Dhabriya Polywood

Operator: Ladies and gentlemen, good day and welcome to the Q2 and H1 FY27 earnings conference call of Dhabriya Polywood Ltd. hosted by Xbridge Advisory. This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as of the date of this call. This call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as of the date of this call. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal the operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Rajshri Danker from Xbridge Advisory. Thank you, and over to you, sir.

Rajshri Danker – Xbridge Advisory: Thank you. Good morning, everyone, and welcome to the Q2 and H1 FY27 earnings conference call of Dhabriya Polywood Ltd. Today, on this call, we have with us Mr. Digvijay Dhabriya, Promoter Chairman & Managing Director of the company, and Mr. Hitesh Agarwal, Chief Financial Officer of the company. This call may contain forward-looking statements about the company, which are based on beliefs, opinions, and expectations as of today. Actual results may differ. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. A detailed safe harbor statement is given in the earnings presentation of the company, which has been uploaded on the stock exchanges 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 – Promoter Chairman & Managing Director: Okay, thanks, Rajshri. Good morning, everyone, and best wishes to everyone for the festive season. Thank you for joining us today. I am pleased to share that Q2 FY27 has been a strong quarter, the best quarter in our company's history, with our highest-ever quarterly revenue, EBITDA, PAT, and earnings per share.

During the quarter, our consolidated revenue from operations grew by 16.1% year-on-year to INR {? 77.8 crores ?}, while EBITDA grew by 19.9% and PAT by 20.9%. For the first half of FY27 as well, we maintained healthy growth momentum, with revenue growing 13.2% and PAT growing 27.6% year-on-year. More importantly, our profitability continues to grow faster than revenue, and the quality of our earnings continues to improve.

Over the past few years, we have consistently focused on upgrading to a richer product mix, improving the manufacturing process, and expanding our presence across value-added product categories. We are now seeing the benefits of these efforts reflected in the quality and sustainability of our earnings.

This shift is clearly visible in our business mix. Our core polymer product business, comprising PVC and uPVC profiles, windows, doors, and panels, continues to deliver strong growth, recording revenues of INR 69.5 crores in Q2 FY27, up about 27% year-on-year. The segment now contributes approximately 89% of our gross turnover, compared to 81% in the corresponding quarter last year.

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Our modular furniture business recorded quarterly revenue of INR 8.4 crores, and we continue to focus on improving product offerings, operational efficiencies, and strengthening our presence in the organized modular furniture market.

Coming to the broader industry outlook, we continue to remain positive about the long-term opportunities across India's building material and interior solution industry. Increasing urbanization, infrastructure development, growth in residential and commercial real estate, and a rising preference for modern, durable, and low-maintenance building materials are creating opportunities for organized manufacturers like us.

Within this, we are witnessing growing acceptance of uPVC windows and doors, PVC-based interior solutions, decorative wall and ceiling panels, and aluminium glazing systems. Customers are increasingly looking for products that combine aesthetics, durability, functionality, and ease of maintenance. We believe our diversified portfolio and established manufacturing capacities position us well to participate in these evolving market opportunities.

One of the most encouraging developments during the first half has been the continued strengthening of our order book. Our total executed project order book has reached an all-time high of more than INR 240 crores, the highest in our company's 34-year history. This provides us with strong revenue visibility over the coming quarters and reflects the continued confidence of our customers.

Importantly, our newly established aluminium window and facade division has already secured orders worth more than INR 100 crores. This is an important milestone for us, as the division is emerging as a meaningful growth driver. We expect revenue conversion from these orders to begin from Q4 FY27 onwards, subject to project execution schedules.

To support this growth, we continue to make progress on our strategic capital expenditure program of INR 100 crore, which is being implemented over FY26 to FY28. Our investments are focused on expanding and modernizing our extrusion capacities, introducing new WPC door and panel lines, and developing our aluminium window and facade manufacturing infrastructure at Jaipur.

These expansions will allow us to diversify our product operations, improve operational efficiencies, and address the large market opportunity. We are funding this program through a combination of internal accruals and debt, without any equity dilution.

Our extrusion capacity has already increased from 24,000 metric tons per annum to 27,600 metric tons per annum, providing additional headroom for growth. Alongside this, we continue to strengthen our pan-India distribution network of more than 800 channel partners, supported by six manufacturing units across Jaipur, Bangalore, and Coimbatore.

