



Greenply/2019-20
November 8, 2019

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 and half year ended 30th September, 2019

With reference to the captioned subject, please find enclosed Presentation on un-audited financial results of Greenply Industries Limited for the quarter and half year ended 30.09.2019.

Thanking you,

Yours faithfully,

For GREENPLY INDUSTRIES LIMITED

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

Encl.: As above

Greenply Industries Limited

'Madgul Lounge', 5th & 6th Floor, 23 Chetla Central Road, Kolkata-700027, West Bengal, India
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E: sales.ply@greenply.com **Web**: www.greenplyplywood.com | www.greenply.com | www.askgreenply.com
Registered Office: Makum Road, Tinsukia - 786125, Assam, India | **Corporate Identity Number**: L20211AS1990PLC003484

Q2 & H1 FY2020

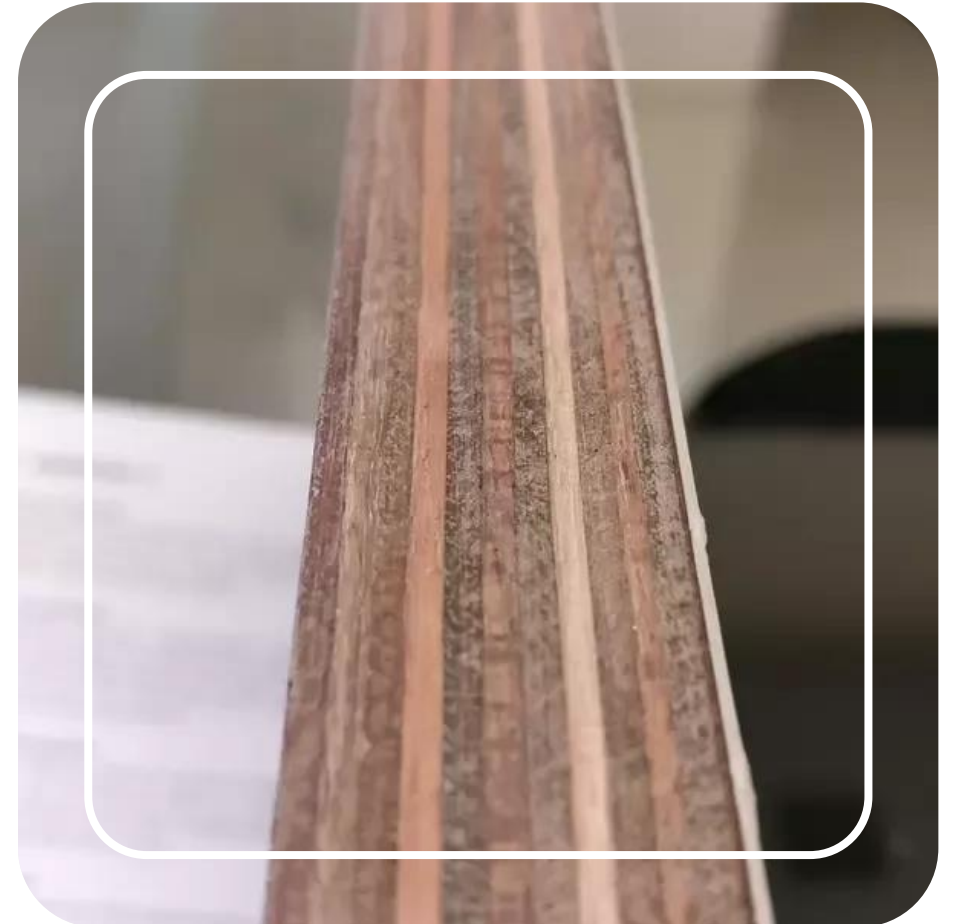
Financial Results Presentation



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.

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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Financial Highlights – Q2 FY 2020



Consolidated Net Sales up by 5.8% YoY to Rs. 378.90 crores

Standalone Net Sales up by 2.3% YoY to Rs. 344.11 crores

Consolidated Gross margins up by 422 bps YoY to 42.1%

Standalone Gross margins up by 373 bps YoY to 39.7%

Consolidated EBITDA margins increased 158.5 bps YoY to 11.9%

Standalone EBITDA margins increased 67 bps YoY to 11.4%

Consolidated PAT up by 50.7% YoY to Rs. 26.42 crores

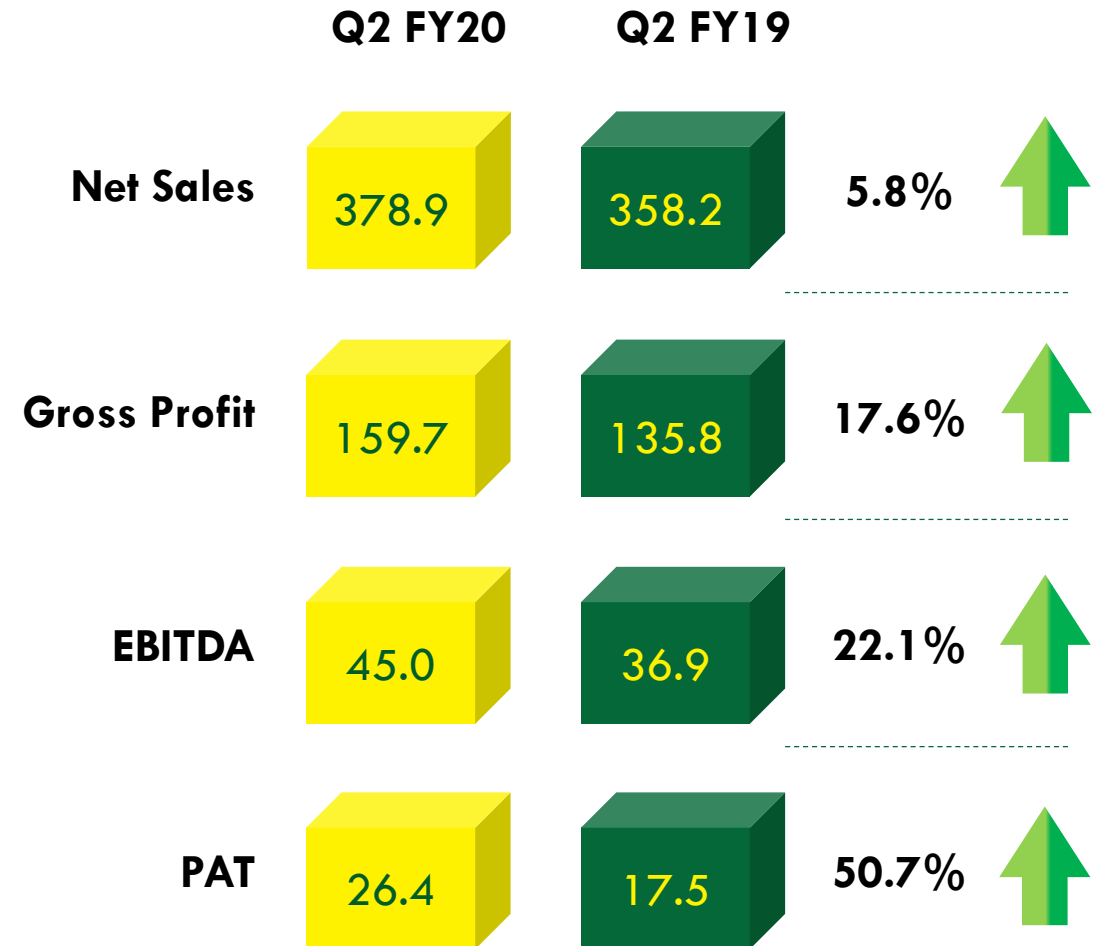
Standalone PAT up by 27.0% YoY to Rs. 22.90 crores

Consolidated Debt to equity ratio at 0.75 as on 30th September, 2019 and 0.87 as on 30th September, 2018

Standalone Debt to equity ratio at 0.47 as on 30th September, 2019 and 0.52 as on 30th September, 2018

