Greenply Industries Limited

July 09, 2026

Facilities	Amount (₹ crore)	Rating[1]	Rating Action
Long Term Bank Facilities	148.00	CARE AA-; Stable	Reaffirmed
Long Term / Short Term Bank Facilities	62.00	CARE AA-; Stable / CARE A1+	Reaffirmed
Short Term Bank Facilities	137.00	CARE A1+	Reaffirmed

Details of facilities in Annexure-1.

The list of facilities / instruments falling under the purview of various financial sector regulators (FSRs), along with the names of respective FSRs has been disclosed under Annexure-7.

Rationale and key rating drivers

Reaffirmation of ratings of bank facilities of Greenply Industries Limited (Greenply) continues to derive comfort from its long track record of operations with strong brand positioning in the domestic plywood industry and foray into high margin medium density fibreboard (MDF) segment through its subsidiary, Greenply Speciality Panels Private Ltd (GSPPL; rated 'CARE AA-; Stable/CARE A1+'), resulting in increase in scale of operations and diversification in the product portfolio. Ratings continue to get strength from its pan-India presence through a strong distribution network and marketing support, its strong presence in the rural markets, strategic location of all its manufacturing units with strong raw material linkages.

With improved financial performance in FY26 (refers to April 01 to March 31), comfort is drawn from large unutilised working capital limits, providing liquidity cushion. Capital structure improved in FY26, however, debt coverage indicators slightly moderated considering higher finance cost due to higher foreign exchange fluctuation loss on foreign currency borrowings. The company has planned for further expanding capacity of the MDF unit from 300,000 Cubic Metre (CBM) p.a. to 610,000 CBM p.a. and is also adding a plywood facility at Odisha. For these expansions, overall debt is likely to increase over the near term. CARE Ratings Limited (CareEdge Ratings) expects its debt coverage indicators to moderate slightly in the near term owing to debt to be taken for the capex and gradually improve with completion of the capex, at consolidated level.

However, ratings continue to be constrained by Greenply's exposure to raw material price volatility, which has increased resin costs during the year due to west Asia crisis because it is majorly imported. Ratings remain constrained by intense competition in the plywood and MDF industry from organised and unorganised sector players and its linkages to demand from the cyclical real estate industry.

Ratings also take note of Greenply, reducing its shareholding in Greenply Middle East Limited (GMEL) from 49% as on March 31, 2025, to 19% as on March 31, 2026, owing to sustained losses and challenges in management. However, the raw material arrangement between Greenply and Greenply Gabon S.A (associate of GMEL) are likely to remain unaffected over the medium term.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Significant growth in its scale of operations through greater product diversification in its revenue mix along with improvement in its operating (profit before interest, lease rentals, depreciation, and taxation [PBILDT]) margin beyond 15% and return on capital employed (ROCE) above 20% on a sustained basis.
- Improvement in its leverage with overall gearing below 0.5x and total debt/PBILDT below 1.25x on a sustained basis.

Negative factors

- Total debt/PBILDT above 3.5x and overall gearing above 1.25x on a sustained basis.
- ROCE below 12% on a sustained basis.

Analytical approach: Consolidated

CareEdge Ratings has taken a consolidated view of Greenply and all its subsidiaries and joint venture, as they operate in similar business and have strong operational and managerial linkages. Greenply has also extended standby line of credit and corporate

[1]Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

guarantee for debt availed by some of its subsidiaries and joint venture. Entities considered for consolidation with Greenply are listed under Annexure-6.

Outlook: Stable

The 'stable' outlook reflects CareEdge Ratings' belief that Greenply is expected to sustain its business risk profile given its strong market position in the domestic plywood industry and diversification in the high-margin MDF business. CareEdge Ratings expects the financial risk profile to remain satisfactory, supported by growing domestic demand.

Detailed description of key rating drivers:

Key strengths

Long track record of operations in the plywood industry

Incorporated in 1990, Greenply has a long track record of operations in the plywood industry. The current promoter, Rajesh Mittal –Chairman & Managing Director (CMD), has experience of over three decades in the interior infrastructure industry. The promoter group is ably supported by the senior management team, who also have extensive industry experience.

