4% to annual GDP growth, by way of incremental revenue generated from the newly formed manufacturing units.

Strong Domestic Demand

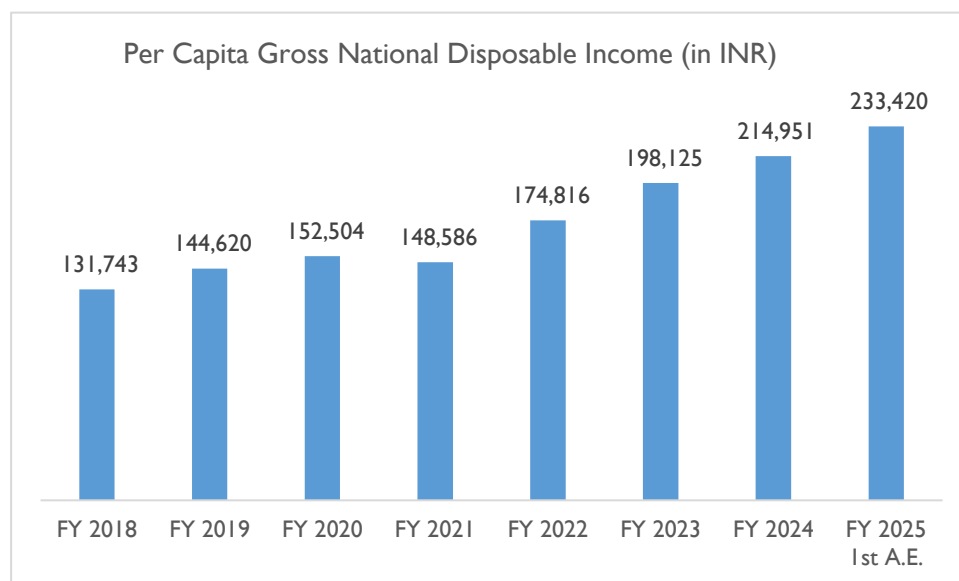
Domestic demand has traditionally been one of the strong drivers of Indian economy. After a brief lull caused by Covid-19 pandemic, the domestic demand is recovering. Consumer confidence surveys by Reserve Bank / other institutions are points to an improvement in consumer confidence index, which is a precursor of improving demand. India has a strong middle-class segment which has been the major driver of domestic demand. Factors like fast paced urbanization and improving income scenario in rural markets are expected to accelerate domestic demand further. This revival is perfectly captured by the private final consumption expenditure (PFCE) metric. The PFCE at current prices is on steady rise from FY 2022 onwards. Between FY 2015-25, PFCE in India has improved by nearly 2.5 times its share in GDP has increased from 58.1% to about 61.8% in FY 2025 (as per the first advance estimates).



Source: Ministry of Statistics & Programme Implementation (MOSPI)

There are two factors that are driving this domestic demand: One the large pool of consumers and second the improvement in purchasing power.

- The share of middle class increased from nearly 14% in 2005 to nearly 30% in 2021 and is expected to cross 60% by 2047¹. This expanding middle class household segment is fuelling India's growth story and would continue to play a key role in propelling India's economic growth.
- Consumer driven domestic demand is majorly fuelled by this growth in per capita income. As per National Statistics Office (NSO) As per National Statistics Office (NSO), India's per capita net national income (at constant prices) stood at INR 106,744 in FY 2024 against INR 99,404 in FY 2023 and INR 87,586 in FY 2018. This increase in per capita income has impacted the purchasing pattern as well as disposable income. The disposable income during the FY 2018-25 has increased from INR 131,753 to INR 233,420, increasing at CAGR 8.5% while in FY 2025 it is estimated to grow at 8.59% on year-on-year basis in FY 2025 against 8.49% in FY 2024.

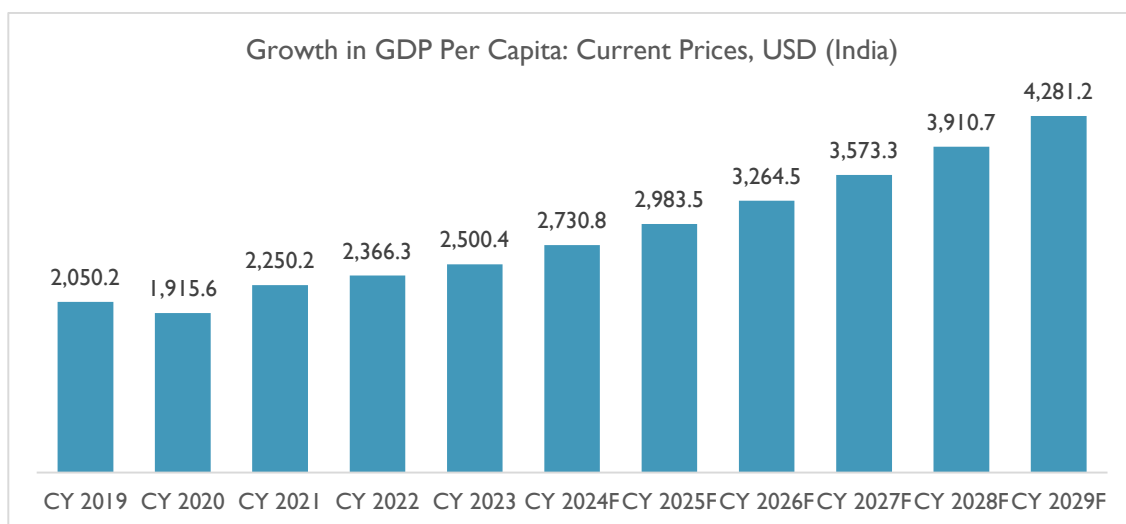


¹ As per the survey conducted by People Research on India's Consumer Economy. Households with annual income in the range of INR 5 – 30 lakh is considered as middle-class households.

India's Per capita GDP trends

India is poised to become the world's third-largest economy with a projected GDP of USD 5 trillion within the next three years, driven by ongoing reforms. As one of the fastest-growing major economies, India currently holds the position of the fifth-largest economy globally, following the US, China, Japan, and Germany. By 2027-28, it is anticipated that India will surpass both Germany and Japan, reaching the third-largest spot. This growth is bolstered by a surge in foreign investments and a wave of new trade agreements with India's burgeoning market of 1.4 billion people. The aviation industry is witnessing unprecedented orders, global electronics manufacturers are expanding their production capabilities, and suppliers traditionally concentrated in southern China's manufacturing hubs are now shifting towards India.

To achieve its vision of becoming the world's third-largest economy by 2027-28, India will need to implement transformative industrial and governmental policies. These policies will be crucial for sustaining the consistent growth of the nation's per capita GDP over the long term.

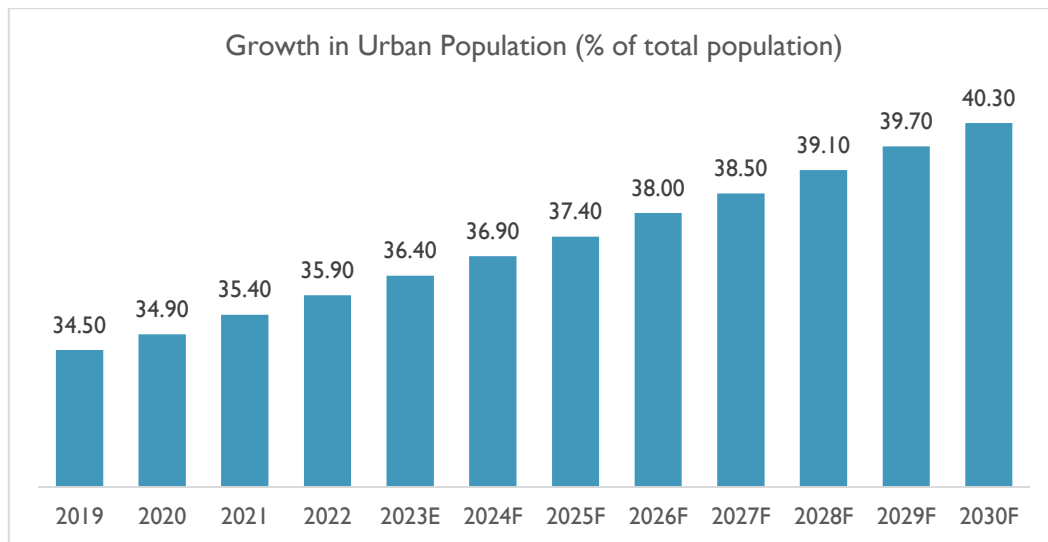


Source: IMF

From CY 2024-29, India's per capita GDP is projected to grow at a compound annual growth rate of 9.4%. This growth will be driven by the service sector, which now accounts for over 50% of India's GDP, marking a significant shift from agriculture to services.

Increasing Urbanization

As per the handbook of urban statistics 2022, India's urban population has been on a steady rise, with urban dwellers accounting for over 469 million in 2021, is projected to soar to over 558 million by 2031 and further exceed to 600 million by 2036.



Source: World Bank, ² D&B Research and Estimates

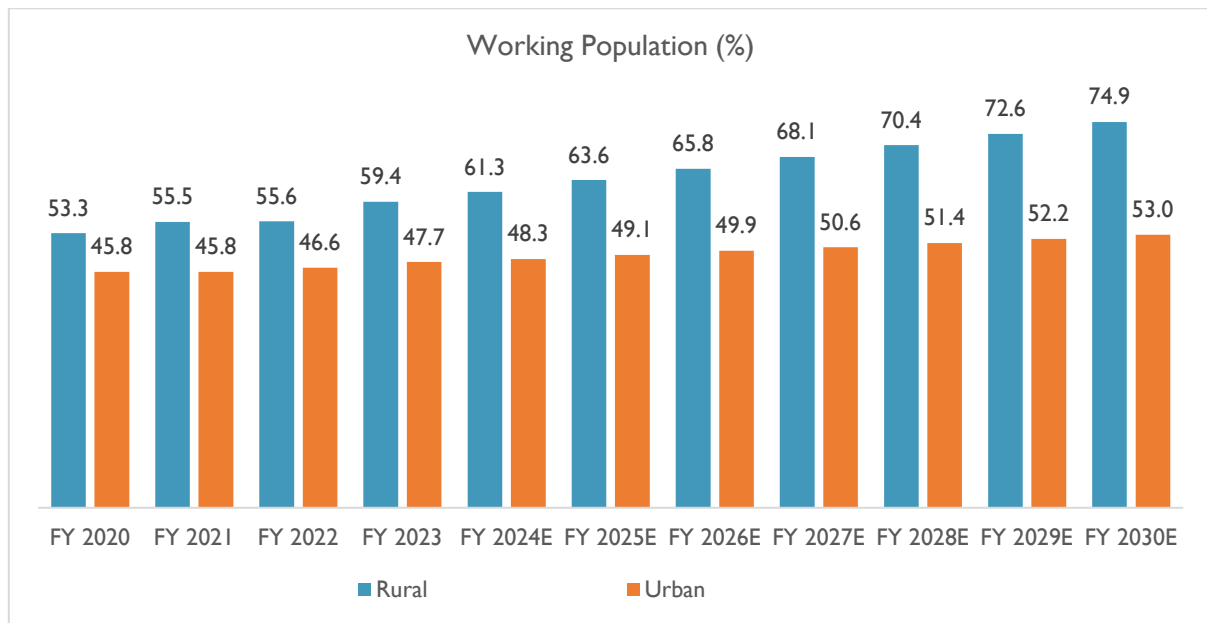
The share of urban population in total population has been quickly escalating. In 2019, 34.5% of the total population was urban. By 2023, this is estimated to have reached to 36.4%, showing an increment of 2.1% in a span of four years. The share of urban population is further forecasted to cross 40% by 2030. This increase in urban population is set to demand drastic changes in infrastructure development. Cities are a major driver for the construction industry. With cities expanding rapidly, there will be an increased need for improved housing, water supply, sewage systems, and electricity. Urban planning will need to account for higher population densities, necessitating the development of smart cities with integrated technology for efficient management of resources and services. The Smart Cities Mission targeted at 100 cities is aimed at improving the quality of life through modernized/ technology driven urban planning. This transformation will also require significant investment in public health, education, and recreational facilities to enhance the quality of urban living. The surge in urban population will also propel demand for improvement in multimodal transport infrastructure for freight and passenger travel requirement..

Rural Vs Urban Working Population Age Group

As India continues to experience economic growth and development, the working population in both rural and urban areas is increasing. In case of urban population, this growth is marked from a share of 45.8% in FY20 to 47.7% in FY23, whereas in rural areas, it grew from 53.3% in FY20 to 59.4% in FY23.

This growth is driven by a combination of factors, including demographic changes, economic policies, and the expansion of various industries. The rise in employment opportunities across sectors such as agriculture, manufacturing, services, and information technology has contributed to the overall increase in the working population, thereby fostering economic stability and enhancing the standard of living for many Indians.

²<https://data.worldbank.org/indicator/SP.URB.TOTL.IN.ZS?end=2022&locations=IN&skipRedirection=true&start=1960&view=chart>

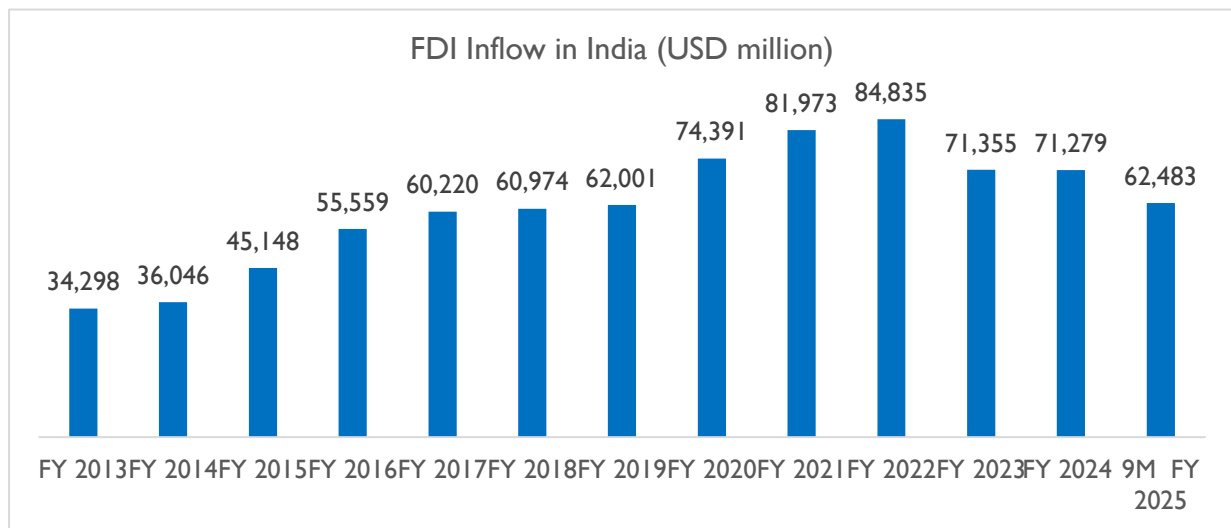


Source: Periodic Labour Force Survey (PLFS) Annual Report 2022-2023, D&B Research and Estimates

In urban areas, the working population is growing rapidly due to the proliferation of jobs in sectors like IT, finance, retail, and healthcare. Additionally, the development of infrastructure, such as improved transportation networks and housing, has made urban centers more accessible and desirable for the working population. In rural areas, the working population remains substantial, primarily due to the dominance of the agricultural sector. Government initiatives aimed at rural development, such as improved access to education and skill development programs, have also played a crucial role in enhancing employment prospects in these regions. The dominance of the rural working population over their urban counterparts can be attributed to the agricultural sector's labour-intensive nature ensures a consistent demand for human labor despite advancements in mechanization, sustaining employment rates in rural areas.

