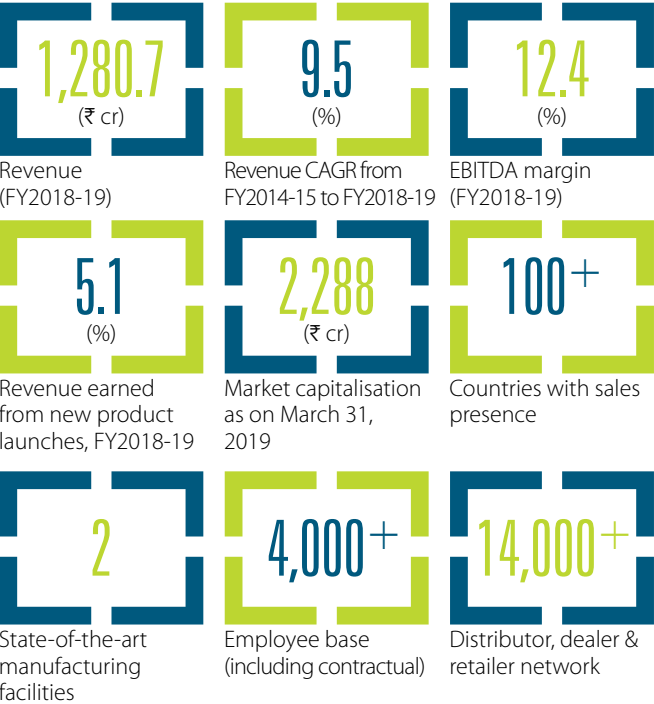




a culture called
bettering

Our growth overview



Note: The figures in non-statutory section are based on consolidated financials unless otherwise stated

Forward-looking statement

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

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A culture called Bettering

At Greenlam, we believe that bettering indicates a cheerful willingness to keep improving.

This willingness is not an erratic response; it is an institutionalised approach to making whatever is good even better.

The effect of this culture works better than competition; it helps us raise our game before the marketplace compels us to.

The result is that when the consumer sentiment weakens, we continue to stay liquid and positive. When consumer sentiment revives, we are among the first to outperform.

The evidence of this Culture of Bettering was reflected in our FY2018-19 performance. Revenues grew 11.9%, while profit after tax strengthened 19.3%.



The
Company
at a glance

At Greenlam, our 'bettering' culture is best manifested in a desire to evolve, graduate and transform.

This desire to keep bettering and evolving represents the core personality of our company.

Nowhere is this transformation more visible than in the transformation of Greenlam - from just a laminate manufacturer into a surface solutions provider.

Our 'bettering' culture is visible in our evolution – from where we started to where we are now

The Company commissioned a 1.32 mn laminate sheets manufacturing facility at Behror, Rajasthan in 1992 and commenced commercial production in 1993. In the space of more than twenty five years, the Company ventured into compact panels, exterior and interior cladding solutions, restroom cubicle and locker solutions, decorative veneers, engineered wooden flooring and engineered wooden door sets, in addition to providing the comprehensive range of decorative laminates addressing different product and price segments.

Our 'bettering' commitment is championed across the management

Greenlam is helmed by Mr. Saurabh Mittal (Managing Director & CEO), who possesses more than two decades of rich experience in the business of laminates. The Company is professionally managed, employs a strong sales team that has widened its Indian and global footprint and a design team that introduces new designs in line with market dynamics. To enhance organisational effectiveness, Greenlam relocated its corporate headquarter to a modern open-plan office environment.

Our 'bettering' enthusiasm is reflected in our manufacturing competence

Greenlam works out of two state-of-the-art manufacturing facilities – at Behror in Rajasthan and Nalagarh in Himachal Pradesh. The Company's Behror plant possesses a manufacturing capacity of 5.34 million laminate sheets; the Nalagarh plant possesses a capacity of 8.68 million laminate sheets per annum. The Behror plant also manufactures melamine-faced chip boards, decorative veneers, engineered wooden flooring and engineered wooden door sets.