Strong position in domestic organised plywood industry

Greenply is one of the largest players in the domestic interior infrastructure sector aided by its quality product and strong brand image. Greenply's brands including 'Green Club 500', Green Club plus 700', and 'Green Gold platinum' in the plywood segment are among leading brands in the premium segment. Greenply has also captured the lower segment and mid-segment plywood through outsourcing route with three brands: 'Ecotec', 'Bharosa', 'Jansathi', and 'Wood Crest'. This apart, the company also ventured into MDF, where it is expanding its presence, gradually.

Pan-India presence through a strong distribution network and marketing support

The company has a robust dealer network of over 3,000 dealers who are present in over 1,100 cities, towns, and villages in 27 states and six union territories. They are served by 56 branches, which are prudently positioned between urban and contemporary construction hubs. As a result, the company can market its products all over the nation.

Strategic location of manufacturing units of Greenply with strong raw material linkage

Adequate availability of raw material is a key driver for the plywood industry. Key raw materials required for manufacturing plywood include face veneer, core timber and chemicals. Greenply's existing plants are strategically located near the source of its major raw material (West Bengal, Nagaland, Gujarat, and Uttar Pradesh in India), which ensures adequate availability of raw material at competitive cost. Its plants being adjacent to the port (Kandla and Kolkata) also benefits it logistically. While face veneer is a high-quality premium timber, usually derived from matured trees and largely imported, core timber is an agro-forestry timber and is mainly sourced from the domestic market. Greenply now procures face veneer domestically reducing its reliance on imports as earlier it was largely imported from its associate entity (Greenply Gabon S.A Limited) and other local manufacturers in Gabon. It imports veneer from China and European Countries.

The MDF unit is also strategically located near the source of its major raw material (in Gujarat), which ensures adequate availability of raw material at competitive cost. The plant is near the port, which will facilitate the export of MDF. Greenply Speciality Panels Private Limited's (GSPPL) MDF plant is among the first such plants in Western India, entailing cost benefits in terms of logistics, while catering to the market in its geographical vicinity.

Improved capacity utilisation in FY26

The capacity utilisation (CU) for plywood segment improved from an average of 87% in FY25 to ~96% in FY26. This improvement was backed by increased production in WB unit and Gujrat unit. The growth was largely guided by mid segment volume sales whereas the volume in premium segment slightly moderated. For the MDF unit, in its second full year of operation, effective capacity utilisation stood at 72% in FY26 (68% in FY25).

Improvement in financial performance in FY26 marked by growth in TOI and improved operating margin

On a consolidated basis, Greenply's TOI witnessed a growth of 10% y-o-y with TOI of ₹2,739 crore in FY26. For both plywood and MDF segments, the increase in revenue was largely volume led, while realisations for plywood witnessed a decline y-o-y. MDF margin was impacted by a planned shutdown and capacity expansion, leading to under-absorption of costs and weaker profitability in Q2FY26 and Q3FY26. However, as operations stabilised and the expanded capacity ramped up, the segment delivered strong volume growth and significant operating leverage. Accordingly, in Q4FY26, MDF revenue grew sharply with improvement in margin. For the plywood segment, the sales volume increased by ~16%, however, average realisation decreased by ~6% year on year.

The PBILDT margin for FY26 showed a slight improvement, reaching 9.89% compared to 9.56% in FY25. CareEdge Ratings expects performance to sustain with improving profitability of MDF plant aided by volume growth after the planned expansion, lower ad spend and increase in overall scale of operations in the medium term.

Satisfactory capital structure and debt coverage indicators despite expected to moderate in near term
Overall gearing ratio improved to 0.66x as on March 31, 2026, from 0.71x as on March 31, 2025. The debt coverage indicators also remained comfortable with interest coverage of 4.90x in FY26 against 5.52x in FY25 and improvement in TD/PBILDT which stood at 2.13x as on March 31, 2026, against 2.36x as on March 31, 2025.
The company is undertaking a greenfield plywood unit in Odisha at an estimated cost of ~₹160 crore. Of this, ₹50–₹60 crore has already been incurred. The remaining project cost is proposed to be funded through ~₹130 crore of debt, with the balance from internal accruals. The project is expected to be commissioned by December 2026, which is likely to support revenue growth.