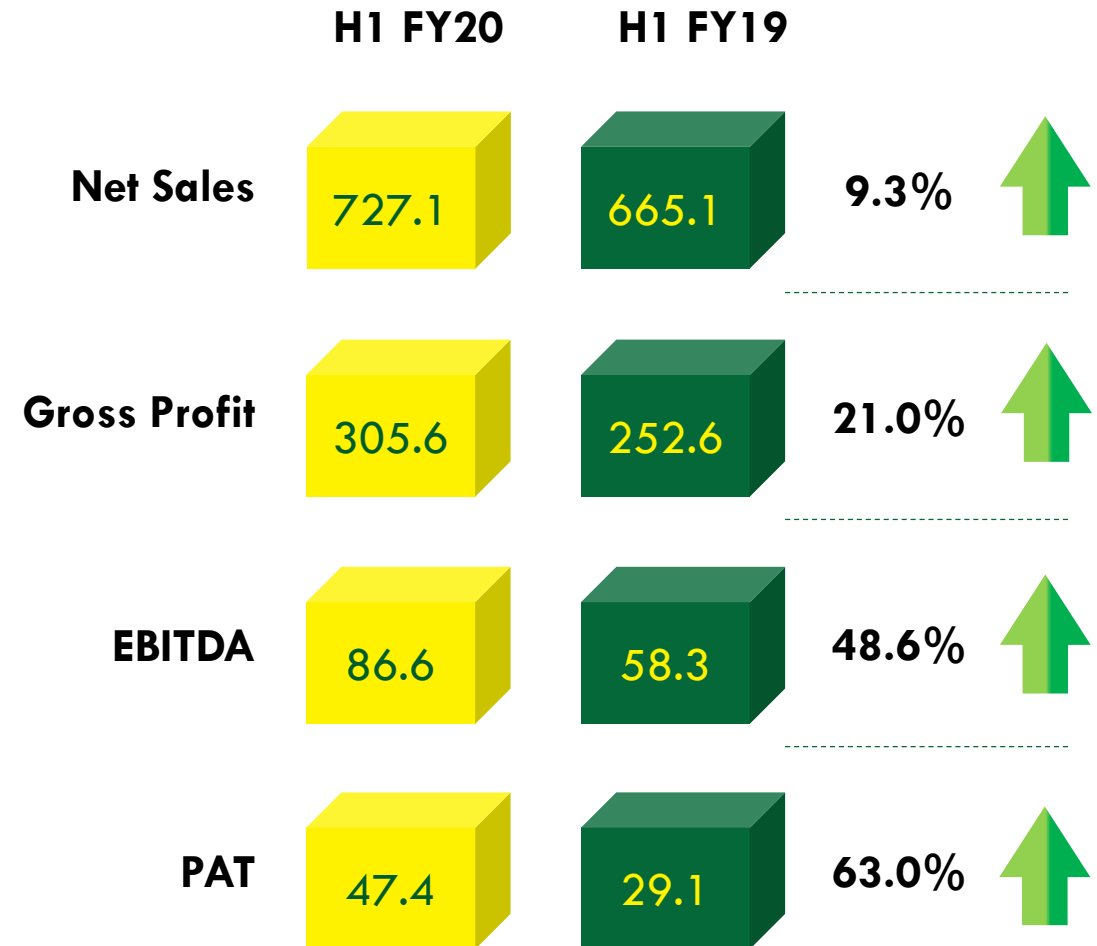
Consolidated Financial Highlights - Q2 FY 2020

Key Ratios (%)	Q2 FY20	Q2 FY19
Gross Margin	42.1	37.9
EBITDA Margin	11.9	10.3
EBIT Margin	10.2	8.7
Net Margin	7.0	4.9
Ad and promotions / Net Sales	3.2	5.6
Staff Cost/ Net Sales	12.0	10.7
Logistics cost / Net Sales	4.6	4.6
EPS (Rs.)	2.15	1.43



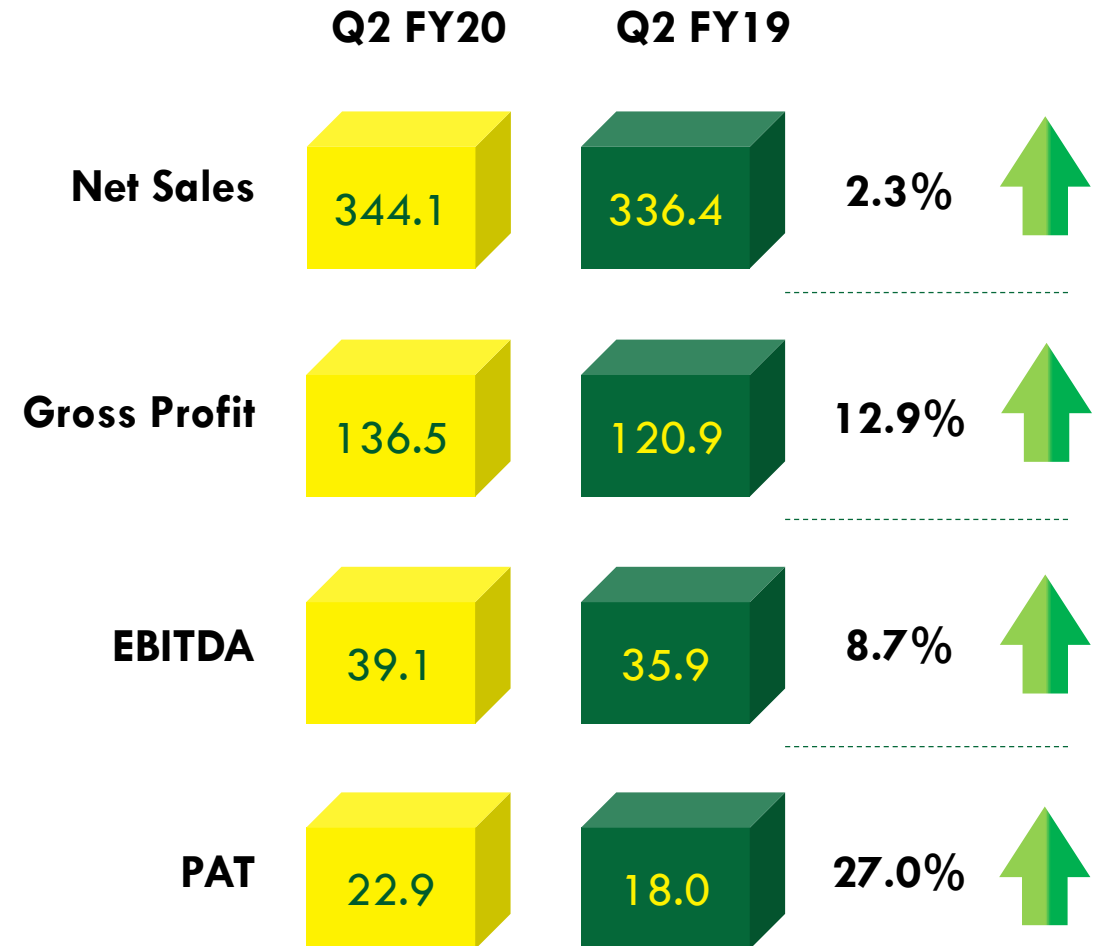
Consolidated Financial Highlights – H1 FY 2020

Key Ratios (%)	H1 FY20	H1 FY19
Gross Margin	42.0	38.0
EBITDA Margin	11.9	8.8
EBIT Margin	10.2	7.1
Net Margin	6.5	4.4
Ad and promotions / Net Sales	3.5	5.2
Staff Cost/ Net Sales	11.5	11.3
Logistics cost / Net Sales	4.6	4.6
EPS (Rs.)	3.87	2.37



