



# Result Presentation

**Q3 & 9M FY20**

**January 30<sup>th</sup>, 2020**

# Safe Harbour

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aculturecalled  
**bettering**

Its a belief driven by our values to thrive improvement across  
business segments

Our 'bettering' culture is visible in..



Product

Marketing

Service Solutions

Manufacturing

**bettering**

Network

Infrastructure

People

Financials

# Product Portfolio

## Decorative Laminate & Allied Products

Laminates	Compact Panels	MFC
Commodity to Premium products	Standard Compact Panels Lab Guardian Restroom & Locker Solutions Clads – Façade Panels Stratus Kitchen Solutions	Melamine Faced Chip Board



Greenlam LAMINATES



CLADS  
EXTERIOR GRADE COMPACT LAMINATES



Sturdo  
RESTROOM CUBICLES AND LOCKER SOLUTIONS



MFC  
MELAMINE FACED CHIPBOARDS

## Veneer & Allied Products

Decorative Veneer	Mikasa Floor	Mikasa Door
Natural Veneer Teak Veneer Engineered Veneer	Engineered Wood Floor & matching accessories	Engineered Wood Door and Doorsets (Door + Frames)



PREMIUM VENEERS  
NATURAL | TEAK | ENGINEERED



Mikasa  
REAL WOOD FLOORS



Mikasa  
DOORS & FRAMES



# Unaudited Consolidated Financials

# Consolidated Financial Performance - Q3FY20

- Consolidated Net Revenue for the quarter grew by 14.0% at INR 358 Crores as compared to INR 314 Crores in Q3FY19
  - Laminate revenue grew by 13.2% to INR 297.0 crores in Q3FY20 from INR 262.4 crores in Q3FY19
    - Domestic laminate revenue grew by 2.0% in value terms, however volumes de-grew by 4.6%
    - Laminate exports grew by 25.7% in value terms. Volume grew by 20.6% for the quarter
  - Revenues of decorative veneer business de-grew by 5.5% to INR 33.5 crores in Q3FY20 from INR 35.4 crores in Q3FY19, volumes de-grew by 7.0%
  - Revenues of engineered wood flooring business grew by 70.8% to INR 15.5 crores in Q3FY20 as against INR 9.1 crores in Q3FY19
  - Revenues of engineered door business grew by 70.9% to INR 12.0 crores in Q3FY20 as against INR 7.0 crores in Q3FY19
- Gross Margin improved by 200 bps to 50.3% in Q3FY20 from 48.3% in Q3FY19 on account of better product mix
- Gross margin in absolute terms increased by 18.6% to INR 180.0 crores in Q3FY20 as compared to INR 151.8 crores in Q3FY19
- EBIDTA margin grew by 220 bps to 15.3% in Q3FY20 from 13.1% in Q3FY19
- EBIDTA grew by 33.1% to INR 54.6 crores in Q3FY20 as comparison to INR 41.1 crores in the Q3FY19.
- PAT for the quarter grew by 46.7% and stood at INR 29.1 crores, as against INR 19.8 Crores in corresponding quarter last year
- Working capital cycle reduced by 5 days to 85 days as compared to Q3FY19
- Debt to Equity stood at 0.50x at the end of December 2019 as against 0.63x of March 2019

