

# Greenlam Industries sees rebound in business

## Laminates maker expects sales to revive to pre-Covid levels by Dec

**ABHISHEK LAW**

Kolkata, November 5

Laminates and veneer-maker Greenlam Industries expects business to return to pre-Covid levels by December.

Export of laminates to the 100-odd international markets that include the South-East, West Asia, the US and Europe are back at pre-Covid levels, while in the domestic market sales are at 90 per cent. In India, the non-metro markets are driving laminae

sales while metro and large cities such as Delhi-NCR, Mumbai and Kolkata are witnessing a rebound September onwards.

In the veneer and allied products category like flooring and doors, sales are at 60-65 per cent of pre-Covid levels. Volume pick-up is expected by the end of FY21. Nearly 85 per cent of Greenlam Industries' top line comes from laminates and the remaining 15 per cent from veneer, flooring and



Ashok Sharma,  
Chief Financial Officer,  
Greenlam Industries

doors. "We are witnessing a sequential improvement in sales with faster pick-up happening in the laminates category and in international markets. By

Q3 (December-end), business should be back at pre-Covid levels." Ashok Sharma, Chief Financial Officer, Greenlam Industries, told *BusinessLine*.

For the quarter ending September 30, the company reported a revenue of ₹289 crore and a profit after tax of ₹19 crore.

According to Sharma, the company saw its EBITDA margins at 14 per cent in Q2 FY21 as against 13.9 per cent in the same period last year. The company intends to hold on to the margins for the fiscal. The laminate business was aided by the

softening of crude prices and a reduction in fixed costs.

On the other hand, in the veneer business, margins are under pressure because of increased competition.

### Capex plans

Meanwhile, Greenlam Industries will go ahead with its scheduled capex plans to the tune of ₹50 crore. This apart, the company is awaiting clearances from the Andhra Pradesh government to set up its ₹175-crore greenfield laminate manufacturing unit at Nellore.