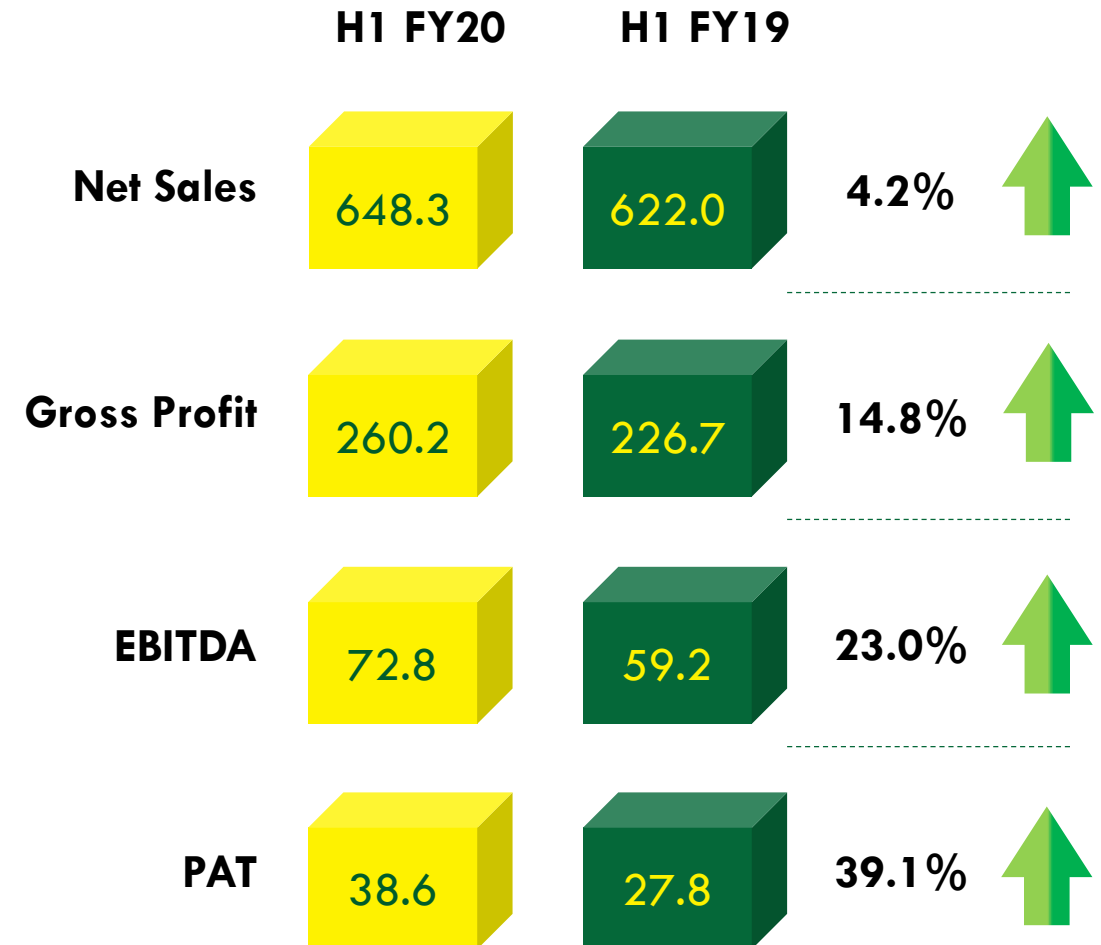
Standalone Financial Highlights - Q2 FY 2020

Key Ratios (%)	Q2 FY20	Q2 FY19
Gross Margin	39.7	35.9
EBITDA Margin	11.4	10.7
EBIT Margin	9.8	9.3
Net Margin	6.7	5.4
Ad and promotions / Net Sales	3.5	5.6
Staff Cost/ Net Sales	12.0	10.5
Logistics cost / Net Sales	5.1	4.8
EPS (Rs.)	1.87	1.47



Standalone Financial Highlights – H1 FY 2020

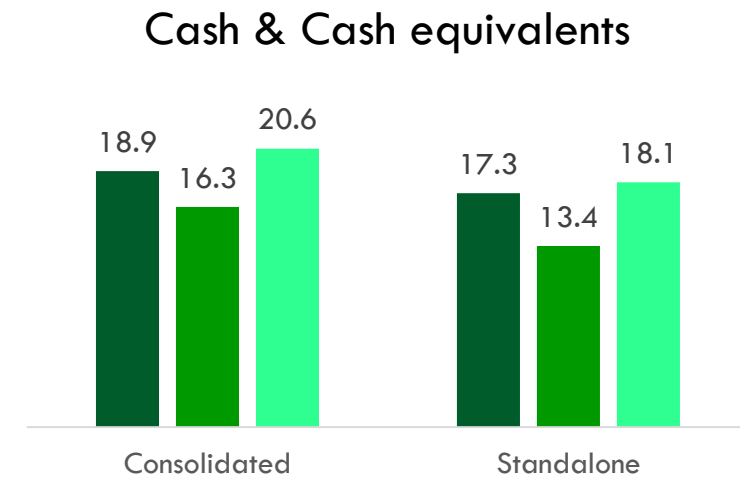
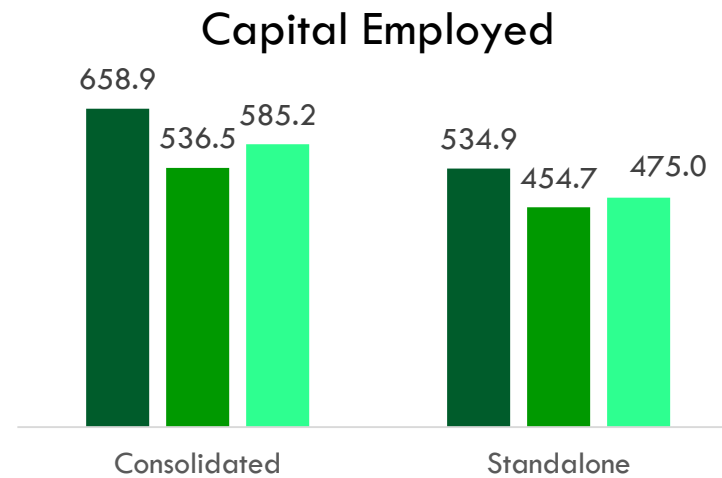
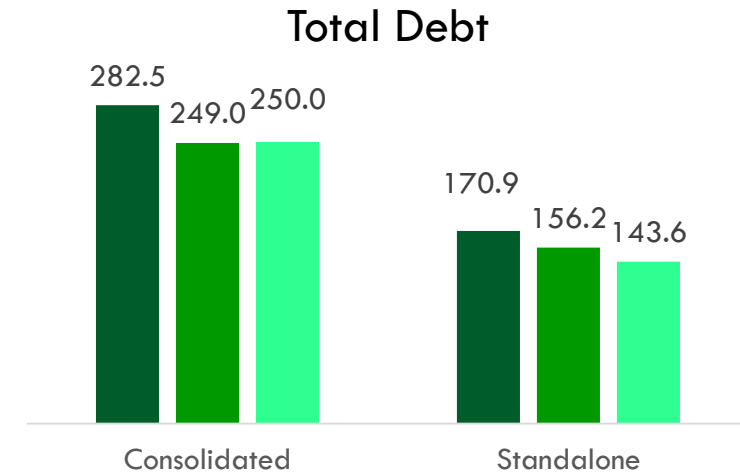
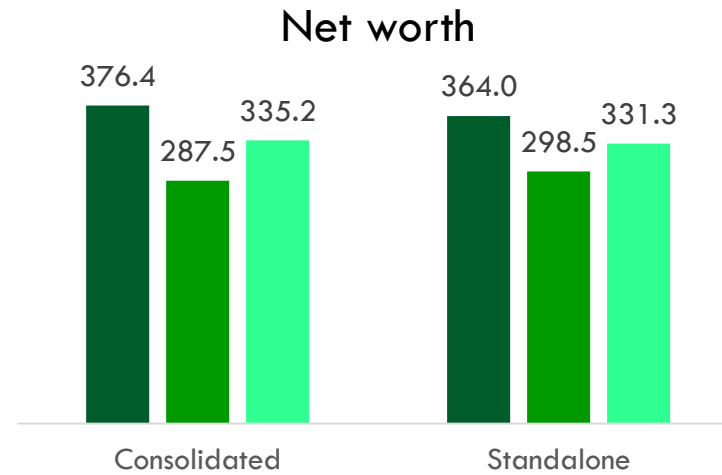
Key Ratios (%)	H1 FY20	H1 FY19
Gross Margin	40.1	36.5
EBITDA Margin	11.2	9.5
EBIT Margin	9.6	8.0
Net Margin	6.0	4.5
Ad and promotions / Net Sales	3.9	5.4
Staff Cost/ Net Sales	11.8	11.1
Logistics cost / Net Sales	5.1	4.9
EPS (Rs.)	3.15	2.26





