



“Dhabriya Polywood Limited
Q4 and FY26 Earnings Conference Call”

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MODERATOR: **MR. GAUTAM KOTHARI – X-B4 ADVISORY**

Moderator: Ladies and gentlemen, good day, and welcome to the Dhabriya Polywood Limited Q4 and FY26 Earnings Conference Call, hosted by X-B4 Advisory. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference, please signal an operator by pressing star then zero on your touch-tone phone. Please note, this conference is being recorded.

I now hand the conference over to Mr. Gautam Kothari from X-B4 Advisory. Thank you, and over to you, sir.

Gautam Kothari: Thank you. Good afternoon, everyone, and welcome to the Q4 and FY26 earnings conference call of Dhabriya Polywood Limited. Today on this call, we have with us Mr. Digvijay Dhabriya, Promoter, Chairman and Managing Director of the company; and Mr. Hitesh Agrawal, Chief Financial Officer of the company.

This conference call may contain forward-looking statements about the company, which are based on beliefs, opinions, and expectations as of today. Actual results may differ. The statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict. A detailed Safe Harbor statement is given on the second page of the earnings presentation of the company, which has been uploaded on the stock exchange as well as the company's website.

With this, I now hand over the call to Mr. Digvijay Dhabriya for his opening remarks. Over to you, sir.

Digvijay Dhabriya: Okay. Thank you, Gautam. Good afternoon, everyone, and thank you for joining us today. On behalf of Dhabriya Polywood Limited, I welcome all investors, analysts, and stakeholders to discuss our financial year '26 performance and outlook. Financial year '26 has been a defining year in our journey. We delivered consolidated revenue of INR264 crores, representing growth of 12.5% year-on-year.

More importantly, this growth translated into significantly stronger profitability, with EBITDA growing by 45.6% and PAT growing by 67.2%. Our EBITDA margin expanded from 16% to 20.6%, while PAT margin improved from 7.7% to 11.4%, reflecting the strength of our operating leverages, better product mix, manufacturing efficiencies, and disciplined execution across businesses.

Q4 was our strongest quarter ever, with EBITDA margin crossing 21% and PAT growth of nearly 55% year-on-year. This gives us strong momentum as we enter financial year '27. Our top-line results fell short of our initial revenue targets. This shortfall was primarily driven by deferred execution related to the project supply for some of the large project orders.

However, our performance this quarter reflects stability, anchored by a strong, high-quality order book of more than INR170 crores, which gives us excellent revenue visibility. Importantly, this is a matter of timing, not a loss of business, as our underlying demand remains robust.

Our core plastic product segment continued to perform strongly, with revenue growth of over 13% and segment profitability growth of 63%. At the same time, our modular business also demonstrated improving operating efficiency and profitability. During financial year '26, we also laid the foundation for our next phase of growth.

The Board has approved INR100 crores strategic capital expenditure program to be deployed over financial year '26 to '28. This is the most significant capex program in the company's history. During financial year '26, we have already deployed approximately INR27 crores of capex towards expansion of PVC and WPC profile extrusion lines, building dedicated manufacturing infrastructure for the aluminum glazing and window division, and modernizing and automating our existing lines.

The remaining deployment over financial year '27 and '28 will further strengthen our manufacturing footprint and enable us to scale into new categories. We are excited about the addition of new verticals, including WPC doors, WPC wall and ceiling panels, and aluminum windows, doors, and glazing systems. These categories significantly expand our addressable market and strengthen our positioning as a comprehensive interior building material solution company.

The aluminum window and glazing division under the leadership of Mr. Varghese has already started seeing strong market traction and project inquiries. We have already closed the orders worth INR50 crores plus for this new project vertical. We believe this vertical can become a meaningful growth driver over the medium term.

Looking ahead, we remain highly optimistic about the opportunity landscape. With our diversified product portfolio, expanding distribution network, improving brand strength, and upcoming capacities, we believe the company is well-positioned for sustained growth. Based on our current visibility, we are targeting approximately 30% CAGR revenue growth over the long term while maintaining sustainable EBITDA and PAT margins.

Our focus remains on profitability growth, prudent capital allocation, and long-term value creation for shareholders. I would like to sincerely thank all our employees, channel partners, customers, lenders, and shareholders for their continued trust and support.

With that, I now request our CFO to take you through the detailed financial performance, after which we will open the floor for questions. Thank you. Jai Hind.

Hitesh Agrawal:

Thank you, sir. Very good afternoon to everyone. Let me briefly walk you through the financial highlights of FY26. For the financial year 2026, consolidated revenue from operations stood at INR264.48 crores versus INR235.11 crores in FY25, registering growth of 12.5%. EBITDA increased sharply by 45.6% to INR54.59 crores, while EBITDA margins improved by 460 basis points to 20.6%. Profit before tax grew by 65.3% to INR40.67 crores, and profit after tax increased by 67.2% to INR30.14 crores. Earnings per share for the year stood at INR27.85 compared to INR16.65 last year.

On the balance sheet side, our net worth increased to INR129.60 crores. In the financial year 2026, approximately INR27 crores of capex was deployed towards different capacity enhancement and new line additions, that is profile extrusion expansion, aluminum windows and facade division infrastructure, and automation of our existing capacities.

Another important point here I would like to address proactively is about the working capital. During the financial year 2026, we consciously took strategic decisions to strengthen our supply chain and vendor ecosystem amid disruption caused by the West Asia crisis in the Q4. This included faster settlement of our suppliers' dues and strategic stocking of all our extrusion-related raw materials, including PVC resin and other polymers.

This decision has helped us to keep our operations smooth during last three months without any shortage of raw materials, which are directly or indirectly linked to crude oil or for those supplies coming from the Middle East countries. As a result, working capital temporarily increased during the year. We expect this cycle to improve materially during FY27 as inventories are consumed and supplier payment cycle normalizes. Overall, the company remains financially comfortable and operationally well-positioned to support future growth. We can now open the floor for the question and answers. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. Our first question is from the line of Harshit Khadka with RoboCapital. Please go ahead.

Harshit Khatka: Hi, thank you for the opportunity. Am I audible?

Hitesh Agrawal: Yes.

Harshit Khatka: Yes, sir. Sir, the INR264 crores of revenue that we have clocked, just wanted to understand, like, can you give the segmental breakup of it? Like how much has come from PVC, UPVC, and modular? And I'll be glad if you can also give the EBITDA margin breakup of them.

Hitesh Agrawal: Yes, thank you, Mr. Harshit. See, that INR27 crores capex which we did in last financial year, it was basically related to the upgradation of our existing capacities where the PVC profile extrusion capacity is increased by 3,600 metric tons. Earlier our capacity was 24,000 per annum, now it stood at 27,600 metric tons.

Apart from that, WPC door extrusion, which we announced earlier also, we have added new product line. So, in that also we have done approximately INR10 crores capex in last financial year, and some of the remaining capex is going to happen in current financial year. Apart from that, for our Bangalore aluminum windows and facade division, we have made the capex. So, all together, we have done the capex in WPC door, PVC profile extrusion, as well as in the for the aluminum windows and facade division.

