



## Duroply Industries Limited

113 Park Street, North Block 4th Floor  
Kolkata-700016, Ph: (033) 22652274



Ref: 5404/23-24/0070

November 8, 2023

### **Department of Corporate Services**

BSE Limited  
25th Floor, P.J. Towers,  
Dalal Street, Fort,  
Mumbai - 400 001

**Scrip Code: BSE: 516003**

### **Sub: Investor Presentation**

Dear Sir/Madam,

With reference to the captioned subject and pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed a copy of Presentation on Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2023.

The Presentation will also be available on the Company's website, [www.duroply.in](http://www.duroply.in).

This is for your information and records.

Thanking you,

Yours faithfully,

For DUROPLY INDUSTRIES LIMITED

KOMAL DHRUV  
Company Secretary

Enclosed: As above

Toll Free: 1800-345-3876 (DURO) | E-Mail: [corp@duroply.com](mailto:corp@duroply.com) | Website: [www.duroply.in](http://www.duroply.in)

Find us on:    [duroplyindia](https://www.instagram.com/duroplyindia)

Regd. Office: 9, Parsee Church Street, Kolkata-700001 • CIN: L20211WB1957PLC023493



**DURO**<sup>TM</sup>

# TURNAROUND STORY

Duroply Industries Limited  
Investor presentation | November 2023



Duroply Industries Limited

### **Disclaimer**

In this presentation Duroply Industries Limited has used information that is publicly available, including information developed in-house. Information gathered and used is believed to be from reliable sources. Duroply Industries Limited however does not warrant the accuracy, reasonableness and / or completeness of any information.

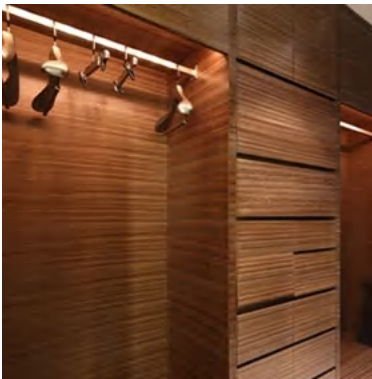
This presentation includes statements / opinions / recommendations, which contain words, or phrases such as “will”, “expect”, “should”, “believe” and similar expressions or variations of such expressions that are “forward looking statements”. Any forward looking statements contained herein are based on assumptions that we believe to be reasonable as on the date of this release. Duroply Industries Limited undertakes no obligation to update forward looking statements to reflect events or circumstances after the date thereof.

The financial figures in the Presentation are re-grouped/re-casted/re-arranged for facilitating financial analysis and may not confirm to statutory formats. All the figures except for the whole year are unaudited

# A tradition of excellence since 1957

Since **1957**, Duroply has delivered **top-grade plywood and allied products** to diverse residential, commercial and institutional clients in India.

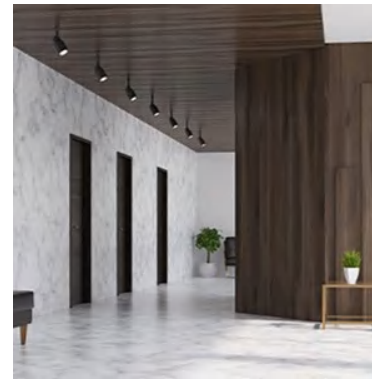
Today, with over 20 offices across the country, we are known for our **premium quality** and **exceptional design standards**.



**PLYWOOD**



**VENEERS**



**BLOCKBOARDS**



**DOORS**

# This is what we are and what we do

## Products portfolio

- Plywood and blockboards
- Decorative veneers
- Flush doors

## Resource quality

The Company's plywood is derived from the finest timbers hand-picked from forests around the world

## Accreditations

Duro is a member of The Indian Green Building Council (IGBC), validating its commitment to environment friendly practices, processes and certifications.

