



Greenply/2020-21
August 14, 2020

The Manager

BSE Limited
Department of Corporate Services
Floor 25, P. J. Towers, Dalal Street
Mumbai - 400 001
Security Code: 526797

The Manager

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (E)
Mumbai - 400 051
Symbol - GREENPLY

Dear Sir/Madam,

Sub: Presentation on un-audited financial results for the quarter ended 30th June, 2020

With reference to the captioned subject, please find enclosed Presentation on un-audited financial results of Greenply Industries Limited for the quarter ended 30.06.2020.

Thanking you,

Yours faithfully,

For GREENPLY INDUSTRIES LIMITED

**KAUSHAL KUMAR AGARWAL
COMPANY SECRETARY &
VICE PRESIDENT-LEGAL**



Encl.: As above

Greenply Industries Limited

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Registered Office : Makum Road, Tinsukia - 786125, Assam, India | Corporate Identity Number : L20211AS1990PLC003484



Q1 FY2021

Financial Results Presentation



Disclaimer



Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labour relations.

All industry data has been collated from various industry sources and market reports. The said data is believed to have a reasonable level of accuracy.

Greenply Industries Limited (GIL) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.



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Marketing / Activation

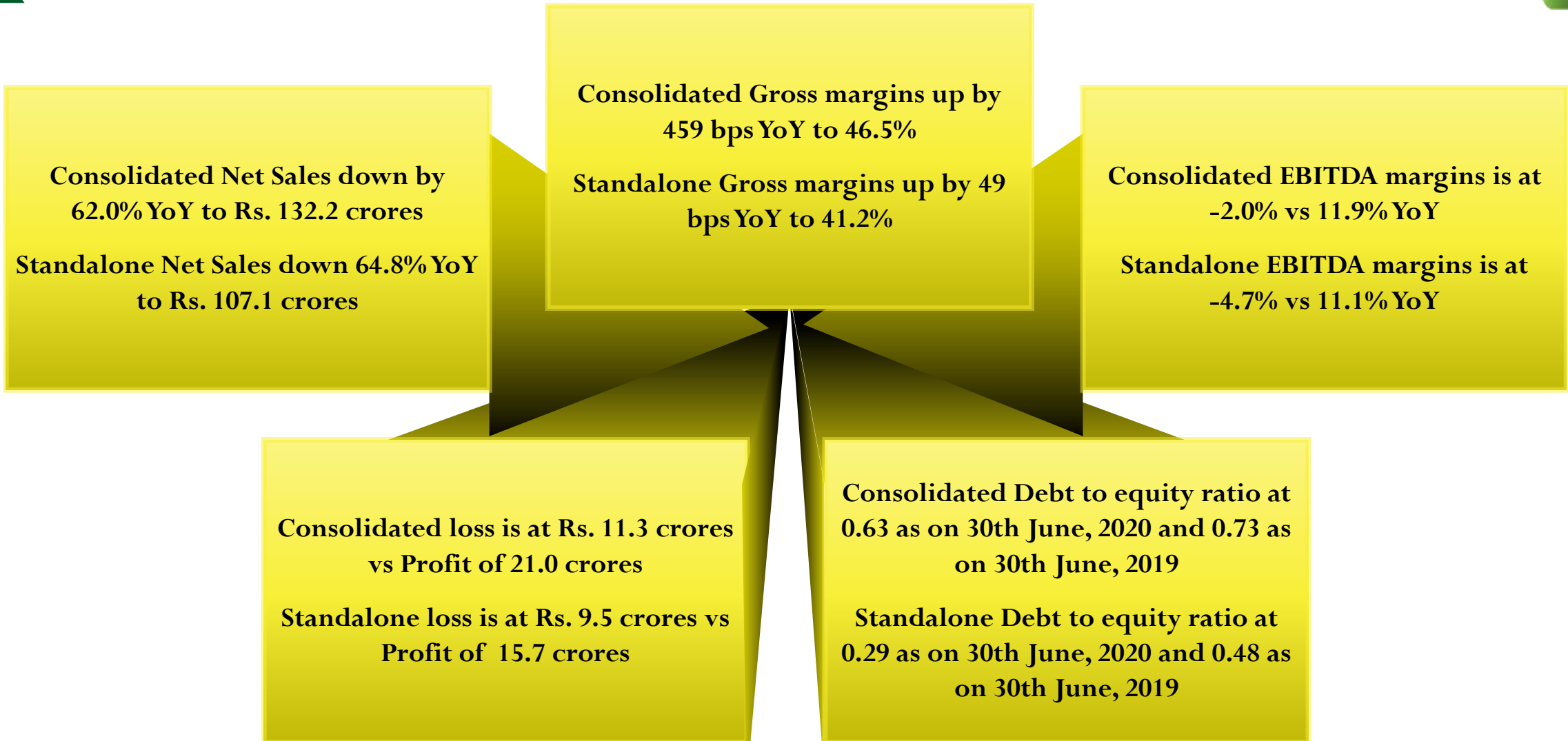
Brand Activation - Digital





- Business has been impacted during the quarter due to the Covid-19 pandemic. April 2020 was a complete wash out month. Factory operations resumed in the middle of May 2020. Factory in West Bengal was also impacted by the Amphan cyclone and Operations resumed in the first week of June 2020.