Harshit Khatka: Sir, actually I was looking for the revenue breakup of the products that you have, the PVC, UPVC, and modular, and the margin breakup of them.

Hitesh Agrawal: Yes, see, current breakup of the last financial year's revenue, say approximately 84% revenue came from our polymer-based product PVC and UPVC, and 16% around INR43 crores came from the modular furniture. And so far, the margin is concerned, that EBITDA margin for UPVC, this polymer division, that margins were a little higher as compared to the modular furniture because we are gradually enhancing our modular line also.

So once that operational efficiency level is increased, so both will be on at par. So, on PBT level, you can say the modular furniture margins were somewhere around 9% and for the that plastic extrusion and UPVC window, it was 16.6%.

Harshit Khatka: All right, understood. And sir, the capacity that we have right now, 27,600, right? What is the peak revenue that we are expecting from this capacity? And what is the timeline that we are expecting, that at in what year will we be able to achieve the peak revenue?

Hitesh Agrawal: See, our last year capacity utilization was for around 66% for PVC profile extrusion. Maximum with the capacity considering the end numbers of SKUs, 80% is the benchmark. But when we go for the addition of the new profiles or the new product lines, we need to increase the lines also. So that capacity enhancement is a continuous activity which keeps on. But yes, with the existing capacity itself, we can surely achieve more than INR450 crores of revenue for the profile extrusion itself.

Harshit Khatka: And that would be on what capacity utilization?

Hitesh Agrawal: It will be with the 85% of the overall capacity utilization.

Harshit Khatka: Right. So sir, the 30% of growth that you have, you know, guided, so the INR450 crores of revenue would, you know, should come in FY28. So, are we looking at INR450 crores of top-line in FY28 itself?

Hitesh Agrawal: No, see, we have added multiple product verticals basically. If you see that we are diversifying our activities by adding the new lines, that WPC doors, WPC wall and ceiling panels, and majorly the aluminum windows and facade division, wherein we have already, as Chairman sir mentioned, that more than INR50 crores worth of orders are already closed in last two quarters, and the execution is happening now in the current fiscal. So that revenue will be this enhanced expected revenue growth will be contributed by all verticals, existing as well as the new verticals.

Harshit Khatka: Right, understood. And the consolidated EBITDA that we have of 20% right now, so would this sustain or how do you see the margins going forward for '27 and '28 at least?

Hitesh Agrawal: See, last two years we have put lot of efforts in freezing our product mix basically, the better product mix. In fact, we have upgraded our offerings to cater the upper-middle and high-class clientele, so where we have the better margins. And last four quarters, our margins have been regularly improving, and we are quite confident that 20% plus EBITDA margin is sustainable in longer run also.

Harshit Khatka: All right, understood. Thank you. I'll join back in the queue.

- Hitesh Agrawal:** Yes, thank you very much.
- Moderator:** Thank you. Our next question is from the line of Vishvender Singh with Prudent Equity. Please go ahead.
- Vishvender Singh:** Yes, hi sir. Am I audible?
- Hitesh Agrawal:** Yes, yes Vishvenderji.
- Vishvender Singh:** Sir, I wanted to ask on the growth that we have achieved in FY26. We were projecting somewhere around 20%-25%. So, can you comment on the shortfall of the target that we previously mentioned?
- Hitesh Agrawal:** Yes, see, that growth was not up to our expectations primarily due to the supplies were deferred for couple of the projects, large projects, especially in the Maharashtra and one or two projects in Delhi NCR also from the buyer side basically. We were having the healthy order book, but somehow the stage where our products are to be supplied, especially the UPVC windows and doors, that stage was deferred. So that was the primary cause. There was no other specific reason behind this.
- Vishvender Singh:** So what other steps are we taking to minimize such risks going ahead in FY27 and '28?
- Hitesh Agrawal:** See, that we are widening our reach to multiple builders and developers. As of now, our order book has is standing at INR174 crores, which is the highest order book in our history. So number of regular projects are increasing basically. So, to overcome this issue, we are focusing adding more and more new sites, new builders.
- Vishvender Singh:** Got it. And on the capex side, can you bifurcate on the capacity-wise and segment-wise what other capacities will be added from this INR27 crores capex in this year?
- Hitesh Agrawal:** See, that INR27 crores capex, that WPC door is the first one which we have already executed and trial runs are happening, and from the next quarters we are going to launch this commercially also. And second one is the WPC wall and ceiling profiles extrusion, and that is also planned for the coming third and fourth quarters.
- Apart from that, the majorly that aluminum windows and facade division for which we have already implemented for the Bangalore unit, and for the Jaipur currently we are operating from our existing facilities, and in this financial year new factory site is under construction, and for that also capex is planned for current financial year.
- So, capacity in WPC doors and extrusion, as of now we have not finalized. Once we launch the product commercially in the market, so we will share those figures also. But it's a huge capacity basically we are building for this segment.
- Vishvender Singh:** Okay. And can you share some soft numbers on the contribution in top-line this year from this capex?

- Hitesh Agrawal:** Yes, for the current financial year, we are expecting around INR15 crores of minimum contribution from the WPC door and false ceiling wall paneling division, and maybe somewhere around INR40 crores from this aluminum windows and facade division.
- Vishvender Singh:** Got it. Just last question on the price escalation cost. You mentioned that most of your contracts are fixed price. So being the West Asia crisis, most of the raw materials prices have increased. So how are you planning to sustain the margins that we have achieved?
- Hitesh Agrawal:** See, this fixed price contracts basically links to our around 30% of revenue because our major chunk of revenue comes from our B2B business basis PVC profile distribution. More than 60% revenue comes from that vertical, where we do revise the prices as based on the cost or the prevailing factors.
- So, in fact, after this West Asia crisis, we have already revised our price list three times considering the price hikes of all the raw materials and all. Yes, for the door, windows, and the modular furniture project revenue, that price escalation clause doesn't exist normally. But we considering our volumes, our regular procurement, so we do minimize such kind of risk.
- In fact, in March quarter, we have done a lot of procurements towards such commodities where this price increase does take place. That's the reason our inventories at the end of the year is bit higher as compared to the regular range.
- Vishvender Singh:** Okay. So, this 20% to 21% margin is comfortably sustainable?
- Hitesh Agrawal:** Yes, yes, as per the past experience, as per the past regular working, and we are quite confident that it is surely sustainable.
- Vishwinder Singh:** Okay, that will be all. Thank you, sir.
- Hitesh Agrawal:** Thank you.
- Moderator:** Thank you. Our next question is from the line of Keshav Garg with Counter Cyclical PMS. Please go ahead.
- Keshav Garg:** Sir, firstly I wanted to ask Mr. Dhabriya that what gives you the confidence that we will be able to grow by 30% CAGR going forward, which is almost double the CAGR growth that we have done in the past three years or even in the past 10 years? So, what has changed now that we will be able to achieve double the growth of the past?
- Digvijay Dhabriya:** Now we are looking for this new products mix, which is our WPC doors and the facade division, which we are going to add. So, these are the areas where big demand is there and less competition is there. And these are the sectors from where the tenders which comes, they are also in a large quantity. So, these are the sectors we have entered and diversified our capacities into these sectors. So, we are very sure that we will get all this because we have a vast experience of construction line. So, we will get a good CAGR around 30% from these sectors, adding these sectors to our existing capacities.