Looking ahead, we remain optimistic about the growth opportunities across our existing and newly introduced product categories. Our focus will remain on scaling our manufacturing capabilities, strengthening our distribution network, expanding our presence among leading developers and institutional customers, and improving the contribution from high-value products.

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With the second half of the financial year typically being seasonally stronger, our record order book and upcoming capacity provide us with a solid foundation for continued growth. We remain focused on achieving sustainable revenue growth while maintaining healthy profitability, disciplined capital allocation, and long-term value creation for all our shareholders.

I would like to sincerely thank our [trails off]

Management: ... for employees, customers, channel partners, lenders, and shareholders for their continued trust and support. With that, I now request our CFO, Mr. Hitesh Agarwal, to take over and take you through the detailed financial performance for Q2 and H1 FY27. After that, we will open the floor for questions. Thank you. Victory to India.

Hitesh Agarwal – CFO: Thank you, sir. A very good morning to everyone. Let me briefly take you through the financial highlights of Q2 and H1 FY27.

Starting with the quarterly performance, consolidated revenue from operations stood at Rs 77.78 crores in Q2 FY27, compared to Rs 66.99 crores in Q2 FY26, registering growth of 16.1% year-on-year and 13.9% quarter-on-quarter. EBITDA increased by 19.9% to Rs 16.38 crores, compared to Rs 13.66 crores in the corresponding quarter last year, with EBITDA margin improving by 70 basis points to 21.1%. Profit before tax grew by 26.6% to Rs 12.44 crores, while profit after tax increased by 20.9% to Rs 9.21 crores, with PAT margin at 11.8%. Earnings per share for the quarter stood at Rs 8.51, compared to Rs 7.03 in Q2 FY26.

Coming to the half-yearly performance, consolidated revenue from operations stood at Rs 146.10 crores in H1 FY27, compared to Rs 129.08 crores in H1 FY26, representing growth of 13.2%. EBITDA grew by 23.5% to Rs 32.14 crores, with EBITDA margin improving by 180 basis points to 22%, compared to 20.20% in the corresponding period last year. Profit before tax increased by 30.4% to Rs 24.34 crores, while profit after tax grew by 27.6% to Rs 18.06 crores, with PAT margin improving by 140 basis points to 12.4%. Earnings per share for the first half stood at Rs 16.69, compared to Rs 13.08 in H1 FY26.

Coming to the balance sheet, our net worth increased to Rs 147.7 crores as of September 30, 2026, compared to Rs 129.6 crore as of March 31, 2026. Our debt-to-equity ratio stood at 0.68 times. During the quarter, CRISIL also upgraded the rating of our bank facilities to BBB+ Stable.

During the first half, net cash generated from operating activities stood at Rs 14.9 crores, while net cash used in investing activities stood at Rs 36.5 crores, reflecting our ongoing investment in capacity expansion, new product line additions, and manufacturing infrastructure.

As a result, property, plant, and equipment increased to Rs 117.2 crores as of September 30, 2026, from Rs 88.4 crores as of March 31, 2026, with a further Rs 8.90 crores in capital work in progress. Overall, our financial performance reflects healthy revenue growth, improving profitability, and continued investment in future capacities. We remain focused on maintaining financial discipline and supporting the company's long-term growth plans.

With this, we can now open the floor for the question-and-answer session. Thank you.

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Operator: Thank you so much, sir. Ladies and gentlemen, we will now begin the question-and-answer session. Anyone who wishes to ask a question may press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may please press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. [pause] Reminder to all participants: if you have a question, you may please press star and one. Our first question comes from the line of Sudhir Shah with SSS Finserv. Please go ahead.

Sudhir Shah – SSS Finserv: Hello, good morning. Am I audible?

Hitesh Agarwal – CFO: Yes. Good morning, Sudhir.

Sudhir Shah – SSS Finserv: Congratulations on the good set of numbers, sir. My question was about the business and the segments. So, plastic products contributed around 70 crores in Q2. Can you give a split between the PVC profile, uPVC windows, and the fluted panels?

Hitesh Agarwal – CFO: Yes, Sudhir. Good morning. In the PVC profile, out of this 70 crores, approximately 54 crores came from the profiles, and 16 crores came from the windows division.

Sudhir Shah – SSS Finserv: Okay. And what was the capacity utilization, sir, on the 27,600 metric tons of extrusion capacity for H1, compared to 66% in FY26?

Hitesh Agarwal – CFO: Capacity utilization was more than 65% in the first half of the year for extrusion.