FSC Certificate: Validates commitment to responsible wood management

- ISO 9001: Quality Management System
- ISO 14001: Environmental Management System
- CARB: Low formaldehyde emission

# This is what we are and what we do

**3<sup>rd</sup>**Generation  
Company**10**Mn Sq m+,  
Plywood sold  
in FY23**26+**

States and UT

**400+**Design  
options**700+**Direct  
Channel  
Partners**20+**

check points

# Where our plywood products have been used

## Government

- The new Parliament
- GAIL
- PWD & CPWD
- Delhi / Mumbai / Pune / Nagpur Metro
- MES - Defence
- AIIMS
- IIT
- IIM
- ITPO Pragati Maidan
- Income Tax Office
- State Hospitals

## Hospitality

- Oberoi Hotels
- Taj Hotels
- Hyatt
- ITC
- Lemon Tree
- Westin
- JW Marriott
- Fortune
- The Park
- Pride Hotels
- Aloft
- Holiday Inn
- Trident Hotels
- Lalit

## Corporates

- DLF
- Birla Corporation
- Max Hospitals
- Tata Steel
- Paharpur Cooling
- SBI
- Bank of Baroda
- L & T
- Shapoorji Pallonji
- Zydex Industries
- Microsoft
- Hindustan Aeronautics
- PNB Corporate

## Luxury OEMs

- Alsorg
- Ravish Vohra
- La Sarojeeka
- New Age
- Apartment 9
- Narsi Contracts
- Garnet Interiors
- K2 India
- D World
- Plank & Weaves
- Europlak
- Spacewood
- BNP Interiors
- Swati Interiors




# 5

## principal messages

- 1 Duroply turned around financially in FY 23
- 2 This was the first year of a profit after 4 years
- 3 The company reported a profit in each quarter of FY 23
- 4 The company reported improvements in revenues, margins and surplus
- 5 The company is optimistic of building on this turnaround in FY 24



A large decorative graphic on the left side of the slide, consisting of a white circle partially overlapping a grey circle, both set against a red background that curves around them.

**The vigour  
of our  
turnaround,  
FY 23**

**302.34**

(Rs. Crore), Revenue

58.4% increase

**17.96**

(Rs. Crore), EBIDTA

165% increase

**12**

(%), ROCE

1000 bps increase

**5.23**

(Rs. Crore), PAT

# What caused the Duroply turnaround

Focused solely on the plywood business (after divesting the tea business).

Infused Rs 28.03 crores of net worth in the second quarter of FY 23

Widened the distribution footprint, entering select urban markets and B & C class cities

Engaged in selective capital expenditure, accelerating capacity debottlenecking

Increased brand building (4.1% of revenues) to enhance share of voice

Entered the mid-market plywood segment, widening the product mix

Strengthened service responsiveness for dealers and retailers

Achieved 220% revenue growth in trading (Rs 95.5 cr)

# How we are building a new Duroply

The management has invested in a range of initiatives to rejuvenate with speed and effectiveness

**Youthfulness:** Infusion of younger senior leadership; emphasis on organisational youthfulness

**Digitalisation:** Introduction of digital tools to engage with consumers and trade partners

**Automation:** Increased manufacturing automation, helping moderate quality rework and related costs



**Brand investment:** Increased brand investment in enhancing the visibility of Duroply

**Marketing orientation:** Shift from a legacy manufacturing focus to marketing orientation

**Capacity debottlenecking:** Nominal investment to enhance production capacity

**Distribution broadbasing:**

Appointment of more dealers;  
structured programmes to  
enhance outcomes

**Enhanced share of voice:**

Investment in radio and  
YouTube promotions

**Entering the mid-priced  
segment:** Addressing the  
fastest growing plywood  
segment

**Building two brands:**

Investing deeper in Duro and  
Tower brands (addressing  
different consumers)

**Protecting trade**

**discipline:** Focusing on  
timely cash inflows from  
trade partners

**Net worth infusion:** Right-  
sizing the Balance Sheet;  
raising captive growth  
capital

The background features a large, stylized number '1' composed of overlapping red and dark red geometric shapes. A dark grey circle is positioned on the right side of the image, containing the text 'Financial Performance'.