Our 'bettering' eco-system is reflected in our leadership

Greenlam's holistic manufacturing competence makes it the largest laminate manufacturer in Asia and among the top three globally. Besides, Greenlam is India's largest laminates exporter for the last eight consecutive years, India's leading decorative veneer brand, India's only engineered wooden flooring manufacturer and India's first organized manufacturer of engineered wooden door sets.

Our 'bettering' culture is reflected in the soundness of our financials

Greenlam has focused consistently on de-leveraging its Balance Sheet, strengthening its working capital management, faster realisations from customers, increasing the proportion of value-added products and effective cost management. The result is that Greenlam has emerged as a cost leader with demonstrated competitiveness across market cycles.

Our 'bettering' obsession is evident in a wide and deep market footprint

Greenlam is present wherever consumers need to buy its products. The Company's products are marketed within India through 11 large regional distribution centres, 22 branch offices, 5 warehouses as well as 14000+ distributors, dealers and retailers, the largest footprint within the industry. The Company's products are available in more than 100 countries. Greenlam's export is operated through 14 international offices with more than 100 employees. The Company has subsidiaries in US, UK, Switzerland, Thailand and Singapore, among others.

Our 'bettering' culture has been validated by our valuation

Greenlam is listed on the BSE Limited and National Stock Exchange of India Ltd. The Company enjoyed a market capitalization of ₹2288 crore as on March 31, 2019 (based on NSE closing price), making it 504th among leading companies listed on National Stock Exchange.

Greenlam's 'bettering' effectiveness is driven by its culture





Greenlam's effectiveness is driven by its culture of empowerment, emotional ownership, responsiveness and openness to change. The Company employs 4,000+ people (including contractual employees) across various functions.





Greenlam's 'bettering' culture is an extension of its environment responsiveness and best practices

Greenlam's environment commitment is showcased in confidence-enhancing certifications like FSC, PEFC, ISO 14001 and OHSAS 18001. The Company also enjoys product-specific certifications like ISO 9001, CE, UL, NSF, SEFA, Greenlabel, Greenguard, NEMA (US and BS), reinforcing its respect as a quality-driven company. The Company also has SEDEX certification for Ethical Trade Initiatives.

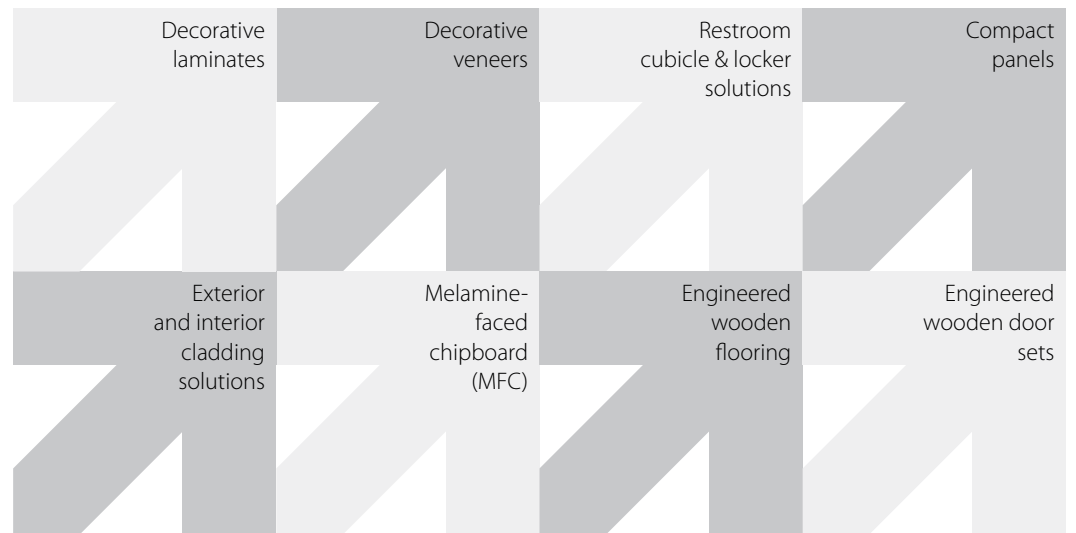
Our 'bettering' focus is reflected in our widening range of branded products

Greenlam's recall is driven by the success of its market-leading brands.