Sudhir Shah – SSS Finserv: Okay. And what was the volume growth in H1 compared to the last H1? Sorry, can you repeat? What was the volume growth in extrusion in H1 compared to the last half year?

Management: [pause] Volume growth... Can you repeat? [pause] [off-mic discussion: {? 3,000 ?} {? 9,000 ?} {? it is 1,000 ?} {? 1,000 ton ?}] It is almost 1,000 tons.

Sudhir Shah – SSS Finserv: Okay. That is all from my side. I will join the queue.

Hitesh Agarwal – CFO: Thank you.

Operator: Thank you. Ladies and gentlemen, anyone who wishes to ask a question may press star and one. The next question comes from the line of Runit Kapoor with Equitree Capital. Please go ahead.

Runit Kapoor – Equitree Capital: Hello. Thank you for the opportunity. My first question is: what was the fluted panel revenue for the first half of the year?

Hitesh Agarwal – CFO: {? Sanjay ?} Runit. The fluted panel revenue for the first half was around 29 crores in H1 FY27.

Runit Kapoor – Equitree Capital: And what is the target for this year?

Hitesh Agarwal – CFO: [pause] This year, we are targeting approximately 65 crores for the full year.

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Runit Kapoor – Equitree Capital: Okay. Secondly, the WPC doors were supposed to be commissioned. Is there any update on that?

Management: We have already launched them last month, in fact. It was supposed to be done in Q2, so there was a slight delay in finalization of the range and related matters. We launched it commercially last month, and we are pleased to share that the response has been very lucrative. Hopefully, in the coming quarters, we will see valuable contribution from this product segment as well.

Runit Kapoor – Equitree Capital: How much are you expecting from this segment for the year?

Management: [pause] For the current year, we have projected an addition of 5 crores in revenue from these WPC doors, since this is the initial year.

Runit Kapoor – Equitree Capital: Okay. My last question is: given that H2 is stronger than H1, what is the guidance for FY27 and going forward into FY28, given that your capacity is coming live?

Management: There is no specific guidance at this stage, but we have been focusing on improving the top line, as we mentioned earlier as well. Our overall projection is to achieve 25–30% revenue growth in the longer run on a year-on-year basis. We are moving in that direction by building capacity and upgrading the product range.

Runit Kapoor – Equitree Capital: Okay. Regarding margins, is there scope for improvement, or should they remain at these levels?

Hitesh Agarwal – CFO: Margins are already at a very comfortable level, considering the product range and market competition. There is always some scope for a little improvement. Compared to the previous year, we have also been able to achieve some improvement in H1 by 70 basis points. We are putting our best efforts into the product mix and premiumization of the offerings. Hopefully, [trails off]

Management: ... forward margins will also have some more improvement.

Runit Kapoor – Equitree Capital: For this new product category, such as WPC doors, what margin is expected in those segments?

Management: We have not yet revealed that, as we also mentioned earlier in our previous calls. Once we have the market response and some project orders are finalized, we will work out the realistic margin for this. However, so far, we have done the pricing while considering the maintenance of existing margin levels across our product range.

Runit Kapoor – Equitree Capital: Lastly, what are the export targets for the year? Given that you have contract manufacturing with a European brand for modular furniture, are we scaling it up or adding new brands?

Management: Exports were somewhere around 4.5 crores last year. This year, we are projecting more than 6 crores. In H1, we have already done more than 3 crores in exports. This year's target should be in the range of 6–7 crores, compared to last year's 4.5 crores.

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Runit Kapoor – Equitree Capital: So this would be for the same client only, for modular furniture, with no other clients?

Management: As of now, it is with the same client.

Runit Kapoor – Equitree Capital: Thank you. That is all from my side. All the best.

Management: Thank you, Dheeraj.

Operator: Thank you. Our next question comes from the line of Akshay Jawahar with Banyan Tree Associates. Please go ahead.

Akshay Jawahar – Banyan Tree Associates: Thank you for the opportunity. I want to understand, with respect to the aluminium windows and facade business coming online in Q4, whether Q4 was always the launch timeline or whether we were initially targeting Q3. I am not sure if I remember that correctly, but I thought we were initially targeting the early part of H2.

Management: Please continue.

Akshay Jawahar – Banyan Tree Associates: I was not sure if you could confirm the timeline. Has there basically been some sort of delay? Have you pushed it out by a quarter, or was it always intended for Q4?