# Financial Performance

# Highlights of Q2 FY 24 | H1 FY 24

## Q2 FY 24

- Revenue at Rs 832.9 Mn, up 10.8% YOY, up 9.8% QOQ
- GP% at 66.14% as against 64.1% YOY and 66.15% QOQ
- EBITDA at Rs 36.6 Mn, down 18.3% YOY, down 17.4% QOQ
- EBITDA Margin at 4.4% as against 6.0% YOY and 5.8% QOQ
- EBIT at Rs 27.6 Mn, down 24.1% YOY, down 22.0% QOQ
- In-house Mfg Revenue Rs 478.6 Mn, down 9% YOY and up 1.1% QOQ
- Cont Mfg Revenue Rs. 352.8 Mn, up 57% YOY and up 23.8% QOQ

## H1 FY 24

- Revenue at Rs 1591.5 Mn, up 8.72%.
- GP% at 66.1% as against 64.7%
- EBITDA at Rs 80.9 Mn, down 5.1% YOY
- EBITDA Margin at 5.1% as against 5.9%
- EBIT at Rs. 63.2 Mn down 8.5%
- Employee Expenses at 9.9% of sales against 9.8%, up 10%
- In-house Mfg Revenue at Rs. 951.9 Mn, down 3.8%
- Cont Mfg Revenue at Rs. 637.8 Mn, up 35%

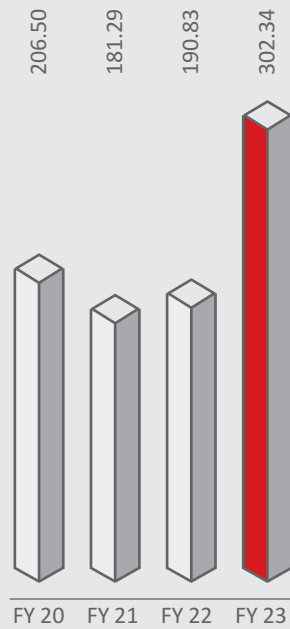
Commenting on the results, **Mr. Akhilesh Chitlangia, Executive Director and Chief Operating Officer, Duroply**, said: *“Our robust growth in sales and profitability reflect huge brand premium that Duroply enjoys in the market. This has been possible because we have developed a customer centric organisation focusing on product quality led innovation.*

*Robust demand in our industry has also resulted in acute shortage of raw materials leading to high inflationary pressure. Notwithstanding these challenges, demand sentiment for our brand and products remains very high as reflected in our sustained growth journey.*

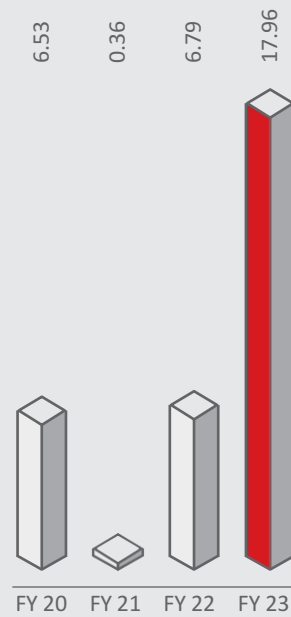
*We are expecting market demand to further increase in the second half of the year. In addition, we are also seeing good growth in newer markets which will also contribute to our continued revenue increase.”*

# How we have grown over the years

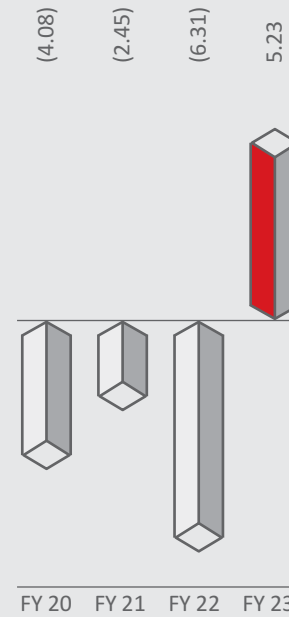
**Revenues**  
(Rs. in Crores)



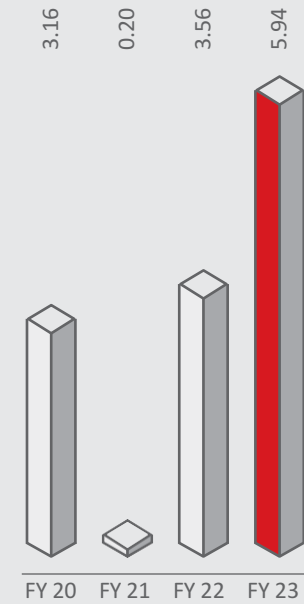
**EBITDA**  
(Rs. in Crores)