Foreign Direct Investment Trend in India

FDI inflow in India has observed a steady increase between FY 2013 till FY 2022 while it witnessed a decline of 15% in FY 2023 and of -0.1% in FY 2024 due to several factors, including the ongoing conflict between Russia and Ukraine, changes in US monetary policy, and other global uncertainties. However, the country has received substantial FDI inflow between from April 2000-December 2024. This increasing FDI can be attributed to the new investment facilitation measures like the National Single-Window System (NSWS), which streamlines the approval and clearance process for investors, entrepreneurs, and businesses sectoral along with PLI schemes, emerging growth prospects in tier-2 and tier-3 cities. Further, tax compliance for startups and foreign investors have been simplified where the Income Tax Act, 1961 has been amended in 2024 to abolish angel tax and to reduce income tax rate chargeable on income of a foreign company.



Sources: Department for Promotion of Industry and Internal Trade

- India ranked as the 3rd largest recipient of greenfield projects with 1,008 greenfield project announcements, as per the World Investment Report 2023. The number of international project finance deals in India also increased by 64%, making it the recipient of the second largest number of international project finance deals.
- India's ranking in the World Competitive Index 2024 jumped three positions to 40th, from 43rd in 2021. Additionally, India was named as the 48th most innovative country among the top 50 nations, securing the 40th position out of 132 economies in the Global Innovation Index 2023, improving from 81st position in 2015.

Industry Overview

The Indian wooden furniture industry is a dynamic sector blending traditional craftsmanship with modern design aesthetics. Within this ecosystem, decorative laminates have gained prominence as versatile surfacing materials that enhance both visual appeal and durability of wood-based furniture. Traditional manufacturing is centered on handcrafted, custom-made furniture using local woods and time-honoured techniques, while modern methods incorporate CNC machinery, modular designs, and scalability to cater to a broader, often urban, consumer base.

India has a rich heritage of woodworking, with artisans from regions like Rajasthan, Kerala, and Gujarat producing intricately carved furniture that is in demand both domestically and internationally. Over the years, the industry has evolved from being largely unorganized to incorporating large-scale manufacturing, modular furniture, and engineered wood products. This transformation is driven by urbanization, rising disposable incomes, and increasing consumer preferences for sustainable and space-efficient furniture solutions. For instance, modular furniture that adapts to various room configurations has become a staple offering, enabling homeowners to customize their living spaces without hefty investments.

The growing influence of e-commerce platforms, organized retail, and international brands like IKEA has further reshaped the market, making high-quality wooden furniture more accessible to Indian consumers. Additionally, government initiatives such as 'Make in India' and an increasing emphasis on sustainable timber sourcing have provided further momentum to the industry. A study by the India Brand Equity Foundation highlighted that India's furniture market is expected to grow by 12.91% annually until 2028, with urban areas acting as significant growth drivers. This statistic encapsulates the immense potential held within these markets, as changing lifestyles and evolving interior design preferences continue to fuel demand for wooden furniture across the country.

The Indian wooden furniture industry operates in a structured ecosystem, where raw material suppliers provide input material to the manufacturers, who then distribute the manufactured product to distributors, retailers, and online platforms which is finally consumed by the final consumer. The growth of modular furniture, e-commerce, and premium décor solutions is reshaping this traditional sector, making it more organized, competitive, and customer-centric.

Market Segmentation of Indian Wooden Furniture Industry



Engineered Wooden Panel Product (Plywood, Particle Board and MDF)

Engineered wood products or Wood based panel industry are essentially value-added wood products made through bonding wood panels with synthetic adhesive in the presence of heat and pressure. Attribute of the product so manufactured depends upon properties of wood panel used, type of adhesives and other additives and variation in manufacturing process, conditional to the level of heat and pressure used. Plywood, Medium-Density Fiberboard (MDF), and Particleboard as are the major product variant in the wooden panel industry. These products are essential in residential, commercial, and institutional furniture manufacturing. Compared to solid wood, they offer cost-effectiveness, durability, aesthetic flexibility, and improved resistance to environmental factors.

➤ **Plywood**

Plywood is manufactured by gluing individual panels of veneer together with an adhesive following by pressing the panels together in the presence of heat. Plywood can be manufactured by both hardwood and softwood veneers. Hardwood plywood is used to manufacture panels, storage cabinets, and architectural wood works. Softwood plywood on the other hand is used to manufacture containers and

Plywood is the largest segment with approximately 54% of market share translating into the market size worth (INR 265 Bn in FY 2023). Popularity of plywood emanates from its higher resistance to moisture compared to other two products. The plywood industry is categorized into *premium*, *mid-premium*, and *economy segments* based on the type of timber and the quality of chemicals employed. The organized segment has exhibited significantly superior growth compared to the overall industry, driven by the heightened expansion in the premium segment when compared with the medium and low-end segments.

Plywood Pricing by Segmentation

Segments	Price
Low- end Segment	<INR40-70/sq. Ft.
Mass-premium segment	Rs 70-100/sq. Ft.
Premium Segment	Rs 100-130/sq. Ft.

Currently, the Indian wooden panel industry is dominated by the plywood and laminates segment. Though plywood industry dominates the over of wooden furniture market but the scarcity of the natural wood due to growing deforestation is creating a great opportunity for its substitute products and this has been benefitting the growth of MDF and particle board. Consumer's growing preferences towards ready-made and effortlessly installable furniture, backed by their increasing disposable incomes has positioned Medium Density Fiberboard (MDF) as a premium alternative to low-end plywood. The adoption of MDF has expanded beyond furniture to include various non-furniture products such as shoe heel boards, toys, cabinets, gift boxes, electronic circuit boards, and blackboards/painting easels is also contributing in expansion of MDF industry size.

➤ Medium-Density Fibreboard (MDF)

MDF is produced by breaking down hardwood or softwood residuals into wood fibres, combining them with wax and resin binders, and forming panels through high temperature and pressure. The result is a dense, uniform material that offers excellent machinability and smooth surfaces—making it ideal for precision cutting, shaping, and finishing.

Although currently smaller in market size compared to plywood, MDF is the fastest-growing category in India, backed by increasing adoption in modular kitchens, wardrobes, and ready-to-assemble (RTA) furniture. Its affordability, consistency, and compatibility with laminates and veneers have made it a preferred substrate for surface treatments. Moreover, growing awareness around environmental impact has driven the shift toward low-emission MDF, made with lower formaldehyde content, aligning with global green building trends.

➤ Particle Board

Particle board, also known as chipboard, is a type of engineered wood product manufactured by compressing wood chips, sawdust, and other wood residues with a resin binder under heat and pressure. It is valued for its affordability, uniformity, and versatility, making it a popular material in a variety of interior applications. Common uses include furniture, cabinetry, flooring underlayment, and interior wall panels. It often serves as a cost-effective alternative to solid wood and plywood, especially when laminated or veneered for an enhanced aesthetic appearance.

Despite its advantages, particle board has some limitations. It tends to be less durable and more susceptible to moisture damage compared to other engineered woods like MDF or plywood. It also has lower screw-

holding capacity, which may limit its use in load-bearing or high-stress applications. However, advancements in manufacturing technology have led to the development of moisture-resistant and fire-retardant variants, expanding its range of applications. With growing demand for sustainable building materials, particle board's use of recycled wood waste contributes to more eco-friendly construction and manufacturing practices.

Overview for Key Product Attributes: Wooden Based Furniture segment

As the industry embraces innovation, sustainability, durability, and design versatility have become key factors shaping market growth. Following are the key product attributes/features:

Attribute	MDF	Particle Board	Plywood	Decorative Laminates
Strength & Durability	Medium strength, suitable for furniture	Low strength, least durable option	High strength, highly durable	Highly durable as a surface finish
Moisture Resistance	Low, needs waterproofing for wet areas	Very low, swells easily	High, especially marine plywood	High, resists moisture and stains
Cost	Moderate, more affordable than plywood	Cheapest option	Expensive due to durability	Cost varies by quality & design
Common Uses	Cabinets, modular furniture, wall panelling	Budget furniture, workstations	Structural furniture, doors, flooring	Surface finish for furniture & interiors
Workability	Easy to cut, shape, and paint	Easy to cut but weak for screws	Holds screws & nails well	Cannot be cut, applied as a finishing layer
Lifespan	Moderate, lasts longer with proper care	Short lifespan, wears out quickly	Long lifespan, very durable	Highly durable when applied correctly

The choice between MDF, Particle Board, Plywood, and Decorative Laminates depends on factors such as durability, cost, moisture resistance, and intended application. While MDF is a versatile and smooth-surfaced option for furniture and cabinetry, Particle Board remains the most affordable but least durable alternative. Plywood, on the other hand, offers exceptional strength and longevity, making it ideal for structural and high-end furniture. Meanwhile, Decorative Laminates serve as an aesthetic and protective layer, enhancing the appearance and durability of wood-based panels.

As India's furniture and interior décor market continues to grow, the demand for engineered wood products will rise, driven by urbanization, modular furniture trends, and sustainability concerns. Choosing the right material based on specific needs and environmental factors will be crucial in ensuring cost-effectiveness, durability, and long-term performance in furniture and interior applications.

Decorative Laminates

Decorative laminates fall under the broad purview of the wooden panel industry. Decorative laminates play a crucial role in enhancing both the aesthetic appeal and functional durability of modern furniture and interior spaces. While materials like plywood, MDF and Particle Board serve as the structural backbone, it is the application of decorative laminates that defines the final look and feel of a product. Decorative lamination sheets are made from polymer compounds and consist of three different layers which include brown paper coated with phenolic resin, desired decorative pattern, and third layer of clean plastic sheet. These laminates are engineered through the high-pressure compression of resin-soaked papers, resulting in surfaces that not only mimic the richness of natural materials like wood, stone, and metal but also offer a wide array of colors and textures to suit various design preferences. Their versatility makes them a preferred choice for architects, designers, and manufacturers seeking affordable alternatives to premium finishes.

Beyond their visual appeal, decorative laminates are valued for their durability and practicality. They offer strong resistance to wear and tear, including scratches, moisture, stains, and heat, which makes them especially suitable for high-use environments such as kitchens, commercial offices, retail spaces, and hospitality venues. Recent technological advancements have led to the development of specialized laminates with anti-bacterial, fire-retardant, and environmentally sustainable properties, further broadening their application in sensitive sectors like healthcare and education. With low maintenance needs and competitive pricing, decorative laminates continue to be a cornerstone of contemporary Indian interior design and furniture manufacturing.

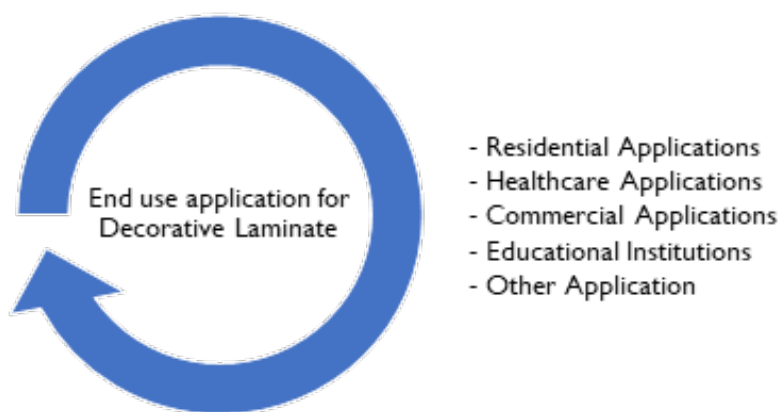
Value Chain For Decorative Laminates

The value chain for decorative laminates used in furniture can be broken down into several stages, from raw material procurement to the final product reaching consumers. Below is a detailed look at each stage of the value chain:

Raw Material Procurement	Manufacturing and Processing	Distribution	Furniture Manufacturers	End-Users
○Wood substrates (MDF, Particleboard, Plywood) ○Resins and chemicals (melamine, phenolic, etc.) ○Decorative papers (plain, printed, embossed)	○Laminate production ○Surface finishing ○Cutting and sizing	○Wholesale distributors ○Retailers ○Online retailers	○Furniture production ○Customization and design ○Assembly	○Residential consumers ○Commercial and institutional consumers ○Interior designers and architects

End-Use Applications: Decorative Laminate

Decorative laminates have become an essential material across various sectors in India due to their aesthetic appeal, versatility, and cost-effectiveness. They are widely used in residential, commercial, healthcare, educational, and industrial applications. This chapter explores the significant end-use applications of decorative laminates in India, categorizing them based on their impact and popularity:



I. Residential Applications

In residential spaces, decorative laminates are a popular choice due to their durability, ease of maintenance, and vast design variety. Homeowners and interior designers prefer laminates for a wide range of applications.

- **Furniture:** Decorative laminates are extensively used for furniture like wardrobes, tables, chairs, and cabinets. They provide a cost-effective solution without compromising on style and functionality.
- **Kitchen:** Laminates are commonly used for kitchen countertops, cabinetry, and backsplash surfaces. Their resistance to heat, moisture, and stains makes them an ideal choice for kitchen environments.
- **Wall Cladding:** Laminate wall panels are used in residential interiors to enhance the appearance of living rooms, bedrooms, and hallways. The wide variety of designs and finishes, such as woodgrain and marble, cater to diverse tastes and interior styles.
- **Doors & Windows:** Laminates are also used as a finishing material for interior and exterior doors, as well as window frames. They are available in a range of textures and finishes to match different themes.
- **Flooring:** Laminate flooring is an increasingly popular choice for homes due to its affordability, durability, and wide range of styles that mimic natural wood or stone finishes.

2. Commercial Applications

Decorative laminates play a significant role in the commercial sector by offering durable, visually appealing solutions for high-traffic areas. They are used in various commercial spaces, including offices, retail stores, and hospitality venues.

- **Office Interiors:** Decorative laminates are used extensively in office furniture, including desks, partitions, and filing cabinets. Their ease of cleaning, design flexibility, and resistance to wear make them a preferred choice for modern office environments.
- **Retail Stores:** Retailers use laminates for display units, counters, and shelves. They not only provide an elegant look but also withstand the rigors of high foot traffic. Laminate finishes in retail settings help create an inviting atmosphere that enhances the customer experience.
- **Hospitality:** Hotels, restaurants, and cafes use decorative laminates for furniture, wall panelling, and countertops. The material's versatility allows for the creation of modern, stylish, and durable interiors that withstand the challenges of high-use environments.

3. Healthcare Applications

In the healthcare sector, decorative laminates have gained popularity due to their hygienic properties and ease of maintenance, essential for environments where cleanliness is a priority.

- **Hospitals & Clinics:** Laminates with antibacterial properties are widely used in hospitals and clinics for cabinetry, wall cladding, and furniture. These laminates help maintain hygiene while ensuring aesthetic appeal.
- **Laboratories:** In laboratories, laminates are used for workstations, counters, and storage units. Their resistance to chemicals and ease of cleaning makes them an ideal surface for laboratory environments where precision and hygiene are critical.

4. Educational Institutions

Educational institutions like schools and universities use decorative laminates for both functionality and visual appeal.

- **Classroom Furniture:** Desks, chairs, and storage units in classrooms are often made using decorative laminates, offering a durable and easy-to-maintain surface.
- **Laboratories & Libraries:** Laminates are used in laboratories for countertops and shelving, as well as in libraries for bookshelves and study tables. Their affordability and long-lasting properties make them suitable for educational environments.