Financial Highlights –

Balance Sheet Perspective



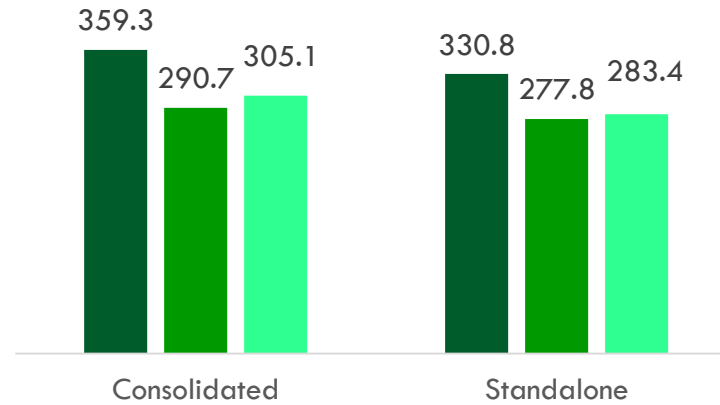
Sept'19
 Sept'18
 Mar'19



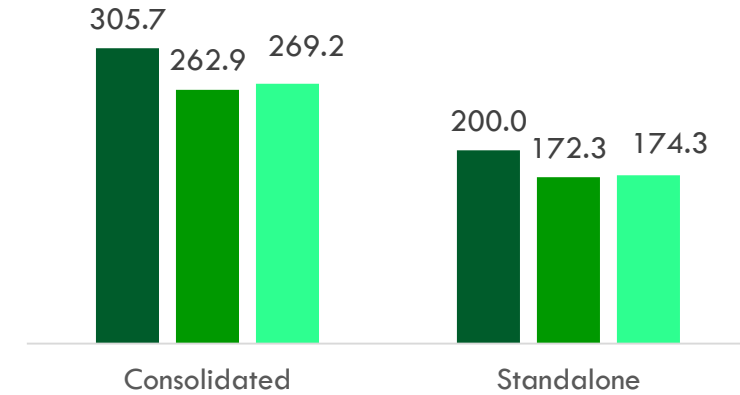
Financial Highlights –

Balance Sheet Perspective

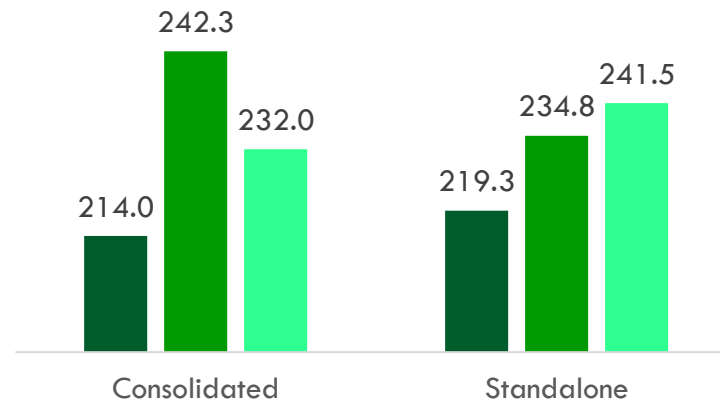
Receivables



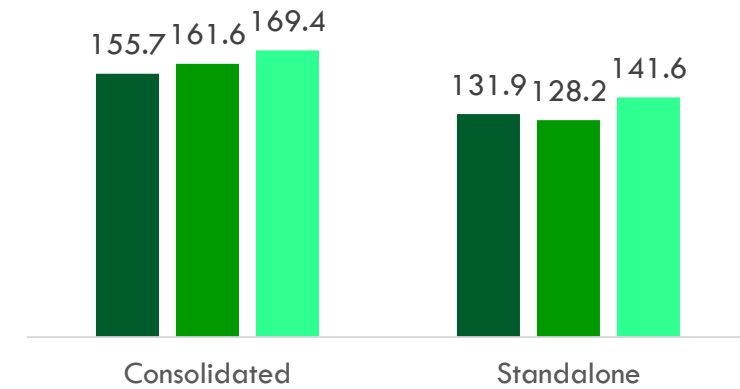
Fixed Assets



Payables



Inventories

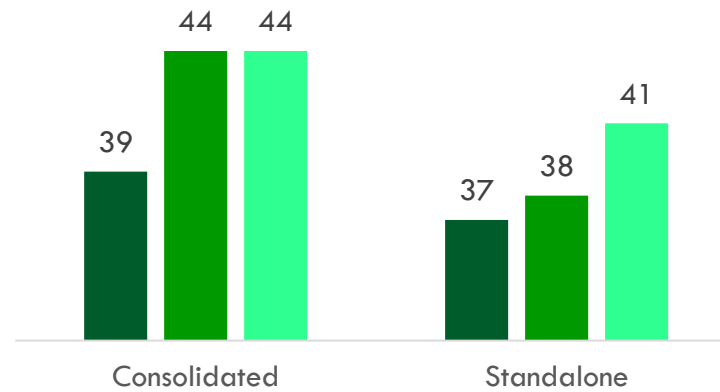


Sept'19
 Sept'18
 Mar'19

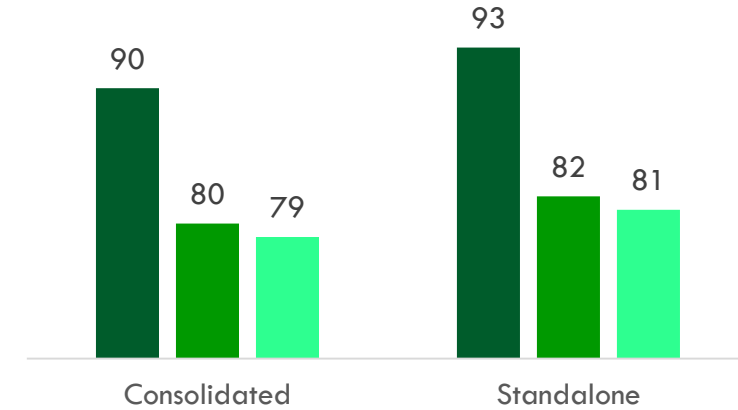


Financial Highlights – Ratios

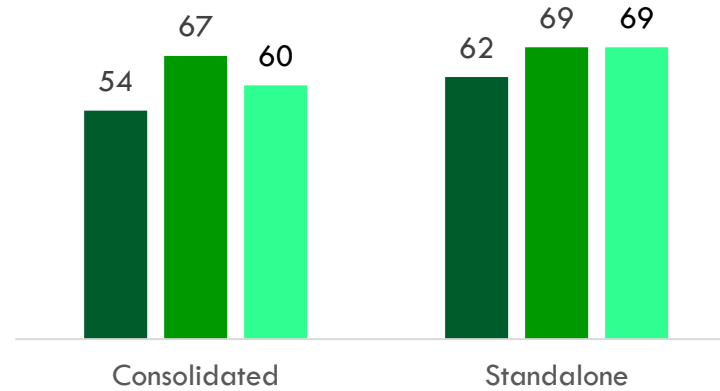
Inventories (Days)



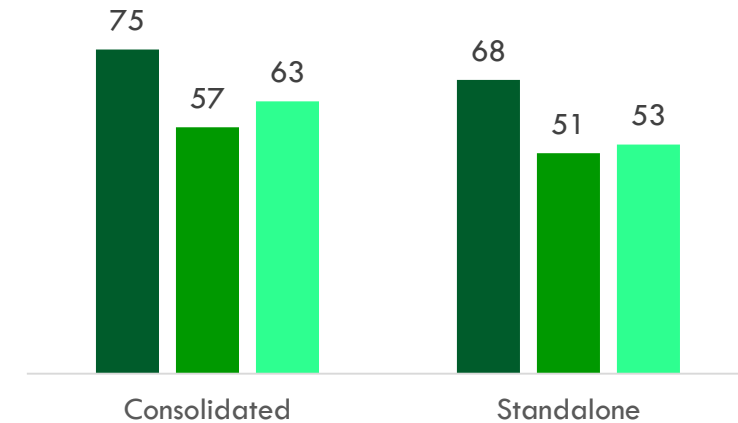
Debtors (Days)



Creditors (Days)



Working Capital Turnover (Days)