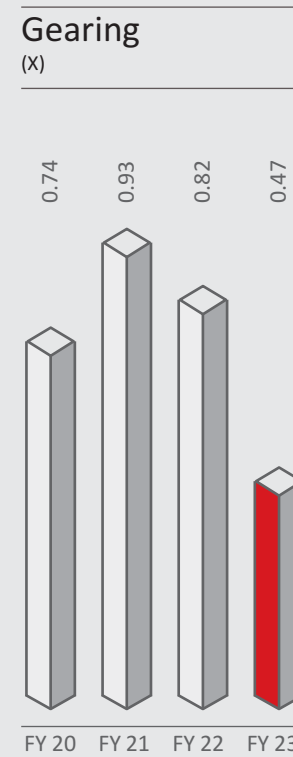
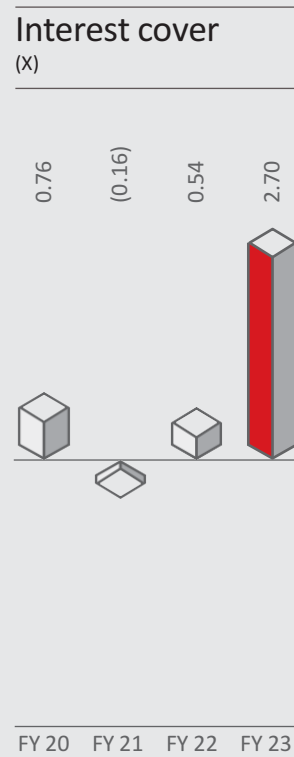
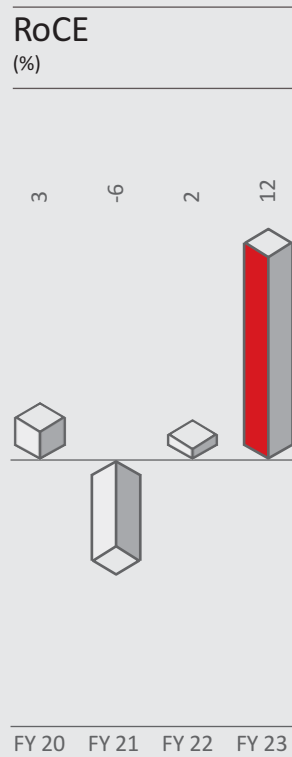
**Net profit**  
(Rs. in Crores)



**EBITDA margin**  
(Rs. in Crores)



# How we have grown over the years





# Abridged Income Statement Q2 FY 24

(Rs. In Mn)	Quarter Ended				
	Q2 FY24	Q1 FY24	Q2 FY 23	Q-o-Q	Y-o-Y
Revenue from Operation	832.89	758.60	751.61	9.79%	10.81%
Cost of Goods Sold	550.86	501.78	481.42	9.78%	14.42%
Gross Margin	282.03	256.82	270.19	9.82%	4.38%
Gross Margin %	<b>33.86</b>	<b>33.85</b>	<b>35.95</b>	<b>0.02%</b>	<b>-5.80%</b>
Operating Expenses	247.48	214.37	230.30	15.45%	7.46%
Other Income	2.14	1.87	4.95	14.44%	-56.77%
EBITDA	36.69	44.32	44.84	-17.23%	-18.18%
EBITDA Margin %	<b>4.40%</b>	<b>5.84%</b>	<b>5.97%</b>	<b>-24.61%</b>	<b>-26.17%</b>
Interest	17.91	17.97	17.70	-0.33%	1.19%
Depreciation	8.92	8.81	8.37	1.25%	6.57%
PBT	9.86	17.54	18.77	-43.82%	-47.49%
PBT Margin %	<b>1.18%</b>	<b>2.31%</b>	<b>2.50%</b>	<b>-48.83%</b>	<b>-52.61%</b>
PAT	6.47	12.83	11.90	-49.62%	-45.66%
PAT Margin %	<b>0.78%</b>	<b>1.69%</b>	<b>1.58%</b>	<b>-54.11%</b>	<b>-50.97%</b>