Management: It has not been extended. As we also mentioned, we have already closed orders of more than 100 crores related to this new vertical of aluminium doors, windows, and facades. Since it involves many processes related to design approval, certain structural calculations, and customized system development, everything is on time. From Q3 itself, execution will start happening for this aluminium project business. We specifically mentioned that Q4 will witness certain figures, which we can also report separately as a segment going forward.

Akshay Jawahar – Banyan Tree Associates: Understood, and sorry, I did not get the last statement that was made.

Management: Sorry, can you repeat?

Akshay Jawahar – Banyan Tree Associates: I said I did not hear the last statement that was made. I am sorry, but could you repeat that?

Management: We are on schedule. The orders have already been closed for this aluminium business. It is at the stage of finalizing the shop drawings, structural calculations, and customized development. Supply and execution will commence from Q3 itself, and the revenue figures will reflect in our balance sheet in Q4.

Akshay Jawahar – Banyan Tree Associates: Perfect. What sort of revenue can we broadly expect from this 100 crores in the current year, in Q4 FY27?

Management: It will not be 100 crore in Q4. As we mentioned, our existing order book, which totals 240 crores, covers three different project-related verticals: uPVC windows and doors, aluminium, and modular furniture. Of this, the aluminium business itself has more than 100 crores, consisting of

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different orders with execution validity of normally 18–24 months. Next year, we are expecting about 60–70% conversion of this order book into revenue.

Akshay Jawahar – Banyan Tree Associates: Q4 will therefore have only a nominal amount from it.

Management: Yes, definitely. Q4 will be the starting stage of the projects. When we start implementing or executing the product, it takes a little time to pick up, depending on the civil conditions.

Akshay Jawahar – Banyan Tree Associates: Understood. That was all from my side. Thank you.

Management: Thank you, Akshay.

Operator: Thank you. Ladies and gentlemen, anyone who wishes to ask a question may press star and one. The next question comes from the line of Tejas Jaiswal with SN Investment. Please go ahead.

Tejas Jaiswal – SN Investment: Hi, sir.

Management: Good morning, Tejas.

Tejas Jaiswal – SN Investment: The aluminium order book has grown from 56 crore to around 100 crore plus. Who are the key clients, what is the typical project size, and what is the execution timeline?

Management: We have been disclosing information related to large projects to the exchange from time to time whenever we receive the orders. If you go through our last published details, there are several clients involved in this aluminium business, including prominent names such as Godrej, {? Emaar ?}, and M3M. The order size for aluminium doors, windows, and facades is generally 10 crore plus per single order, and execution timelines generally vary from 12–15 months to 24 months, as per the contract.

Tejas Jaiswal – SN Investment: What is the status of our new Jaipur aluminium facility? When will it be commissioned, and what is the capex?

Management: It is under implementation. One or two sets of lines have already been commissioned, and operations have already started. That is why we mentioned that from this quarter itself, we will be starting execution at different projects as well. It will be fully implemented by the end of this financial year. However, to start execution, two lines have already been commissioned, and trials and everything have been completed.

Tejas Jaiswal – SN Investment: How much revenue can the Bangalore and Jaipur units support at full scale?

Management: Our overall business manufacturing setup is at three locations: Bangalore, Jaipur, and Coimbatore. Are you specifically asking about aluminium or all segments combined?

Tejas Jaiswal – SN Investment: All together.

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Management: Altogether, as we mentioned, we are projecting business growth of 25-30% going forward on a yearly basis in the long run.

Tejas Jaiswal – SN Investment: The plastic segment margin was 18.6% in Q2 versus 19.4% for H1, implying a sharp sequential drop. Please explain.

Management: Sorry, a drop in margin?

Tejas Jaiswal – SN Investment: Plastic segment margin.

Management: There is no drop. Plastic segment margins have improved across all our product verticals.

Tejas Jaiswal – SN Investment: Thank you.

Operator: Thank you. Ladies and gentlemen, anyone who wishes to ask a question may press star and one. Reminder to all participants: if you have a question, you may please press star and one on your phone. Our next follow-up question is from Sudhir Shah with SSS Finserv. Please go ahead.

Sudhir Shah – SSS Finserv: Hi, sir.

Management: Yes, Sudhir.

Sudhir Shah – SSS Finserv: The order book is around 240 crores plus. Can you please give me the split across uPVC windows and doors, modular furniture, and the aluminium facade?

Management: If you look at the precise bifurcation of this order book, the uPVC windows order book is somewhere around 70 crores, the aluminium windows and facade order book is 140 crores as of now, and the remaining 30 crores relates to furniture.