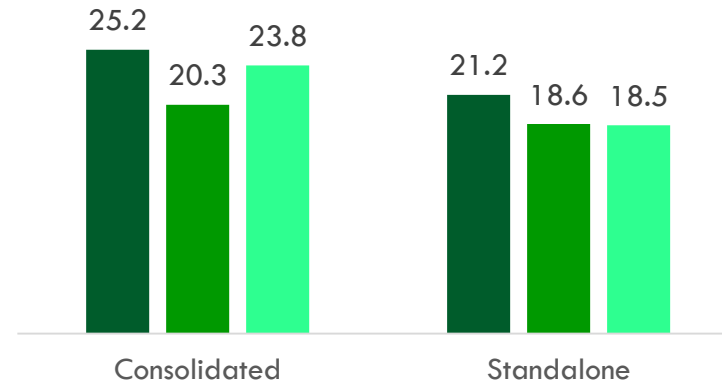


Sept'19
 Sept'18
 Mar'19

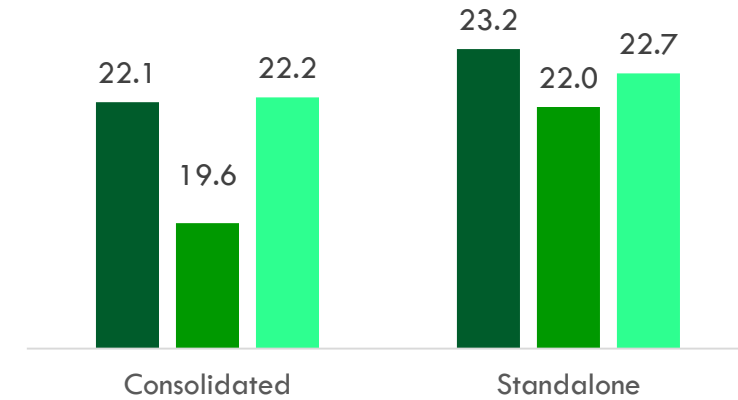


Financial Highlights – Ratios

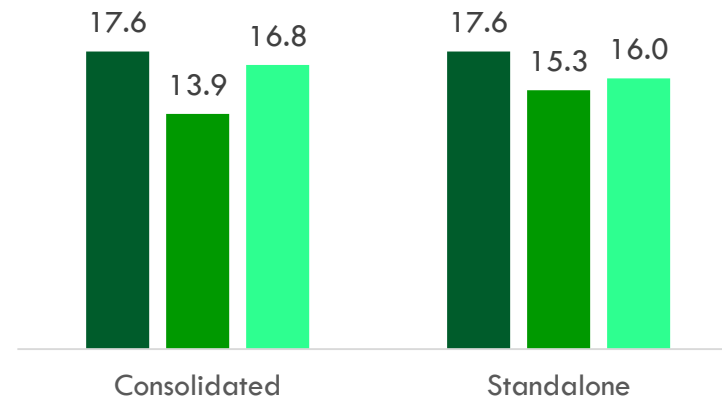
ROE (%)



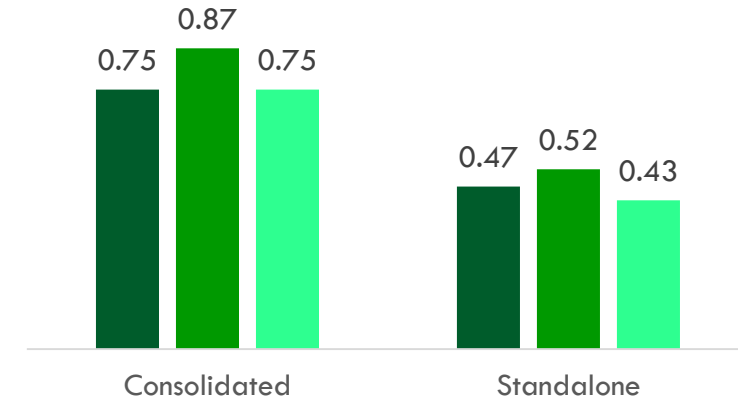
RoCE Pre-tax (%)



RoCE Post-tax (%)



Debt/Equity

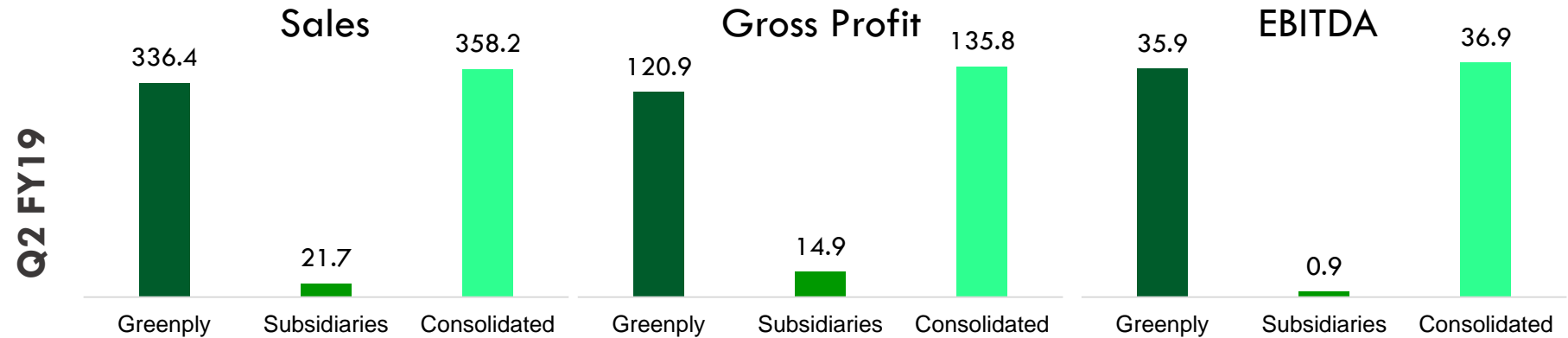
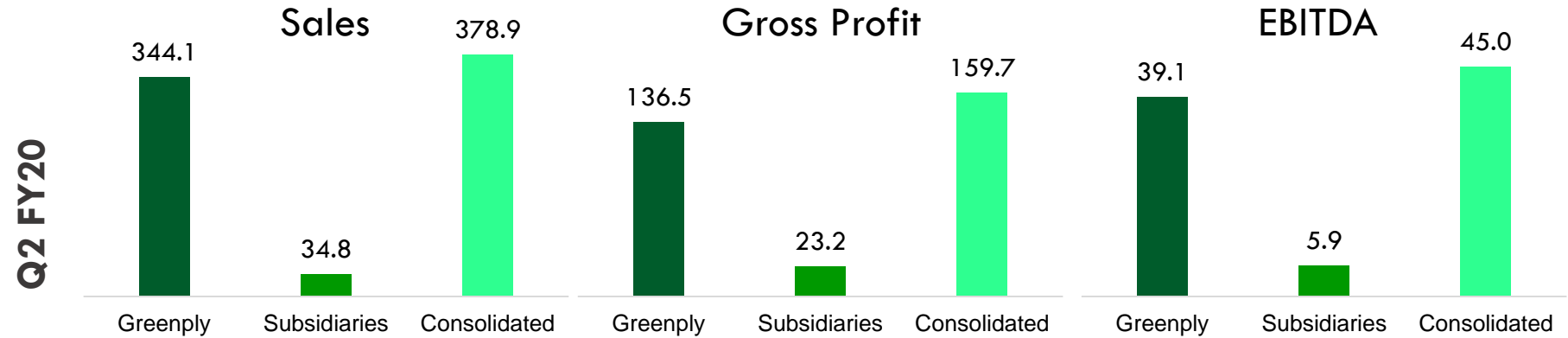


Sept'19
 Sept'18
 Mar'19



Consolidated Performance –

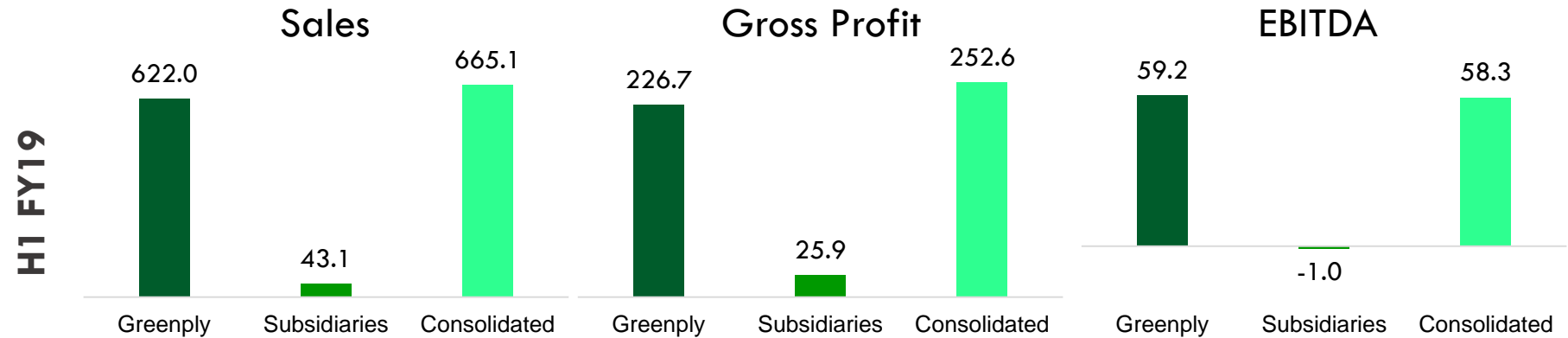
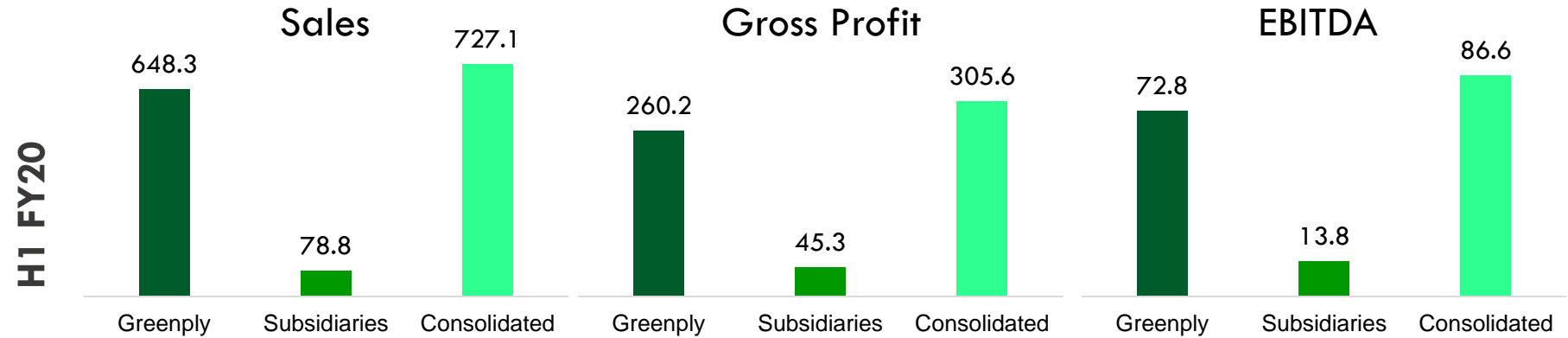
Q2 FY 2020 v/s
Q2 FY 2019