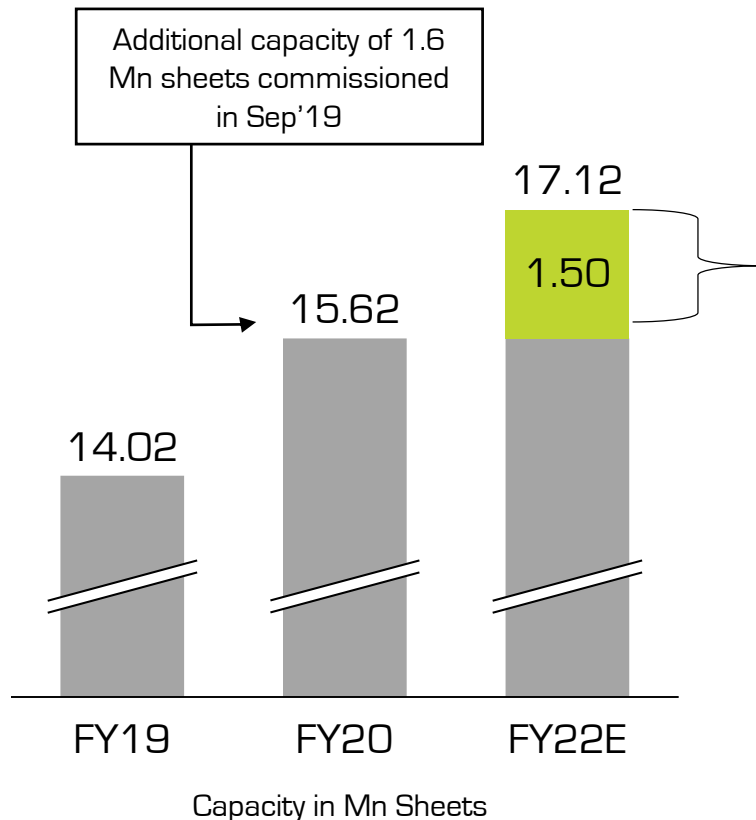
# Consolidated Financial Performance – 9MFY20

- Consolidated Net Revenue for 9MFY20 grew by 8.3% at INR 997 Crores as compared to INR 921 Crores in 9MFY19
  - Laminate revenue grew by 7.2% to INR 838.6 crores in 9MFY20 from INR 782.1 crores in 9MFY19
    - Domestic laminate revenue grew by 3.9% in value terms, however volumes de-grew by 3.1%
    - Laminate exports revenue grew by 10.7% in INR value. Volume grew by 2.9% for the period reported
  - Revenues of decorative veneer business de-grew by 5.8% to INR 88.9 crores in 9MFY20 from INR 94.4 crores in 9MFY19 having a volume de-growth of 7.6%
  - Revenues of engineered wood flooring business grew by 39.8% to INR 41.9 crores in 9MFY20 as against INR 30.0 crores in 9MFY19
  - Revenues of engineered door business grew by 93.3% to INR 27.2 crores in 9MFY20 as against INR 14.1 crores in 9MFY19
- Gross Margin improved by 160 bps to 48.9% in 9MFY20 from 47.3% in 9MFY19
- Gross margin in absolute terms increased by 11.9% to INR 487.6 crores in 9MFY20 as compared to INR 435.6 crores in 9MFY19
- EBIDTA margin grew by 90 bps to 13.3% in 9MFY20 from 12.4% in 9MFY19.
- EBIDTA grew by 16.6% to INR 133.0 crores in 9MFY20 as comparison to INR 114.1 crores in the 9MFY19.
- PAT for the period grew by 21.8% and stood at INR 65.0 crores, as against INR 53.4 Crores in corresponding period last year
- Working capital cycle remained flat at 92 days as compared to 9MFY19



# Proposed New Capacity - Laminate Sheets

- Proposed Facility under Greenlam South Limited
- Existing Facility under Greenlam Industries Limited



## Greenfield Expansion

Our wholly owned subsidiary, Greenlam South Limited (GSL), has approved to set up a manufacturing facility at Naidupeta, Nellore in Andhra Pradesh for manufacturing of Laminates and allied products

GSL has been provisionally allotted by Andhra Pradesh Industrial Infrastructural Corporation (APIIC), land admeasuring 65 acres approx. in Naidupeta, Nellore, Andhra Pradesh

The proposed capacity of 1.50 mn Sheets p.a. will be operationalised within 24 months with an investment of Rs. 175 Crores (including cost of land) funded through a mix of debt and capital infusion from Greenlam Industries Ltd