Keshav Garg: Understood. And sir, now the last year there was a huge jump in the margin from roughly 16 % to 21%. So now due to the Iran war, the raw material prices have jumped up a lot, the petrochem. So firstly, what is our starting raw material and how much has it gone up by? And how much price hike have we taken recently and how much do we plan to take going forward?

Digvijay Dhabriya: Hiteshji, you answer this because already he have mentioned, no? Three times we have increased our prices since the war started as the raw materials are increasing. Now over to Hiteshji, please.

Hitesh Agrawal: Yes, Keshavji. See, that price hike in the is directly related to the products which are coming from the crude oil. All those products are our key raw materials, the PVC resins and all other pigments and additives. Apart from that, that products which requires high energy, especially that aluminum and other things. So, prices has gone up heavily. We all know that you can say in the range of the 15% to 40% price hike has already happened depending on the different commodity pricing.

So as a whole, if we concentrate on our line of business, we can say around 15% to 18% cost of raw material has already increased. And considering all those factors, we have already revised our prices three times, in fact, till 30th April itself. But yes, now since we all are seeing that this crisis is being in stable or say that some sort of the approaching towards the settlement, so prices have already started cooling down again.

We are forcing that also. And to visualizing all these factors when this eruption happened, we had done huge procurements of all our raw materials also in the Feb and March month itself to safeguard our operations continuity and also to protect our margins going forward.

Keshav Garg: So, the bottom line is that 21% EBITDA margin, all-time high EBITDA margin, we can maintain going forward and in FY27 including FY27?

Hitesh Agrawal: Yes, yes. See, 20% plus EBITDA margins because see, the kind of the product mix which we have already established and the response that is coming, the order book what we are having for the different product verticals, so this sort of the margin is surely comfortable.

Digvijay Dhabriya: 100%.

Keshav Garg: Now sir, my last question is sir that since we have 100% subsidiaries, why not merge them and make a stand-alone entity and save on compliance cost and the complexity? And sir, also what is the wisdom of having four brands when the customer is by and large the same and the product is also basically PVC based? Then sir, why should we not have one brand so that we can really push that brand rather than divide our marketing budget into four brands?

Hitesh Agrawal: See, here I'll just focus on the brand first. See, our main key brand is the Polywood. So all the polymer-related products come from the Polywood umbrella only, whether it is PVC profile B2B business line or the uPVC windows and doors, even the newly added solutions that WPC doors and aluminium windows and doors, everything is from Polywood only.

See, the other brand, that is a diversified product, that is a different product, that is a Dynasty. Because see, polymer as it resemble from its wording also, it has some polymer. But modular furniture is not a polymer-based product, it's an agriculture-based board manufacturing basically, that is the MDF, particle, HDHMR, or the sometimes it is ply also.

So that is altogether a different. So Polywood brand doesn't go with that line of business. So where we are having Dynasty and Studio Arezzo. So Dynasty is a brand which we serve for the projects, B2B and all, and Studio Arezzo, it's an end-to-end solution where we are interacting with the interior designer, architects, that large clients, and providing them end-to-end solution from design to implementation.

So these are the brand. And the fourth brand, D-Stona, as the name resembles, Stona means it's a stone substitute. As you say that SPC, WPC kind of products, so it is a stone plastic composite D-Stona, where we make the different line of product, that is the sheets and mouldings, that is not the hollow profile. So that's the reason to diversify, to bifurcate the product, to connect the client directly with the feature of the product when we speak about the brand.

Digvijay Dhabriya: Basically, the raw material in each sector is different and their execution and the end use is different. That's why we have categorized in four different categories, all of them.

Keshav Garg: Sir, so for example in Polywood PVC, the raw material.

Moderator: Sorry to interrupt, we request you to please re-join the queue if you have any further questions.

Keshav Garg: Yes, sure. Thank you.

Moderator: Thank you. Our next question comes from the line of Mahesh Atal with Dhairya Investment Advisors. Please go ahead.

Mahesh Atal: Sir, what was the Fluted Panel number in the last year financials?

Hitesh Agrawal: Yes, Fluted Panel FY26 it was INR54 crores.

Mahesh Atal: And FY25 it was?

Hitesh Agrawal: INR38 crores. So INR38 crores to INR54 crores, sir.

Mahesh Atal: And if we see the margin profile, sir, so the new capex that you are doing, the incremental capex, is it going to higher margin thing or lower? Because this windows, whatever you are talking about, according to your workings, is it a higher margin thing or a lower margin product?

Hitesh Agrawal: Yes, this is on the same kind of the margin, definitely not from the, not of the lower margin bracket. But once we launch these products, go for the market, it will decide whether it has the scope for the higher margins or not. But surely, the prevailing margin what we are having, so we have designed the product, we have selected the product range and all those things considering those margin criteria only.

Mahesh Atal: And with this INR100 crores capex, what would be the revenue what would be the asset turnover?

Hitesh Agrawal: See, INR100 crores capex once it is implemented fully by FY28, so at least in the initial year 2x we are expecting. Going forward, definitely it would be more.

Mahesh Atal: And what's the competitive intensity in that particular product?

Hitesh Agrawal: See, the WPC doors, WPC wall and ceiling panel, definitely there is no direct competition as of now. Aluminium windows and facade division, since it is a very, very big market in India, and since we are already connected with the large builders and developers, so we have an edge to serve them in that particular line of business, and that's the reason we have already received, in fact, INR56 crores of orders related to this new line of business. So based on our past service experience, we'll get what we are expecting.

Mahesh Atal: Where is the current requirement coming from then? If India is consuming today and you are saying that there is no direct competition, so where is the current requirement of that particular product coming from today in India?

Hitesh Agrawal: Yes, it is see, some materials are coming from the China. It is a new solution. It's not that it's altogether a different new product, it's an alternative solution for the existing requirement. See, currently in the buildings, builders are fixing the WPC doors, sorry, not WPC doors, that flush doors or maybe sometimes of the wood panels and all those things. So it's an alternative solution.

We are currently having the PVC hollow PVC doors, which are primarily for the non-secured area, basically the wet areas or the areas where you doesn't require any kind of the securities. But once you talk about the bedrooms or the main doors and all, you must have some security. So this WPC door serves that purpose.

Digvijay Dhabriya: And the biggest thing is the chaukhat. You know that chaukhat, there is no solution because whenever we are going with the stone chaukhat, the doors are different and the chaukhat is different. When we are going with the jungle wood chaukhat, then again the door is different and the finish of the chaukhat is different.