# Abridged Income Statement H1 FY 24

(Rs. In Mn)	Half year ended		
	H1 FY24	H1 FY23	Y-o-Y
Revenue from Operation	1591.49	1463.80	8.72%
Cost of Goods Sold	1052.64	946.78	11.18%
Gross Margin	538.85	517.02	4.22%
Gross Margin %	<b>33.86</b>	<b>35.32</b>	<b>-4.14%</b>
Operating Expenses	461.85	437.94	5.46%
Other Income	4.01	6.78	-40.86%
EBITDA	81.01	85.86	-5.65%
EBITDA Margin %	<b>5.09%</b>	<b>5.87%</b>	<b>-13.22%</b>
Interest	35.88	34.77	3.19%
Depreciation	17.73	16.77	5.72%
PBT	27.40	34.32	-20.16%
PBT Margin %	<b>1.72%</b>	<b>2.34%</b>	<b>-26.57%</b>
PAT	19.30	22.51	-14.26%
PAT Margin %	<b>1.21%</b>	<b>1.54%</b>	<b>-21.14%</b>

# Key Ratios

Ratios	FY19	FY20	FY21	FY22	FY23
Debtor Days	38	37	36	38	35
Inventory Days	179	224	197	195	134
Days payable	178	210	169	175	119
Cash Conversion Cycle	39	50	64	59	49
Working Capital days	38	39	62	37	41

# Key Ratios

Ratios	Q2 FY 24	Q1 FY 24	Q2 FY 23	H1 FY 24	H1 FY 23
Debtor Days	38	38	34	39	34
Inventory Days	133	140	130	139	131
Days payable	123	125	124	128	125
Cash Conversion Cycle	47	53	40	49	40
Working Capital days	44	50	39	45	39

# Historical Income Statement

(Rs in Mn)	FY19	FY20	FY21	FY22	FY23
Revenue from Operation	2284.85	2065.36	1813.21	1908.30	3023.39
Cost of Goods Sold	1316.09	1129.08	1082.83	1192.27	1960.01
Gross Margin	968.76	936.28	730.38	716.04	1063.38
Gross Margin	42.40%	45.33%	40.28%	37.52%	35.17%
Operating Expenses	870.24	861.51	665.23	670.58	905.42
Other Income	7.25	7.83	19.54	22.41	21.61
EBITDA	105.76	82.60	84.69	67.86	179.57
EBITDA Margin	4.63%	4.00%	4.67%	3.56%	5.94%
Interest	70.88	74.88	100.83	84.81	66.62
Depreciation	22.27	30.89	32.35	28.25	33.77
PBT	12.61	-23.18	-48.49	-45.20	79.18
PBT Margin	0.55%	-1.12%	-2.67%	-2.37%	2.62%
Taxation	2.79	17.58	-23.98	17.90	26.92
PAT	9.82	-40.76	-24.51	-63.10	52.26
PAT Margin	0.43%	-1.97%	-1.35%	-3.31%	1.73%

# Historical Balance Sheet

(Rs. In Mn)	Mar'19	Mar'20	Mar'21	Mar'22	Mar'23
Share Capital	64.64	64.64	64.64	64.64	77.76
Other Equity	711.46	663.31	636.68	574.54	806.44
Shareholders' Funds	776.10	727.95	701.32	639.18	884.20
Long Term Borrowings	75.15	80.84	110.73	91.12	57.95
Lease Liabilities	-	19.01	13.51	46.64	32.99
Long Term Provisions	19.92	31.36	34.69	41.66	51.72
Deferred Tax Liabilities	46.89	63.09	39.11	57.00	83.92
Other Non- Current Liabilities	16.99	15.70	12.78	6.70	5.61
<b>Total Non-Current Liabilities</b>	<b>158.95</b>	<b>210.00</b>	<b>210.83</b>	<b>243.13</b>	<b>232.19</b>
Short Term Borrowings	398.15	442.15	498.47	440.40	356.61
Lease Liabilities	-	-	-	13.91	16.63
Trade Payables	642.38	650.29	532.97	570.82	639.02
Other Financial Liabilities	54.39	97.23	105.26	99.70	96.64
Other Current Liabilities	30.09	13.92	35.85	40.31	19.79
Short Term Provisions	4.86	3.20	0.61	0.51	0.66
<b>Total Current Liabilities</b>	<b>1129.85</b>	<b>1206.78</b>	<b>1173.15</b>	<b>1165.66</b>	<b>1129.36</b>
<b>Total Liabilities</b>	<b>2064.90</b>	<b>2144.73</b>	<b>2085.30</b>	<b>2047.96</b>	<b>2245.75</b>