# Consolidated Financial Performance

## Profit and Loss Statement

INR Crores	Q3FY20	Q3FY19	YoY%	9MFY20	9MFY19	YoY%
<b>Net Revenue</b>	<b>358.0</b>	<b>314.0</b>	<b>14.0%</b>	<b>996.6</b>	<b>920.5</b>	<b>8.3%</b>
Raw Material	178.1	162.2		509.0	484.9	
<b>Gross Profit</b>	<b>179.9</b>	<b>151.8</b>	<b>18.6%</b>	<b>487.6</b>	<b>435.6</b>	<b>11.9%</b>
<b>Gross Margin %</b>	<b>50.3%</b>	<b>48.3%</b>	<b>200 bps</b>	<b>48.9%</b>	<b>47.3%</b>	<b>160 bps</b>
Employee Cost	57.1	48.5		163.3	143.8	
Other Expenses	68.2	62.2		191.2	177.7	
<b>EBIDTA</b>	<b>54.6</b>	<b>41.1</b>	<b>33.1%</b>	<b>133.0</b>	<b>114.1</b>	<b>16.6%</b>
<b>EBIDTA Margin %</b>	<b>15.3%</b>	<b>13.1%</b>	<b>220 bps</b>	<b>13.3%</b>	<b>12.4%</b>	<b>90 bps</b>
Other (Income)/Cost	(1.1)	(0.7)		(2.1)	(1.1)	
Interest	5.4	4.4		16.6	13.6	
Depreciation	13.6	9.3		38.3	27.6	
<b>PBT</b>	<b>36.7</b>	<b>28.0</b>	<b>31.0%</b>	<b>80.2</b>	<b>74.0</b>	<b>8.3%</b>
<b>PBT Margin %</b>	<b>10.3%</b>	<b>8.9%</b>	<b>140 bps</b>	<b>8.0%</b>	<b>8.0%</b>	<b>-</b>
Tax	7.6	8.2		15.2	20.7	
<b>PAT</b>	<b>29.1</b>	<b>19.8</b>	<b>46.7%</b>	<b>65.0</b>	<b>53.4</b>	<b>21.8%</b>
<b>PAT Margin %</b>	<b>8.1%</b>	<b>6.3%</b>	<b>180 bps</b>	<b>6.5%</b>	<b>5.8%</b>	<b>70 bps</b>

# Consolidated Financial Performance

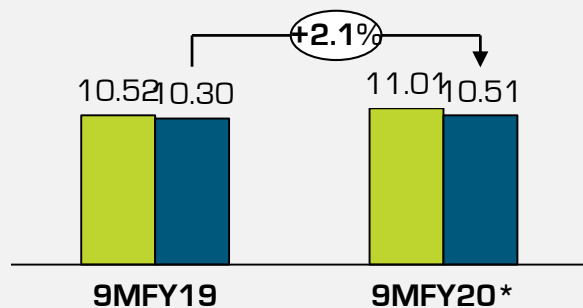
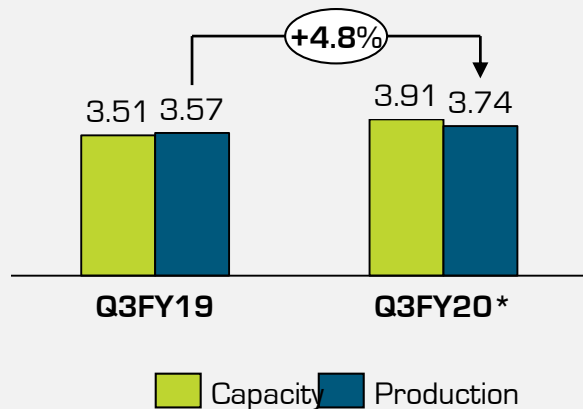
## Laminates & Allied Segment

INR Crores	Q3FY20	Q3FY19	YoY%	9MFY20	9MFY19	YoY%
Net Revenue	297.0	262.4	13.2%	838.6	782.1	7.2%
Gross Profit	155.9	128.3	21.5%	419.2	371.5	12.8%
<b>Gross Margin %</b>	<b>52.5%</b>	<b>48.9%</b>	<b>360 bps</b>	<b>50.0%</b>	<b>47.5%</b>	<b>250 bps</b>
EBIDTA	54.7	35.3	54.9%	131.1	104.8	25.1%
<b>EBIDTA Margin %</b>	<b>18.4%</b>	<b>13.5%</b>	<b>490 bps</b>	<b>15.6%</b>	<b>13.4%</b>	<b>220 bps</b>
Capital Employed	469.2	434.6		469.2	434.6	