- However, though the situation has been challenging once operations began, the company still managed a capacity utilization of 50% during the quarter
- Gabon facilities are less affected and capacity utilization was 81%
- Although, there has been resumption in operational activities, business stands to suffer until factories begin to operate close to normal levels
- Being one of the larger players in the space and with a healthy balance sheet, the Company is confident of moving ahead despite these difficult times
 - However, it does not find it prudent to dwell on any guidance at this point, primarily due to the ever changing nature of the pandemic

Financial Highlights – Q1 FY 2021



Note: Figures for corresponding quarter are not strictly comparable as factories were running at extremely low capacity utilizations in Q1FY21 due to the lockdown and ongoing pandemic

Consolidated Financial Highlights – Q1 FY 2021



Figures in Rs crore

	Q1 FY21	Q1 FY20	
Net Sales	132.2	348.2	-62.0%
Gross Profit	61.5	145.9	-57.9%
EBITDA	-2.7	41.6	NA
PAT	-11.3	21.0	NA

Key Ratios (%)	Q1 FY21	Q1 FY20
Gross Margin	46.5	41.9
EBITDA Margin	-2.0	11.9
EBIT Margin	-5.9	10.1
Net Margin	-8.5	6.0
Ad and promotions / Net Sales	2.6	3.9
Staff Cost/ Net Sales	24.0	11.0
Logistics cost / Net Sales	5.1	4.5
EPS (Rs.)	-0.92	1.71

Standalone Financial Highlights – Q1 FY 2021



Figures in Rs crore

	Q1 FY21	Q1 FY20	
Net Sales	107.1	304.2	-64.8%
Gross Profit	44.1	123.8	-64.4%
EBITDA	-5.0	33.7	NA
PAT	-9.5	15.7	NA

Key Ratios (%)	Q1 FY21	Q1 FY20
Gross Margin	41.2	40.7
EBITDA Margin	-4.7	11.1
EBIT Margin	-8.0	9.3
Net Margin	-8.8	5.2
Ad and promotions / Net Sales	3.2	4.5
Staff Cost/ Net Sales	25.7	11.7
Logistics cost / Net Sales	6.2	5.1
EPS (Rs.)	-0.77	1.28

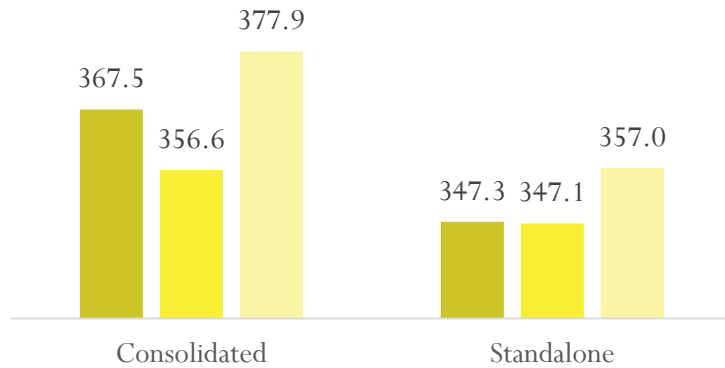
Financial Highlights – Balance Sheet Perspective