5. Other Applications

In addition to the significant applications listed above, decorative laminates are also used across various industrial, public sector, and retail applications:

- **Industrial Applications:** In factories, warehouses, and other industrial setups, laminates are used for partitions, dividers, and workstations. Their durability and resistance to wear make them ideal for such high-demand environments. Notably, our industrial-grade laminates are also used inside railway coaches, where they meet the rigorous standards required for safety and durability in transit environments.
- **Public Sector:** Laminates are widely employed in government buildings, transport infrastructure (such as railway stations and airports), and other public spaces for furniture, panelling, and wall cladding.
- **Retail and Commercial Furniture:** Decorative laminates are used in display units, shelves, and furniture across shopping malls and retail outlets, offering a balance of durability and visual appeal.

Decorative laminates are an indispensable material in modern interior design and construction. From residential homes to commercial, healthcare, and public transportation applications, their versatility and performance make them an attractive choice across sectors in India. With a wide range of finishes, designs, and specialized grades, decorative laminates continue to shape interior spaces—enhancing both functionality and aesthetics. As demand continues to rise, especially with increased infrastructure and industrial development, decorative laminates are set to remain a cornerstone of interior design innovation in India.

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Current Market Scenario

The decorative laminates market in India is witnessing steady growth, driven by rising consumer demand for aesthetically appealing and durable surfacing solutions in both residential and commercial spaces. The sector benefits from evolving interior design trends, increased urbanization, and the growing popularity of modular furniture. Advancements in manufacturing technology, design innovation, and a broader variety of textures and finishes have further enhanced the appeal of decorative laminates. Additionally, the shift towards organized retail and the expansion of distribution networks are enabling greater market penetration. Overall, the market presents a promising outlook, supported by lifestyle changes and increasing awareness of interior aesthetics.



Source: D&B Desk Research

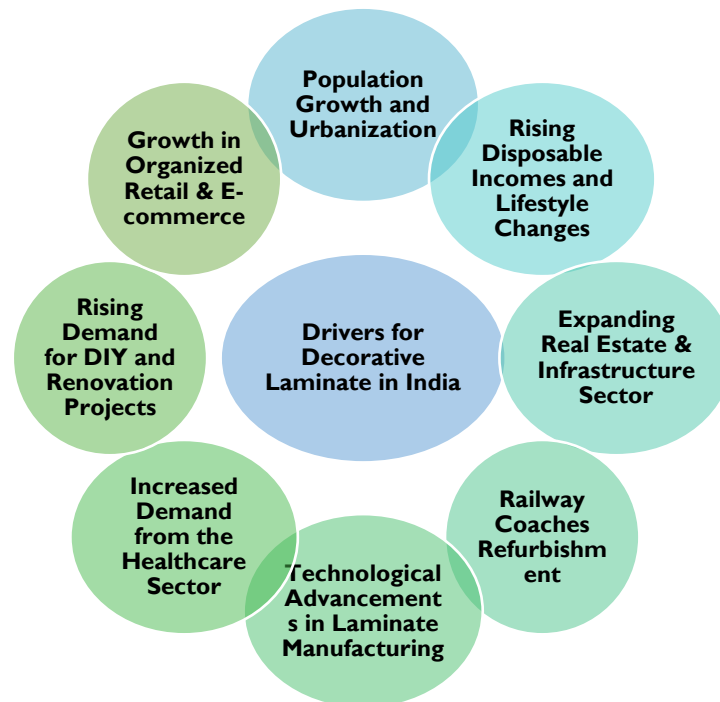
The decorative laminates market in India has shown consistent and robust growth over recent years, as illustrated by the increase in market size from **INR 12,804.40 crore in FY 2021** to **INR 16,207.00 crore in FY 2024**. This growth reflects a rising demand driven by ongoing urbanization, increasing consumer preferences for aesthetic home and office interiors, and a growing trend toward durable and low-maintenance surfacing solutions. The post-COVID recovery in real estate and furniture segments has also contributed to this upward trend, boosting consumption of decorative laminates across both residential and commercial sectors.

Furthermore, the market is projected to reach **INR 22,108.50 crore by FY 2030**, which indicates a healthy compound annual growth rate (CAGR). This forecast highlights long-term optimism around market potential, particularly fueled by innovations in design, texture, and eco-friendly materials, along with a surge in modular furniture and interior decor trends. Organized players are gaining more ground with premium product offerings and wider distribution networks, while exports are also seeing a gradual uptick. However, competition from substitutes such as veneers and digital laminates, as well as raw material price volatility, remain factors to watch. Nonetheless, the current market scenario for decorative laminates suggests a favorable and expanding landscape poised for continued momentum.

Key Demand Drivers: Decorative Laminates

India's wooden furniture market including decorative laminates is experiencing significant growth, a trend substantiated by compelling data. The nation's booming construction sector, fuelled by rapid urbanization and government initiatives, sees residential property sales and loan disbursements consistently rising, directly driving decorative laminates demand.

Some demand drivers are:



➤ Population Growth and Urbanization

- **Population Growth:** As of 2024, India's population stands at approximately 1.4 billion, maintaining its position as the most populous country globally.
- **Urbanization Rate:** India's urban population which stood at 31.1% of the total population in Census 2011 is expected to increase to 35-37% in Census 2024, indicating a rapidly urbanising India, according to SBI Research.

Implications for the Market: The increasing urban population leads to higher demand for residential and commercial spaces, thereby boosting the need for decorative laminates in interior design and furniture manufacturing.

➤ Rising Disposable Incomes and Lifestyle Changes

- **Disposable Income Growth:** India's per capita disposable income was projected to reach ₹2.14 lakh in 2023-24, reflecting an 8% growth from the previous fiscal year.
- **Consumer Spending Patterns:** Despite the growth in disposable income, factors such as inflation have impacted real wage growth, affecting consumer spending habits.

- The size of India's middle class will nearly double to 60% of its total population by 2047, up from 31% in 2020-21, which will create a higher demand for stylish, affordable building materials, including decorative laminates, in both urban and rural areas

Effect on Decorative Laminates Demand: Higher disposable incomes generally lead to increased expenditure on home décor and furnishings, positively influencing the decorative laminates market.

➤ **Expanding Real Estate & Infrastructure Sector**

Government Initiatives and Budgetary Allocations:

- **Pradhan Mantri Awas Yojana (PMAY):** In the Union Budget 2024-25, the government allocated ₹10 lakh crore for the construction of 30 million houses under PMAY in both rural and urban areas. This initiative aims to address the housing needs of urban poor and middle-class families, with ₹2.2 lakh crore earmarked as central assistance over the next five years.
- **Smart Cities Mission:** The allocation for the Smart Cities Mission was reduced to ₹2,400 crore for FY25 from ₹8,000 crore in FY24, reflecting the nearing completion of many projects under this initiative.

Impact on Decorative Laminates Market: The substantial investment in housing and urban development is expected to increase the demand for interior furnishing materials, including decorative laminates, as new residential units are constructed, and urban infrastructure is enhanced.

Refurbishment Plans for Existing Coach

Indian Railways is investing significantly in refurbishing and modernizing its coaches to improve passenger experience and safety. Despite budgetary constraints and shifts in priorities, the ongoing efforts under various projects reflect a strong commitment to enhancing the quality of rail travel in India.

Project Utkrisht

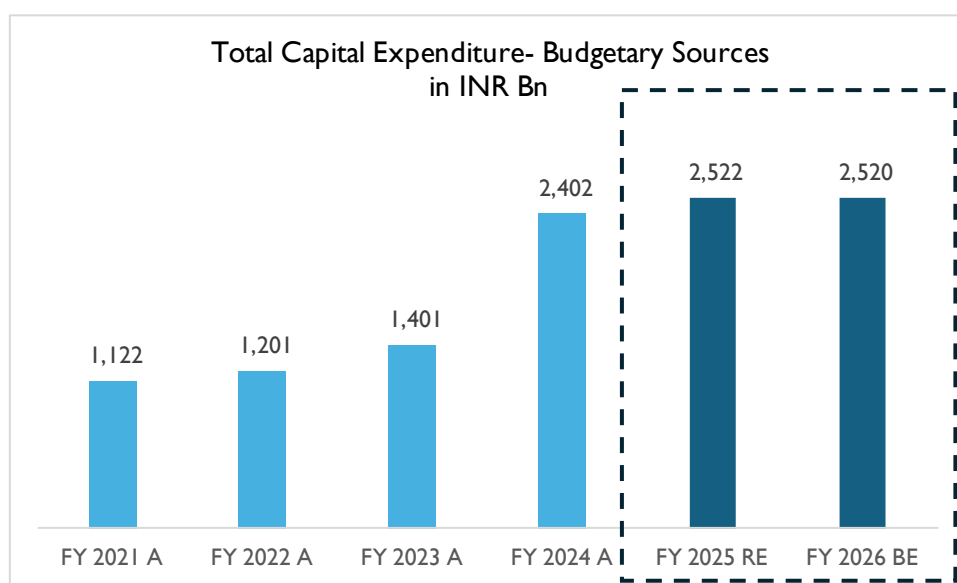
Project Utkrisht was announced in 2018 with the objective of upgrading 66,000 coaches over a span of three years. The key features of this project include improved interiors, LED lighting, modular toilets, better seating, and mobile charging points, with an estimated cost of approximately INR 6 Mn per coach. Since launch, several thousand coaches have been upgraded under this project, marking significant progress in enhancing passenger comfort and amenities.

Retrofitting and Upgradation

Ongoing since 2018, retrofitting and upgradation efforts aim to modernize older coaches by incorporating features such as charging points, better lighting, improved berth designs, and air conditioning systems. Thousands of coaches are slated to be retrofitted over the next few years, ensuring that older rolling stock meets modern standards of comfort and efficiency.

Government Budgetary Allocation to the Railway Sector

From FY 2021 to FY 2026, the union budget has significantly ramped up its allocation toward railway sector. The total outlay provided for Capital Expenditure in Budget Estimate 2025-26 of INR 2,652 Bn. The Gross Budgetary Support for Railways in FY 2025-26 stands at INR 2,520 Bn, which has reduced in compare of previous year, however the budget has significantly rise from the level of INR 1,122 Bn in FY 2021. The railway will continue to utilize the money in essential infrastructure projects like rail track expansion, rolling stock procurement, electrification, signalling improvements, and station modernisation. The Government also provided for INR 100 Bn from extra budgetary resource to meet its expenses & modernize. The total outlay also includes Nirbhaya fund of INR 2 Bn and INR 30 Bn for internal resources.



Source: Union Budget, Expenditure Profile

Note: A – Actual Capex over the years and BE – Budgeted figures

Indian Railways Budget Allocation for 2025-26: Focus on Customer Amenities and Rolling Stock

In the 2025-26 budget, Indian Railways has earmarked INR 121 Bn for customer amenities. This allocation is directed towards enhancing passenger comfort and convenience across various touchpoints of the railway network. Key investments include improved seating arrangements in coaches, enhanced sanitation facilities with bio-toilets, and upgraded waiting areas at stations equipped with comfortable seating and additional amenities. Furthermore, digital displays for real-time information on train schedules and platforms will be installed, alongside the development of mobile applications for ticket booking and service access. Provisions for differently abled passengers, such as designated seating areas and accessible toilets, as well as improved catering services offering a diverse menu, are also part of this comprehensive plan.

In addition to customer amenities, Indian Railways has allocated INR 589 Bn for rolling stock. This budget covers the procurement, manufacturing, furnishing, and refurbishment of coaches and locomotives. The rolling stock budget focuses on acquiring new coaches and locomotives, refurbishing, and upgrading existing rolling stock, enhancing the interior fittings of coaches to improve passenger comfort, and

enhance number of tracks during FY 2025-26. Maintenance and repairs of rolling stock are also prioritized to ensure the operational efficiency and safety of trains.

This will result in increased efficiency for both freight and passenger service. Together, these allocations reflect Indian Railways' commitment to improving the travel experience for passengers. The significant investment in customer amenities aims to provide a more comfortable, hygienic, and accessible journey, while the focus on rolling stock ensures that the infrastructure supporting these services is modern, reliable, and safe. These budgetary provisions underscore a strategic approach to enhancing both passenger satisfaction and operational excellence in the railway network.

➤ **Technological Advancements in Laminate Manufacturing**

- **Innovations in Laminates:** The development of anti-bacterial, fire-retardant, and eco-friendly laminates has expanded their applications in sectors like healthcare and hospitality. Advancements in digital printing technology have enabled manufacturers to offer customized textures and patterns, enhancing consumer appeal
- **Advanced Manufacturing:** The Ministry of MSME (Micro, Small, and Medium Enterprises) has highlighted several government-backed programs to modernize manufacturing industries. The adoption of new technologies, like digital printing on laminates, has made it easier to produce innovative and customized decorative laminates, driving demand in various sectors, including residential, commercial, and healthcare.

➤ **Increased Demand from the Healthcare Sector**

- **Healthcare Growth:** According to the Ministry of Health and Family Welfare, India's healthcare sector is expected to reach \$372 billion by 2022. This increase in healthcare infrastructure creates demand for materials like decorative laminates, particularly in furniture and wall cladding applications, which must be durable, hygienic, and easy to maintain.
- **Example:** The use of decorative laminates in healthcare institutions, such as hospitals and clinics, is growing due to their resistance to moisture, easy maintenance, and aesthetically pleasing designs.

➤ **Rising Demand for DIY and Renovation Projects**

- **DIY Growth:** The Ministry of Housing and Urban Affairs reports an increasing trend of home renovations in India, fuelled by a growing middle class and more disposable income. As DIY home improvement projects rise, there is a greater reliance on affordable and stylish materials like decorative laminates.
- **Example:** Online retail platforms like Flipkart and Amazon report a sharp increase in the sale of home improvement products, including laminates, as more homeowners engage in DIY projects to personalize their living spaces.

➤ **Growth in Organized Retail & E-commerce**

- Retail Expansion: The rise of home improvement retail chains and online platforms has improved accessibility to a variety of laminate products.
- E-commerce Influence: Online platforms are extending the reach of decorative laminates beyond metropolitan areas to Tier 2 and Tier 3 cities, broadening the customer base.

Resulting Market Growth: Enhanced distribution channels are facilitating increased consumer access and convenience, contributing to market expansion

Regulatory landscape

The laminates industry in India operates within a stringent regulatory framework that governs various aspects such as environmental sustainability, taxation, trade policies, quality control, labour laws, and corporate social responsibility. These regulations directly impact the production, pricing, market competitiveness, and long-term growth of the industry. Below is an in-depth analysis of the key regulatory factors influencing the laminates industry:



- **Environmental Regulations:** Environmental compliance plays a crucial role in the laminates industry due to the significant use of chemicals, resins, and adhesives in manufacturing processes. The Environment (Protection) Act, 1986 serves as an overarching legislation that mandates strict pollution control measures. Laminates manufacturers must also adhere to the Air (Prevention and Control of Pollution) Act, 1981 and the Water (Prevention and Control of Pollution) Act, 1974, which regulate emissions, effluents, and waste disposal. For instance, companies like Greenlam and Century Ply have adopted low-emission laminate production techniques and formaldehyde-free resins to comply with evolving environmental norms. Additionally, several manufacturers are shifting towards eco-friendly laminates, which use recycled raw materials and reduce carbon footprints. Failure to meet environmental compliance can result in hefty penalties or even shutdowns imposed by regulatory bodies like the Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs).
- **Goods and Services Tax (GST) & Taxation Policies:** The introduction of Goods and Services Tax (GST) has streamlined taxation in the laminates sector, replacing multiple indirect taxes such as excise duty, VAT, and service tax. The current GST rate for decorative laminates is 18%, which affects their pricing and affordability in the market. For instance, while GST has simplified tax compliance, it has also increased input costs for small-scale laminate manufacturers who previously benefited from lower VAT rates in some states. However, companies leveraging input tax credit (ITC) benefit by

offsetting their tax liabilities against raw material purchases, making their products more competitively priced.