# Consolidated Financial Performance

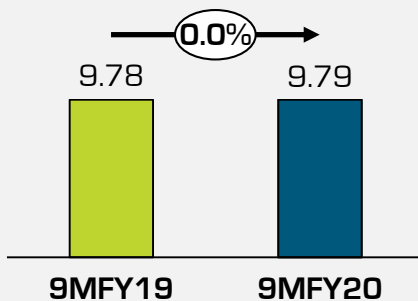
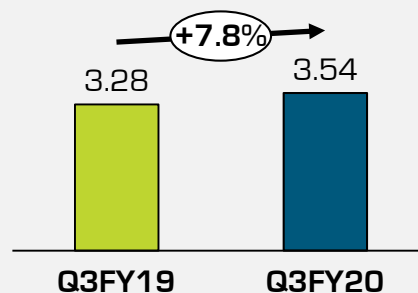
## Laminates & Allied Segment

### Production and Capacity (Mn Sheets)

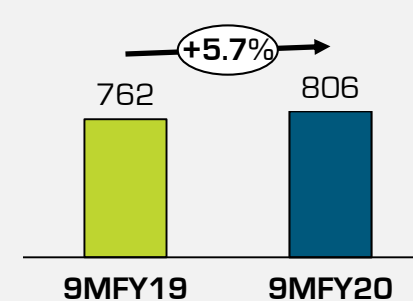
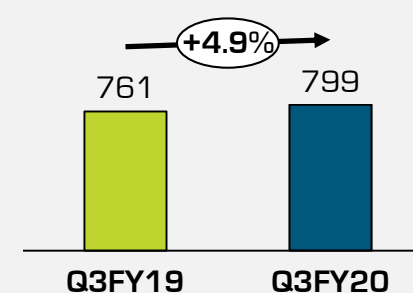


\*Capacity Increased by 1.6 Mn Sheets w.e.f from Sep 2019

### Sales (Mn Sheets)



### Average Realisation (INR / Sheet)



# Consolidated Financial Performance

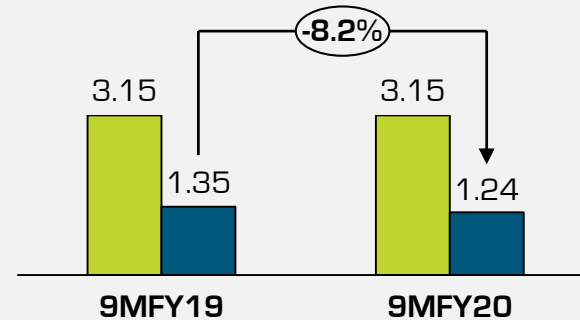
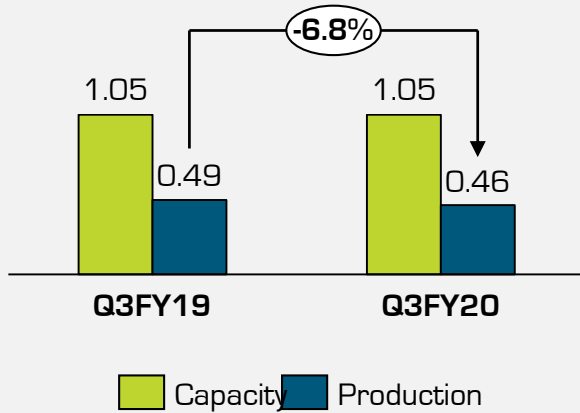
## Veneers & Allied Segment

INR Crores	Q3FY20	Q3FY19	YoY%	9MFY20	9MFY19	YoY%
Net Revenue	61.0	51.5	18.4%	158.0	138.4	14.1%
Gross Profit	24.0	23.4	2.5%	68.4	64.1	6.8%
<b>Gross Margin %</b>	<b>39.4%</b>	<b>45.5%</b>	<b>(610) Bps</b>	<b>43.3%</b>	<b>46.3%</b>	<b>(300) Bps</b>
EBIDTA	0.0	5.7	-	1.9	9.3	(79.6)%
<b>EBIDTA Margin %</b>	<b>-</b>	<b>11.2%</b>	<b>-</b>	<b>1.2%</b>	<b>6.7%</b>	<b>(550) bps</b>
Capital Employed	231.3	216.1		231.3	216.1	