Figures in Rs crore

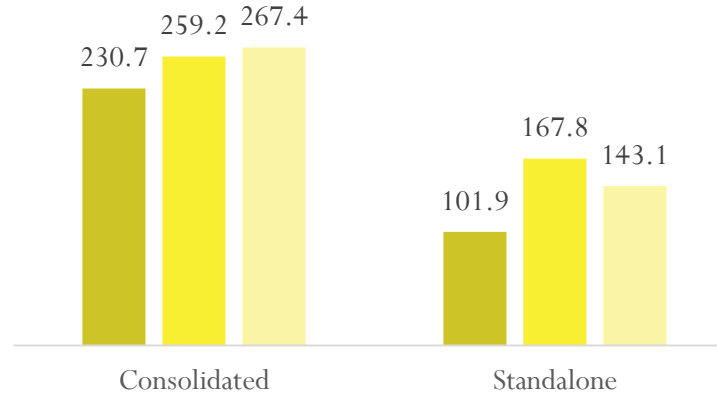
June'20 June'19 Mar'20



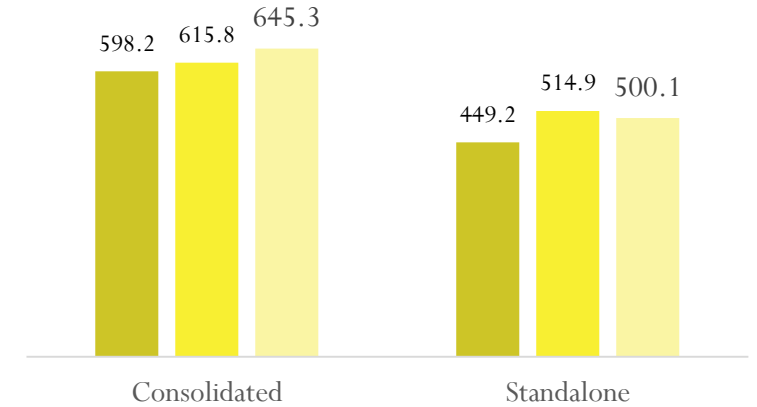
Net worth



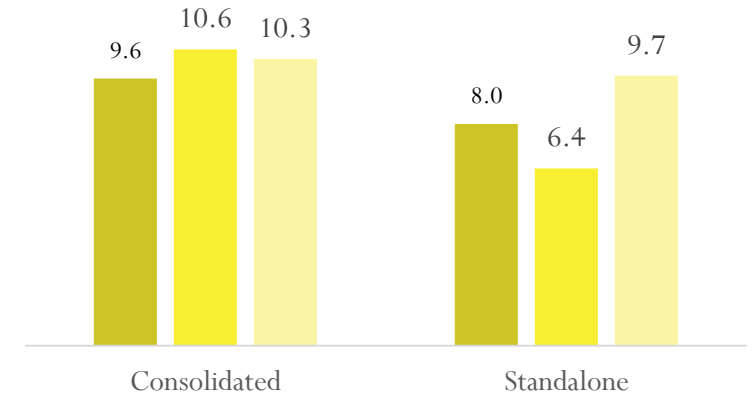
Total Debt



Capital Employed



Cash & Cash equivalents



Standalone debt has reduced considerably by over Rs. 60 crore on a corresponding quarter basis