So for the beauty, to beautify our houses, there was a big need for the same colour and same design, same pattern of chaukhat and door. So now this WPC, in WPC we are giving the same kind of chaukhat with the same colour of doors. So they are a matching one. And that too nowadays the trend is for the higher sizes of doors, 7 feet, 8 feet.

So they give the bigger impression of the areas. The area same area is looking big when give the impression of bigger area when the doors are big. So in this WPC we can give up to the 8 feet or 9 feet or 10 feet doors. That is very easy, very economically, and they are they have all the termite is a very big issue nowadays.

So they give you the termite and the water resistance and fire retardancy as well as recyclable. So these are the features because of this we are expecting there will be a very big market.

Although the Chinese are doing, the, we are the Polywood is the first company who's introduced in the Indian market now. So we hope that soon a lot of other companies will also introduce it and a lot of Chinese import will also be there. So the market will spread a lot. But because we are the beginner, we will have a better edge over them.

- Mahesh Atal:** How much of the sale that you have done from this product in last financial year, sir, FY26?
- Hitesh Agrawal:** No, this product is newly added. In fact, as I mentioned earlier also, then in Q2 of this financial year, we are going to launch it commercially. The trial runs have already happened.
- Mahesh Atal:** Okay, so you have already supplied to few of the builders and you have got a very good word on the product.
- Hitesh Agrawal:** Yes, that sampling and everything is already happened. That discussion is already happening with the builders, architects and all, and response is really excellent.
- Digvijay Dhabriya:** We have selected this product after seeing its big success all over the world. It is very popular in UAE, Saudi Arabia, Europe, and after studying it in from different angles, then we have started it. So we are very sure that India will accept this in a big way.
- Mahesh Atal:** So what I'm trying to understand, sir, that your existing machinery is capable of doing this product, right? So?
- Hitesh Agrawal:** No, it's a no, sorry to interrupt. It requires different line basically.
- Mahesh Atal:** And then how did you produce it? Because you how did you get the capability to produce it? Have you just imported some material?
- Hitesh Agrawal:** We have already done. We have already done the capex in last financial year itself on adding this solution. During our last FY25 con call also as we mentioned that at that time that INR50 crores to INR60 crores capex is going to happen in next two years, '26 and '27, which was subsequently increased by the board to the tune of INR100 crores.
- Mahesh Atal:** Okay, so this line that you have done is not yet implemented, not yet commercialized is what you are saying, and it will be commercialized in this H2, right?
- Hitesh Agrawal:** From Q2.
- Mahesh Atal:** Q2. And then what would be the revenue that you are expecting out of the INR56 crores order backlog in this financial year?
- Hitesh Agrawal:** No, that order backlog is current order backlog is INR174 crores for the project-related business.
- Mahesh Atal:** No, I'm talking about only that INR56 crores windows thing.
- Hitesh Agrawal:** INR56 crores is related to the aluminium windows and glazing division. Not related to the WPC door. WPC door is a new product vertical. This we are going to commercially launch in the next

quarter. Aluminium windows and facade division we have already started from the end of the last Q4, and from this quarter itself revenue has already started generating. And for that product line, we are having the order book of INR56 crores.

Mahesh Atal: Okay, which is included in our -- sorry, you were saying something sir.

Hitesh Agrawal: Overall order book is INR174 crores, which had three product lines. One is the, our existing uPVC windows and doors, second one is the modular furniture, and third newly added division of aluminium windows and facade division.

Mahesh Atal: Yes, sir. Before I conclude, can you just please give some outlook on the Fluted Panel industry currently and what is your outlook in the next couple of years?

Digvijay Dhabriya: The Fluted Panel industry basically now very well accepted and a lot of new sections, new design, new colours, and it is getting around 5% to 10% of the paint industry market. So all the interior work in buildings, whether it is commercial, whether it is residential, it is now it's very popular. And new designs, a lot of research and development is going on in this field because different-different finishes, different-different materials are coming.

So and now WPC Fluted Panels, which are not hollow, these are the solid one. So they are also now we are coming out with them. So this is it is just like a fashion industry as well as the replacement of the wood products, false ceiling, wall panelling. It will replace the, it will be a part of the building interiors in the coming time.

So now it's very popular, very easily available, and the installation is very easy for this and no termite problem and no water problem after installation of these materials. So now the market is accepting it in a very big way. And a lot of imports are also coming.

So the market is increasing and Indian capacity is increasing day by day. New manufacturers are coming and they are all like us, we are increasing our capacity, our design capabilities, our new colours and new sections. These are also we are adding to get more and more into this market.

Mahesh Atal: All right, sir. Thank you. Thank you for that.

Moderator: Thank you. Our next question is from the line of Deepak Verma from Akshobhya Capital. Please go ahead.

Deepak Verma: Yes, hi. So pardon me if the questions are repetitive in some sense, but I have two questions. First is considering your revenue guidance of 30% plus in future, how does it compare with the real estate sector prospects and trends in the past two years and in the future three to five years? Your thoughts on that question. Second is could you elaborate particularly on new capex by segment, which segmental ROIC, ROICs, return on invested capital, current capex and planned any future maybe couple of years down the line? That's it.

Hitesh Agrawal: Yes, see, about this market, that capex part which you mentioned that our, the current projects which we have undertaken, these are mainly the three different product verticals basically, apart

from the regular capex on our existing extrusion lines. That WPC doors, WPC wall and ceiling, and that third one is the aluminium windows and facade division. Basically, as Chairman sir mentioned that aluminium windows and door that facade division, it's a very huge industry in India basically.

That every commercial building requires that solution, and here the all the players are the big players basically we can say. And it's a branded solution comes from the particular brand only. Normally in the aluminium windows and doors we can see that local players and all, but once we talk about the system windows or the facade division, so it's all about the brand who can serve better and who can provide the timely execution and all those things.

So market is huge and considering that visualization from the real estate sector, since we are already associated with the builders and developers from so many years while serving them with the two products, uPVC windows and doors and modular furniture's. So we are catering one builders to part of their projects basically, not all the projects. Once we have this aluminium windows and facade divisions, so we can be one of their vendors for all of their projects basically, whether it is a commercial or institutional or a residential project. So my.

Deepak Verma: Sorry? Can I just clarify it? Wanted to clarify.

Hitesh Agrawal: Yes, see, market is huge, that real estate is performing well and that order book is basically strengthening regularly. So that's the reason basically that we have ventured into all these new product divisions.

Deepak Verma: Okay, understood. I asked this question because last year some one of the calls I asked the same question about, you know, some financial sluggishness and you had told me that it was because real estate was not really going well?

Fine, that question is answered. Your outlook is positive, I understand. But the on the other question on capex, I just wanted to understand the current and planned both and with ROIC, return on invested capital, that you expect and the figures in terms of crores?