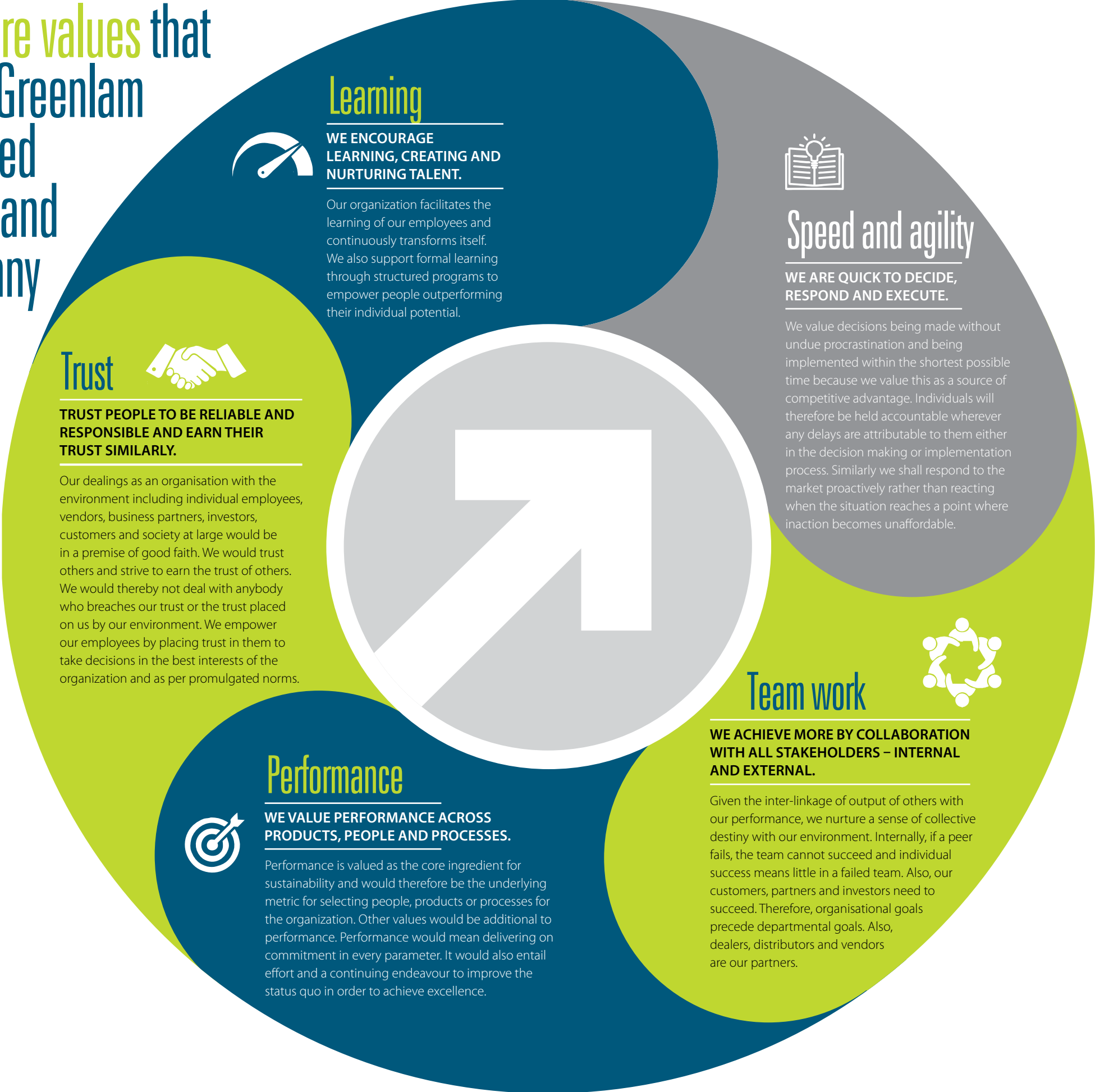
			
Greenlam (laminates & compact laminates)	New Mika (laminates)	Greenlam Sturdy (restroom cubicle and locker solutions)	Greenlam Clads (interior and exterior cladding panels)

			
Melamine-faced chipboard (prelam particle board)	Decowood (decorative veneers)	Mikasa (engineered wooden flooring)	Mikasa (engineered wooden door sets)

Transforming over the years



The **core values** that
make Greenlam
a trusted
brand and
company





Greenlam's
'bettering'
commitment is
drawn from a
rich culture

Where the Company combines the passion of a start-up with the experience of a heavyweight

Where the more that people are empowered the better the results

Where everyone focuses on raising their game when the market slows

Where the operative response to every challenge is 'There must be a better way!'

Where the most frequently used line is 'Is it sustainable?'

Where the one term everyone detests is 'status quo'.

Where the base line is 'If it is a Greenlam initiative, it must be the best!'

Where new product development budgets are sacred.

Where the overarching focus is 'Can we strengthen our position as a single-stop surface solution provider?'

Where the focus is on creating new markets over increasing market share.

Where the word 'transaction' has long been replaced by 'relationship'.

Where the Company's focus is on 'cash flows' than 'cash profits'.

Where the objective is to leave the world cleaner and greener.



'Bettering'. A culture of superior financial management

FOR ANY SUCCESSFUL COMPANY, FINANCIAL ROBUSTNESS REPRESENTS THE FOUNDATION.

This is no different at Greenlam, where we believe that a robust financial foundation, liquidity and profitability across market cycles are core to business sustainability.

Over the years, the Company strengthened its financial management through various initiatives.

The Company selected to manufacture value-added products that enhanced overall profitability.