Financial Highlights – Balance Sheet Perspective

Figures in Rs crore

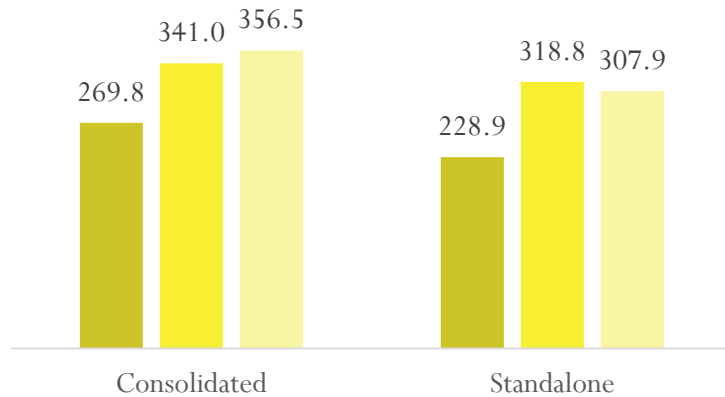
June'20

June'19

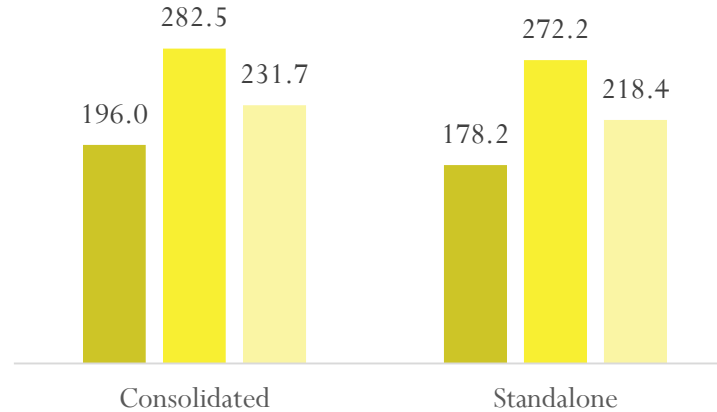
Mar'20



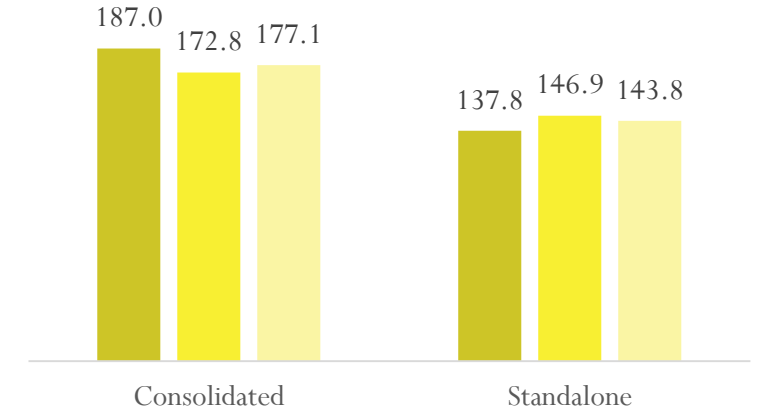
Receivables



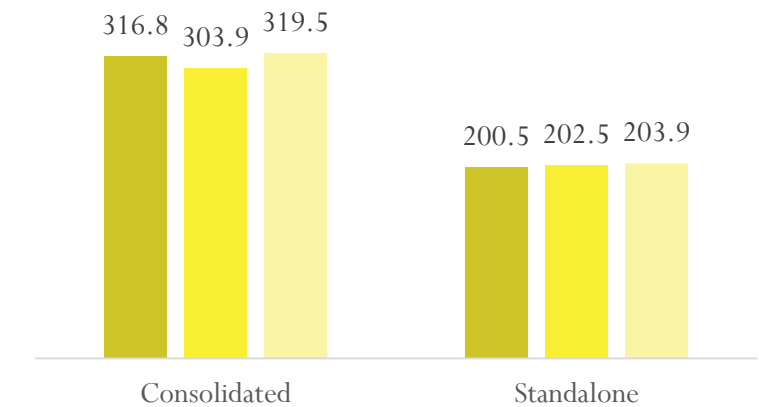
Payables



Inventories



Fixed Assets



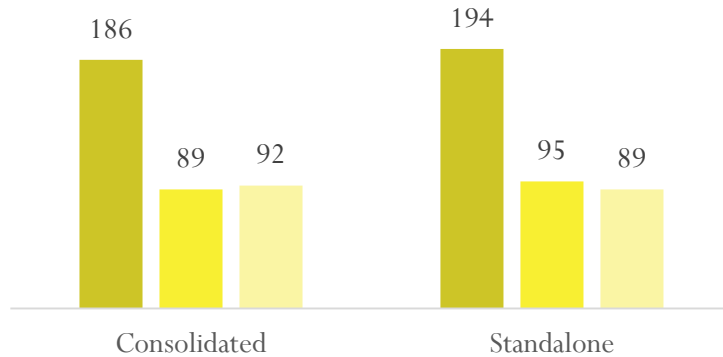
Strong collections during the quarter resulted in reduction in receivables on a sequential and corresponding quarter on standalone basis

Financial Highlights - Ratios

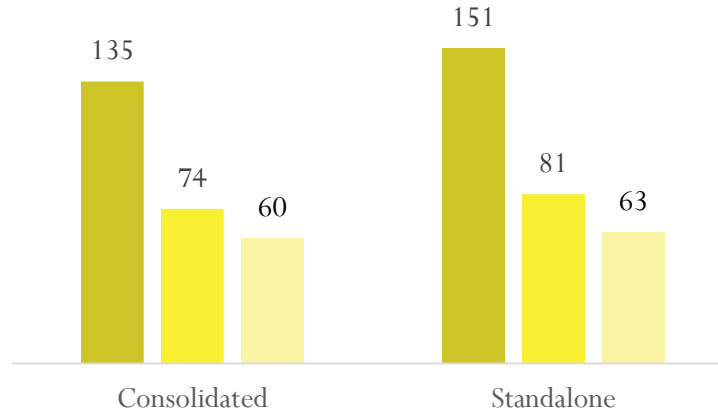


June'20
 June'19
 Mar'20

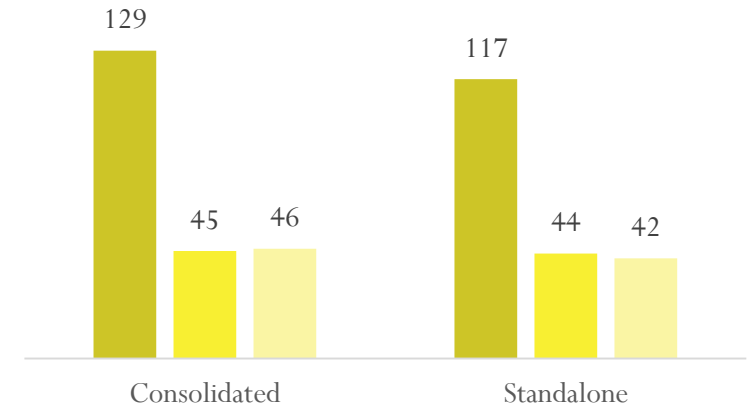
Debtors (Days)



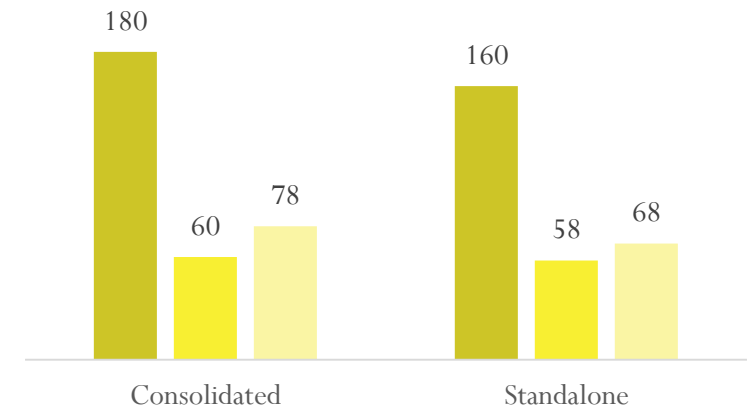
Creditors (Days)