- **Import and Export Policies:** The Directorate General of Foreign Trade (DGFT) and Customs Department of India regulate the import of raw materials such as kraft paper, resins, and adhesives—key components in laminate production. Policies like high import duties on phenolic resins and melamine impact production costs, making domestic sourcing more viable. On the export front, initiatives like the Remission of Duties and Taxes on Exported Products (RoDTEP) scheme provide incentives to laminate manufacturers exporting finished goods. For example, companies like Merino Laminates and Stylam Industries have successfully expanded into global markets due to favourable trade policies and export-oriented production facilities.
- **Quality Standards and Certification Requirements:** The Bureau of Indian Standards (BIS) mandates that laminate manufacturers comply with specific quality standards, ensuring product durability, fire resistance, and eco-friendliness. The key BIS standard for laminates is IS 2046:1995, which governs the specifications for decorative thermosetting synthetic resin-bonded laminated sheets. Moreover, new regulations require resin-treated compressed wood laminates to obtain BIS certification from January 2025. This ensures that laminates used in furniture, flooring, and construction meet safety and performance benchmarks. Non-compliance with BIS standards can lead to restrictions on product sales and loss of credibility in the market.
- **Labor Laws and Worker Welfare:** The laminates industry is labour-intensive, with thousands of workers involved in manufacturing, polishing, and finishing processes. Companies must comply with The Factories Act, 1948, The Minimum Wages Act, 1948, and The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 to ensure fair wages, safe working conditions, and social security benefits for workers.

For example, leading laminate brands have invested in automated production lines and safety training programs to enhance worker productivity while complying with government-mandated occupational safety norms. Non-adherence to labour laws can result in penalties, legal action, or factory closures by government authorities.
- **Corporate Social Responsibility (CSR) Obligations:** Under the Companies Act, 2013, businesses with a net profit exceeding ₹5 crore must allocate 2% of their average net profit towards Corporate Social Responsibility (CSR) activities. Many laminate manufacturers invest in afforestation programs, skill development initiatives, and renewable energy projects as part of their CSR obligations. For instance, Greenlam Industries has undertaken initiatives to reduce its carbon footprint by planting trees and switching to energy-efficient machinery. Such CSR efforts not only fulfil regulatory requirements but also enhance brand reputation and attract eco-conscious consumers.

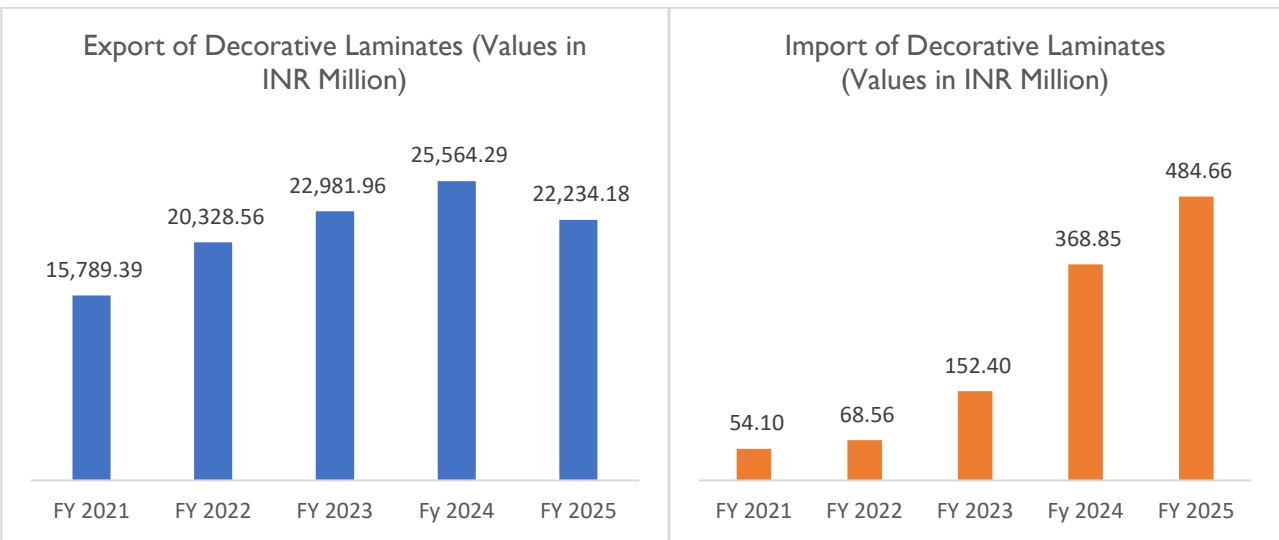
Trade Scenario: Decorative Laminates

The trade scenario for laminates in India is characterized by a dynamic interplay of domestic production, imports, and exports, driven by the country's booming construction and interior design sectors. India has a well-established and expanding laminate manufacturing industry. Domestic producers cater to a wide range of needs, from standard decorative laminates to specialized industrial laminates. The domestic market is driven by increasing demand from residential, commercial, and industrial construction projects.

India imports certain specialized laminates that are not readily available domestically. This includes high-pressure laminates for specific industrial applications and unique decorative laminates with specialized finishes. Imports can also be driven by competitive pricing, with some foreign manufacturers offering laminates at lower costs than domestic producers. On the other hand, India's laminate exports are gradually increasing, driven by the growing competitiveness of domestic manufacturers. Key export destinations include neighbouring countries in South Asia, as well as markets in the Middle East and Africa.

Annual Export of Decorative Laminates from India & last 5-year growth trend

The charts presented above illustrate the Export and Import trends of Decorative Laminates under **HS Code 48239019**, corresponding to the commodity name **"Decorative Laminates"**, over the financial years FY 2021 to FY 2025. The data encompasses **both value (in INR Million)** and **quantity (in Million units)**, offering a comprehensive overview of trade performance for this specific product category. These trends provide key insights into the global demand, domestic manufacturing capabilities, and evolving trade dynamics associated with decorative laminates during the specified period.

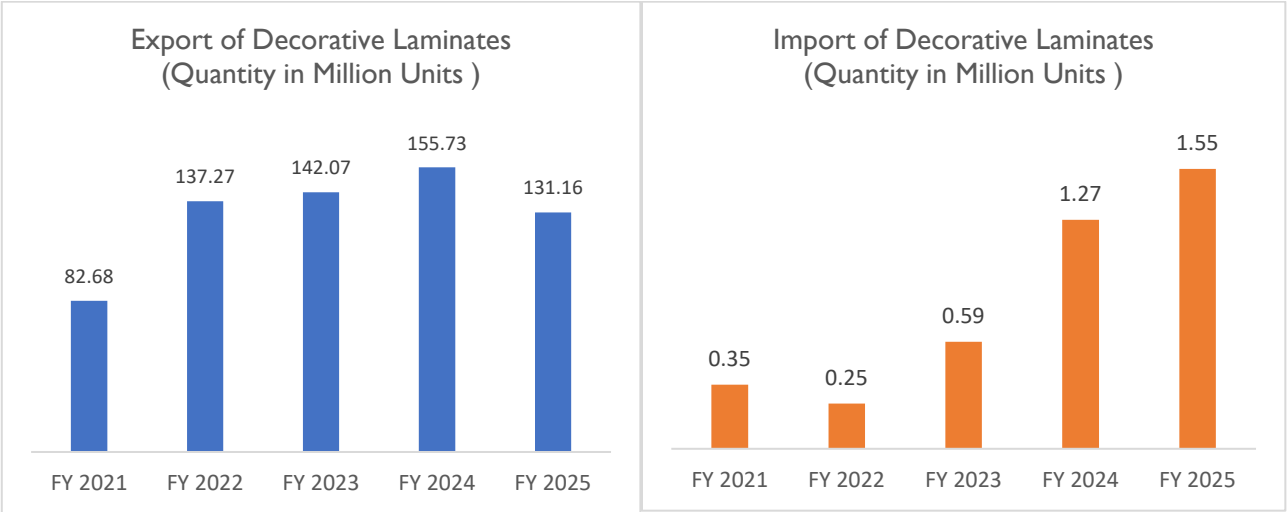


Sources: Ministry of Commerce & Industry, Trade Statistics

The export value of decorative laminates has exhibited a generally positive trajectory over the five-year period, peaking in FY 2024. Starting at INR 15,789.39 million in FY 2021, exports rose steadily to INR 20,328.56 million in FY 2022, followed by a further increase to INR 22,981.96 million in FY 2023. The value reached its highest point in FY 2024 at INR 25,564.29 million. However, in FY 2025, exports experienced a decline to INR 22,234.18 million. Despite this downturn, the FY 2025 export value remains significantly higher than that of FY 2021, reflecting sustained growth over the longer term.

Throughout the same period, the value of imports remained substantially lower than that of exports but demonstrated a consistent and strong upward trend. Imports stood at INR 54.10 million in FY 2021 and increased modestly to INR 68.56 million in FY 2022. This growth accelerated in subsequent years, with values rising to INR 152.40 million in FY 2023, INR 368.85 million in FY 2024, and reaching INR 484.66 million in FY 2025.

Overall, while the export market for decorative laminates has maintained a strong position despite a recent decline, the import market has shown steady and robust growth. The increasing import values, albeit from a low base, suggest a rising domestic demand for imported decorative laminates in parallel with strong export performance.



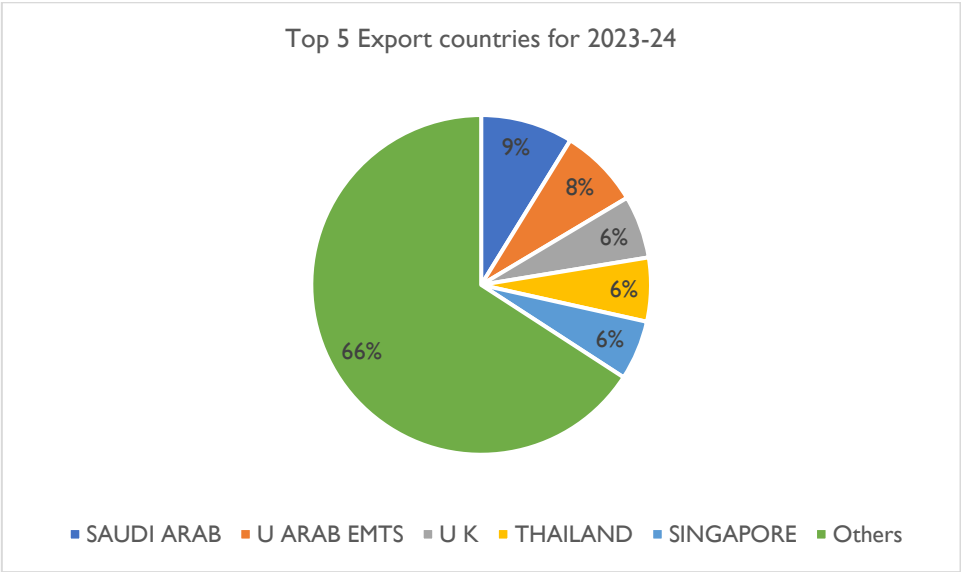
Sources: Ministry of Commerce & Industry, Trade Statistics

Between FY 2021 and FY 2024, the export of decorative laminates demonstrated a clear upward trajectory. Exports rose from 82.68 million units in FY 2021 to 137.27 million units in FY 2022, followed by a moderate increase to 142.07 million units in FY 2023. The growth culminated in FY 2024, reaching a peak of 155.73 million units. However, in FY 2025, exports witnessed a notable decline, falling to 131.16 million units.

In contrast, imports remained substantially lower than exports throughout the period but showed a consistent upward trend. Beginning at 0.35 million units in FY 2021, imports slightly declined to 0.25 million units in FY 2022. Thereafter, a steady increase was observed—rising to 0.59 million units in FY 2023, surging to 1.27 million units in FY 2024, and further climbing to 1.55 million units in FY 2025.

In summary, the export market for decorative laminates exhibited strong growth up to FY 2024 before experiencing a contraction in FY 2025. Conversely, imports, while relatively minimal in volume, have shown continuous growth over the five-year period. These trends indicate a robust domestic production base with a dominant export orientation, alongside a gradually increasing but still limited reliance on imports.

Top 5 Export Destination: Decorative Laminates



Sources: Ministry of Commerce & Industry, Trade Statistics

During 2023-24, the export landscape was dominated by a diverse group of countries categorized as "Others," accounting for a substantial 66% of total exports. Among individual nations, Saudi Arabia emerged as the leading export destination with 9%, closely followed by the U Arab Emirates at 8%. The UK, Thailand, and Singapore each held a 6% share of exports. This data reveals a broad distribution of exports, with a significant portion directed towards a wide array of countries beyond the top individual partners, while Saudi Arabia and the U Arab Emirates stand out as key destinations.

The top destinations of export for Decorative Laminates are Saudi Arab, UAE, Thailand, UK and Singapore.

I. Saudi Arab

Year	Value (INR Cr)
2021-22	187.95
2022-23	225.89
2023-24	225.51
2024-25 (Apr-Nov)	154.09

The export of decorative laminates to Saudi Arabia has shown a fluctuating trend over the past few years. In 2021-22, the export value stood at **INR 187.95 crore**, which saw a significant increase of **20.18%** in 2022-23, reaching **INR 225.89 crore**. However, in 2023-24, the exports remained nearly stable but experienced a marginal decline to **INR 225.51 crore**. For the financial year 2024-25 (April to November), the export value so far is **INR 154.09 crore**. If this trend continues, the projected annual total may fall between **INR 205-210 crore**, indicating a possible decline compared to previous years. This slowdown could be attributed to factors such as market demand fluctuations, trade regulations, or increasing competition in the region.

2. UAE

Year	Value (INR Cr)
2021-22	104.29
2022-23	154.70
2023-24	195.65
2024-25 (Apr-Nov)	146.67

The export of decorative laminates to the UAE has shown a strong upward trend over the past few years. In **2021-22**, the export value was **INR 104.29 crore**, which increased significantly by **48.3%** in **2022-23**, reaching **INR 154.70 crore**. This growth continued into **2023-24**, with exports rising further to **INR 195.65 crore**, marking a **26.5% increase** from the previous year. However, for **2024-25 (April to November)**, the recorded export value so far is **INR 146.67 crore**. If the same pace continues for the rest of the year, the total export value may reach approximately **INR 195-200 crore**, similar to the previous year. This suggests that while exports to the UAE have been growing steadily, the pace of growth may be slowing down. Factors such as market saturation, economic conditions, or increased competition could be influencing this trend.

3. Thailand

Year	Value (INR Cr)
2021-22	10,777.72
2022-23	13,241.80
2023-24	15,575.12
2024-25 (Apr-Nov)	12,697.57

The export of decorative laminates to Thailand has shown a consistent upward trend over the years. In **2021-22**, the export value stood at **INR 10,777.72 crore**, which saw a significant increase of **22.9%** in **2022-23**, reaching **INR 13,241.80 crore**. This growth continued into **2023-24**, with exports rising further to **INR 15,575.12 crore**, reflecting a **17.6% increase** compared to the previous year. For **2024-25 (April to November)**, the recorded export value so far is **INR 12,697.57 crore**. If this trend continues, the projected annual export value could reach around **INR 17,000 crore**, indicating further growth. This steady rise highlights Thailand as a key export destination with increasing demand for decorative laminates, potentially driven by infrastructure development, interior design trends, and expanding commercial projects.

