



**GREENPANEL<sup>®</sup>**

INDIA'S LARGEST WOOD PANEL MANUFACTURER

**Greenpanel Industries Limited**

**Financial Results Presentation  
Q4 & 12M FY 2021**

# Disclaimer

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*Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve 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.*

*Greenpanel Industries Limited (GPL) 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 – Q4 FY2021



**Net Sales up by 69.2% YoY to Rs. 384.36 crores**

- Plywood revenues up by 65.4% YoY to Rs. 82.74 crores, contributing 22% of net sales
- MDF revenues up by 70.3% YoY to Rs. 301.62 crores, contributing 78% of net sales

**Gross margins down by 442 bps YoY to 53.8% due to increase in Raw Material prices and increase in sales to OEMs.**

**EBITDA margins up by 662 bps YoY to 25.8%**

- due to wastage reduction, superior product mix, cost optimization and operational leverage in both MDF and Plywood segments

**PAT up by 765% YoY to Rs. 57.87 crores**

- EPS of Rs. 4.72 in Q4FY21 compared to Rs. 0.55 in Q4FY20

**Working capital cycle at 35 days improved by 10 days YoY**

**Gross debt to equity at 0.57 as on 31 March 2021 Vs. 0.78 as on 31 March 2020. Net Debt reduced by Rs 76 crores and Rs 157 crores, during Q4 and FY 2021 respectively, to Rs 376 crores as on 31<sup>st</sup> March 2021.**

# Financial Highlights – Q4 FY21 vs Q4 FY20



Key ratios (%)	Q4 FY21	Q4 FY20
Gross Margin	53.8%	58.2%
EBITDA Margin	25.8%	19.1%
EBIT Margin	21.7%	12.0%
Net Margin	15.1%	2.9%
Sales Promotions / Net Sales	0.8%	1.2%
Employee Expenses / Net Sales	7.2%	10.3%
Logistics Cost / Net Sales	5.9%	5.2%
EPS (Rs.)	4.72	0.55

# Financial Highlights – 12M FY21 vs 12M FY20



Key ratios (%)	12M FY21	12M FY20
Gross Margin	53.9%	54.0%
EBITDA Margin	20.7%	16.5%
EBIT Margin	14.4%	8.7%
Net Margin	7.6%	2.0%
Sales Promotions / Net Sales	1.1%	1.1%
Employee Expenses / Net Sales	9.3%	11.2%
Logistics Cost / Net Sales	5.5%	5.0%
EPS (Rs.)	6.21	1.32

# Financial Highlights - Assets & Liabilities



Balance Sheet snapshot (INR crores)	FY 2021	FY 2020	FY 2019
Net Worth	773.46	696.89	680.37
Total Debt	440.88	542.79	578.57
▪ Long Term Debt (Including Current Maturity)	424.89	470.08	533.16
▪ Short Term Debt	15.99	72.71	45.42
Capital Employed	1220.34	1251.68	1258.94
Cash and cash equivalents	71.58	9.66	18.39
Fixed Assets	1046.49	1093.61	1121.36
Receivables	77.76	70.52	52.36
Payables	131.36	122.75	81.50
Inventories	149.36	153.89	130.81

# Financial Highlights - Financial Ratios



Key Ratios	Q4 FY 2021	Q4 FY 2020	FY 2021	FY 2020
Inventory (days)	55	68	55	68
Debtor (days)	28	31	28	31
Creditor (days)	48	54	48	54
Working Capital Turnover (days)	35	45	35	45
RoE (%)	29.9%	3.8%	9.9%	2.3%
RoCE – Pre-Tax	27.3%	5.3%	11.8%	4.9%
RoCE – Post-Tax	17.7%	7.4%	9.1%	5.1%
Net Debt / Equity (x)	0.57	0.78	0.57	0.78