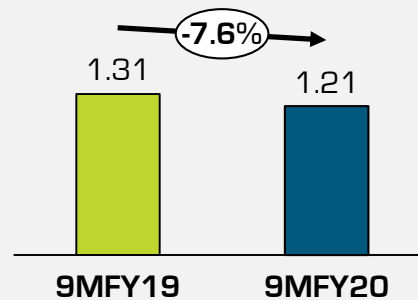
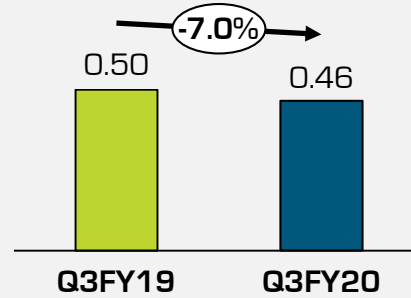
# Consolidated Financial Performance

## Decorative Veneers

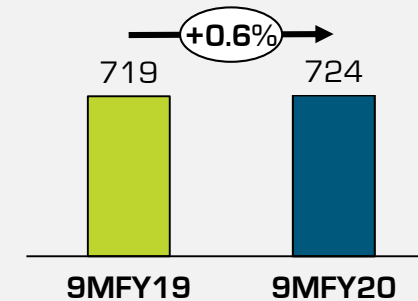
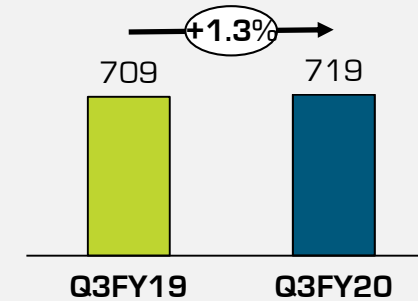
### Production and Capacity (Mn Sqmt)



### Sales (Mn Sqmt)



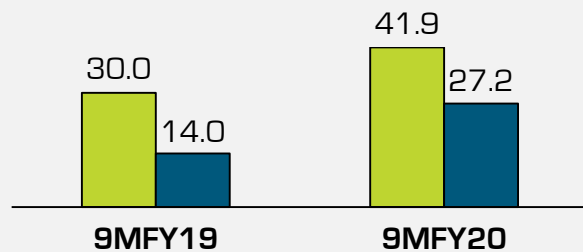
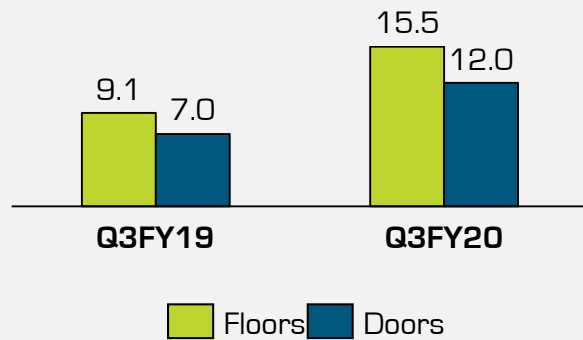
### Average Realisation (INR / Sqmt)



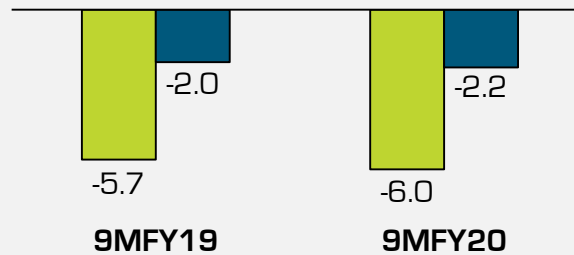
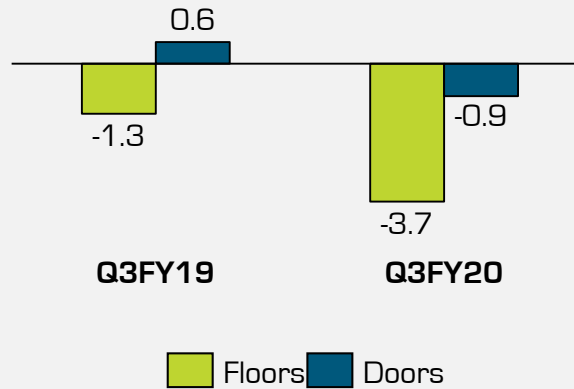
# Consolidated Financial Performance