4. UK

Year	Value (INR Cr)
2021-22	14,751.62
2022-23	11,195.35
2023-24	15,315.55
2024-25 (Apr-Nov)	13,602.48

The export of decorative laminates to the UK has shown fluctuations over the past few years. In **2021-22**, the export value stood at **INR 14,751.62 crore**. However, in **2022-23**, exports saw a sharp decline of **24.1%**, dropping to **INR 11,195.35 crore**. Despite this dip, the exports rebounded strongly in **2023-24**, reaching **INR 15,315.55 crore**, marking a **36.8% increase** from the previous year. For **2024-25 (April to November)**, the recorded export value so far is **INR 13,602.48 crore**. If this trend continues, the total exports for the year could surpass **INR 17,000 crore**, indicating steady recovery and potential growth. The fluctuations in exports could be attributed to economic conditions, demand variations, or changes in trade policies affecting the UK market.

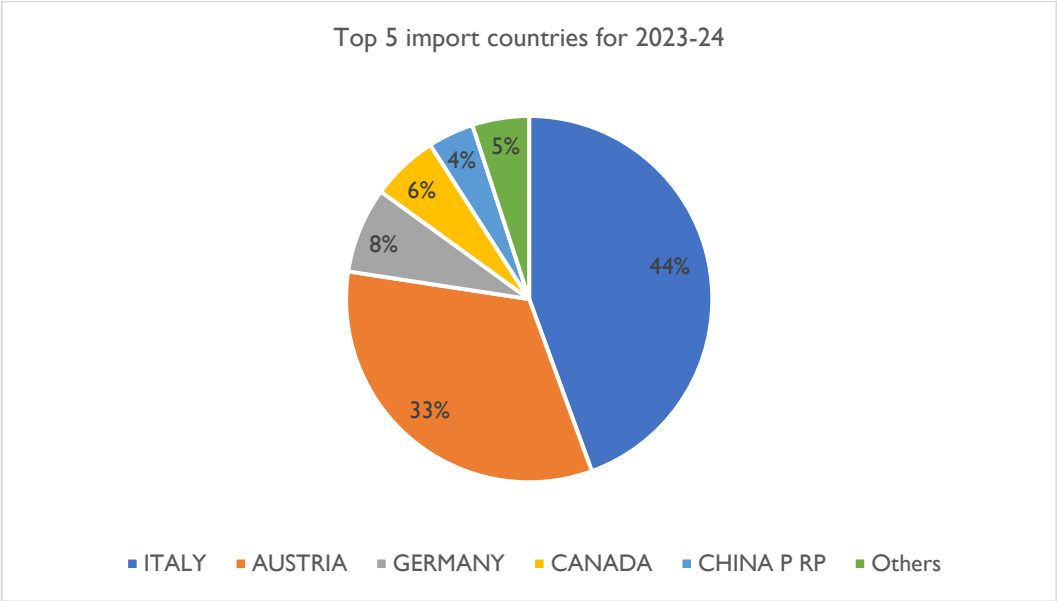
5. Singapore

Year	Value (INR Cr)
2021-22	12,378.82
2022-23	13,525.69
2023-24	14,545.50
2024-25 (Apr-Nov)	10,684.76

The export of decorative laminates to **Singapore** has shown a steady increase over the past few years. In **2021-22**, the export value was **INR 12,378.82 crore**, which increased to **INR 13,525.69 crore** in **2022-23**, reflecting a **9.3% growth**. The upward trend continued in **2023-24**, with exports reaching **INR 14,545.50 crore**, marking a **7.5% increase** from the previous year.

For **2024-25 (April to November)**, the recorded exports so far stand at **INR 10,684.76 crore**. If this trend continues, the total exports for the year could be close to **INR 14,000 crore**, indicating a slight dip compared to the previous year. However, the overall trend suggests a positive market presence in Singapore, with consistent demand for decorative laminates.

Top 5 Import Destination: Decorative Laminates



During the period of 2023-24, the distribution of the top 5 import countries reveals that Italy was the leading source of imports, constituting 44% of the total. Austria followed as the second most significant import country, accounting for 33%. Germany, Canada, and China P R P represented 8%, 6%, and 4% of the imports, respectively. The remaining import countries collectively made up 5% of the total imports.

The top destinations of import for Decorative Laminates are Italy, Germany, China, Thailand and UAE.

I Italy

Year	Value (INR Cr)
2021-22	3.34
2022-23	9.27
2023-24	16.32
2024-25 (Apr-Nov)	8.40

Italy has experienced a steady increase in the import of decorative laminates from India over the past few years. In the financial year 2021-22, the import value was ₹3.34 crore, which increased to ₹9.27 crore in 2022-23. This growth continued into 2023-24, with imports reaching ₹16.32 crore. For 2024-25 (Apr-Nov), the import value stands at ₹8.40 crore, indicating a continuation of this trend. The increase in imports may be driven by India's expanding presence in the global laminate industry, competitive pricing, and demand for decorative materials in Italy’s interior and furniture sector. India's developments in laminate production and design innovation could also be contributing factors. However, global trade conditions, currency exchange rates, and shifting market preferences in Italy remain important factors to consider for future trade prospects.

2 Austria

Year	Value (INR Cr)
2021-22	NA
2022-23	NA
2023-24	12.11
2024-25 (Apr-Nov)	26.59

*NA represents Not Available

The import data for decorative laminates from Austria shows a notable upward trend in recent years. In 2021-22 and 2022-23, the values were not mentioned in the import data. However, in 2023-24, imports were recorded at INR 12.11 crore, marking the beginning of documented trade. This growth continued into 2024-25 (Apr-Nov), with the import value rising significantly to INR 26.59 crore. The sharp increase suggests a growing reliance on Austria as a supplier, potentially due to factors such as product quality, pricing advantages, or evolving market demand. If this trend persists, Austria could emerge as a more prominent source for decorative laminates in the future.

3 Germany

Year	Value (INR Cr)
2021-22	0.007
2022-23	0.04
2023-24	2.78
2024-25 (Apr-Nov)	0.14

Germany's import of decorative laminates from India has shown fluctuations over the past few years. In 2021-22, the import value was ₹0.007 crore, which increased to ₹0.04 crore in 2022-23. A notable rise was observed in 2023-24, with imports reaching ₹2.78 crore, indicating increased demand. However, for 2024-25 (Apr-Nov), the import value stands at ₹0.14 crore, reflecting a slowdown compared to the previous year. The significant increase in 2023-24 suggests growing interest in Indian laminates, possibly due to factors such as competitive pricing, product quality, or diversification of supply chains. The recent decline in 2024-25 could be influenced by shifting trade preferences, inventory adjustments, or market conditions in Germany. Monitoring demand trends, trade policies, and competition from European manufacturers will be essential for assessing future export opportunities in this market.

4 Canada

Year	Value (INR Cr)
2021-22	1.63
2022-23	NA
2023-24	2.18
2024-25 (Apr-Nov)	NA

*NA represents Not Available

In 2021-22, the import value was INR 1.63 Cr. While data for 2022-23 and 2024-25 (April-Nov) is not available (NA), the import value increased to INR 2.18 Cr in 2023-24. This suggests a potential upward trend in imports from Canada, although the lack of complete data limits a more comprehensive analysis.

5 China

Year	Value (INR Cr)
2021-22	1.17
2022-23	1.24
2023-24	1.49
2024-25 (Apr-Nov)	0.59

The import data from China indicates a consistent rise over the years, reflecting an increasing demand or reliance on Chinese goods. In **2021-22**, imports stood at **INR 1.17 crore**, which grew to **INR 1.24 crore** in **2022-23**, showing a moderate increase. The upward trend continued in **2023-24**, reaching **INR 1.49 crore**, indicating a stronger growth rate. However, for **2024-25 (April-November)**, the recorded import value is **INR 0.59 crore**. If this trend continues, the total imports for the full year may be lower than the previous year, suggesting a possible slowdown.

Key Production Regions Where Decorative Laminates Production is Concentrated

To assess the regional production dynamics of the Indian decorative laminates industry, hence mapped the manufacturing plant locations of major industry players including **Archidply Industries Ltd., Rushil Décor Ltd., Merino Laminates, Century Plyboards (India) Ltd., Greenlam Industries Ltd., Stylam Industries Ltd. And Other major players**. These manufacturers operate strategically across various regions, ensuring widespread production and supply capabilities.

This analysis is based on the assumption that the presence and number of manufacturing units in a particular region indicate a proportional share in the overall production output. Accordingly, India is segmented into **North, South, West, and East** zones to estimate region-wise production.

1. Northern Region

The Northern region emerges as a dominant production hub, given the strong presence of multiple manufacturing facilities:

- **Archidply Industries Ltd** – Rudrapur, Uttarakhand
- **Merino Laminates** – Rohad, Haryana
- **Stylam Industries Ltd.** – Manak Tabra, Panchkula, Haryana
- **Greenlam Industries Ltd.** – Nalagarh, Himachal Pradesh
- **Manilam Industries India Ltd** – Bareilly, Uttar Pradesh

This cluster of plants—especially Stylam’s massive facility spread over 44 acres—contributes significantly to the total laminate production in India. The North benefits from established industrial infrastructure, access to raw materials, and connectivity to major consumer markets in Delhi NCR and surrounding states.

2. Western Region

The Western region also holds a strong position in production capacity, particularly due to the concentration of plants in Gujarat:

- **Rushil Décor Ltd** – Gandhinagar, Gujarat
- **Merino Laminates** – Dahej and Halol, Gujarat
- **Greenlam Industries Ltd.** – Prantij, Gujarat
- **Century Plyboards (India) Ltd.** – Gujarat (specific location not disclosed)

The presence of ports and industrial corridors in Gujarat facilitates efficient logistics and export activities, making it a preferred region for large-scale manufacturing.

3. Southern Region

The Southern region contributes to a considerable share of production as well:

- **Archidply Industries Ltd-** Chintamani, Karnataka
- **Merino Laminates** – Hosur, Tamil Nadu
- **Greenlam Industries Ltd.** – Naidupeta, Andhra Pradesh
- **Century Plyboards (India) Ltd.** – Andhra Pradesh

These locations ensure coverage of the rapidly growing southern market and support exports via southern ports. Additionally, proximity to raw materials and developing industrial belts has made the region increasingly attractive for laminate manufacturers.

4. Eastern Region

The Eastern region, while not as dense in terms of plant concentration, is still significant due to the presence of one of the leading players:

- **Century Plyboards (India) Ltd.** – West Bengal and Assam

Century Ply's facilities in this region enable penetration into Northeast India and provide strategic advantages for exports to Southeast Asian markets.

Based on the spatial distribution of manufacturing plants, we estimate the **Northern and Western regions** to collectively account for the **highest share in domestic laminate production**, driven by the number of facilities and their respective scales. **Southern India** follows with substantial capacity, supported by strategic locations for regional supply and exports. **Eastern India**, while smaller in scale, plays a pivotal role in regional distribution and international connectivity via eastern ports.

This regional mapping helps in understanding the decentralized yet strategically positioned manufacturing infrastructure of India's decorative laminates industry, and provides valuable insight for stakeholders planning expansion, distribution, or partnership strategies.

Key Factors Influencing These Regions Include:

1. Northern Region (Haryana, Himachal Pradesh, Uttar Pradesh)

- Proximity to Major Markets: Delhi NCR and surrounding states provide strong demand.
- Established Industrial Infrastructure: Presence of large-scale industrial zones.
- Workforce Availability: Skilled and semi-skilled labour is easily accessible.
- Large Plant Footprints: Stylam's facility is among the largest in Asia, boosting capacity.

2. Western Region (Gujarat)

- Port Connectivity: Access to ports like Mundra and Kandla facilitates exports.
- Government Incentives: Gujarat's pro-industry policies encourage manufacturing.
- Raw Material Availability: Easy access to paper, resins, and chemicals.
- Cluster Development: Growing ecosystem of allied industries.

3. Southern Region (Tamil Nadu, Andhra Pradesh)

- Access to Coastal Ports: Enables efficient international shipping.
- Emerging Industrial Hubs: Hosur and Naidupeta are rising as major manufacturing zones.
- Supportive State Policies: Tamil Nadu and Andhra Pradesh offer incentives for setting up manufacturing.
- Market Expansion: Rapid infrastructure and real estate growth fuelling demand.

4. Eastern Region (West Bengal, Assam)

- Strategic Gateway to Northeast India: Facilitates regional distribution.
- Export Access to Southeast Asia: Especially via Kolkata and Haldia ports.
- Government Focus on Industrialization: Policies promoting eastern growth.
- Lower Operational Costs: Competitive wage structures and land costs.

Threats & Challenges

Threats

Raw Material Price Volatility & Supply Chain Disruptions

- The laminates industry heavily depends on imported kraft paper, resins, and decorative paper, making it vulnerable to currency fluctuations and supply chain disruptions. During the COVID-19 pandemic, supply chain bottlenecks led to a sharp increase in resin and decorative paper prices. The Russia-Ukraine war further impacted the cost of resin, which is derived from petroleum-based products. Companies had to increase product prices due to raw material inflation, impacting demand.

Competition from Low-Cost Substitutes

- Alternative materials such as acrylic panels, PVC sheets, wood veneers, and engineered wood panels are replacing laminates in various applications. Many high-end furniture brands are shifting to natural veneers for premium aesthetics, while acrylic panels are becoming popular for high-gloss kitchen interiors.
- The rise of PVC laminates in modular kitchens and furniture is impacting the demand for traditional laminates, especially in urban markets.

Stringent Environmental Regulations

- The Central Pollution Control Board (CPCB) and State Pollution Control Boards (SPCBs) have enforced strict formaldehyde emission norms due to the health risks associated with traditional laminates.
- Consumers are becoming more conscious of sustainable alternatives, pressuring companies to shift towards low-emission, eco-friendly products.

High GST Rate & Taxation Policies

- Decorative laminates fall under the 18% GST slab, making them more expensive than some competing materials. Small-scale manufacturers and retailers struggle with high working capital requirements due to delayed GST refunds, impacting their cash flow.
- The industry has urged the government to reconsider lowering the GST rate to 12% to boost affordability and demand.

Fluctuations in Export Demand

- India exports laminates to countries in Europe, the US, and the Middle East, but export demand is highly dependent on global economic conditions. In 2023, demand for Indian laminates declined in the European market due to an economic slowdown and rising competition from Chinese manufacturers offering cheaper alternatives.
- The fluctuating Indian Rupee against the US Dollar also impacts the profitability of exports.

Challenges

Increasing Competition from the Unorganized Sector

- The Indian laminates industry has a large unorganized segment, where smaller players operate at lower costs by using cheaper raw materials and avoiding taxation.
- Unbranded laminates available in local markets at 20-30% lower prices than premium brands attract budget-conscious consumers, affecting sales of established brands like Merino, Greenlam, and Century Ply.

Cyclical Demand in Real Estate & Furniture Industry

- The laminates industry is directly linked to real estate and furniture demand. Economic slowdowns, rising home loan interest rates, and delayed construction projects affect demand.
- In 2022, due to high inflation and interest rate hikes, housing demand slowed down, impacting the demand for laminates in modular kitchens, wardrobes, and office furniture.

Evolving Consumer Preferences & Technological Disruptions

- Consumers are shifting towards anti-bacterial, anti-scratch, fire-resistant, and waterproof laminates, requiring manufacturers to invest heavily in R&D.
- The rise of digital printing technology has also forced traditional laminate manufacturers to upgrade their production techniques.