(Rs. In Mn)	Mar'19	Mar'20	Mar'21	Mar'22	Mar'23
Fixed Assets including CWIP	1010.13	1043.41	976.49	1020.56	1016.52
Other Intangible Assets	3.26	3.03	3.05	5.07	6.08
Non-Current Investments	0.16	0.09	1.70	0.16	0.15
Loans	61.84	82.14	125.31	65.18	65.18
Other Financial Assets	-	-	-	11.69	4.38
Other Non-Current Assets	0.55	0.52	1.35	0.88	5.65
<b>Total Non-Current Assets</b>	<b>1075.94</b>	<b>1129.19</b>	<b>1107.89</b>	<b>1103.53</b>	<b>1097.95</b>
Inventories	646.54	691.54	620.55	638.12	719.09
Trade receivables	235.73	209.76	181.32	200.32	286.38
Cash and Cash Equivalents	3.24	12.63	2.74	4.38	0.94
Other Bank Balances	27.69	27.53	29.86	31.01	33.36
Loans	4.57	4.37	4.67	-	-
Other Financial Assets	2.56	3.74	4.77	6.65	6.72
Current Tax Assets (Net)	3.76	1.08	1.43	3.71	4.90
Other current assets	64.89	64.89	132.09	60.25	96.41
<b>Total Current Assets</b>	<b>988.97</b>	<b>1015.54</b>	<b>977.41</b>	<b>944.42</b>	<b>1147.80</b>
<b>Total Assets</b>	<b>2064.90</b>	<b>2144.73</b>	<b>2085.30</b>	<b>2047.95</b>	<b>2245.75</b>



**Branding &  
Marketing  
Initiatives**

# Launch of Duro Advantage at Matecia Exhibition

#Duroble Innovations Since 1957

## DURO ADVANTAGE

09 LAYERS OF PROTECTION

- DURO 5HT**  
Five Heat Treatment
- DURO Fireshield**  
Duro Advanced Fireshield Technology
- Termite Proof
- 72 HOURS BWP GRADE**  
72 Hours BWP Grade
- Super Log Criterion
- Superior Calibration
- PFS Super Bonded
- Low Formaldehyde Emission (E0)
- QR Based Fraud Protection.

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**DURO TITANIUM** LASTS FOREVER  
**DURO DERBY** THE CLASS ABOVE BLOCK BOARD AND PLYWOOD  
**Durobord** INDIA'S NO. 1 BLOCK BOARD

**DURO Pumaply** ALL WEATHER PROOF PLYWOOD  
**DURO DOOR** FLUSH DOOR KEEPS YOU SAFE  
**DURO PLUS** 9 & 12 PLYWOOD BOARDS DOORS

[www.duroply.in](http://www.duroply.in)





# Introducing Beyond Blueprints

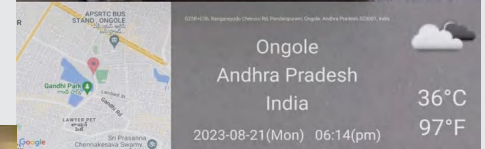


An exciting podcast initiative where Creativity converges with Expertise-led by our very own **COO and Executive Director of Duroply Industries Limited, Mr. Akhilesh Chitlangia**


It is a fascinating journey through the dynamic domains of design, art, and architecture where visionary architects, interior designers, and leaders share their insights on what truly fuels businesses in today's world.