Consolidated Performance –

H1 FY 2020 v/s
H1 FY 2019





Greenply Standalone Performance

Particulars	Q2 FY20	Q2 FY19	Var (%)	H1 FY20	H1 FY19	Var (%)
Net sales (Rs. crore)	344.11	336.41	2.3	648.34	622.01	4.2
EBITDA margin (%)	11.4	10.7		11.22	9.52	
EBIT margin (%)	9.8%	9.3%		9.6%	8.0%	
Annual capacity (million sqm.)	24.9	24.9		24.9	24.9	
Production (million sqm.)	9.87	8.83	11.8%	18.51	16.55	11.8%
Sales volume (million sqm.)	15.17	14.85	2.2%	28.73	27.89	3.0%
Utilisation	159%	142%		149%	133%	
Average realisation (Rs./sqm.)	224.00	222.00	0.9%	223.00	219.00	1.8%

Commenting on the performance for Q2 FY 2020, Mr. Rajesh Mittal, Chairman & Managing Director, Greenply Industries Ltd. said,

“We are glad to announce that our performance this quarter has been very good at the top line level with margins continuing to be strong. This performance is a result of significant efforts towards building our brand, strengthening our distribution presence and enhancing efficiencies.

We are seeing a gradual improvement in the macro environment. We are also excited about the prospects of our Gabon veneer facility and the expansion there is progressing well. I look forward to sustained improved operating and financial performance.”





Standalone Financial Results – P&L

Q2 & H1 FY
2020

(₹ in Lakhs)

Statement of Unaudited Standalone Financial Results for the quarter and six months ended 30 September 2019						
Particulars	STD 3M 30.09.2019	STD 3M 30.06.2019	STD 3M 30.09.2018	STD 6M 30.09.2019	STD 6M 30.09.2018	STD 12M 31.03.2019
Income						
a) Revenue from operations	34,550.72	30,543.61	34,029.35	65,094.33	62,790.92	128,378.83
b) Other income	103.97	102.96	227.31	206.93	382.14	645.91
Total Income	34,654.69	30,646.57	34,256.66	65,301.26	63,173.06	129,024.74
Expenses						
a) Cost of materials consumed	13,319.64	11,514.23	13,201.54	24,833.87	24,299.85	50,779.38
b) Purchase of stock-in-trade	6,457.74	7,410.85	9,205.36	13,868.59	16,567.48	30,604.65
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	986.09	(877.56)	(853.64)	108.53	(1,340.40)	(1,212.40)
d) Employee benefits expense	4,121.28	3,554.15	3,520.07	7,675.43	6,906.01	14,050.65
e) Finance costs	434.42	415.35	341.32	849.77	692.36	1,480.59
f) Depreciation and amortisation expense	540.07	529.74	465.02	1,069.81	926.06	1,871.73
g) Other expenses	5,863.31	5,674.63	5,589.84	11,537.94	10,816.53	22,169.10
Total Expenses	31,722.55	28,221.39	31,469.51	59,943.94	58,867.89	119,743.70
Profit before tax (3+4)	2,932.14	2,425.18	2,787.15	5,357.32	4,305.17	9,281.04
Tax expense						
a) Current tax	551.57	901.00	965.64	1,452.57	1,329.60	2,292.90
b) Deferred tax	90.69	(48.30)	18.16	42.39	198.75	858.92
Total tax expense	642.26	852.70	983.80	1,494.96	1,528.35	3,151.82
Net Profit after tax (5-6)	2,289.88	1,572.48	1,803.35	3,862.36	2,776.82	6,129.22
Other Comprehensive Income/(Loss) for the period	(0.85)	(0.65)	29.85	(1.50)	59.70	(6.57)
Total Comprehensive Income for the period (7+8)	2,289.03	1,571.83	1,833.20	3,860.86	2,836.52	6,122.65
Earnings per equity share (of ₹ 1/- each)	1.87*	1.28*	1.47*	3.15*	2.26*	5.00



Consolidated Financial Results – P&L

Q2 & H1 FY
2020

(₹ in Lakhs)

Statement of Unaudited Consolidated Financial Results for the quarter and six months ended 30 September 2019						
Particulars	CONS 3M 30.09.2019	CONS 3M 30.06.2019	CONS 3M 30.09.2018	CONS 6M 30.09.2019	CONS 6M 30.09.2018	CONS 12M 31.03.2019
Income						
a) Revenue from operations	38,029.73	34,944.81	36,203.72	72,974.54	67,098.38	141,216.17
b) Other income	13.27	41.39	143.34	54.66	225.04	326.64
Total Income	38,043.00	34,986.20	36,347.06	73,029.20	67,323.42	141,542.81
Expenses						
a) Cost of materials consumed	14,076.88	13,631.56	15,477.22	27,708.44	27,599.90	58,353.07
b) Purchase of stock-in-trade	6,457.74	7,410.85	9,205.36	13,868.59	16,567.48	30,604.65
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,390.39	(808.59)	(2,448.30)	581.80	(2,921.62)	(3,655.94)
d) Employee benefits expense	4,532.65	3,843.28	3,842.56	8,375.93	7,498.81	15,147.89
e) Finance costs	540.84	503.68	438.20	1,044.52	815.75	1,863.48
f) Depreciation and amortisation expense	644.34	629.64	557.10	1,273.98	1,098.81	2,243.11
g) Other expenses	7,084.46	6,753.06	6,583.38	13,837.52	12,751.91	26,361.92
Total Expenses	34,727.30	31,963.48	33,655.52	66,690.78	63,411.04	130,918.18
Share of profit/(loss) of joint venture	(31.50)	(69.30)	45.80	(100.80)	525.79	494.36
Profit before tax	3,284.20	2,953.42	2,737.34	6,237.62	4,438.17	11,118.99
Tax expense						
a) Current tax	551.57	901.00	965.64	1,452.57	1,329.60	2,292.90
b) Deferred tax	90.69	(48.30)	18.16	42.39	198.75	858.92
Total tax expense	642.26	852.70	983.80	1,494.96	1,528.35	3,151.82
Net Profit after tax (5-6)	2,641.94	2,100.72	1,753.54	4,742.66	2,909.82	7,967.17
Other Comprehensive Income / (Loss) for the period	(90.30)	60.53	(42.56)	(29.77)	274.59	110.09
Total Comprehensive Income for the period (9+10)	2,551.64	2,161.25	1,710.98	4,712.89	3,184.41	8,077.26
Earnings per equity share (of ₹ 1/- each)	2.15*	1.71*	1.43*	3.87*	2.37*	6.50