The company plans to expand capacity at its Vadodara MDF plant by 1,000 cubic metres per day (CBM/day) at an estimated cost of ₹451 crore, to be funded through a mix of equity and debt (28:72) and expected to be commissioned by Q2FY28. A term loan of ₹325 crore has been proposed to be drawn in tranches for this capex at its subsidiary, GSPPL.

The company has also acquired a large land parcel in Odisha through two entities, with additional development costs of ~₹50 crore towards boundary walls, levelling, and common utilities, to be funded through internal accruals.

The capital structure and debt coverage indicators are expected to slightly moderate in the near term owing to debt-funded capex, however, improve post completion of the capex at the facilities.

Liquidity: Adequate
Company's liquidity position is marked by unencumbered cash and cash equivalents of ₹27.49 crore as on March 31, 2026. Utilisation of its sanctioned fund-based working capital limits has also been low at ~21% in 12-months ended April 2026.
In view of large ongoing capex and high debt repayment obligation, the liquidity is expected to be adequate in the near term, with debt service coverage ratio (DSCR) close to unity.

Overall, liquidity is expected to remain moderate, supported by internal accruals, despite with elevated capex commitments and incremental debt drawdowns. Timely execution of projects and stabilisation of operations post-commissioning will be key to maintain adequate debt servicing ability over the medium term.

Key weaknesses

Intense competition
The Indian plywood market is dominated by unorganised sector players. Although Greenply enjoys a strong market share in the organised market, there are number of players operating in organised and unorganised plywood segments. While increasing brand awareness is expected to result in better market share for the organised sector going forward. The impact of the pandemic in terms of raw material sourcing, labour issues and stretch in working capital also impacted competitiveness in the unorganised sector, which augurs well for organised plywood manufacturers.

The demand for MDF has been significantly growing and the company had ventured in this product to achieve product diversification in its revenue mix and to drive growth in its scale. Significant capacity additions in the MDF sector by other industry players has increased competitive intensity with all capacities coming onstream. Influx of cheap imports has also led to pressure on price of MDF. However, with implementation of BIS norms the organised players are benefitting due to lower imports of cheaper material.

Exposure to raw material price volatility and cyclical real estate industry
Prices of key raw materials (such as different types of wood and crude-oil-based chemicals) required by the interior infrastructure industry are inherently volatile, which make the sector's profitability margins susceptible to significant rise in cost of these inputs, especially in an inflationary economic scenario. In FY26, raw material costs increased due to the West Asia crisis, specifically on the resin side, as it is mostly imported. This could limit the sector's ability to fully pass-on by price hikes in end-products without

having an adverse impact on demand. As the real estate industry is a key end-user, demand for products of the interior infrastructure sector is also susceptible to inherent cyclicality associated with the real estate industry.

Environment, social, and governance (ESG) risks

In FY26, Greenply distributed saplings to reduce its carbon footprint. The company planted over 90 million saplings. The company also actively contributes to water conservation and management by reducing groundwater extraction.

In terms of energy management, Greenply uses renewable energy in its energy mix to mitigate greenhouse gas emissions. Following ISO 50001, the company continuously monitor and optimise energy usage. Units at Bamanbore, Sandila and Vadodara have Solar rooftop plants. The MDF Plant near Vadodara also has a power purchase agreement with a hybrid power producer for supply of renewable power. A significant portion of the new Vadodara MDF plant is running on renewable energy and boilers are operating on biofuel and agri-waste.

The total CSR amount spent in FY25 was ₹3.08 crore. Greenply's Board of directors consist of five members, of which, three are independent directors. There have been no whistle blower complaints and penalties, no fines or strictures have been imposed on the company by regulatory authorities on matters related to capital markets in the last three financial years.

Applicable criteria

Consolidation
Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Manufacturing Companies
Financial Ratios – Non financial Sector
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Consumer durables	Consumer durables	Plywood boards/ laminates

Incorporated in November 1990, Greenply is one of India's largest interior infrastructure companies. It is engaged in manufacturing plywood and allied products. The company has four manufacturing facilities of plywood, one each in Nagaland, West Bengal, Gujarat, and Uttar Pradesh with a combined installed capacity of 52.80 million sq. mt.