Inventories (Days)



Working Capital Turnover (Days)



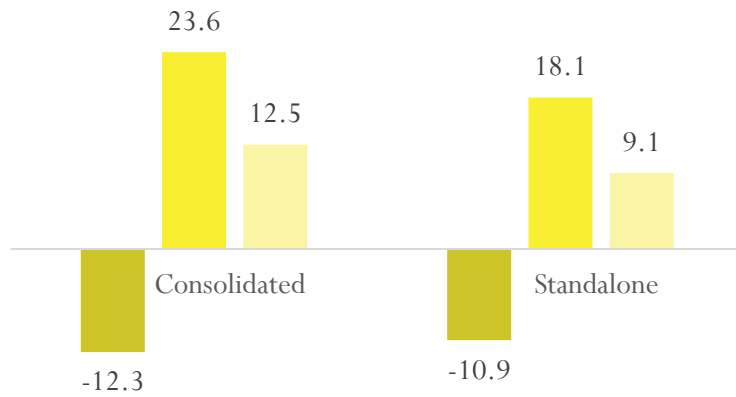
Consequent to the lockdown there has been an increase in working capital Turnover days. This is expected to improve as the environment stabilizes.

Financial Highlights – Ratios

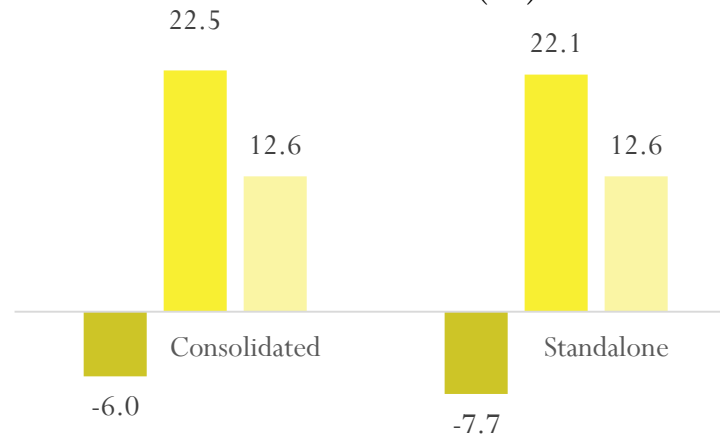


June'20
 June'19
 Mar'20

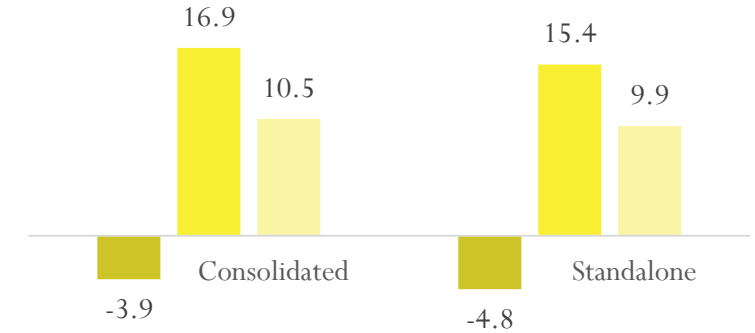
ROE (%)



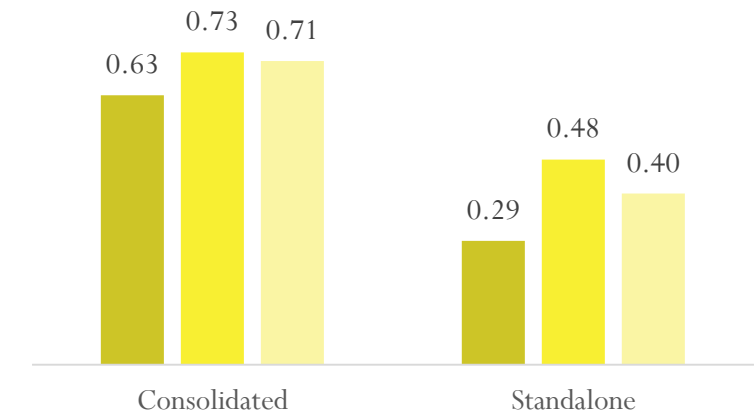
RoCE Pre-tax (%)



RoCE Post-tax (%)