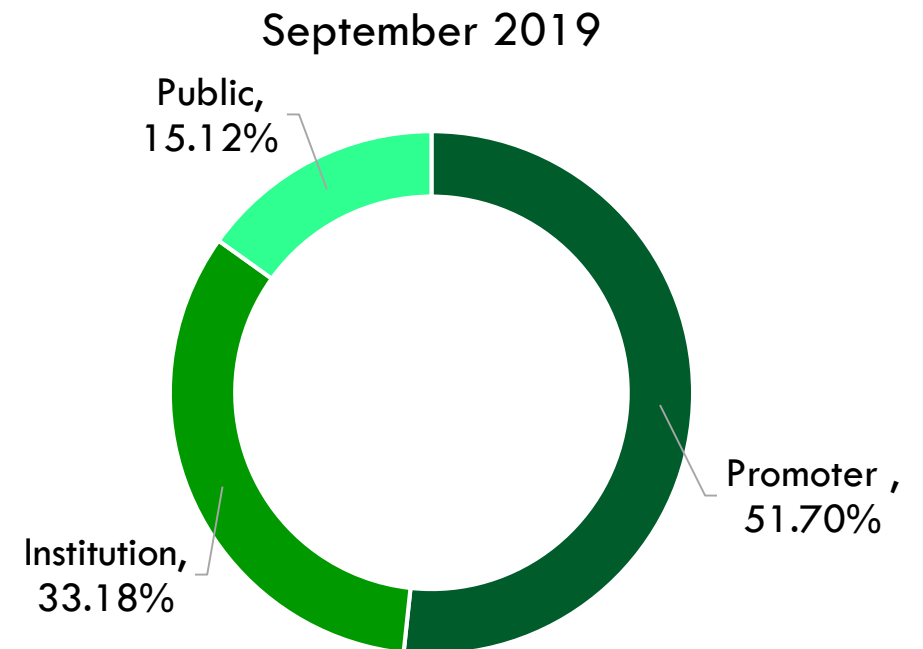
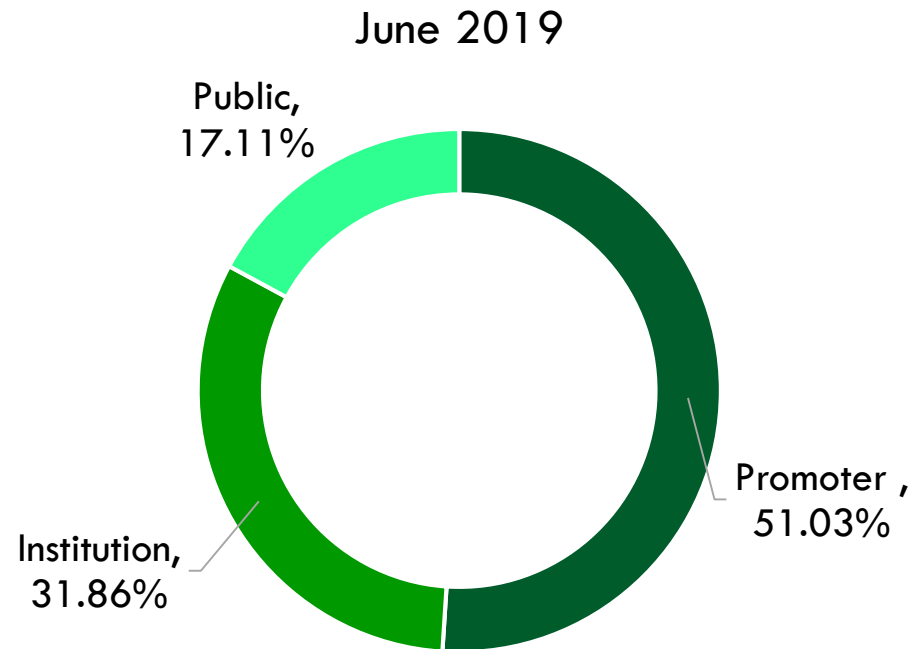


Financial Results – Standalone and Consolidated Balance Sheet as on 30.09.2019



Statement of Assets and Liabilities		(₹ in Lakhs)			
		Standalone		Consolidated	
		30.09.2019 (Unaudited)	31.03.2019 (Audited)	30.09.2019 (Unaudited)	31.03.2019 (Audited)
Sr. No.	Particulars				
A.	<u>ASSETS</u>				
	Non-current assets				
	(a) Property, plant and equipment	15,851.04	16,236.08	24,075.40	24,570.47
	(b) Capital work-in-progress	374.38	441.39	2,724.83	1,596.54
	(c) Other intangible assets	797.20	617.64	797.25	617.83
	(d) Intangible assets under development	-	134.76	-	134.76
	(e) Right of use assets	2,974.45	-	2,974.45	-
	(f) Investments accounted for using the equity method	-	-	2,122.99	2,223.80
	(g) Financial assets				
	(i) Investments	4,502.54	4,222.71	280.32	0.49
	(ii) Loans	2,171.24	2,457.88	219.15	274.63
	(iii) Other financial assets	2,099.37	2,230.66	2,099.37	2,230.66
	(h) Non-current tax assets (net)	418.61	418.61	418.61	418.61
	(i) Deferred tax assets (net)	369.06	410.95	369.06	410.95
	(j) Other non-current assets	384.83	2,989.02	608.70	3,396.21
	Total non-current assets	29,942.72	30,159.70	36,690.13	35,874.95
	Current assets				
	(a) Inventories	13,191.54	14,160.64	15,570.00	16,943.71
	(b) Financial assets				
	(i) Trade receivables	33,080.51	28,337.23	35,929.86	30,504.96
	(ii) Cash and cash equivalents	1,701.76	1,784.17	1,865.73	2,031.88
	(iii) Bank balances other than cash and cash equivalents	26.68	26.03	26.68	26.03
	(iv) Loans	42.60	44.65	42.60	44.65
	(v) Derivatives	4.85	-	4.85	-
	(vi) Other financial assets	1,545.55	763.33	1,460.20	678.64
	(c) Other current assets	2,706.49	1,929.22	3,998.31	2,598.53
	Total current assets	52,299.98	47,045.27	58,898.23	52,828.40
	TOTAL ASSETS	82,242.70	77,204.97	95,588.36	88,703.35
B.	<u>EQUITY AND LIABILITIES</u>				
	Equity				
	(a) Equity share capital	1,226.27	1,226.27	1,226.27	1,226.27
	(b) Other equity	35,177.67	31,908.15	36,417.67	32,296.12
	Total equity	36,403.94	33,134.42	37,643.95	33,522.39
	Non-current liabilities				
	(a) Financial liabilities				
	(i) Borrowings	2,911.72	3,616.22	6,606.34	8,042.29
	(ii) Lease liabilities	972.87	-	972.87	964.18
	(iii) Other financial liabilities	1.00	785.21	183.44	-
	(b) Provisions	895.11	505.01	895.11	505.01
	Total non-current liabilities	4,780.70	4,906.44	8,657.76	9,511.48
	Current Liabilities				
	(a) Financial liabilities				
	(i) Borrowings	12,782.14	9,429.12	18,706.22	14,115.21
	(ii) Trade payables				
	- Total outstanding dues of micro and small enterprises	31.11	83.15	31.11	83.15
	- Total outstanding dues of creditors other than micro and small enterprises	21,896.89	24,065.76	21,372.14	23,111.88
	(iii) Derivatives	-	88.54	-	88.54
	(iv) Lease liabilities	164.00	-	164.00	-
	(v) Other financial liabilities	3,264.53	3,019.69	5,893.67	5,717.66
	(b) Other current liabilities	2,670.41	2,430.77	2,870.54	2,505.96
	(c) Provisions	-	47.08	-	47.08
	(d) Current tax liabilities (net)	248.98	-	248.98	-
	Total current liabilities	41,058.06	39,164.11	49,286.66	45,669.48
	TOTAL EQUITY AND LIABILITIES	82,242.70	77,204.97	95,588.36	88,703.35

Shareholding Pattern



Promoter holding has increased 0.67% in Q2 FY20 – a reflection of Promoter's confidence in the strength and prospects of the Company

Company Overview



CAPACITY UTILIZATION

- Plywood 139% utilization (FY 2019)
- Plywood 149% utilization in H1 FY 2020 ; further demand being catered through outsourcing

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 veneers at Gabon plant with expansion in peeling capacity from 36000 CBM to 96000 CBM.