# Contractor/ Architect Meets/ Promotions



# What shareholders can look forward to in FY 24



**Headroom:** Plug the market vacuum for a third large player (after the industry leaders)

**Carpenter-contractor loyalty programme:** Run digitally through the mobile app

**Broadbased presence:** Add more channel partners; engage in handholding and nurturing

**Tower offtake:**

Projected to emerge as a significant growth driver as India shifts purchases from the unorganised to the organised sector

**Digital marketing:**

Launch innovative digital marketing initiatives to engage with influencer architects and interior designers

**Revenue growth:**

Moderate increase in manufactured revenues; disproportionate revenue growth from outsourced revenues

**Scaled presence:**

Deeper presence across India resulting in an enhanced proportion of revenues

**Economies:** Superior pricing power and lower cost procurement on account of stronger financials and growing scale

**Outcome:** Sustained growth and improved margins

# Our Executive Team



**Mr. Sudeep Chitlangia,**  
Managing Director

Mr. Sudeep Chitlangia has over 36 years of experience in the plywood industry. In 1993, he was appointed Managing Director. He is a wood material and operations expert with comprehensive expertise in incorporating new wood technologies and cutting-edge management practises such as the Theory of Constraints. He is an active member of the Kolkata Entrepreneur Organisation. Sudeep is currently a Committee Member for the Merchant Chamber of Commerce and Industry in Kolkata. He previously served on the board of the Indian Plywood Industries Research and Training Institute for two terms (IPIRTI).



**Mr. Akhilesh Chitlangia,**  
Executive Director and COO

Mr. Akhilesh Chitlangia has worked in the plywood industry for over 13 years. He specialises in distribution expansion, operations management and the implementation of new initiatives. As Executive Director and COO, Akhilesh is based in New Delhi and is in charge of the Company's day-to-day operations. He has earned a Bachelor of Science in Business Administration and a Bachelor of Arts in Economics from Boston University in the United States.



**Mr. Abhishek Chitlangia,**  
Vice President, Manufacturing

Mr. Abhishek Chitlangia has over 7 years of industry experience. He is currently in charge of DURO's production activities and has actively promoted lean and six sigma to improve quality and efficiency. He is a member of the NCCF Safeboards Standards Committee and the BIS Working Group on Plywood Standards. Abhishek graduated from the University of Michigan Summa Cum laude with a dual degree in BSE Industrial and Operations Engineering and a BBA from the Ross School of Business. Prior to joining Duroply, he held various positions with Ventower Industries (Michigan, USA) and Bain & Company (Chicago, USA).



**Mr. Devesh Ahluwalia,**  
Vice President, Sales

Mr. Devesh Ahluwalia has over 31 years of experience in Sales and Marketing in a variety of industries. His areas of expertise include Sales and Business Growth, Team Building and Energising, Market Expansion, Change Expeditor and Product Development and Promotions. He is currently serving as VP Sales at Duroply Industries Ltd., where he is accountable for overseeing all operational issues of Sales Management across India, including manpower management, profit and loss, delivery and sales growth.