Debt/Equity



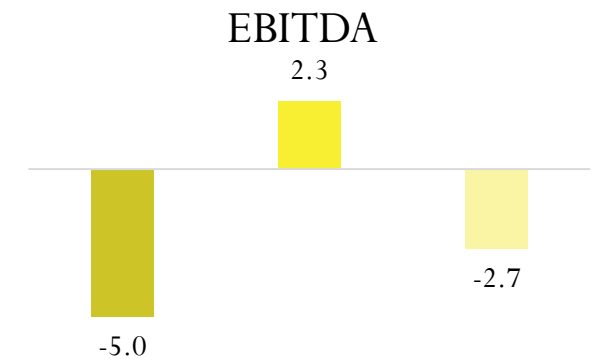
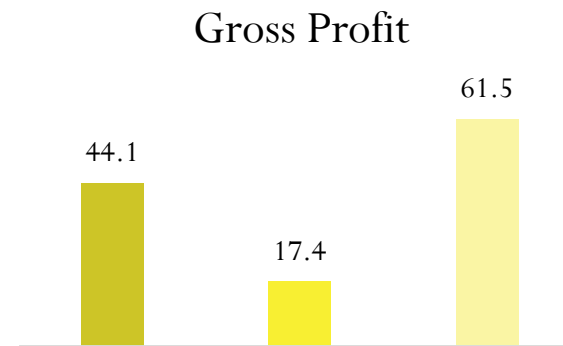
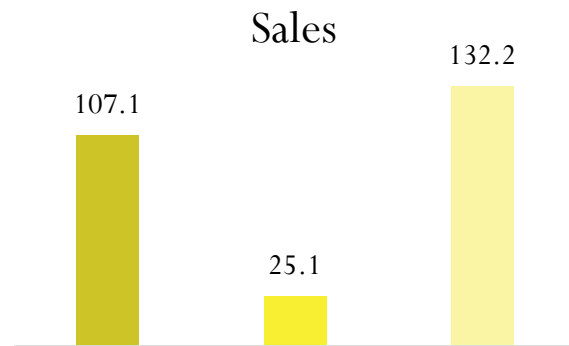
Consolidated Performance - Q1 FY 2021 v/s Q1 FY 2020



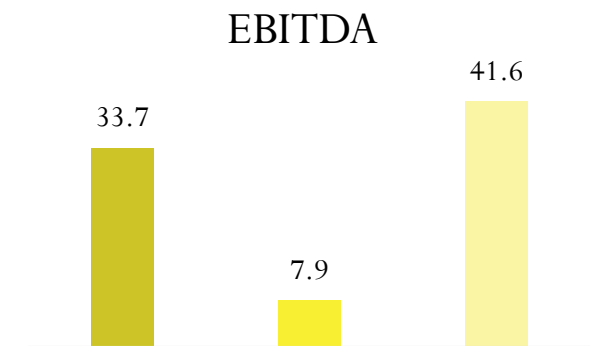
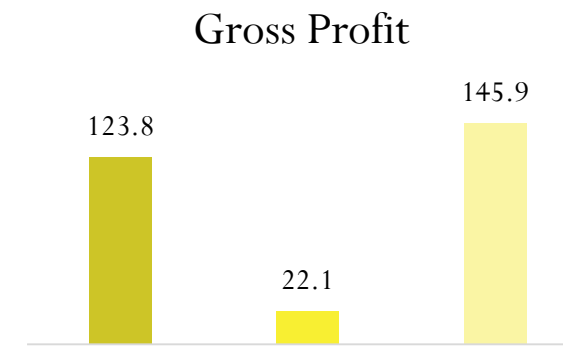
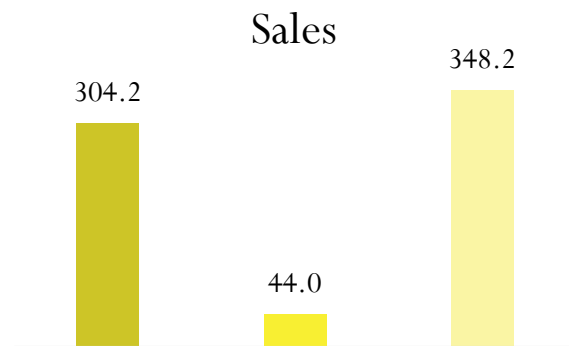
Greenply Subsidiaries Consolidated

Figures in Rs crore

Q1 FY21



Q1 FY20



Greenply Standalone Performance



Particulars	Q1 FY21	Q1 FY20
Net sales (Rs. crore)	107.1	304.2
EBITDA margin (%)	-4.7	11.1
EBIT margin (%)	-8.0	9.3
Annual capacity (million sqm.)	24.9	24.9
Production (million sqm.)	3.14	8.64
Sales volume (million sqm.)	4.73	13.57
Utilisation (%)	50	139
Average realisation (Rs./sqm.)	224	222



“Commenting on the performance for Q1FY2021, Mr. Rajesh Mittal, Chairman & Managing Director, Greenply Industries Ltd. said,

“The quarter under review has been challenging due to the lockdown and ongoing pandemic and the effects that it has brought about to the economy. We have had to face a difficult situation as things slowly resumed to pace this quarter and our factories started again sometime in the middle of the quarter.

At this point we stand strong as a company with a healthy balance sheet and I am positive that as we move ahead, we will be in a stronger position to understand the situation deeper.”