# Financial Numbers Q4 FY2021



Key Financial Numbers (INR crores)	Q4 FY 2021	Q4 FY 2020	Q4 FY 2021 (% of Sales)	Q4 FY 2020 (% of Sales)
Sales	384.36	227.19		
Other Incomes	5.81	10.12	1.51%	4.45%
Material Consumption	177.69	94.99	46.23%	41.81%
Employee Expenses	27.83	23.42	7.24%	10.31%
Other Expenses	85.67	75.44	22.29%	33.21%
EBITDA	98.98	43.46	25.75%	19.13%
Finance Costs	-3.77	16.52	-0.98%	7.27%
Depreciation	15.66	16.17	4.07%	7.12%
Profit before Tax	87.09	10.77	22.66%	4.74%
Exceptional Items	-	10.84	-	4.77%
Taxes	29.22	-6.76	7.60%	-2.98%
Profit after Tax	57.87	6.69	15.06%	2.95%
Earnings per share (INR)	4.72	0.55		

# Financial Numbers 12M FY2021



Key Financial Numbers (INR crores)	12M FY 2021	12M FY 2020	12M FY 2021 (% of Sales)	12M FY 2020 (% of Sales)
Net Sales	1000.21	830.33		
Other Income	22.00	31.50	2.20%	3.79%
Material Consumption	461.53	381.85	46.14%	45.99%
Employee Expenses	92.76	92.78	9.27%	11.17%
Other Expenses	260.52	249.86	26.05%	30.09%
EBITDA	207.40	137.34	20.74%	16.54%
Finance Costs	35.20	47.67	3.52%	5.74%
Depreciation	63.87	65.38	6.39%	7.87%
Profit before Tax	108.33	24.29	10.83%	2.93%
Exceptional Items	-	10.84	-	1.31%
Tax Expense	32.16	-2.75	3.22%	-0.33%
Profit after Tax	76.17	16.20	7.62%	1.95%
Earnings per share (INR)	6.21	1.32		

# Segment Numbers Q4 & 12M FY2021



Key Segment Numbers (INR crores)	Q4 FY 2021	Q4 FY 2020	12M FY 2021	12M FY 2020
Segment Revenue – Plywood	82.82	50.12	217.38	215.94
Segment Revenue – MDF	305.97	186.31	802.59	643.85
<b>Total Revenue</b>	<b>388.79</b>	<b>236.43</b>	<b>1019.97</b>	<b>859.79</b>
Segment Profit/(Loss) - Plywood	14.16	4.27	29.66	28.69
Segment Profit/(Loss) - MDF	82.12	32.78	153.66	81.64
<b>Total Segment Profit/(Loss)</b>	<b>96.28</b>	<b>37.05</b>	<b>183.32</b>	<b>110.33</b>
Finance Costs	-3.77	16.52	35.20	47.67
Unallocated Expenses	12.96	9.76	39.79	38.37
<b>Profit before Tax</b>	<b>87.09</b>	<b>10.77</b>	<b>108.33</b>	<b>24.29</b>
Capital Employed - Plywood	57.75	78.60	57.75	78.60
Capital Employed – MDF	1053.42	1090.39	1053.42	1090.39
Capital Employed – Unallocated	109.16	82.69	109.16	82.69
<b>Total Capital Employed</b>	<b>1220.33</b>	<b>1251.68</b>	<b>1220.33</b>	<b>1251.68</b>

# Segment Performance Q4 & 12M FY2021



Plywood Segment	Q4FY21	Q4FY20	Var (%)	12M FY21	12M FY20	Var (%)
Net Sales (INR crores)	82.74	50.03	65.4%	217.10	215.46	0.8%
EBITDA Margin (%)	15.5%	7.4%		12.4%	11.8%	
EBIT Margin (%)	13.8%	4.3%		9.7%	8.7%	
Annual Capacity (million sqm)	10.5	10.5		10.5	10.5	
Production (million sqm)	2.56	1.82	40.7%	7.48	8.17	-8.4%
Sales Volume (million sqm)	3.05	1.93	58.0%	8.48	8.51	-0.4%
Capacity Utilisation (%)	98%	69%		71%	78%	
Average Realisation (INR/sqm)	273	255		256	251	