Sudhir Shah – SSS Finserv: Modular furniture is gaining traction in the US and European markets. What is the growth outlook for the modular furniture business?

Management: We have not been projecting very aggressive figures for the modular furniture business. However, compared to the previous year, we are looking for growth of approximately 15-18% in the current financial year. We are primarily in the domestic market, and the exports are for one particular client in Europe.

Sudhir Shah – SSS Finserv: How much does that contribute to the overall revenue of modular furniture?

Management: Exports account for approximately 15% of the overall revenue of modular furniture.

Sudhir Shah – SSS Finserv: That is coming from a single client, correct?

Management: Yes.

Sudhir Shah – SSS Finserv: One quick thought on the dynamics of the aluminium and facade segment.

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Management: [pause] Regarding aluminium and facade, we can predict the actual growth outlook from the order book. This is the initial response to our activity. We have already built an order book of more than 100 crores, precisely 140 crores as of today. The outlook is very optimistic for this particular division.

Sudhir Shah – SSS Finserv: What is the executable timeline for aluminium and facade, given that we currently have an order book of 140 crores?

Management: It comprises several orders with execution timelines ranging from 12 months to 24 months or more for different projects.

Sudhir Shah – SSS Finserv: What kind of margins does this command?

Management: Overall, we are maintaining a similar margin, with a 2-3% plus or minus difference between different segments. Since this is a new segment, the initial margins may be slightly lower, by 2-3% compared to our overall margin.

Sudhir Shah – SSS Finserv: On Studio Arrezo, on the retail side, how has that performed so far?

Management: It is progressing as per our expectations. In fact, we have recently redeveloped our Mumbai showroom in line with our new product portfolio. All three Studio Arrezo locations are performing well, and the revenue contribution is also increasing on a quarter-on-quarter basis.

Sudhir Shah – SSS Finserv: Understood. Thank you. That is all from my side.

Management: Thank you, Sudheer.

Operator: Thank you. The next question comes from the line of Gunit Singh with Countercyclical. Please go ahead, Gunit Singh.

Gunit Singh – Countercyclical: Thank you for the opportunity. Can you please help me understand the aging of our trade receivables currently? How much is over 6 months, how much is over [inaudible]?

Management: [line issue] Sorry, your voice is not clear.

Gunit Singh – Countercyclical: Is it audible?

Management: Yes, please. Can you repeat it?

Gunit Singh – Countercyclical: Can you please help me understand the aging of receivables? How much is over 6 months, how much is over 1 year and 2 years, and so on?

Management: [pause] The actual aging is usually derived at the end of the year, which you can see from our audited financials as well. Our trade receivables include the retention money component, which is in the range of around 8-10 crores overall. This relates to different longer periods, perhaps 6 months, 1 year, or, in some cases, more than 1 year where the project is larger. However, the regular debtor cycle for all three of our verticals is in the range of 30-45 days only.

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Gunit Singh – Countercyclical: So, basically, receivables over 6 months would still be around 10 crores, and how much of that would be retention money?

Management: It is entirely related to retention. Whatever falls in the 6-month-and-above category is purely retention. Otherwise, there are no long-term debtors.

Gunit Singh – Countercyclical: These retentions relate to which segment and which products? Generally, how much is the retention money and what is the period?

Management: This retention is usually related to project business covering uPVC window and door projects and modular furniture. Whenever we undertake projects with builders or developers, there is usually a clause under which 5% retention is withheld from every running bill. This becomes payable on completion of the project plus the defect liability period.

Gunit Singh – Countercyclical: My second question is regarding our total capacity. What is our revenue potential from the current capacity? How much additional capacity are we adding in the coming financial year, and what are the timelines?

Management: [pause] With the existing capacity across all our plants and product verticals, revenue of 400 crore plus is easily achievable. As we mentioned in our previous conference calls as well, it is not practically possible to go to 100% capacity utilization and then undertake further capacity enhancement. In extrusion, we need to have multiple lines to run different molds for different product applications.

That is why we have already taken up the capacity expansion plan for our extrusion division as well. Initially, we are targeting the addition of another 8,000 metric tons of capacity over the next 3-6 months, for which machine orders and everything have already been taken up.

Gunit Singh – Countercyclical: My last question is regarding our target segments. Out of our segments, which are the fastest-growing ones, and which ones will be the drivers of growth over the coming financial year, according to you?