## Engineered Wooden Floors and Doors

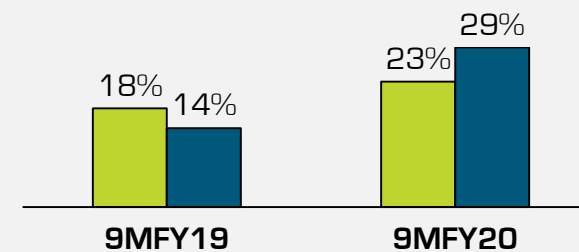
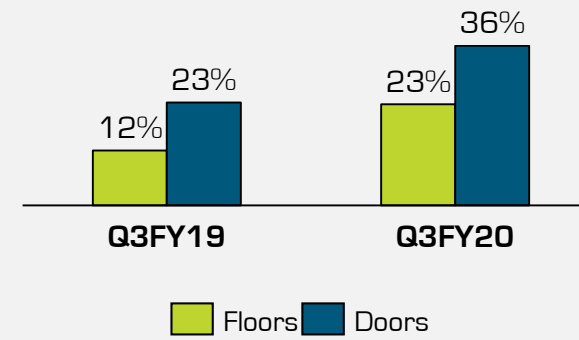
### Revenue (INR Crores)



### EBIDTA (INR Crores)



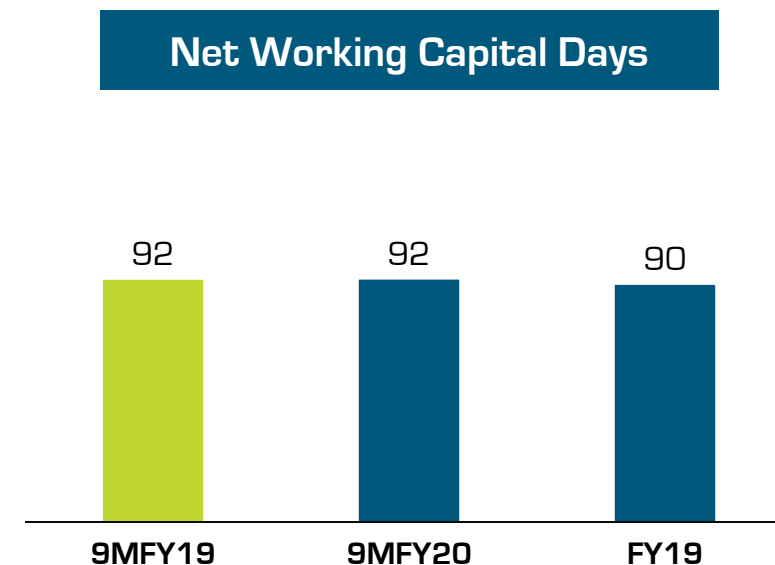
### Capacity Utilization



# Consolidated Financial Performance

## Operating Parameters- Net Working Capital (Days)

In Days	9MFY19	9MFY20	FY19
Inventory	100	103	88
Debtors	48	44	50
Creditors	55	54	48
<b>Net Working Capital</b>	<b>92</b>	<b>92</b>	<b>90</b>

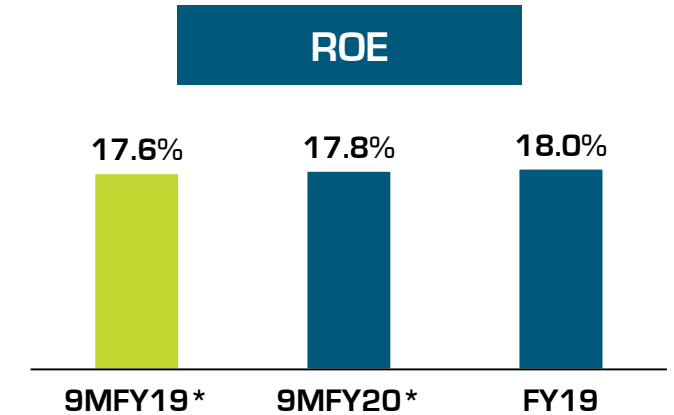
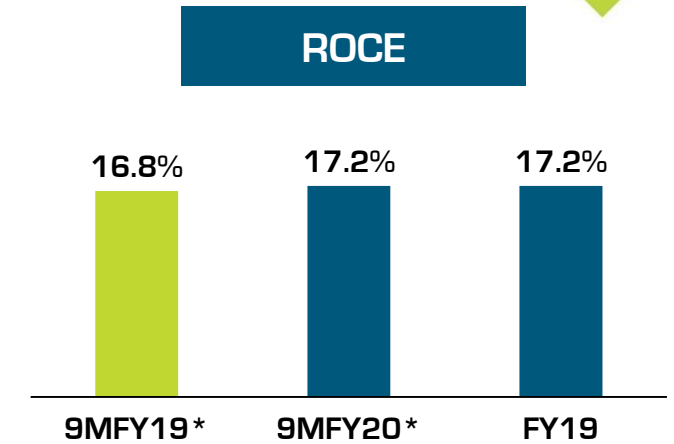