Rising Labor Costs & Shortage of Skilled Workforce

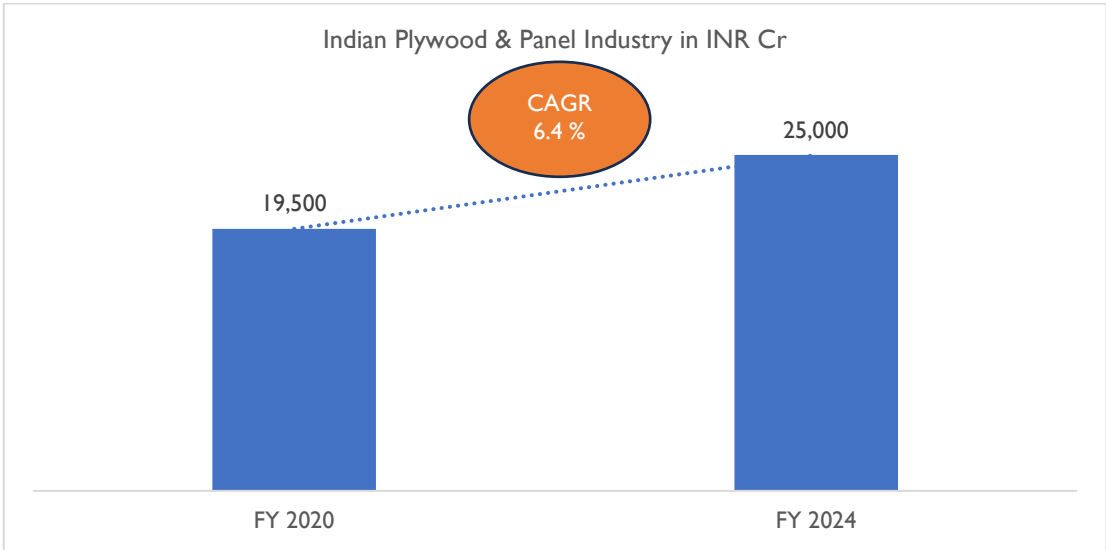
- The laminates industry requires skilled workers for precision manufacturing, quality control, and installation, but labor shortages and increasing wages are driving up costs.
- In some states, companies struggle to find skilled workers, leading to higher wages and operational inefficiencies.
- Many businesses are now automating certain production processes, but this requires high capital investment, making it difficult for smaller players to compete.

Logistics & Distribution Challenges

- High fuel costs, fragmented transportation networks, and inefficient warehousing add to the cost of laminates distribution, particularly in tier-2 and tier-3 cities.
- In remote regions, transportation costs can increase laminate prices by 10-15%, making it difficult for companies to expand into rural markets.

Market Scenario: Plywood & Panel Industry

The Indian plywood & panel industry has grown steadily over recent years, expanding from INR 19,500 Crore in FY 2020 to INR 25,000 Crore in FY 2024, registering a compound annual growth rate (CAGR) of 6.4%. This growth reflects rising construction activities, increased urbanization, and a shift in consumer preference towards quality, durable, and aesthetically pleasing wood-based interior products.



Source: Federation of Indian Plywood & Panel Industry

The industry’s CAGR of 6.4% between FY 2020 and FY 2024 signifies a healthy and sustained expansion, especially in a market traditionally dominated by unorganized players. The upward trajectory is being driven by factors such as the growing middle-class population, expansion of the real estate and infrastructure sectors, and rising demand for modular and customized furniture.

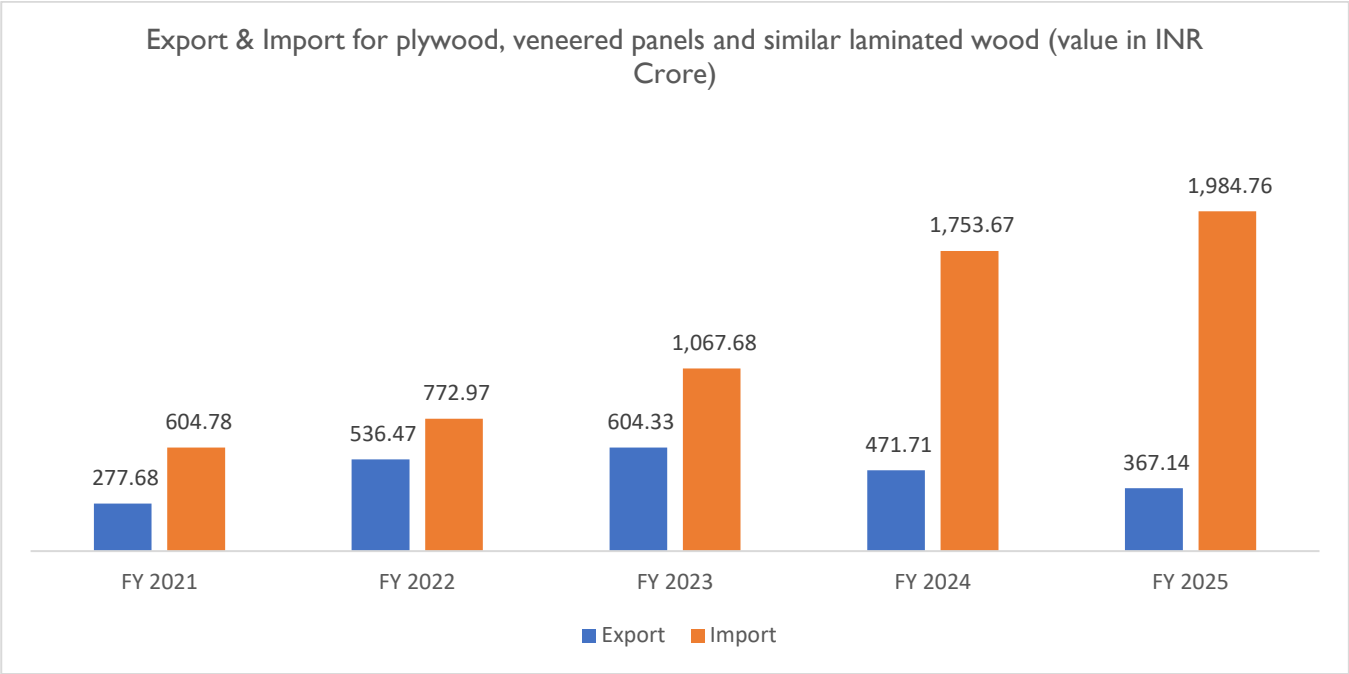
Increased awareness of branded and eco-certified products is also pushing demand toward organized and formalized manufacturers. Furthermore, the government's emphasis on affordable housing, smart cities, and rural infrastructure development has significantly contributed to the rising consumption of plywood and panels across both urban and semi-urban areas. This sector is also witnessing technological innovations, such as moisture-resistant and termite-proof panels, which are increasing product longevity and customer satisfaction.

Despite global uncertainties and supply chain challenges, the plywood & panel industry in India is positioned for further growth, supported by a strong domestic demand base, evolving consumer preferences, and policy support aimed at strengthening local manufacturing.

**Exports and Imports of Plywood, Veneered Panels, and Similar Laminated Wood from India:
Annual Values and Historical Trends**

Analysing India's plywood export and import landscape reveals a dynamic trade scenario influenced by domestic demand, raw material availability, and global market trends. India typically experiences a higher value of plywood imports compared to exports, indicating a strong domestic demand. India sources plywood from a diverse range of countries, including Nepal, Vietnam, China, Indonesia, and Malaysia. Imports are generally of a higher value than exports. India imports plywood to meet domestic demand, especially for specialized or high-quality varieties.

India has consistently experienced a trade deficit in this category over the observed period. Import values have significantly exceeded export values every year, indicating a strong domestic reliance on foreign sources for plywood and related products.



India's trade performance in the category of **Plywood, Veneered Panels, and Similar Laminated Wood (HS Code 4412)** has shown a consistent and widening trade imbalance over the period from FY 2021 to FY 2025. While export values rose initially—from INR 277.68 crore in FY 2021 to a peak of INR 604.33 crore in FY 2023—they have since witnessed a decline, falling to INR 471.71 crore in FY 2024 and further to INR 367.14 crore in FY 2025. This decline may point to growing global competition, loss of market share, or supply-side challenges within the Indian manufacturing sector.

On the other hand, imports have shown a steep and uninterrupted growth trajectory, climbing from INR 604.78 crore in FY 2021 to INR 1,984.76 crore in FY 2025. This more than threefold increase indicates a strong domestic demand for these wood products, possibly driven by the construction, interior design, and infrastructure sectors. The consistent rise in imports coupled with declining exports underscores the need for India to strengthen its domestic production capacities, improve export competitiveness, and explore strategic trade interventions to reduce reliance on foreign suppliers.

Competitive Landscape

The **laminates industry in India** are an essential component of the country's construction and interior decor sectors. Driven by rapid **urbanization, infrastructure development, and rising disposable income**, the industry has witnessed significant growth in the past decade. The demand for aesthetically appealing yet durable surface materials has increased, boosting the adoption of plywood and laminates in **residential, commercial, and industrial applications**. The growing preference for **modular furniture, premium home décor, and eco-friendly materials** has further fuelled industry expansion.

The Indian laminate industry is highly competitive, influenced by several factors that drive market dynamics. The key players, including **Greenlam, Merino, Century Ply, Virgo, Manilam**, compete based on innovation, pricing, distribution, and branding.

The **laminates industry in India** is a highly competitive and fragmented market, driven by growth in the **real estate, furniture, and interior design sectors**. The competition is shaped by **product innovation, pricing, branding, and distribution networks**. A mix of large organized players and regional/unorganized manufacturers dominates the market.

Sustainability and eco-friendliness are becoming **key focus areas** for leading companies. The plywood industry is increasingly shifting towards **low-formaldehyde emission products, FSC-certified wood sourcing, and recyclable laminates** to meet environmental regulations and growing consumer awareness. Some players, like **Greenlam and Century Ply**, are investing in **low-VOC (volatile organic compound) laminates** and energy-efficient manufacturing processes to gain a competitive edge.

With the **rise of e-commerce and digital platforms**, the way consumers purchase plywood and laminates is evolving. While the industry traditionally relied on **dealers and distributors**, companies are now focusing on **direct-to-consumer (D2C) sales, online retail, and augmented reality-based visualization tools** to enhance the buying experience. Additionally, the growing demand for **customized laminates and pre-laminated boards** in modular furniture has led manufacturers to adopt **advanced digital printing and surface treatment technologies**.

Analysis of Key Factors Shaping Competition in the Sector



- **Product Innovation & Technological Advancements:**
 - **High-Pressure & Specialty Laminates:** Growth in scratch-resistant, anti-fingerprint, antibacterial, and digital print laminates.
 - **Smart Surfaces:** Touch-sensitive, fire-resistant, and moisture-proof surfaces are gaining demand.
 - **Customization & Digital Printing:** Increased demand for customized laminate designs and digitally printed veneers for premium interiors.
 - **Eco-Friendly & Low-VOC Products:** Rising consumer demand for formaldehyde-free plywood & low-emission laminates due to health concerns.
- **Manufacturing Capability & Cost Efficiency:**
 - **Backward Integration:** Major players like Greenlam and Century Ply have integrated raw material procurement and production to control costs.
 - **Automation & Smart Manufacturing:** AI-driven quality checks and automated pressing technologies improve consistency and reduce wastage.

- **Scalability:** Large players expand manufacturing units to increase production capacity (e.g., Greenlam's expansion into MDF production).
- **Raw Material Sourcing:** Sustainable timber plantations and veneer sourcing impact cost and quality.
- **Market Presence & Brand Positioning:**
 - **Strong Branding & Market Recall:** Companies like Century Ply, Greenply, and Merino leverage brand endorsements and digital marketing to enhance recall.
 - **Premium vs. Mass Market:** Differentiation between mass-market plywood (affordable) and premium laminate offerings (luxury interiors).
 - **Exports & Global Market Expansion:** Greenlam and Stylam dominate exports to Europe, the US, and Middle Eastern markets, increasing brand credibility.
 - **Targeting Tier-2 & Tier-3 Cities:** Smaller players and regional brands focus on cost-effective solutions for price-sensitive markets.
- **Service Integration & Customization:**
 - **B2B Collaborations with Interior Designers & Architects:** Companies tie up with professionals for bulk projects in commercial real estate and home interiors.
 - **Modular Furniture Integration:** Increasing demand for factory-fitted laminates & plywood in modular furniture solutions.
 - **Custom Orders & Quick Turnaround Time:** Providing custom sizes, finishes, and just-in-time delivery boosts competitive edge.
 - **Post-Sale Services & Warranty:** Offering longer warranties on premium plywood and high-pressure laminates builds consumer trust.
- **Distribution Network & Market Penetration:**
 - **Extensive Dealer & Retail Presence:** Top brands have 10,000+ distributors across India, ensuring better product availability.
 - **E-Commerce & Online Sales Growth:** Brands like Greenlam & Century Ply have launched online product selection tools.
 - **Regional Expansion & Tier-2/Tier-3 Focus:** Smaller cities are witnessing rising demand, creating new growth opportunities for organized players.
 - **Logistics & Supply Chain Efficiency:** Faster delivery timelines and better stock management differentiate premium brands from local suppliers.
- **Sustainability & Eco-Friendly Practices:**
 - **FSC-Certified & Sustainable Wood Sourcing:** Organized players focus on certified timber plantations to reduce deforestation risks.
 - **Low-VOC & Formaldehyde-Free Products:** Health-conscious consumers prefer non-toxic, low-emission laminates & plywood.

- **Water & Energy Efficiency in Manufacturing:** Adopting green manufacturing practices lowers production costs and enhances brand reputation.
 - **Waste Recycling & Circular Economy:** Use of recycled wood and bio-based resins improves sustainability.
- **Quality & Performance Standards:**
 - **Moisture & Termite Resistance:** Higher quality plywood offers BWP (Boiling Water Proof) & BWR (Boiling Water Resistant) grades.
 - **Fire Retardant Laminates & Plywood:** Essential for commercial and high-rise projects, increasing demand in urban markets.
 - **Surface Finish & Durability:** Superior polishing, UV resistance, and wear & tear protection add value in premium segments.
 - **Certifications & Compliance:** Global standards like ISO 9001, FSC, CARB Compliance (US market), and Indian BIS Certification play a role in competitive positioning.

Competitive Profile:

Rushil Décor Limited

Overview

Rushil Décor Limited, established in 1993, is headquartered in Ahmedabad, Gujarat. The company operates in the decorative laminates and panel-boards sector and exports its products to more than 56 countries globally. It is an ISO 9001:2000 certified organization and has been recognized as a “3 Star Export House,” reflecting its engagement in international trade. Rushil focuses on providing solutions for interior surfaces, offering both decorative and functional panel products for varied applications.

Product Segments

Rushil's product portfolio is marketed under the brand VIR, covering multiple categories:

- High Pressure Decorative Laminates (HPL): Used for residential and commercial interiors, furniture, and paneling.
- Medium Density Fiber (MDF) Boards: Manufactured for structural and decorative applications.
- Pre-laminated MDF Boards: Boards pre-finished with decorative laminates for ready-to-use purposes.
- VIR PVC Boards: Versatile boards suitable for moisture-prone and commercial environments.
- High-Density Fiber Water-Resistant (HDFWR) Boards: Boards designed to resist water and provide durability in humid conditions.

These products cater to both functional needs (durability, water resistance) and aesthetic requirements (decorative finishes) in interior applications.

Key Customer Segments

Rushil serves a mix of domestic and international customers. Its products are widely used across:

- Residential Interiors: Furniture, kitchens, wardrobes, and paneling.
- Commercial Interiors: Offices, hotels, hospitals, and retail outlets.
- Institutional and Government Projects: Schools, hospitals, and public infrastructure projects.
- Industry Sectors: Banking, IT, hospitality, healthcare, and other service industries.

The company's customer base includes both B2B clients such as interior designers, furniture manufacturers, and real estate developers, as well as institutional projects.