Hitesh Agrawal: Yes, see, the capex what we have undertaken basically that around INR27 crores is already happened in last financial year, out of which one of our product line is already implemented, that Bangalore aluminum window division, and then WPC door vertical is also going to get implemented in the coming quarter.

So, this financial year also we are projecting around INR35 crores to INR40 crores of capex for this Jaipur facility of aluminum windows and doors and WPC wall and ceiling division, and apart from that, modernization and upgrading our existing lines by high-output extrusion facilities.

So, and in next financial year also for the some of the projects which are going to take little bit more time, so maybe INR20 crores to INR30 crores will take. So, all together INR100 crores of capex is planned. And regarding this return on investment, surely that since we are currently

sitting at around 25%-26% of return on equity and ROCE, so that sort of the levels we are projecting going forward for this new capex also.

- Deepak Verma:** So, you're saying all the segments have similar ROICs?
- Hitesh Agrawal:** Yes, I guess.
- Deepak Verma:** Got that. Thank you and good results. Congratulations on that.
- Hitesh Agrawal:** Thank you, sir.
- Moderator:** Thank you. Our next question is from the line of Runit Kapoor with Investire Investments. Please go ahead.
- Runit Kapoor:** So, my question is you are anticipating 30% revenue growth for FY27. So, since the realizations also would have jumped up because you have passed it on to the customers, so I wanted to understand how much volume growth are you expecting for FY27 category-wise?
- Hitesh Agrawal:** See, that PVC profile extrusion category, we are last year also about from the level of the 50% of capacity utilization we reached to the 66%. So similarly, maybe around 20% of growth in our regular extrusion line B2B business we are expecting, apart from the new product verticals basically, which will be contributing bit more. So, considering all those factors when this we have projected for the 30% CAGR growth going forward.
- Runit Kapoor:** No, I'm asking specifically about the volume growth, like how much volumes would grow and how much, like, price would grow in terms of that?
- Hitesh Agrawal:** See, the price we can't determine price growth because it depends on the market conditions because PVC resin, which was in March went to 115, now again it has come down to 80-85. So raw material price our finished goods prices, especially for the extrusion, they keep on changing, sometimes plus, sometimes minus also. It's not a one-sided price revision always.
- So, price growth is not the factor which especially in our line of product. In aluminum windows and doors also, currently that LME on the LME aluminum is on the lifetime high. But once this crisis of Middle East war sorted out, everybody's optimistic that this prices may cool off. So, revenue from the price hike is not the criteria, it's from the volumes only. So, from the volume side, 20% we are optimistic that minimum 20 % growth will be there.
- Runit Kapoor:** Okay. And secondly on the modular furniture business, like I think the BIS norms are going to be implemented for that, so the imports would be drastically reducing. So, what is the outlook on that business in coming years? Because the growth has been slow from the consideration of very low base and the market is very large. So how do you plan to grow that segment?
- Digvijay Dhabriya:** Right now, the government of India have implemented the BIS standard on the manufacturing of all the boards, whether it is MDF board or particle board or whether it is a ply. So nowadays all the imports of board is now curved and we are using all the Indian boards for our manufacturing of all our furniture.

So, it is not implemented on the furniture yet, it is the BIS standard is for the boards. So, we are using all the Indian boards manufactured in India with the Indian raw materials. So, these boards we are using right now and what will be the next action of government on the furniture for the BIS, we will abide by that only. Okay.

Runit Kapoor: No, I was saying that in the near term they are planning to implement it on furniture also. So, I'd say what is your growth outlook are you looking in that division, like?

Hitesh Agrawal: Yes, see, that modular furniture division, we are aggressively working on different fronts in this division, adding the new solution considering the emerging interior requirements because in furniture industry every day new things comes. So, we are opting all those things. We have already upgraded our plant to a state-of-the-art plant sort of thing.

So once export also we are focusing more. Last two years we have started it and we are putting more focus. Some of the discussions are happening on the OEM manufacturing also. So and project side also, lot of new builders and developers are connecting. We are negotiating lot of inquiries for modular high-volume project business also. So going forward, furniture division also we are optimistic that it should also have 20% to 25% minimum growth.

Management: We have added Arezzo Studio concept, which will serve the small customers in coming time and give them the furniture fastest available in a fastest mode. So, this way they can save their time. So, this is what our plan is.

Runit Kapoor: Yes, okay. And my last question is regarding your capex of INR100 crores. So, how do you see the borrowings planning out, like, because your borrowings also increased drastically because I think because of working capital issues? But how do you see it panning out, like, how out of INR100 crores how much will be from borrowings?

Hitesh Agrawal: See, partially it will be borrowed, but majorly it will be through internal accruals also considering the last financial year around INR50 crores plus cash generation was there from the operations itself once we had the depreciation. So little bit borrowings will definitely be there so that we can do the implementation of the project as per the timelines only.

Runit Kapoor: But what would be the peak levels of borrowings? Can you just quantify that?

Hitesh Agrawal: See, in the monetary terms I can't say you, but yes, that current level of our debt-to-equity ratio is 0.56. So, it definitely it will not reach 0.75.

Runit Kapoor: Okay, thank you. That's it from my side.

Hitesh Agrawal: Okay, thank you.

Moderator: Thank you. Our next question is from the line of Madhur Rathi with Counter Cyclical Investments. Please go ahead.

Madhur Rathi: Sir, thank you for the opportunity. Sir, I wanted to understand regarding this aluminum windows and facade division. Sir, what is our capacity and with the Jaipur facility that we are

commissioning, what would be the revenue potential for this division going forward? And sir, what kind of revenue can we expect from this division for FY27?

Hitesh Agrawal: See, as such there is no defined capacity when we are working on any custom-made solutions. Basically, it is more of fabrication sort of things. We have to design and fabricate the product as per the customer size and designs. But in monetary terms in FY27, we are expecting minimum INR40 crores to INR50 crores of revenue contribution from this new division.

Madhur Rathi: And sir, what was the revenue in FY26? And sir, can we expect a 20% to 25% margin on this product?

Hitesh Agrawal: It's on the same line of business basically that when we talk about the uPVC windows or doors or whether it is a aluminum windows and doors, the expenditure heads are similar basically. So we have kept the same kind of the pricing patterns and so 20% EBITDA margin levels are normal for both the line.

Madhur Rathi: Got it. And sir, the 15% to 18% raw material cost that have increased, sir, have we taken similar price hikes over the three price hikes that we have taken? The quantum of price hike is it similar or is it lower than the raw material cost increases?

Hitesh Agrawal: Definitely not lower than the raw material price hike, sir, because we have safeguarded our... see, this price hike is not related to the Polywood only, it's for the entire industry. So, everyone who is in this industry, so all has revised their prices basically based on the raw material prices. So surely it is on the same level or on the higher side only that our price revision whatever we have done.

Madhur Rathi: Got it. Sir, if you could help me with what was the inventory gains for FY26 versus FY25?