The Company provided a range of products that maximised cross-sale, strengthening offtake.

The Company focused on improving terms of trade. The Company moderated debtor days to 50 in FY2018-19 from 54 in FY2017-18, the sluggishness within the economy notwithstanding. The Company stocked inventory in view of circumstantial opportunities. Thus, inventory days increased from 82 in FY2017-18 to 88 in FY2018-19. As a result, every rupee of working capital generated ₹4.04 of revenues in FY2018-19.

The Company protected its liquidity without stretching the Balance Sheet. The cash profit of the

Company stood at ₹105.22 cr; the total cash on the books was more than ₹10 cr as on March 31, 2019.

The Company repaid ₹11.29 cr of debt, reducing long term debt to ₹110.74 cr. The result is that Greenlam's debt-equity ratio strengthened from 0.71 in FY2017-18 to 0.63 in FY2018-19. The average cost of debt stood at 6.3% during the year.

The Company's financial efficiency was reinforced in its margins and profitability. EBIDTA margin was 12.4% in FY2018-19 compared with 13% in the previous financial year; Return on Capital Employed was 17.2% compared with 18.3% in the previous year.

Greenlam will utilise its prospective cash flows for debt reduction, business re-investment and timely resource purchases, strengthening its overall competitiveness.

The Company was listed under the category of companies with healthy cash flows by Value Research in its Wealth Insight edition.



'Bettering'.
A consistent
commitment to put
our best face forward

AT GREENLAM, WE BELIEVE THAT THERE IS NO FINISH LINE IN PRODUCT MARKETING.

What's good must be presented better.

What's unknown must be articulated.

What's unique must be focused.

What's pushed must be pulled.

At Greenlam, before we marketed a single square ft of product, we marketed ourselves.

Starting with five principal ideas.