Consolidated Financial Results – P&L Q1 FY 2021



(₹ in Lakhs)

Statement of Consolidated Financial Results for the Three Months ended 30 June 2020				
Particulars	CONS 3M 30.06.2020	CONS 3M 31.03.2019	CONS 3M 30.06.2019	CONS 12M 31.03.2020
Income				
a) Revenue from operations	13,271.22	34,469.90	34,944.81	142,042.69
b) Other income	16.30	129.68	41.39	204.00
Total Income	13,287.52	34,599.58	34,986.20	142,246.69
Expenses				
a) Cost of materials consumed	5,096.45	13,729.26	13,631.56	54,521.15
b) Purchase of stock-in-trade	2,711.24	7,415.28	7,410.85	29,331.55
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(731.75)	(124.64)	(808.59)	(304.13)
d) Employee benefits expense	3,178.43	3,857.78	3,843.28	16,291.55
e) Finance costs	547.11	549.41	503.68	2,079.39
f) Depreciation and amortisation expenses	511.35	661.50	629.64	2,571.91
g) Other expenses	3,300.44	6,606.18	6,753.06	26,639.42
Total Expenses	14,613.27	32,694.77	31,963.48	131,130.84
Exceptional items	-	(4,997.05)	-	(4,997.05)
Share of profit/(loss) of joint venture	(121.29)	59.30	(69.30)	(49.26)
Profit before tax	(1,447.04)	(3,032.94)	2,953.42	6,069.54
Tax expense				
a) Current tax	-	(151.45)	901.00	1,945.87
b) Deferred tax	(319.94)	(731.62)	(48.30)	(601.40)
Total tax expense	(319.94)	(883.07)	852.70	1,344.47
Profit for the period	(1,127.10)	(2,149.87)	2,100.72	4,725.07
Other Comprehensive Income / (Loss) for the period	84.01	150.17	60.53	135.22
Total Comprehensive Income for the period	(1,043.09)	(1,999.70)	2,161.25	4,860.29
Earnings per equity share (of ₹ 1/- each)	(0.92)*	(1.75)*	1.71*	3.85

* Not annualised

Standalone Financial Results – P&L Q1 FY 2021



(₹ in Lakhs)

Statement of Standalone Financial Results for the Three Months ended 30 June 2020				
Particulars	STD 3M 30.06.2020	STD 3M 31.03.2019	STD 3M 30.06.2019	STD 12M 31.03.2020
Income				
a) Revenue from operations	10,759.15	29,723.48	30,543.61	126,767.86
b) Other income	84.66	310.97	102.96	618.72
Total Income	10,843.81	30,034.45	30,646.57	127,386.58
Expenses				
a) Cost of materials consumed	3,428.17	12,006.76	11,514.23	49,654.42
b) Purchase of stock-in-trade	2,132.76	6,899.28	7,410.85	27,714.84
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	740.74	(268.66)	(877.56)	(256.72)
d) Employee benefits expense	2,756.40	3,311.62	3,554.15	14,559.83
e) Finance costs	406.36	436.65	415.35	1,685.19
f) Depreciation and amortisation expenses	359.90	514.25	529.74	2,106.60
g) Other expenses	2,285.30	5,483.77	5,674.63	22,321.20
Total Expenses	12,109.63	28,383.67	28,221.39	117,785.36
Exceptional items	-	(4,997.05)	-	(4,997.05)
Profit before tax	(1,265.82)	(3,346.27)	2,425.18	4,604.17
Tax expense				
a) Current tax	-	(151.45)	901.00	1,945.87
b) Deferred tax	(319.94)	(731.62)	(48.30)	(601.40)
Total tax expense	(319.94)	(883.07)	852.70	1,344.47
Profit for the period	(945.88)	(2,463.20)	1,572.48	3,259.70
Other Comprehensive Income/(Loss) for the period	(15.71)	27.90	(0.65)	(106.85)
Total Comprehensive Income for the period	(961.59)	(2,435.30)	1,571.83	3,152.85
Earnings per equity share (of ₹ 1/- each)	(0.77)*	(2.01)*	1.28*	2.66

Shareholding Pattern



June 2020

47.98%

Public

52.02%

Promoter



June 2019

48.97%

Public

51.03%

Promoter





Company Overview

➤ CAPACITY UTILIZATION

- Plywood 50% utilization in Q1FY2021
- Plywood 139% utilization in Q1FY2020

➤ PRODUCTION MODEL

- Plywood – Moving towards an asset light set-up by increasing outsourcing in mid-segment

➤ RAW MATERIAL SUSTAINABILITY

- Plantation of fast growing and improved species of clonal plantations to improve quality of wood availability and plywood manufactured
- Significant expansion in face veneer capacity at Gabon plant with expansion in log peeling capacity from 36000 CBM to 96000 CBM.