Hitesh Agrawal: See, we have not quantified this as such because it is a regular ongoing activity. Sometimes prices go up, sometimes goes low. So, at the end of the year, our focus is to maintain our margin trajectory in the improving levels only. So, we have not dedicatedly quantified it. But yes, when the prices are increasing, we are always on the gaining front.

Madhur Rathi: So, sir, if I were to consider the 4% gross margin improvement that we have seen during this year, sir, how much would be attributed to better product mix versus inventory gain?

Hitesh Agrawal: See, it is more contributed by the better product mix only, better product mix then operational efficiency on all fronts basically. We have improved our upgraded our machines also, our operations also, so there we have cut our overhead cost and all those things. So, from inventory side, it is a negligible thing basically.

Madhur Rathi: Got it. Sir, also, if I were to come to our modular furniture division, sir, last year we did a revenue of INR40 crores and this year we did a revenue of INR43 crores. Sir, we were very optimistic about this division. So, sir, where is where are we lacking in terms of growth for this division, if you could help us understand?

Hitesh Agrawal:

Again, basically that what we did in our PVC Profile division also last two years, we have been more cautious about the that profitability front, that margin front. So that's the reason that our revenue growth in last two financial year was not that too much, what we expected. So since, if you see that last financial year Modular Furniture division, that our profitability has improved a lot.

In fact, our PBT margin they have gone up by about 80% plus as compared to the FY25. So different product mix again, that also exist in Modular Furniture division. Now that everything is as already implemented, now more focus is on getting new larger orders and executions.

So, in that race, we have already added three-four new brands like Godrej, then this Smart Homes and all M3M, apart from our existing clientele of DLF, Adani, and Mahindra. So, we are approaching the new builders and getting good response. So going forward, we will see the top-line growth also as expected.

Madhur Rathi:

Sir, just a final question from my end. Sir, how should we look at our working capital cycle with the project business increasing in the aluminum facade and windows, modular furniture? Because sir, there is a competitor called HRS Aluglaze. Sir, even they are into aluminum facade, but their working capital is very stressed, the margin is similar. So how should we look at our working capital cycle going forward?

Hitesh Agrawal:

See, working capital cycle in the current line of business also, where we are doing for the builders for uPVC windows and modular kitchen, the same kind of things will happen because in project business there is a scattered payment term. So that cash flows are regularly maintained from the stage payments, and mobilization advance, and on delivery, and partial execution and full execution, all those things.

So, we don't foresee any kind of -- because see, in aluminum we don't require to have the bulk inventory at a time because it's a regular procurement item, and we have to get it coated or finished as per the client specific requirement. It's made to size. So, working capital will be well managed within the same levels what we are exist currently having.

Madhur Rathi:

And sir, do we have any price pass-through clause in this aluminum division? Because the price hikes are very volatile.

Hitesh Agrawal:

Definitely, see what happens in this particularly aluminum industry, there is a base price clause always exist because aluminum is driven by the NALCO price. So, most of the large projects, every builder, developer, they keep this clause in all the orders.

Madhur Rathi:

Got it. And sir, the Fluted Panel division, sir, can this reach INR100 crores levels in the next two years? And sir, do we also -- so what products of the Fluted Panel are manufactured in-house versus bought out for this product?

Hitesh Agrawal:

So, nothing is bought out for us. We are a 100% manufacturing company. If you see our financials, that our stock-in-trade purchase is negligible. So, it's 100% manufacturing only. And expecting the level of the INR100 crores to INR200 crores in next two years. Definitely it is in

our target because we have already reached INR54 crores this year. So, we will cross INR100 crores this year also. Maybe it can happen in earlier period also as sir just mentioned.

Madhur Rathi: No, sir, I was asking about you the whatever design, the design printing sheet whatever is required in this division, is that manufactured in-house or that is imported?

Hitesh Agrawal: No, no, it's a raw material for everyone. It's a raw material; it is outsourced by everyone. It's not manufactured in-house. But yes, certain finishes are done.

Digvijay Dhabriya: That dyes, dyes and tools we are manufacturing our own, the new designs we are developing our own, and the finishes we are buying the paper and the PVC film from the market and then manufacturing in our plants only.

Madhur Rathi: Got it. Sir, so is there a possibility of us also manufacturing this in-house going forward or once this business scales up to INR100 crores levels or that will be a bought-out item only?

Digvijay Dhabriya: That finishes and that -- that right now there is no unit in India, and there is one unit is going to be set up near Mumbai. So, they will supply us, because that is not a very big quantity. But if we will cross the turnover INR1,000 crores, then only we will think about it.

Madhur Rathi: Okay, got it. Sir, that was from my end. Thank you so much and all the best.

Hitesh Agrawal: Yes, thank you.

Moderator: Our next question is from the line of Harshit Khadka with RoboCapital. Please go ahead.

Harshit Khadka: Thank you for taking my question again. Sir, I just wanted to understand the revenue split of only PVC and uPVC for this year FY26?

Hitesh Agrawal: PVC and uPVC all together that revenue for the last year, it was INR220 crores. Out of that, about INR60 crores was from the uPVC window division and remaining from the PVC Profile division.

Harshit Khadka: All right, sir, understood. And sir, you said that the current capacity at 85% utilization can do INR450 crores of top-line revenue, right? So, I just wanted to understand the INR27 crores of capex that you have done in FY26 and the INR30 crores-INR40 crores of capex that we are going to do in FY27.

So, what quantum of capacity we are putting and what kind of revenues can we see in FY27 itself? Because INR27 crores is already done, right? So FY27, FY28, I mean the new capacity I just want to understand the revenue from new capacity only?

Hitesh Agrawal: See, this new capacity what we are adding, it is for the different product verticals. One is for the extrusion-related WPC doors and WPC profiles, and then second one is the Aluminum Windows and Facade division. So far as the revenue generation from this new capex is concerned, this current FY27, we are projecting somewhere around INR55 crores to INR60 crores revenue addition.

Harshit Khadka: Right, understood. And sir, going forward to achieve this 30%, top-line growth, so what kind of sales strategy do we have?

Hitesh Agrawal: See, we are already working on different sales strategy, starting from the B2B to B2C also. In between that project is also there and some part of the exports. So, to enhance our reach to untouched markets, we are participating regularly in the exhibitions and all those things, promoting our products through digital medias also, adding new man heads to approach more and more builders and architect developers, and gradually enhancing our showrooms also. So, all front of sales and marketing we are active.

Harshit Khadka: Right. Was just asking because our facility was around 50% to 60% utilized since last three years. So, I just wanted to understand what gives us the confidence that we would be able to utilize the current facility as well as the new capex that we are doing. Will we be able to sell those products as well. So, is the demand so much or do you have any new strategy in place?

Digvijay Dhabriya: One is it's very simple because wood is a scarce product and the wood products are very costly day by day. Maintenance of wood product and the manufacturing of wood product, installation, the manpower is also a big challenge. So, everybody is going for all the alternate building materials.

So, these are the alternate building materials. Everybody is now looking for the easy and quick installation because in our material, the installation is very important. If your installation is very easy and semi-skilled labor can install it, at a reasonable price, then it is a big market.