Strengths and Capabilities

Rushil has developed capabilities in manufacturing, sustainability, and operational efficiency:

- **Modern Manufacturing Facilities:** Plants are designed with ergonomic layouts and workflow optimization to ensure efficient production.
- **Operational Efficiency:** Processes emphasize energy and time efficiency, minimizing waste, and meeting environmental standards.
- **Product Diversity and Resource Utilization:** Facilities support multiple product lines, ensuring effective use of raw materials, manufacturing equipment, and overhead resources.
- **Sustainability Practices:** The company implements rainwater harvesting, waste reduction strategies, adoption of green supplier policies, and agro-forestry programs around manufacturing plants.
- **Export Capabilities:** With over 56 countries in the export network, Rushil has established logistics and quality standards to meet international client requirements.

Financial Analysis:

Rushil Décor Limited.			
All Values in Cr.	FY2023	FY2024	FY2025
Total Income	839.77	846.84	903.82
Revenue from Operations	838.40	843.97	891.34
EBITDA	150.77	122.79	119.80
EBITDA Margin (EBITDA/Total Income*100) in %	17.95%	14.50%	13.26%
PAT	77.67	43.11	48.31
PAT Margin in %	9.25%	5.09%	5.34%
Operating Cash Flow	114.88	41.01	108.48
Total Assets	997.62	1,099.42	1,230.02
Total Liabilities	634.24	556.64	597.24
Net Worth (Total Assets - Total Liabilities)	363.38	542.78	632.78
Long Term Borrowing	268.56	161.82	138.77
Debt Equity Ratio	1.12	0.54	0.42
Return on Capital Employed (Values In Percentage)	15.63%	10.72%	9.55%
Return on Equity	23.89%	9.51%	8.22%
Return On Asset = (PAT/Total Asset) *100 in %	7.79%	3.92%	3.93%
Amortization	25.98	29.27	29.72
Finance Cost	23.54	32.25	27.12
Interest Coverage Ratio (ICR)	5.30	2.90	3.32

Note: For this we consider standalone balance sheet.

• Key Takeaways:

- **Revenue Growth:** Total Income increased steadily from INR 839.77 Cr in FY2023 to INR 903.82 Cr in FY2025, with Revenue from Operations following a similar trend from INR 838.40 Cr to INR 891.34 Cr. Growth has been consistent, though the pace has remained moderate year-on-year.

- **Profitability:** PAT declined significantly in FY2024 to INR 43.11 Cr from INR 77.67 Cr in FY2023, before improving marginally to INR 48.31 Cr in FY2025. PAT Margin contracted from 9.25% in FY2023 to around 5.3% in FY2025, indicating pressure on bottom-line profitability. EBITDA also reduced from INR 150.77 Cr in FY2023 to INR 119.80 Cr in FY2025, with EBITDA Margin declining from 17.95% to 13.26%, reflecting increased cost pressures.
- **Cash Flow and Balance Sheet:** Operating Cash Flow fluctuated, dropping sharply to INR 41.01 Cr in FY2024 before recovering to INR 108.48 Cr in FY2025, suggesting volatility in cash generation. Total Assets grew from INR 997.62 Cr in FY2023 to INR 1,230.02 Cr in FY2025, while Net Worth increased consistently to INR 632.78 Cr. Long-term borrowings declined from INR 268.56 Cr to INR 138.77 Cr over the period, leading to a stronger balance sheet with the Debt-Equity Ratio improving from 1.12 in FY2023 to 0.42 in FY2025.
- **Return Metrics:** Return ratios weakened across the period, with ROCE falling from 15.63% in FY2023 to 9.55% in FY2025, ROE from 23.89% to 8.22%, and ROA from 7.79% to 3.93%. This indicates reduced efficiency in utilizing capital, assets, and shareholder equity.
- **Cost and Interest Coverage:** Finance Cost increased to INR 32.25 Cr in FY2024 but declined to INR 27.12 Cr in FY2025. Interest Coverage Ratio fell sharply to 2.90 in FY2024 due to weaker operating profits, before improving to 3.32 in FY2025, showing better debt servicing ability as profitability stabilized.

Archidply Industries Limited

Overview

Archidply Industries Limited, established in **1976** and headquartered in New Delhi, is a public company listed on the BSE and NSE. The company manufactures and markets a wide range of wood-based panel products and decorative solutions, including plywood, laminates, MDF, EDHMR boards, compact laminates, clads, and doors. With **ISO 9001 and ISO 14000 certifications**, Archidply focuses on delivering products that meet both functional requirements such as resistance to moisture, termites, borers, and fire and aesthetic needs for residential, commercial, and institutional interiors.

Over the years, Archidply has expanded its operations with **20 sales offices, 7 warehouses, and a network of around 2,000 retailers across India**, along with exports to international markets. Its facilities are equipped with modern technology, such as automated HPL presses, high-speed impregnators, and Swiss sanding machines, to ensure efficiency and product consistency. The company also emphasizes sustainability, offering **low-VOC and GREENGUARD-certified products** while implementing eco-friendly manufacturing practices, positioning itself as a supplier of decorative and functional surfacing solutions for diverse customer segments.

Product Segments

Archidply offers a broad portfolio of interior and surfacing products, including:

- Plywood and allied panel products
- Doors
- Decorative Laminates & Industrial Laminates
- Clads, Compact Laminates
- EDHMR (Extreme Density High Moisture Resistance) panels
- MDF (Interior grade boards)
- Other variants like densified plywood, flush doors, etc.

Key Customer Segments

Archidply targets users in **interiors, construction, and design** sectors. Its products are used in residential and commercial interiors, institutional and public infrastructure projects, and other applications where decorative surfacing and structural panels are needed.

Strengths / Capabilities

- Archidply emphasizes **quality control** starting from raw material procurement and throughout production, including testing at different stages.
- Its products are treated to resist termites, borers, water, and fire, and aim to reduce formaldehyde emissions.
- Technology adoption: use of advanced manufacturing systems like multiple HPL presses with automated monitoring, high-speed impregnators, Swiss sanding machines, and process optimizations claimed in their “Why Archidply” description.
- Sustainability / eco-friendly features: Archidply promotes low emission (VOC) products (e.g. use of GREENGUARD certification) and adherence to environmental standards.
- Extensive sales & distribution footprint: 20 sales offices, 7 warehouses, and a network of 2,000 retailers across India to support reach.
- **Financial Analysis:**

Archidply Industries Limited			
All Values in Cr.	FY2023	FY2024	FY2025
Total Income	416.75	438.41	465.36
Revenue from Operations	414.50	435.75	464.28
EBITDA	26.26	24.40	23.35
EBITDA Margin (EBITDA/Total Income*100) in %	6.30%	5.57%	5.02%
PAT	12.23	7.30	7.88

PAT Margin in %	2.93%	1.66%	1.69%
Operating Cash Flow	21.66	12.91	23.10
Total Assets	228.43	242.43	273.99
Total Liabilities	124.63	130.71	154.65
Net Worth (Total Assets - Total Liabilities)	103.80	111.72	119.34
Long Term Borrowing	0.00	0.14	0.06
Debt Equity Ratio	0.61	0.63	0.69
Return on Capital Employed (Values In Percentage)	13.68%	10.97%	9.35%
Return on Equity	12.47%	6.77%	6.82%
Return On Asset = (PAT/Total Asset) *100 in %	5.35%	3.01%	2.88%
Amortization	3.99	4.41	4.64
Finance Cost	5.76	7.43	8.10
Interest Coverage Ratio (ICR)	3.86	2.69	2.31

Note: For this we consider standalone balance sheet.

- **Key Takeaways:**

- **Revenue Growth:** Total Income increased from INR 416.75 Cr in FY2023 to INR 465.36 Cr in FY2025, while Revenue from Operations rose from INR 414.50 Cr to INR 464.28 Cr during the same period. The growth has been steady but moderate, reflecting gradual business expansion.
- **Profitability:** PAT declined from INR 12.23 Cr in FY2023 to INR 7.30 Cr in FY2024, before improving slightly to INR 7.88 Cr in FY2025. PAT Margin contracted from 2.93% in FY2023 to 1.69% in FY2025, indicating continued pressure on net profitability. Similarly, EBITDA decreased from INR 26.26 Cr in FY2023 to INR 23.35 Cr in FY2025, with EBITDA Margin compressing from 6.30% to 5.02%, suggesting rising cost challenges.
- **Cash Flow and Balance Sheet:** Operating Cash Flow declined from INR 21.66 Cr in FY2023 to INR 12.91 Cr in FY2024, but recovered to INR 23.10 Cr in FY2025, showing volatility in cash generation. Total Assets increased from INR 228.43 Cr in FY2023 to INR 273.99 Cr in FY2025, while Net Worth improved from INR 103.80 Cr to INR 119.34 Cr. The Debt-Equity Ratio moved from 0.61 in FY2023 to 0.69 in FY2025, reflecting moderate leverage levels despite minimal long-term borrowings.
- **Return Metrics:** Return ratios weakened across the period, with ROCE falling from 13.68% in FY2023 to 9.35% in FY2025, ROE reducing from 12.47% to 6.82%, and ROA declining from 5.35% to 2.88%. This highlights a decrease in efficiency in generating returns on capital, equity, and assets.
- **Cost and Interest Coverage:** Finance Cost increased from INR 5.76 Cr in FY2023 to INR 8.10 Cr in FY2025, adding pressure on margins. The Interest Coverage Ratio fell from 3.86 in FY2023 to 2.31 in FY2025, reflecting reduced debt-servicing capacity due to weaker operating profitability.

Comparative Financial Performance Analysis – FY 2025

KPIs (All Values in Cr)	Manilam Industries India Ltd	Rushil Décor Limited.	Archidply Industries Limited
Total Income	142.16	903.82	465.36
Revenue from Operations	140.03	891.34	464.28
EBITDA	19.80	119.80	23.35
EBITDA Margin (EBITDA/Total Income*100) in %	13.93%	13.26%	5.02%
PAT	6.37	48.31	7.88
PAT Margin in %	4.48%	5.34%	1.69%
Operating Cash Flow	17.38	108.48	23.10
Total Assets	161.50	1,230.02	273.99
Total Liabilities	127.07	597.24	154.65
Net Worth (Total Assets - Total Liabilities)	34.43	632.78	119.34
Long Term Borrowing	13.04	138.77	0.06
Debt Equity Ratio	1.81	0.42	0.69
Return on Capital Employed (Values In Percentage)	16.29%	9.55%	9.35%
Return on Equity	20.39%	8.22%	6.82%
Return On Asset = (PAT/Total Asset) *100 in %	3.94%	3.93%	2.88%
Amortization	2.71	29.72	4.64
Finance Cost	7.77	27.12	8.10
Interest Coverage Ratio (ICR)	2.20	3.32	2.31

➤ Revenue Growth and Profitability

- Rushil Décor Limited records the highest Total Income (INR 903.82 Cr) and PAT (INR 48.31 Cr), reflecting a larger operating scale and consistent profitability.
- Archidply Industries posts a Total Income of INR 465.36 Cr and PAT of INR 7.88 Cr, indicating moderate scale and positive bottom-line contribution despite lower margins.
- Manilam Industries, with INR 142.16 Cr in Total Income and INR 6.37 Cr in PAT, remains the smallest in size but continues to generate profits, though its limited scale restricts market presence.
- Operating Cash Flow is strongest for Rushil (INR 108.48 Cr), followed by Archidply (INR 23.10 Cr), while Manilam (INR 17.38 Cr) delivers modest cash generation in line with its scale.

➤ Profitability and Margins

- Manilam posts the highest EBITDA margin at 13.93%, slightly above Rushil (13.26%) and well ahead of Archidply (5.02%), underscoring its efficient cost management despite a smaller base.
- In terms of PAT margin, Rushil leads at 5.34%, followed by Manilam (4.48%) and Archidply (1.69%), highlighting stronger bottom-line conversion for Rushil.
- While Rushil benefits from scale, its higher amortization (INR 29.72 Cr) and finance costs (INR 27.12 Cr) exert some pressure on margins. Archidply also faces margin constraints due to higher finance costs relative to earnings.

➤ **Return Metrics Performance**

- Manilam shows the strongest ROE at 20.39%, aided by a smaller equity base, though its ROA of 3.94% indicates only moderate asset utilization.
- Rushil demonstrates balanced performance with ROCE of 9.55%, ROE of 8.22%, and ROA of 3.93%, reflecting steady but conservative efficiency.
- Archidply records ROCE of 9.35%, ROE of 6.82%, and ROA of 2.88%, pointing to modest efficiency in capital and asset utilization.
- Manilam's strong return ratios are supported by higher leverage (Debt-Equity Ratio of 1.81), while Rushil (0.42) and Archidply (0.69) maintain more conservative structures, offering greater stability.
- Interest coverage ratio is highest for Rushil (3.32), followed by Archidply (2.31), and lowest for Manilam (2.20), showing relatively tighter debt servicing capability for the latter.

Company Profile: Manilam Industries India Ltd

Company Overview:

Manilam Industries India Ltd is a company specializing in laminates and interior solutions, catering to both residential and commercial sectors. It focuses on producing materials that combine durability, functionality, and aesthetics to enhance interior spaces. By continuously expanding its product range and distribution network, the company aims to provide customers with diverse and high-quality solutions for various applications.

The company has built a strong market presence with 50+ distributors and 7,000+ dealers, ensuring accessibility across different regions in India. Its product portfolio includes 1,000+ designs, offering a variety of textures, patterns, and finishes to meet the evolving preferences of architects, designers, and homeowners. To provide customers with a better understanding of its offerings, Manilam has established four experience centres, allowing visitors to explore and interact with its products in real-world settings.

In addition to its distribution network, Manilam collaborates with 3,000+ carpenters and 500+ architects and interior designers. This partnership facilitates the seamless integration of its products into construction and renovation projects, ensuring that professionals have access to high-quality materials suited to different design requirements.

By emphasizing product innovation, expanding its reach, and fostering industry partnerships, Manilam continues to strengthen its position in the interior solutions market. The company remains focused on delivering reliable and well-crafted products that contribute to the development of functional and visually appealing spaces.

Manilam Industries India Ltd has significantly expanded its manufacturing capabilities, increasing production from 1 million sheets in 2018 to 5 million sheets by 2022. This growth has been achieved through continuous investments in advanced technology, including the OCTA technology, 16 Delite press and three 18 Delite presses, which enhance efficiency and product consistency. The steady rise in production reflects the company's ability to meet increasing market demand while maintaining quality standards.

The company has broadened its product offerings beyond traditional laminates by introducing **plywood, exterior wall cladding, and designer laminates**. This expansion caters to various architectural and interior design needs, allowing Manilam to serve both residential and commercial segments. Notable product launches include the **Magnificent Fabric Collection, Imm Colours, Imm Artistica Collection, and the Vogue and Dwar Collections**, which offer a wide range of textures, patterns, and finishes to suit diverse aesthetic preferences. To strengthen its presence in key regions, Manilam has established multiple Experience Centres in Bangalore, Delhi, and Chennai, providing customers with hands-on exposure to its product range. Additionally, the setup of a corporate office in Kolkata marks an important step in streamlining business operations and expanding its footprint. These initiatives have enhanced brand visibility and accessibility, ensuring better customer engagement and service efficiency.