BUSINESS SEGMENTS

- Wood based products - Plywood and allied products,

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

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

WELL ENTRANCHED DISTRIBUTION NETWORK

- Distributors/stockists (**Plywood – 1,870**) and retailers (**Plywood – 6,000**)
- Serviced by 25 branches

MANUFACTURING FACILITIES

- 3 state-of-the-art manufacturing facilities for Plywood in India
- 1 overseas manufacturing facility

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

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

FINANCIAL PERFORMANCE

- 8-10% growth in Plywood in FY 2020
- Margin expected to improve with increase in sales of Gabon Face Veneers

ADVERTISING & PROMOTIONAL SPENDS

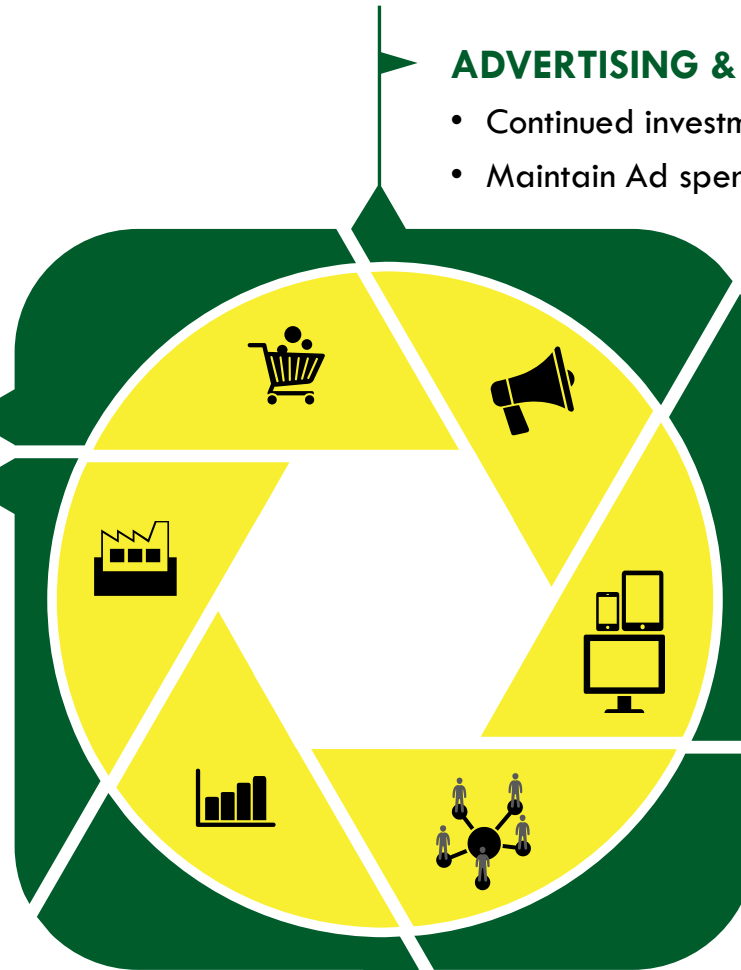
- Continued investments in increasing brand visibility pan-India
- Maintain Ad spends at around 4% of Net Sales

IT INITIATIVES

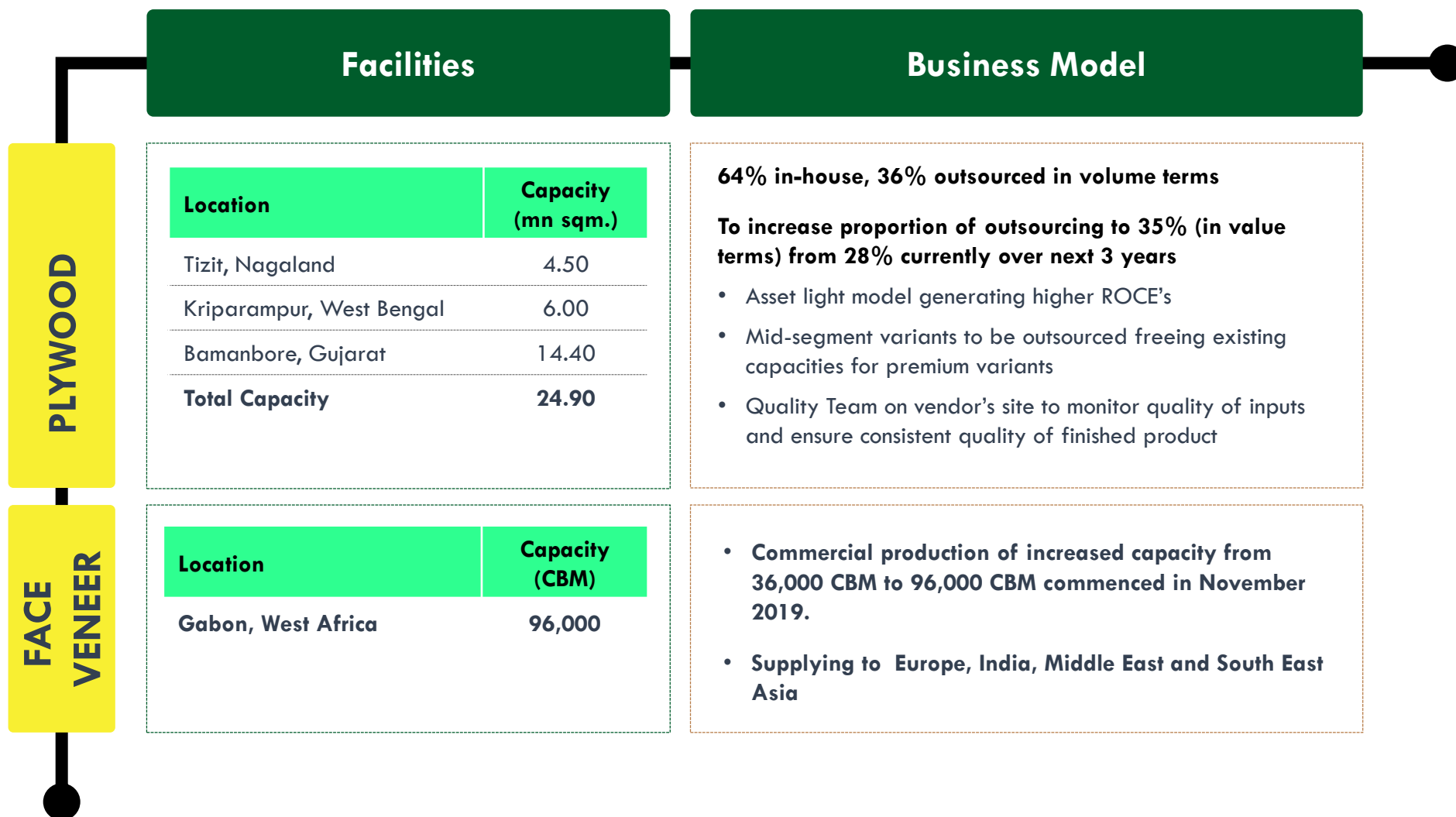
- Upgraded IT infrastructure – implemented SAP Hana to strengthen overall supply chain
- Implemented Microsoft CRM Module

DISTRIBUTION NETWORK

- To increase the number of distributors and retailers going forward



Manufacturing Facilities / Business Model



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.



Product launch – Green Club 5 Hundred

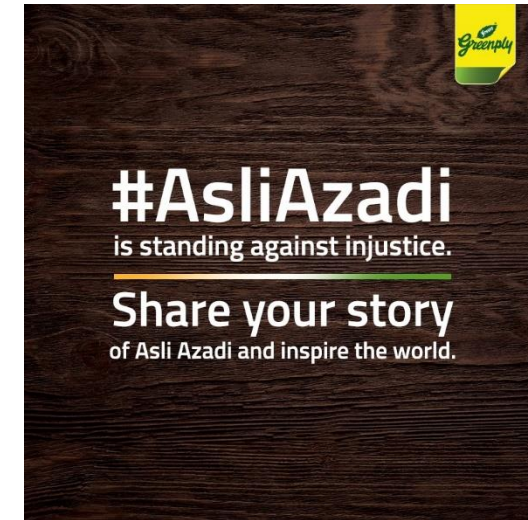
The last word in plywood is here now.

In keeping with our tradition of continuous innovation we launched Green Club 5 Hundred on 17th August 2019. As market leaders, our confidence in the product quality allows us to offer Green Club with a 500% Life time warranty. The product comes with an anti-bacterial coating that makes it safe for families and carpenters. It also has a thicker face veneer for added strength and quality. The Green Club sheets are passed through Penta (5) Tech for maximum precision, smooth surface and uniform thickness.



Brand Activation– Digital

Digital media has been the key focus for us this year launching 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.





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 1,870 dealers and authorised stockists, a retail network exceeding 6,000 and about 25 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 5 Hundred, Green Club Plus Premium Plywood, Optima G and Ecotec to name a few.

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