So, all over India, all the big builders and all this, they are going for the alternate materials. And materials like our whether it is a Fluted Panel or whether it is the doors and windows, so they are now in a big demand.

Harshit Khadka: Right, sir, understood. Thank you. That's all.

Moderator: Thank you. Our next question is from the line of Deepak Verma from Akshobhya Capital. Please go ahead.

Deepak Verma: Yes, hi. So first is I want to understand the competitive economics within the segments that you are there. For example, in aluminum, there are big players. So how does it work in terms of competition pressurizing margins and returns? That is the first question.

Hitesh Agrawal: Okay. See, regarding that some competition in that newly added division of Aluminum Windows and Facade division. See basically this is more of the service industry, I would say here, because here in India there are lot of international brands who do supply the systems, and they are associated with different local players, fabricators, who are serving to the end builders or the customers.

So, we are already into this line from last 16-17 years. And in fact, we have already got associated with couple of international brands also, and offering the solutions in with their

associations. So, competitiveness is very well taken care, when we are approaching any builders or developers.

Once we will see, if the any builder or developer is calling us, that means they are satisfied with our services, with our offerings. So, to win that order, definitely pricing has to be competitive. So, it is a joint effort from the system suppliers as well as the fabricator side.

Deepak Verma: So, within aluminum you're providing systems as well as services or you're also taking some local help for services?

Hitesh Agrawal: We are having our own system also and at the same time we are associated with the international system suppliers also, because some of the projects that client requires the international brand because they are the system companies are also doing their marketing, they are placing their product to the builders, developers, the large projects directly.

And since they are not into the execution, they are only the system suppliers, so they do have the partners. So, for some of the brands, we are also the trusted partner for them.

Deepak Verma: So primarily this is a service business, but part of what you're providing within the service you're producing also?

Hitesh Agrawal: Yes, yes, yes.

Deepak Verma: And what how do you decide which part you're producing?

Hitesh Agrawal: No, it's a complete, see, it's a complete solution. See, the aluminum windows and doors, we are not extruding the aluminum. Other than aluminum, aluminum is the key raw material for any windows and doors or it is a facade element.

So, rest is the fabrication basically. It's a machine fabrication, it's it requires specialized machines and tools and lot of expertise, technicians and technology. So, all those are with us. We have established and further improving it.

Deepak Verma: So, my question was on this fabrication only, which bit of whatever we're servicing we're fabricating? How do we decide which ones we fabricate? What factors determine that?

Hitesh Agrawal: Sorry, can you repeat? Can you just elaborate?

Deepak Verma: So, basically, we are providing the service on top of some systems, which we are saying we also outsource, and we also assemble ourselves. So, I am just asking, which part of the whole systems do we fabricate and how is that decision making?

Hitesh Agrawal: No, no, it is it is a complete system. When we see, for example, if it is a system windows and doors, if we have to supply for a project system windows and doors, system means that aluminum part and their hardware accessories, they are provided by a system company. And then when it comes to our factory, then we do fabricate, we source the glasses as per the specifications and lot of assembly and other things does happen at our end.

When it is our own system, we just get the system profiles extruded as per specification, as per our design from the companies like Jindal and other extrusion companies. We do have our own designs of hardware that we get produced from other companies, and some of the hardware we do manufacture in-house also through our backward integration. Glass is always outsourced item for everybody. So majorly these are the three-four components.

Deepak Verma: Okay, I'm not sure if I got the answer, but I'll come to my second question.

Digvijay Dhabriya: Deepak ji, you just understand it is just like stitching a shirt. For the shirt, you need a cloth. So, we are procuring from the cloth factory and then the buttons and the fabrication is taken place as per the designs and as per the requirement, as per the size. So, every building is having a different design. The facade is having a different design and the glass is different as per their requirement, as per the weather conditions.

So, we design first, the system as per the requirement of the interior architects of these buildings. We integrate our team with them, then we finalize what system is required for this. If a building is 50 floors, the design criteria is different. If it is a 10-floor building, the design criteria are different. So, we are doing all the engineering for them. So, we are an integral part of their design system and then we are implementing as per the designs.

Deepak Verma: However, within this we are also fabricating our own systems, part of the solution is that, right?

Digvijay Dhabriya: Correct, yes.

Deepak Verma: Yes, my question was on that bit, that part. That how do we decide which parts is that -- yes, that's the only question. I understand some of the systems or large part of systems maybe we are taking from outside from the brands or international players.

Hitesh Agrawal: No, see for example for example, if I name some of the system companies, for example, Schüco is one of one of the systems or the Reynaers is one of the aluminum system. So, they are having their team, sales team, their warehousing and all those things. And then they are in association with their fabric -- the channel partner or say the fabricator.

They are pitching the projects, getting the product approved, getting the orders, and then ultimate fabrication happens at the fabricator end. Fabrication as well as the execution, that is the responsibility of the, that fabricating partner. So, this is one system which is selected by the builder or the customer, "Okay, I want the windows of the Schüco make."

So Schüco is supplier of the one particular some of the components of that particular windows and doors, which is the aluminum profiles and hardware. So, it happens. So, we are similarly we are having the our own Polywood system also. So, we are offering both solutions.

Deepak Verma: So Polywood system is also?

Hitesh Agrawal: Yes, to the builders and developers directly.

Deepak Verma: So, there must be some coordination happening with the companies like Schüco?

- Hitesh Agrawal:** Yes, yes, see, it is association. I just name one name, so whichever brand that international brand or the system company they are associated, so we are both are acting as a team to the builder.
- Deepak Verma:** I'll come to my second question, so we'll save time. Second is that aluminum prices as we all know are close to all-time high right now. So, does that impact us in any way? What are the risks we need to manage, and why we entered this segment at this time?
- Hitesh Agrawal:** I tell you, in aluminum industries, it is a basically prevailing practice. See, whatever the projects are there, they are linked to the aluminum base rate from the NALCO. So, whatever the order book we are currently having, none of the project is without the that base rate module.
- Deepak Verma:** So, it's pass-through basically?
- Hitesh Agrawal:** Yes, so that fluctuation is always safeguard from both sides. If the prices go down, we have to pass it on. If it goes higher, then builder will pay to the supplier.
- Deepak Verma:** Okay, so it's basically linked only?
- Hitesh Agrawal:** So that risk is not there. In the aluminum business particularly, that price fluctuation risk is doesn't exist because it is a well-accepted practice throughout all the real estate sector.
- Deepak Verma:** Okay, got that. So, it will impact us when it goes down also -- it won't impact us when it goes down also?
- Hitesh Agrawal:** Yes, yes, it wouldn't it wouldn't impact in any manner.
- Deepak Verma:** So, it's the cost-plus pricing that we do or what?
- Hitesh Agrawal:** Yes, it's a cost-plus pricing, definitely it's a cost-plus pricing.
- Deepak Verma:** Got that. Thank you so much.
- Hitesh Agrawal:** Thank you.
- Moderator:** Thank you. Our next question comes from Aditya Jain, an Individual Investor. Please go ahead.
- Aditya Jain:** Thanks for the opportunity, sir. Congratulations on a good set of numbers. My first question is that, you've mentioned in the call that, INR174 crores is our current order book. Can you provide the split, and also what was this order book last year? And what are the execution timelines for this order book?
- Hitesh Agrawal:** See, last year that order book was in the range of INR120 crores-INR140 crores. So, the current order book is the highest order book what we are having. So, the breakup of this order book is basically that three products vertical. One is the uPVC windows and doors, which is approximately INR84 crores of order book.
- INR34 crores is related to the Modular Furniture division, and the remaining that INR56 crores, it's for our newly added division of aluminum windows and facade. So, all together INR174

crores. This execution timeline for all these products depending on the different, but definitely that 100% of this one will be executed in the next 18 to 24 months.