# Consolidated Financial Performance

## Return Ratios – ROCE & ROE

INR Crores	9MFY19	9MFY20	FY19
EBIT	87.6	96.8	123.2
PAT	53.4	65.0	77.1
Capital Employed	696.9	748.5	718.3
Net Worth	404.6	487.4	428.4
<b>ROCE</b>	<b>16.8%</b>	<b>17.2%</b>	<b>17.2%</b>
<b>ROE</b>	<b>17.6%</b>	<b>17.8%</b>	<b>18.0%</b>



\*Annualised Basis

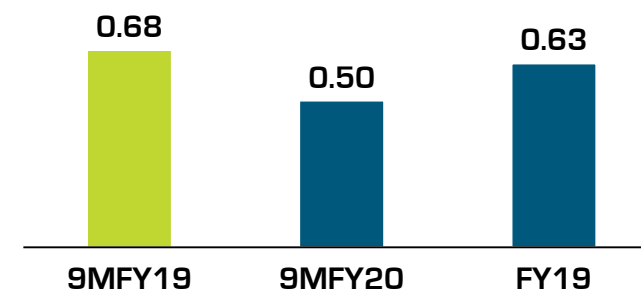
# Consolidated Financial Performance

## Debt Position

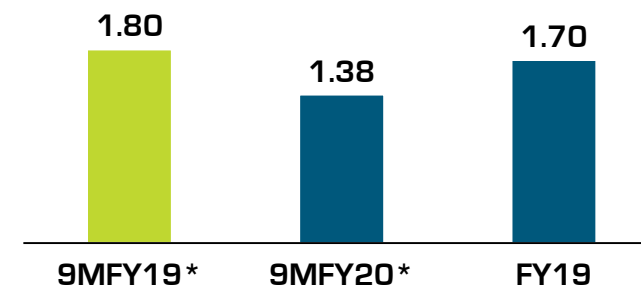
INR Crores	9MFY19	9MFY20	FY19
Long Term Debt (Including current portion)	89.9	95.0	110.7
Short Term Debt	183.6	149.9	159.0
Total Debt	273.5	244.9	269.7
Net Worth	404.6	487.4	428.4
EBIDTA	114.1	133.0	158.5
Debt – Equity Ratio	0.68	0.50	0.63
Debt – EBIDTA Ratio*	1.80	1.38	1.70

\*On Annualized basis on 9MFY19 and 9MFY20

### Debt-Equity Ratio



### Debt-EBIDTA Ratio



## For further information, please contact:

### Company :

Greenlam Industries Ltd.  
CIN: L21016AS2013PLC011624

### Mr. Ashok Sharma - CFO

Email: [ashok.sharma@greenlam.com](mailto:ashok.sharma@greenlam.com)

[www.greenlamindustries.com](http://www.greenlamindustries.com)

### Investor Relations Advisors :

Strategic Growth Advisors Pvt. Ltd.  
CIN: U74140MH2010PTC204285

### Mr. Shogun Jain / Ms. Ami Parekh

[shogun.jain@sgapl.net](mailto:shogun.jain@sgapl.net) / [ami.parekh@sgapl.net](mailto:ami.parekh@sgapl.net)

+91 77383 77756 / +91 8082466052

[www.sgapl.net](http://www.sgapl.net)