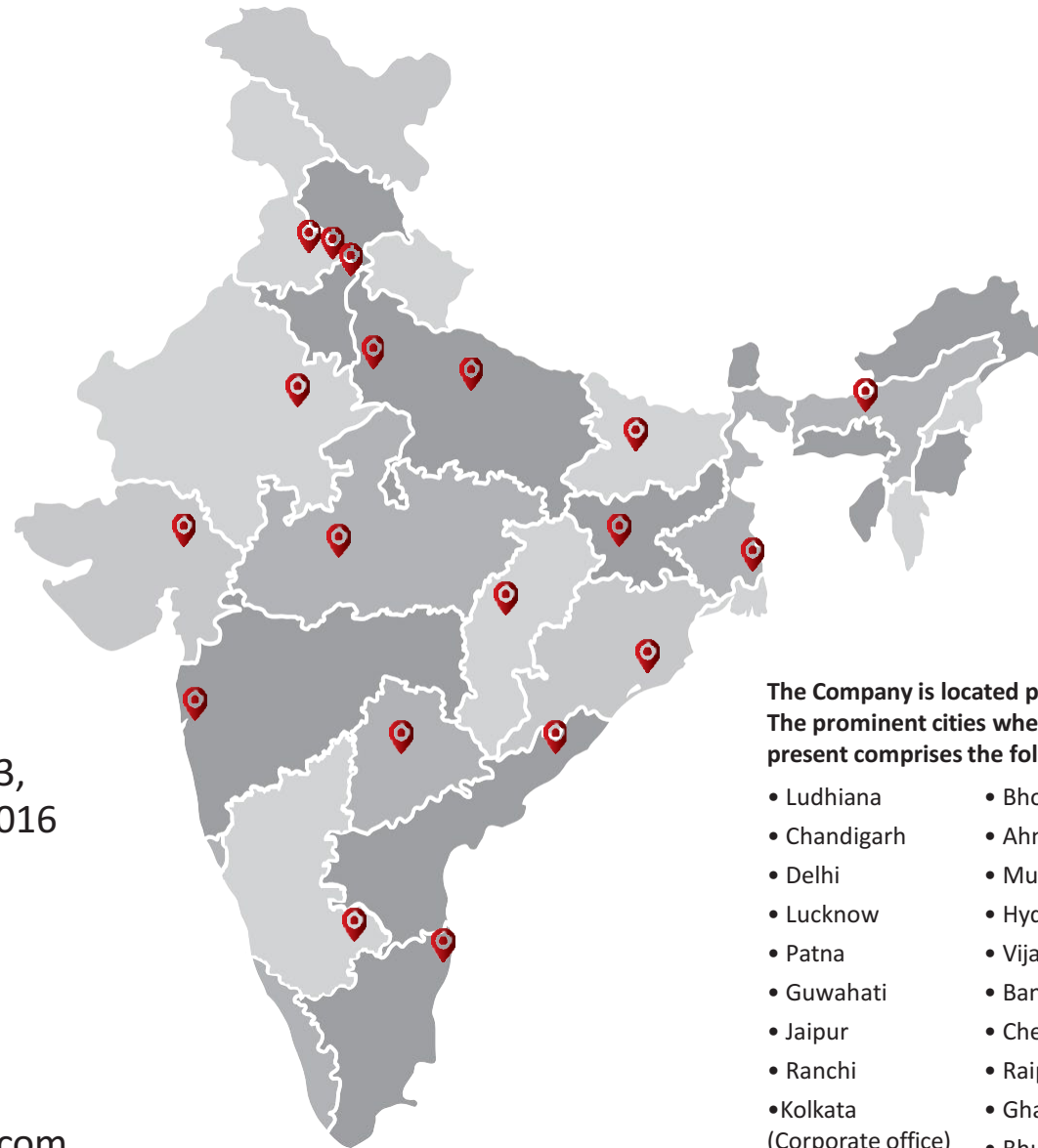
**Mr. Pawan Kumar Verma,**  
Chief Financial Officer

Mr. Pawan Kumar Verma is a Bachelor of Commerce and a qualified member of the Institute of Chartered Accountants of India, with over 17 years of experience. He has been with our company for 14 years. He has overseen a diverse range of duties in finance and commercial, MIS, budgeting, working capital management, taxation, fund management, budgeting and allocation, book closure, statutory and internal audit, vendor management and statutory compliances.



**Mr. Shashank Hissaria,**  
General Manager

Mr. Shashank Hissaria has been with our company for 34 years and has handled multiple positions of responsibility. He plays a key role in Supply Chain Management and the acquisition of high-quality raw materials. He is currently in charge of contract manufacturing and the sourcing of low-cost material for our Tower brand.

**CORPORATE OFFICE**

North Block, 4th Floor, 113,  
Park Street, Kolkata - 700 016

**REGISTERED OFFICE**

9, Parsee Church Street,  
Kolkata 700 001

Phone: 033-2265 2274

Email: [investors@duroply.com](mailto:investors@duroply.com)

**The Company is located pan-India.  
The prominent cities where its  
present comprises the following:**

- Ludhiana
- Chandigarh
- Delhi
- Lucknow
- Patna
- Guwahati
- Jaipur
- Ranchi
- Kolkata  
(Corporate office)
- Bhopal
- Ahmedabad
- Mumbai
- Hyderabad
- Vijayawada
- Bangalore
- Chennai
- Raipur
- Ghaziabad
- Bhubaneswar