Greenply ventured in MDF through its wholly owned subsidiary GSPPL, by commissioning its MDF unit in May 2023 at Vadodara, Gujarat with an installed capacity of 300,000 CBM per annum (60,000 CBM added in September 2025).

Brief Financials – Consolidated (₹ crore)	FY25 (A)	FY26 (A)
Total operating income	2,487.67	2,739.33
PBILDT*	237.74	270.93
Profit after tax (PAT)	91.72	89.78
Overall gearing (x)	0.71	0.66
Interest coverage (x)	5.52	4.90

A: Audited UA: Unaudited; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of facilities

Name of the Facility	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	118.00	CARE AA-; Stable
Fund-based - LT-Term Loan		-	-	March 2029	30.00	CARE AA-; Stable
Fund-based/Non-fund-based-LT/ST		-	-	-	62.00	CARE AA-; Stable / CARE A1+
Fund-based/Non-fund-based-Short Term		-	-	-	20.00	CARE A1+
Non-fund-based - ST-BG/LC		-	-	-	112.00	CARE A1+
Non-fund-based - ST-Letter of credit		-	-	-	5.00	CARE A1+

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2026-2027	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024
1	Fund-based - LT-Cash Credit	LT	118.00	CARE AA-; Stable	-	1)CARE AA-; Stable (07-Jul-25)	1)CARE AA-; Stable (23-Sep-24)	1)CARE AA-; Stable (09-Oct-23)
2	Term Loan-Long Term	LT	-	-	-	-	1)Withdrawn (23-Sep-24)	1)CARE AA-; Stable (09-Oct-23)
3	Non-fund-based - ST-BG/LC	ST	112.00	CARE A1+	-	1)CARE A1+ (07-Jul-25)	1)CARE A1+ (23-Sep-24)	1)CARE A1+ (09-Oct-23)
4	Fund-based/Non-fund-based-Short Term	ST	20.00	CARE A1+	-	1)CARE A1+ (07-Jul-25)	1)CARE A1+ (23-Sep-24)	-
5	Fund-based/Non-fund-based-LT/ST	LT/ST	62.00	CARE AA-; Stable / CARE A1+	-	1)CARE AA-; Stable / CARE A1+ (07-Jul-25)	1)CARE AA-; Stable / CARE A1+ (23-Sep-24)	-

6	Non-fund-based - ST-Letter of credit	ST	5.00	CARE A1+	-	1)CARE A1+ (07-Jul-25)	1)CARE A1+ (23-Sep-24)	-
7	Fund-based - LT-Term Loan	LT	30.00	CARE AA-; Stable	-	1)CARE AA-; Stable (07-Jul-25)	-	-

LT: Long term; ST: Short term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Fund-based/Non-fund-based-LT/ST	Simple
4	Fund-based/Non-fund-based-Short Term	Simple
5	Non-fund-based - ST-BG/LC	Simple
6	Non-fund-based - ST-Letter of credit	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please [click here]()

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	Greenply Holdings Pte. Ltd (GHPL)	Full	Subsidiary
2	Greenply Sandila Pvt Ltd	Full	Subsidiary
3	Greenply Speciality Panels Pvt Ltd	Full	Subsidiary
4	Alishan Panels Private Limited	Full	Subsidiary
5	Greenply Alkemal (Singapore) Pte. Ltd (GASPL) (*Investment of GHPL)*	Full	Subsidiary
6	Greenply Industries (Myanmar) Private Limited (*Wholly owned subsidiary of GASPL)*	Full	Subsidiary
7	Greenply Samet Private Limited	Proportionate	Joint Venture

Annexure-7: List of Facilities/Instruments and FSRs

As required by SEBI Circular dated February 10, 2026, to Credit Rating Agencies (CRAs), the list of activities or instruments falling under the purview of various FSRs, along with the names of respective FSRs, is being disclosed below:

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments[2]
1.	Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities)	SEBI
2.	Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities)	MCA
3.	Listed PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	SEBI
4.	Listed PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	SEBI