MDF Segment	Q4FY21	Q4FY20	Var (%)	12M FY21	12M FY20	Var (%)
Net Sales (INR crores)	301.62	177.16	70.3%	783.11	614.87	27.4%
EBITDA Margin (%)	28.6%	22.4%		23.0%	18.2%	
EBIT Margin (%)	23.9%	14.2%		15.6%	8.7%	
Annual Capacity (cubic metre)	540000	540000		540000	540000	
Production (cubic metre)	138080	98612	40.0%	371347	326680	13.7%
Sales Volume (cubic metre)	139490	90355	54.4%	380431	316022	20.4%
Capacity Utilisation (%)	102%	73%		69%	60%	
Average Realisation (INR/cbm)	21730	19570		20585	19419	

## *From the Desk of MD & CEO*



*Commenting on the performance for Q4 FY2021, Mr. Shobhan Mittal, Managing Director and CEO, Greenpanel Industries Limited said,*

*Business has gathered further momentum in Q4. MDF sales volumes have grown by 54.4% year-on-year and operating margins have improved by 613 basis points to 28.6%. Plywood volumes grew by 58% and operating margins have increased by 811 basis points to 15.5%. This is due to our continuous focus on reducing wastage, superior product mix, cost optimization and operational leverage. Working capital investment has reduced by 10 days year-on-year to 35 days as on 31<sup>st</sup> March 2021. We will continue to remain focused on working capital efficiency and debt reduction. Net Debt reduced by Rs 76 crores, during Q4, to Rs 376 crores as on 31<sup>st</sup> March 2021 and we are targeting to reduce it by Rs 150 crores during FY 2022.*

*Our emphasis on widening the distribution reach and focus on small towns and cities is yielding results both on volumes and reduction in working capital investment. We are optimistic on sustainable growth in future quarters.*

# Company Overview



## Capacity Utilization

- Plywood capacity utilization at 71% in 12M FY 2021 Vs. 78% in 12M FY 2020
- MDF capacity utilization was 69% in 12M FY 2021 vs. 60% in 12M FY 2020

## Production Model

- Plywood – Own manufacturing for domestic markets
- MDF – Own manufacturing for domestic and export markets

## Raw Material Sustainability

- The aim is to improve the quality of wood through better clonal plantations
- Clonal plantations will also help us ensure steady supplies and maintain prices

## Return Ratios

- Return ratios improved in spite of impact of Covid on H1 Financial Numbers due to significantly improved performance in H2
- Expected to improve over FY 2022 and FY 2023 with increase in capacity utilisations

# Company Overview



## Business Segments

- Plywood and allied products
- Medium Density Fibreboards (MDF) and allied products

## Strong Industry Potential

- Plywood industry size - INR 180 billion, MDF industry size - INR 19 billion
- Changes in Anti-dumping rules, Stricter GST implementation and 100 smart cities in the pipeline

## Well Entrenched Distribution Network

- Total number of Distributors-2084, Retailers-10000+
- Serviced by 15 branches for pan-India distribution

## Manufacturing Facilities

- 1 state-of-the-art facility for Plywood at Uttarakhand
- 2 state-of-the-art facilities for MDF, first at Uttarakhand and second at Andhra Pradesh, being the largest in the country

# Growth Outlook



## Industry Drivers

- More expected construction
- Higher disposable income
- Need for urbanisation

## Product Profile

- Focus on enhancing value added contribution

## Advertising and Promotional Spends

- Expected Ad spends of up to 1.5% of Net Sales to boost growth

## Financial Performance

- Negligible de-growth in Plywood volumes
- 20% growth in MDF volumes over FY 2020

## Distribution Network

- A strong distribution network focus on increasing the network in the current year

## IT Initiatives

- Upgraded IT infrastructure
- Implemented SAP Hana to strengthen overall supply chain

# Manufacturing Facilities



## Plywood

- Pantnagar, Uttarakhand - 10.50 million square meters

## Medium Density Fibreboards (MDF)

- Pantnagar, Uttarakhand - 1,80,000 cubic meters (CBM)
- Chittoor, Andhra Pradesh - 3,60,000 cubic meters (CBM)
- Expanding consolidated capacity by 20% in FY 2022

One Umbrella Brand



 **GREENPANEL<sup>®</sup>**

MDF • Wood Floors • Plywood • Veneers • Doors

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Thank you!

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