Business Growth and Milestones:

Year	Key Metrics
2018	Launched the inaugural Liner Grade Magnificent Collection and began with an impressive annual production capacity of 1 million sheets
2019	Doubled production capacity to 2 million sheets per annum . Introduced two key collections: <i>Vogue Collection (1st Edition)</i> (0.8mm range) and the <i>DWAR Collection</i> (specialized door-skin range) targeting modern and niche customers
2020	Expanded production to 3 million sheets annually. Launched Artistica Collection (premium 1mm range) and Vogue Collection (2nd Edition) (0.8mm). Marked the industry's first fully digital product launch. Opened the first Experience Centre and Depot in Bangalore
2021	Increased production to 4 million sheets per annum. Launched Magnificent Collection (3rd Edition) with a new range of liners, and diversified into Shuttering Plywood. Opened Delhi Experience Centre and Depot, offering immersive product engagement
2022	Boosted production capacity to 5 million sheets per annum . Launched <i>Exterior Wall Cladding</i> , <i>Magnificent Fabric Collection</i> , <i>1mm Colours Collection</i> , and the 2nd Editions of both the <i>Artistica</i> and <i>DWAR</i> collections. Opened Chennai Experience Centre and Depot . Participated in Matecia (Delhi) and Indiawood (Bangalore) exhibitions
2023	Expanded product portfolio with a new plywood range . Launched <i>Vogue Collection (3rd Edition)</i> (0.8mm), focusing on contemporary designs to meet evolving market demands
2024	Unveiled 4 major catalogues at Indiawood Bangalore 2024 : <i>Spectrum of Emotions</i> (3rd Edition of 1mm Artistica), <i>DWAR Collection (3rd Edition)</i> , <i>Chromatic Tales</i> (2nd Edition of 1mm Solid Colours), and the <i>Fluted Surfaces Catalogue</i> , highlighting Manilam's commitment to design innovation and excellence

Product Offerings:

Laminates:

Manilam Laminates offers a diverse range of laminate sheets designed to enhance interior spaces with durability and style. Since 2018, the company has expanded its collection to include over 1,000 designs, available in thicknesses ranging from 0.8 mm to 1mm.

- **Artistica Collection (1 mm):** Features metallic finishes suitable for both residential and commercial interiors.
- **Vogue Collection (0.8 mm):** Offers over 200 designs with more than 15 textures, including high gloss and suede finishes, ideal for contemporary spaces.
- **Chromatic Tales Collection (1 mm):** Presents a vibrant range inspired by colors and moods, perfect for adding a splash of color to interiors.

- **Flute Collection (0.8 mm to 1 mm):** Features ribbed and grooved laminate sheets for premium wall paneling, adding depth and texture to spaces.
- **Magnificent Collection (0.7 mm or Liner):** Ideal for cabinetry and inner surfacing with smooth matte finishes, providing a refined look to interiors.

Plywood:

Manilam Plywood is manufactured in compliance with BIS standards and incorporates OCTA technology to ensure high-quality production. The company operates with four 20-delite presses, continuously enhancing efficiency.

- **Club 10X:** Premium quality plywood for ultra-premium projects, suitable for heavy load-bearing furniture.
- **Gold BWP (Boiling Water Proof):** High-durability plywood ideal for moisture-prone areas such as kitchens and bathrooms.
- **UNAM BWP:** Cost-effective BWP plywood option offering reliable performance for mid-range furniture needs.

Recognized Certifications: Quality, Safety, and Environmental Benefits (Laminate Segment)

CE Marking (CE-I 30220-03) – Certified by UKRAS

The CE (Conformité Européenne) mark certifies that a product meets the European Union (EU) requirements for safety, health, and environmental protection. Manilam's CE compliance is certified by UKRAS, a recognized conformity assessment body.

Implied Benefits & Recognitions:

- Ensures compliance with EU regulations, allowing export to European markets.
- Signifies that the product meets high safety and environmental protection standards.
- Enhances brand credibility and trust among global customers.

IGBC Certification (IGBC-MS-200006)

Awarded by the **Indian Green Building Council**, this certification applies to products that promote environmentally responsible construction.

Implied Benefits & Recognitions:

- Recognized as a green building material ideal for eco-conscious projects.
- Preferred by architects, developers, and public sector procurement aligned with sustainability goals.
- Enhances qualification for certifications such as LEED (Leadership in Energy and Environmental Design).

ISO 9001:2015 – Quality Management System (QMS)

This internationally accepted standard demonstrates the company's ability to consistently deliver products that meet customer and regulatory requirements.

Implied Benefits & Recognitions:

- Reflects a strong commitment to quality assurance and customer satisfaction.
- Supports business growth in both domestic and international markets through standardized quality processes.
- Improves internal efficiency by reducing errors and optimizing operations.

ISO 14001:2015 – Environmental Management System (EMS)

This certification ensures the company actively minimizes its environmental impact and complies with environmental regulations.

Implied Benefits & Recognitions:

- Validates the company's sustainable manufacturing practices.
- Reduces operational costs by optimizing energy and resource use.
- Improves brand image among environmentally aware consumers and stakeholders.

ISO 45001:2018 – Occupational Health and Safety Management System (OHSMS)

This standard provides a framework to improve employee safety, reduce workplace risks, and create better working conditions.

Implied Benefits & Recognitions:

- Ensures a proactive approach to occupational health and safety.
- Increases compliance with national and international safety standards.
- Improves employee morale, retention, and operational performance.

BIS Certification for Laminates

Certified by the **Bureau of Indian Standards (BIS)**, this certification confirms that Manilam's laminates conform to the applicable Indian quality standards.

Implied Benefits & Recognitions:

- Facilitates acceptance in both public and private sector procurement.
- Demonstrates durability, reliability, and consistency in laminate products.

- Ensures regulatory compliance for Indian markets and infrastructure projects.

Certifications – Plywood Segment (Held by Authorized Supplier Entities)

The following certifications apply specifically to **plywood products** sourced from **certified suppliers**. These licenses are not registered under **Manilam Industries India Ltd.**, but they ensure that the plywood used meets rigorous Indian and international standards for quality and performance.

1. IS 303:1989 – BIS Certification for Plywood for General Purposes

This standard applies to commercial-grade plywood used in general-purpose applications.

Implied Benefits & Recognitions:

- Ensures plywood meets minimum strength, durability, and resistance standards.
- Suitable for furniture, interior construction, and general applications.
- Boosts consumer confidence due to adherence to national safety norms.

2. IS 1659:2004 – BIS Certification for Blockboard

This certification ensures that the blockboard used in furniture and interior work meets defined parameters for performance and longevity.

Implied Benefits & Recognitions:

- Guarantees resistance to moisture and warping.
- Enhances suitability for modular furniture and partition applications.
- Increases acceptance in high-end and institutional projects.

3. IS 710:2010 – BIS Certification for Marine Plywood

This license certifies that the plywood is water-resistant and suitable for use in wet and humid environments.

Implied Benefits & Recognitions:

- Ideal for marine and outdoor furniture, bathrooms, kitchens, and other moisture-prone areas.
- Enhances long-term durability and structural integrity.
- Ensures compliance with weather-resistant application standards.

4. IS 5509:2021 – BIS Certification for Fire Retardant Plywood

This standard certifies that plywood has enhanced fire resistance, making it suitable for high-safety environments.

Implied Benefits & Recognitions:

- Essential for use in public buildings, commercial complexes, and schools.
- Supports compliance with fire safety codes and regulations.
- Provides added protection and peace of mind in fire-prone areas.

5. Zero Emission E-0 Certification

This certification indicates that the plywood meets **E0-grade formaldehyde emission limits**, ensuring ultra-low or negligible emissions.

Implied Benefits & Recognitions:

- Promotes safe indoor air quality, especially for residential and institutional interiors.
- Preferred in countries and projects with strict VOC emission regulations.
- Enhances appeal in green and health-sensitive building environments.

Important Note: These certifications are held by third-party plywood manufacturers and suppliers, not directly under the name of Manilam Industries India Ltd. Manilam ensures that all sourced plywood materials are compliant with these certifications, thereby maintaining quality standards across its final products.

Key Strengths:

❖ High-Quality Manufacturing Standards:

Manilam adheres to strict industry standards, ensuring its plywood and laminates meet BIS specifications. The use of OCTA technology enhances precision and durability, making the products suitable for long-term applications. For example, The company operates with one 16 Delite press and three 18 Delite presses, enabling continuous production while maintaining structural integrity, this ensuring each sheet is uniform and resistant to warping or deformation.

❖ Diverse Product Portfolio:

With an extensive selection of over 1,000 laminate designs and a variety of plywood options, Manilam provides solutions for residential, commercial, and industrial spaces. Whether customers seek classic wooden textures or modern abstract patterns, the company offers materials that cater to various design aesthetics and functional needs.

❖ Strong Distribution Network & Market Reach:

Manilam has established a broad distribution network with 50+ distributors and 7,000+ dealers across India. This ensures product availability in different regions and enables faster supply chain management. The strong market presence allows architects, interior designers, and homeowners to access high-quality laminates and plywood with ease.

❖ **Technological Advancements in Production:**

Manilam incorporates advanced machinery, such as core composers and calibrators, to maintain the dimensional stability of its plywood and laminates. This technology minimizes inconsistencies in thickness and enhances the strength of each sheet, making them ideal for furniture, cabinetry, and structural applications.

❖ **Industry Collaboration & Professional Expertise:**

The company actively works with 3,000+ skilled carpenters and 500+ architects and interior designers, ensuring seamless product application in construction and renovation projects. This collaboration strengthens Manilam's position as a trusted supplier within the industry and ensures that its products are incorporated into well-executed interior and architectural designs.

SWOT Analysis:

- **Strengths:** Manilam Industries has a strong distribution network with 50+ distributors and 7,000+ dealers, ensuring a wide market reach. Its diverse product portfolio includes over 1,000 laminate designs and plywood options for residential and commercial use. Advanced OCTA technology. Collaboration with 3,000+ carpenters and 500+ architects strengthens its market presence. Manilam Industries has demonstrated consistent improvement in operational profitability, with **EBITDA rising from INR 9.77 Cr in FY2023 to INR 19.80 Cr in FY2025, and EBITDA margin expanding from 6.56% to 13.93%**, showing enhanced cost efficiency. **PAT margin improved steadily from 1.23% in FY2023 to 4.48% in FY2025**, indicating better bottom-line control. The company also strengthened its Return Ratios, with **ROCE climbing from 9.02% to 16.29% and ROE from 7.82% to 20.39% over the same period**, reflecting higher value creation for shareholders. **Debt-Equity ratio moderated from 2.62 in FY2024 to 1.81 in FY2025**, pointing to reduced financial risk.
- **Weaknesses:** Despite profitability improvements, revenue has been inconsistent. **Total Income dipped from INR 148.82 Cr in FY2023 to INR 138.04 Cr in FY2024 before partially recovering to INR 142.16 Cr in FY2025**, reflecting growth volatility. **Negative operating cash flows in FY 2023 (INR -3.45 Cr) and FY 2024 (INR -5.57 Cr) indicate liquidity stress before turning positive in FY 2025.** Interest coverage, though improving (**1.42x in FY2023 to 2.20x in FY2025**), still reflects a limited cushion to service debt. **High short-term borrowings (INR 53.31 Cr in FY2024 and INR 49.40 Cr in FY2025)** highlight reliance on working capital financing.
- **Opportunities:** **The improving operating cash flow position (INR 17.38 Cr in FY2025)** provides scope for reinvestment in capacity expansion and technology upgrades. With growing demand in construction, interiors, and furniture, the company can capitalize on premium laminate and plywood segments. Expansion into eco-friendly laminates could strengthen its competitive positioning. Digital sales channels and stronger brand engagement with architects and carpenters can unlock wider customer

reach. Additionally, **declining long-term borrowings (INR 23.69 Cr in FY 2023 to INR 13.04 Cr in FY 2025)** offer scope to further deleverage and optimize capital structure.

- **Threats:** Revenue fluctuations highlight vulnerability to demand cycles and competitive pressures. **Rising finance costs (INR 5.17 Cr in FY 2023 to INR 7.77 Cr in FY 2025)** increase sensitivity to interest rate changes. Raw material price volatility and dependence on working capital borrowings may squeeze margins. Regulatory shifts in environmental compliance could lead to higher costs. The laminate and plywood industry also faces substitution threats from PVC panels and engineered wood, which could pressure market share.

Financial Analysis:

Manilam Industries India Ltd.			
All Values in Cr.	FY2023	FY2024	FY 2025
Total Income	148.82	138.04	142.16
Revenue from Operations	148.16	137.90	140.03
EBITDA	9.77	14.20	19.80
EBITDA Margin (EBITDA/Total Income*100) in %	6.56%	10.29%	13.93%
PAT	1.83	3.74	6.37
PAT Margin in %	1.23%	2.71%	4.48%
Operating Cash Flow	-3.45	-5.57	17.38
Total Assets	135.28	153.24	161.50
Total Liabilities	110.97	125.18	127.07
Net Worth (Total Assets - Total Liabilities)	24.31	28.05	34.43
Long Term Borrowing	23.69	20.17	13.04
Debt Equity Ratio	2.50	2.62	1.81
Return on Capital Employed (Values In Percentage)	9.02%	11.74%	16.29%
Return on Equity	7.82%	14.28%	20.39%
Return On Asset = (PAT/Total Asset) *100 in %	1.35%	2.44%	3.94%
Amortization	2.44	2.70	2.71
Finance Cost	5.17	6.03	7.77
Interest Coverage Ratio (ICR)	1.42	1.91	2.20

Key Takeaways:

- **Revenue Growth and Profitability:** Manilam Industries recorded modest revenue performance, with **Total Income moving from INR 148.82 Cr in FY2023 to INR 142.16 Cr in FY2025**, reflecting near-flat topline growth after a temporary dip in FY2024. However, **the company delivered strong operating leverage, as EBITDA more than doubled from INR 9.77 Cr to INR 19.80 Cr over the same period. Margin expansion from 6.56% to 13.93% highlights structural improvements in cost management and better pricing power**, which are likely to sustain earnings quality even with modest sales growth.
- **Profitability and Margins:** **PAT showed a healthy upward trajectory, rising from INR 1.83 Cr in FY2023 to INR 6.37 Cr in FY2025**, while **PAT Margin strengthened from 1.23% to 4.48%**.

The widening spread between EBITDA and PAT margins suggests the company has also optimized interest and depreciation costs. This reflects not only stronger operational efficiency but also an improving financial structure that enhances net profitability.

- **Return Metrics Performance:** Return ratios improved sharply, with **ROCE rising from 9.02% to 16.29% and ROE from 7.82% to 20.39%**. Such gains underscore more productive deployment of capital and enhanced shareholder value creation. **ROA also improved from 1.35% to 3.94%**, indicating higher profitability relative to the asset base. Sustaining these return ratios will be key in attracting institutional investors and lowering the cost of capital in the future.
- **Cash Flow and Leverage:** The company achieved a notable turnaround in cash generation, moving from negative operating cash flows in FY2023–24 to a positive **INR 17.38 Cr in FY2025**. This provides greater internal funding capacity for growth and reduces reliance on external borrowings. **Long-term debt fell from INR 20.17 Cr in FY2024 to INR 13.04 Cr in FY2025, reducing the Debt-Equity Ratio from 2.62 to 1.81**. Meanwhile, the **Interest Coverage Ratio improved from 1.42 to 2.20**, highlighting better debt-servicing strength and lower financial risk.
- **Balance Sheet and Capital Efficiency:** **Net Worth increased from INR 24.31 Cr in FY2023 to INR 34.43 Cr in FY2025**, reflecting improved retained earnings and balance sheet strengthening. The decline in leverage, combined with higher returns on equity and assets, suggests that the company is entering a healthier growth phase with reduced financial strain.
- **Outlook and Investor Implications:** While topline expansion remains a challenge, the company's consistent margin expansion, strong return metrics, improved operating cash flows, and deleveraging trend indicate a structural improvement in financial resilience. Future growth will depend on scaling revenues, but even at current levels, **Manilam is positioned as a more efficient, leaner, and financially stronger business compared to FY2023**.