➤ BUSINESS SEGMENTS

- Wood based products - Plywood and allied products, Face Veneer

➤ STRONG BRAND PRESENCE BUILT OVER 30 YEARS

- Largest pan-India player with 26% share of organized plywood market;
- Large investments in advertisements and promotional activities over the years

➤ STRONG INDUSTRY POTENTIAL

- Plywood industry size – Rs. 190 billion
- Strong demand drivers – rising residential/commercial construction, increasing urbanization, high disposable incomes, GST Implementation and Government Announcement regarding construction of 100 smart cities

➤ WELL ENTRENCHED DISTRIBUTION NETWORK

- Distributors/stockists (Plywood >2100) and retailers (Plywood >6000)
- Serviced by more than 50 physical and virtual branches

➤ MANUFACTURING FACILITIES

- 3 state-of-the-art manufacturing facilities of Plywood & allied products in India
- One overseas manufacturing facility of face veneer through wholly owned subsidiary in Gabon
- One overseas manufacturing facility of face veneer through JV in Myanmar

Growth Outlook



PRODUCT PROFILE

- To improve mix of plywood through increase in mix of value-added products like Green Defender, Green Gold Prima and Natural Veneers



ADVERTISING & PROMOTIONAL SPENDS

- Continued investments in increasing brand visibility pan-India
- Maintain Ad spends at around 3-3.5% of Net Sales



IT INITIATIVES

- Upgraded IT infrastructure – implemented SAP Hana to strengthen overall supply chain
- Implemented Microsoft CRM Module



DISTRIBUTION NETWORK

- To increase the number of distributors and retailers going forward



FINANCIAL PERFORMANCE

- Margin expected to improve post COVID-19 from FY 2022 with increase in revenue and cost rationalization measures.



INDUSTRY DRIVERS

- Rising demand from the real estate sector
- Increasing urbanisation, higher disposable incomes and a growing middle class
- Rollout of GST to facilitate faster shift from unorganised to branded products in the plywood space

Manufacturing Facilities / Business Model



Facilities

Business Model

Plywood

Location	Capacity (mn sqm.)
Tizit, Nagaland	4.50
Kripampur, West Bengal	6.00
Bamanbore, Gujarat	14.40
Total Capacity	24.90

- 64% Premium products, 36% mid & low end products in volume terms
- 73% Premium products, 27% mid & low end products in value terms
- Asset light model generating higher ROCEs
- Mid-segment variants to be outsourced freeing existing capacities for premium variants
- Quality Team on vendor's site to monitor quality of inputs and ensure consistent quality of finished product

Face Veneer

Location	Capacity (CBM)
Gabon, West Africa	96,000*

* Log (Raw Material) Peeling Capacity

Face Veneer (Finished Goods)	Q1 FY 2021 Qty (CBM)	Q1 FY 2020 Qty (CBM)
Production	9,864	8,737
Sales Volume (External Sales)	5,715	9,841

- Supplying to Europe, India, Middle East and South East Asia

Our Brands



Marketing / Activation

- Influencers Program
 - Maanyata Milan (Carpenter Recognition Program)
 - Carpenter Meets
- Product Promotion – Road Show with product display
- Local Branding activity – Wall Paintings, GSB's Etc.



Brand Activation– Digital

Digital media has been the key focus for us and we have launched campaigns almost every quarter. Starting from IPL, World cup to Independence Day & Pujo the brand has constantly engaged with high participation from the audience on topical content to maintain brand relevance.



Lockdown stories

- As coronavirus started creating havoc across the globe and soon found its way here in India, our country took the bold step of lockdown
- Our communication during this time aimed at engaging, spreading positivity and remembering old memories through different campaigns that the audience could relate to. We used Facebook and Instagram as these were the two most used platforms.



#OnthegreenerSide

During trying times when the nation was on lockdown there was an atmosphere of negativity & uncertainty. In such times where people are stuck at home Greenply as an interior infrastructure brand reminded everyone about the positives of staying at home, the one place that allows you to

- To take time out for yourself & loved ones
- To do the things you've been wanting to but unable due to a busy schedule
- To take a pause/slow down in between all the chaos
- To contribute towards a cleaner and better environment – allowing the nature to heal

Most importantly to value home in all its essence, hence Greenply shares a light hearted & positive message with the nation through #OnTheGreenerSide



About Greenply



Greenply Industries Limited (GIL) enjoys leadership position in plywood for more than 26 percent of the organized plywood market in India.

GIL has three state-of-the-art manufacturing facilities for Plywood spread across the country producing world class interior products for the domestic and global markets. The company has a presence in over 300 cities across 25 states serviced through a well-entrenched distribution network of more than 2100 dealers and authorised stockists, a retail network exceeding 6000 and more than 50 physical and virtual branches pan-India.

GIL is the preferred partner of choice for a large number of office and home builders having a comprehensive product portfolio servicing clients at every point of the price spectrum under brand names of Green Club Plus Seven Hundred, Green Club 5 Hundred, Optima G and Ecotec to name a few.

For further information, please contact:

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Tel: +91 22 6645 1237 / 1235

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Thank You