Aditya Jain: 18 to 24 months. Okay. So, the new line that we are setting up for doors, right? When and you said that that will be commissioning in the second half of this year. So, what kind of revenues do we expect from that line?

Hitesh Agrawal: That is the WPC door.

Aditya Jain: WPC door, yes.

Hitesh Agrawal: We have already commissioned the machines and all, trial runs are under process. So, from the next quarter, we are going to commercially launch it. So, this year, we are expecting somewhere around INR15 crores revenue contribution from this new WPC door.

Aditya Jain: How much can you repeat? INR60 crores?

Sorry, hello?

Moderator: Sorry to interrupt, sir. Sir, the line for the management has been disconnected. Please stay connected while we reconnect the line for the management. Ladies and gentlemen, thank you for patiently holding. We have the management line reconnected. Yes, sir, please go ahead.

Hitesh Agrawal: Yes, hello Adityaji. Sorry, line got disconnected. Adityaji, are you online?

Aditya Jain: Yes, I am online. Just wanted to know what kind of revenue will we be generating from WPC doors this year.

Hitesh Agrawal: INR15 crores, 1-5 crores, because see, next quarter we are going to launch it commercially, so effectively we will be having the revenue contribution for the H2 only.

Aditya Jain: One question that was asked was that, you know, what kind of volume growth are we looking at this year? My question is little is pretty much what kind of volume growth we had last year because we had around 13%-14% sales growth. So, what was the volume growth?

Hitesh Agrawal: See, last year also, it was somewhere around 20% growth in the extrusion division.

Aditya Jain: Yes, so you said, 15%-20% volume growth last year as well?

Hitesh Agrawal: Last year also, yes. So, this year also, so we are that that is a minimum 20% growth, we are projecting for the current financial year, and then further revenue contribution will be from the newly added product verticals.

Aditya Jain: No, my question is, what you are saying is that our volume growth was in line with absolutely in line with or revenue growth. So, there was no pricing-related growth last year. Is that what you are saying, sir?

- Hitesh Agrawal:** See, pricing-related growth see, as such in our line of business, that's varying because it prices doesn't go one-sided. So, some couple of times, we have to reduce the price also when the raw material prices goes down. If we see the pricing trend of the PVC resin, which is the key raw material, last year it was moving in the range of the INR68 to INR85.
- So, when the material is in the range of INR80-INR85 for the longer period, the prices are higher. Once it comes down to below INR70, so market demands, then even the sometime competition also start reducing the prices.
- So, we have to we also have to reduce. So that prices of the finished product what we have sold in last year also, it was on an average about the same trajectory, you can say, except the indirect overhead cost addition.
- Aditya Jain:** One question that I have is, on this order book, and I would assume that for a lot of projects we would make custom panels, doors, windows, whatever we do, or profiles. Do we take significant advances from the customers, and the if it is so, can you give an idea of what kind of advances do we have from customers?
- Hitesh Agrawal:** Yes, it is again it is a market practice basically, when we are closing any price for a longer range -- longer period. So, from the buyer side also there has to be some commitment. So here it is through the mobilization advance, which is normally 10% to 20% of the total project that order value, that advance is provided by the builder or developers.
- Aditya Jain:** So, what are the current, because last year I remember in our annual report, our advances was around INR5 crores. So, what kind of advances do we have today on the current order booking?
- Hitesh Agrawal:** On current on the net basis, I think it is more than INR7 crores worth of advances we are having with us.
- Aditya Jain:** Okay. Last question, sir, on the working capital side. What has happened is that, and that has also kind of impacted our debt metrics is that our receivables have gone up, our inventory levels have gone up, and our payables are almost zero. Do you see these -- any reasons for the same because last year at least we had around INR10 crores of payables?
- Hitesh Agrawal:** Yes, see, it was a strategic decision taken by the management to have the benefit of the pricing, that better pricing, and at the same time the continuous supply. This activity was done in the last two months of the financial year, where we have paid off all our suppliers in single sort looking at the that Middle East crisis, war crisis, that disruption in the supply chain and all those things.
- So that was a call we took and we got benefited from that. We had got the ample inventory for all our raw materials, whereas, we have come to know that supplies are totally disturbed. So, none of our activities going forward in April or the current month affected through these issues. So, that was the one reason that we have knowingly paid all our vendors. And regarding the debtors, it is in the same level, there is no much hike in that.

It is in proportionate to the revenue growth only. And inventory, as I mentioned that we had done huge procurement, especially that PVC resin and other polymers in the March month itself, to maintain our operations continuously. So that's the reason inventories were increased. So going forward, that again that this working capital cycle for all these three factors will be on the previous levels.

Aditya Jain: Last question, sir. You said that WPC today nobody manufactures WPC doors in India and all the WPC doors are imported. Did I -- is that correct?

Hitesh Agrawal: No, see, WPC door, the kind of the WPC door we are going to launch, which is with the complete solutions for the outer frames and certain other integrities. So, we differentiated this with the existing solutions, which is the WPC that foam board, solid foam board doors. It is a totally different solution what we are coming up.

Aditya Jain: Okay, great, sir. Thank you and all the best.

Hitesh Agrawal: Okay, thank you.

Moderator: Thank you. Ladies and gentlemen, we will take this as our last question for today. I now hand the conference over to Mr. Digvijay Dhabriya for closing comments. Yes, sir please go ahead.

Digvijay Dhabriya: Yes. So, thank you for all the question and answer. We have presented all the -- I hope that we have answered all your questions properly. And I welcome everyone to please do visit our facilities, and see our project closely, and what we are doing, and what are the new areas in which we are concentrating our production facilities and design facilities.

So, what we are doing for the exports also, they are a remarkable achievement at our Dynasty manufacturing facility. Last year we have exported a big number of furniture to Europe, and this year we are having an ample orders from Europe. Although the prices are under pressure, but demand is there. So, I hope -- thank you everyone for giving your time and asking the valuable questions. Thank you.

Moderator: Thank you. On behalf of Dhabriya Polywood Limited, that concludes this conference. Thank you everyone for joining us. You may now disconnect your lines.