One, single-stop interior surface solution provider.

Two, focus on building the business for long-term.

Three, focus on winning consumer trust.

Four, driven to sustainably enhance stakeholder value.

Five, global company headquartered out of India (reinforced through international acquisition).

The results

Greenlam operates the world over out of 7 subsidiaries.	Greenlam products are marketed across 100+ countries.	Greenlam generates 43% of revenues from outside India.
Greenlam launches new range collections periodically; enhancing customer confidence	Greenlam commissioned 42 shop-in-shops and a company operated experience centre in kolkata	Greenlam invested in its brand building through digital promotional campaigns.
Greenlam's portfolio broadbasing increased non-laminate revenues from 11% of turnover to 15% in five years.		



'Bettering'.
Making the world
a better place

GREENLAM IS NOT ONLY GOOD FOR CONSUMERS; IT IS GOOD FOR THE EARTH AS WELL.

The Company does not just focus on minimising costs; it focuses on minimising carbon footprint as well.

This sensitivity is drawn from an institutionalised discipline.

Using sustainable resources. Making enduring products. Conducting energy audits. Implementing audit recommendations. Investing in cutting-edge equipment. Training workers. Targeting high standards.

The Company replaced CFL lamps with LED equivalents. Invested in a reverse osmosis reject water recovery system (Behror). Commissioned a solar energy unit.

Its modern high pressure hot water

system deployed at Nalagarh unit conserves water resulting in minimum ground water withdrawal.

The Company uses husk as fuel for heat generation, saving carbon dioxide emission. Greenlam's FSC certified products have been contributing towards responsible forestry and conservation of environment since 2012.

The result: Greenlam annually saved 54,878 trees from being felled. Reduced carbon emissions by 13.90 lac kilograms. Saved 2.7 lac litres of fuel.

Reinforcing its position as a responsible corporate citizen.

Savings

~40,000

Kilowatt-hours per annum

1,250

Kilolitres per month of groundwater

18,000

Pumping costs by kilowatt-hours per annum.

Investments

4

(₹ crore approx.) invested in a solar energy plant (Behror, Rajasthan)

955

Kilowatts capacity

48

Months of project payback



AT GREENLAM, 'BETTERING' MEANS LAUNCHING NEW PRODUCTS IN LINE WITH EVOLVING CONSUMER NEEDS WITHIN EXISTING AND NEW SEGMENTS.

The Company commissioned a 1.32 mn laminate sheets manufacturing facility at Behror, Rajasthan in **1992**.

It started commercial production and export of laminates in **1993**.

The Company commenced the manufacture of decorative veneers in **2002**.

Greenlam enhanced its capacities by commissioning a second laminate unit at Nalagarh in **2009**, making it India's largest and among the top 3 laminates manufacturer globally by **2011**.

The Company embarked on the commercial production of engineered

wooden flooring and melamine-faced chipboards in **2014**.

The Company entered the business of engineered doors in **2015**.

The result is that the Company became more than a product manufacturer; it is a one-stop surface solution provider. Marked by upsell. Driven by cross-sell. Benefiting from economies of brand spending, sales team size, media purchase and distribution.

More attractively positioned to deepen its presence in Asia, Europe and Africa.

GREENLAM HAS STRENGTHENED ITS GLOBAL FOOTPRINTS THROUGH VARIOUS ESTABLISHMENTS IT HAS ACQUIRED/SET UP OVER THE YEARS

2019 - Greenlam Decolan SA, Switzerland	2017 - Greenlam Industries Limited (DMCC Branch) UAE	2012 - Greenlam Europe (UK) Ltd., UK
2012 - PT. Greenlam Asia Pacific, Indonesia	2011 - Greenlam Holding Co., Ltd., Thailand	2011 - Greenlam Asia Pacific (Thailand) Co., Ltd., Thailand
2008 - Greenlam America, Inc., USA	2006 - Greenlam Asia Pacific Pte. Ltd., Singapore	