[2]SEBI: Securities and Exchange Board of India; RBI: Reserve Bank of India; MCA: Ministry of Corporate Affairs; IRDAI: Insurance Regulatory and Development Authority of India; PFRDA: Pension Fund Regulatory and Development Authority

Sr. No.	Facilities/Instruments Name	Regulator of the Instruments[2]
5.	Unlisted PTCs / Securitisation Notes (Originated by Entities Regulated by RBI) *	RBI
6.	Listed Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
7.	Unlisted Commercial Paper and NCDs with Original Maturity Less Than 1 Year	RBI
8.	Loan Facilities (Fund / Non-Fund Based) From Banks / NBFCs / NHB / FIs ^	RBI
9.	External Commercial Borrowings and Other Similar Borrowings	RBI
10.	Certificates of Deposit	RBI
11.	Fixed Deposits Raised by Banks, NBFCs, HFCs, FIs	RBI
12.	Fixed Deposits Raised by Corporates Other Than Banks, NBFCs, HFCs, FIs	MCA
13.	Inter Corporate Deposits / Loans Extended by Corporates	MCA
14.	Borrowing Programme ~	-
15.	Issuer Ratings #	-
16.	Credit Ratings for Capital Protection Oriented Schemes (By Mutal Funds and AIFs)	SEBI
17.	Credit Quality Ratings (CQRs) for Mutual Fund Schemes and Schemes of AIFs	SEBI
18.	Listed Security Receipts	SEBI
19.	Unlisted Security Receipts	RBI
20.	Independent Credit Evaluation (ICE)	RBI
21.	Expected Loss Ratings (For Loan Facilities (Fund / Non-Fund Based) from Banks / NBFCs / NHB / FIs)	RBI
22.	Expected Loss Ratings (Listed / Proposed to be Listed Bonds / Debentures / Preference Shares (All Securities))	SEBI
23.	Expected Loss Ratings (Unlisted / Proposed to be Unlisted Bonds / Debentures / Preference Shares (All Securities))	MCA
24.	Unlisted PTCs / Securitisation Notes (Originated by Entities Not Regulated by RBI) *	Investor-side regulator such as IRDAI, PFRDA @

* Includes securitisation transactions involving assignee payout, acquirer's payout.

~ The rated instrument may involve issuance of different instruments such as debt securities (listed or otherwise), bank loans, commercial paper (listed or otherwise), among others. The regulator of the instrument may accordingly be SEBI, RBI or MCA and can only be determined upon issuance. In the press releases subsequent to issuance(s), CareEdge Ratings shall separately capture the rated quantum details and names of respective regulators.

^ Includes bank facilities such as liquidity facility, second loss facility that are part of securitisation transactions.

There is no instrument being rated and hence, Regulator of the Instrument is not applicable. The rating scale and definitions are being followed as stipulated in SEBI Master Circular for CRAs.

@ These ratings were assigned in regulatory regime prior to introduction of SEBI CRA Circular dated February 10, 2026 and the investor side regulators have accordingly been included.

Note: For facilities / instruments falling under the purview of FSRs other than SEBI, the grievance / dispute redressal mechanisms and investor protection mechanisms provided by SEBI shall not be available.

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

Media Contact	Analytical Contacts
Mradul Mishra Director **CARE Ratings Limited** Phone: +91-22-6754 3596 E-mail: mradul.mishra@careedge.in	Ranjan Sharma Senior Director **CARE Ratings Limited** Phone: +91-22-6754 3453 E-mail: Ranjan.Sharma@careedge.in
Relationship Contact Saikat Roy Senior Director **CARE Ratings Limited** Phone: +91-22-6754 3404 E-mail: saikat.roy@careedge.in	Hardik Manharbhai Shah Director **CARE Ratings Limited** Phone: +91-22-6754 3591 E-mail: hardik.shah@careedge.in Richa Bagaria Associate Director **CARE Ratings Limited** Phone: +91-33-4018 1653 E-mail: richa.jain@careedge.in

About us:
Established in 1993, CareEdge Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the Reserve Bank of India. With an equitable position in the Indian capital market, CareEdge Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CareEdge Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CareEdge Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit. For more information: www.careratings.com

For detailed Rating Report and subscription information, please visit www.careratings.com