Management: Our primary business segment relates to PVC extrusion and doors and windows. This is the key segment, the major contributor to the top line, and the source of major growth as well. Going forward, we will remain focused on this, while also focusing equally on adding new product lines such as aluminium windows and facades.

This seems to be very lucrative in terms of revenue generation going forward because the order book itself demonstrates that.

Gunit Singh – Countercyclical: With this aluminium and facade extrusion, what kind of EBITDA margins should we expect over the coming quarters and the next financial years?

Management: [pause] Last year, our EBITDA margin was around 21%. We do expect a slightly better margin for the full year this year compared to the previous year.

Gunit Singh – Countercyclical: Can you share the product-wise EBITDA margin profile? I mean, the segment-wise EBITDA margin that we can expect?

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Management: It is not regularly monitored or captured. However, I will do one thing: you can share your details, and going forward we will update you on that. As of now, I do not have it ready with me. As we mentioned, the EBITDA margin for different product segments is broadly on the same line, with a 2-3% plus or minus difference. Extrusion has a better margin compared to the other lines of business.

Gunit Singh – Countercyclical: What about the aluminium business? Is it at the lower range of margins or around the same 22%?

Management: It is not at the lower range of margins. However, initially, since we are at the initial stage of capturing the new business, venturing into the new business, competing, and building a healthy order book, margins may be slightly lower by 2-3%.

Gunit Singh – Countercyclical: All right. Thank you very much, and I wish you all the best.

Management: Thank you, Gunit.

Operator: Thank you. The next question comes from the line of Akshay Jawahar with Banyan Tree Associates. Please go ahead, Akshay Jawahar.

Akshay Jawahar – Banyan Tree Associates: Thank you, sir. Just one follow-up. In the conference call we had in May 2026, I think we said that the WPC doors and wall and ceiling segment would do about 15 crores in FY27, and the aluminium windows and facades would do about 40 crores. On the aluminium windows and doors, are we now expecting only nominal revenue in Q4 of this year?

Management: [pause] Yes. Those were the initial projections, and we were expecting that figure. However, there was a slight deviation overall. There will not be much of a gap by the end of the year. Nominal revenue generation does not mean that it will be in the range of 2, 5, or 10 crores; it will be better than that.

Akshay Jawahar – Banyan Tree Associates: Will it be better than 10 crores, or will it probably be closer to 20 crores or more? Just, just...

Management: It should be.

Akshay Jawahar – Banyan Tree Associates: It should be closer to 20 crores? And the WPC doors as well, like we were expecting the doors and the wall... [cut off]

Management: For WPC doors, initially, at the beginning, when we started implementing this project, we estimated a contribution of 15 crores this year. However, due to a slight delay in project implementation, we are now projecting revenue of approximately 5-6 crores in this financial year.

Akshay Jawahar – Banyan Tree Associates: How much do you think we will get from this segment in FY28, broadly? Not a very accurate number, but broadly.

Management: I think you should allow us some time, perhaps until the next conference call. This is a new product for the Indian market, so we are waiting for the customer response. However, looking at the response in European countries and the Middle East, where builders have given a tremendous and positive response, we hope that this product will capture a good market segment

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in its category.

Akshay Jawahar – Banyan Tree Associates: On the modular furniture business, I think in H1 last year we had revenue of about 25 crores, and in this 24-25, in this H1, we have done about 16. Are there any specific reasons for the decline, and how do we see this segment developing for the rest of the year?

Management: Last year H1 it was [trails off]

Management: ...around 23 crores, and against that, we have done 16 crores. There was a slight delay in some project-related executions, so deliveries started from last month itself. In these 6 months, we are expecting to clear all this backlog.

Akshay Jawahar – Banyan Tree Associates: So, broadly, for the end of the year we should [trails off] Sorry, sorry, please continue.

Management: No, please go ahead.

Akshay Jawahar – Banyan Tree Associates: For the full year FY27, would we broadly meet or exceed FY26, or do you think that would be difficult given the H1 that we have had?

Management: Yes, we expect that the FY26 figures should increase.

Akshay Jawahar – Banyan Tree Associates: Okay, great. Thank you so much.

Operator: Thank you. The next question comes from the line of Jitendra Lokhande with Vyom Invest. Please go ahead.

Jitendra Lokhande – Vyom Invest: Your channel partners currently exceed 800. I wanted to understand your strategy for expanding this retail network, and how and what share of revenue comes from retail versus projects.

Management: Our channel partners relate to our PVC extrusion B2B business, which you could also describe as retail, although there is no direct retail service for any of our products. It is purely B2B extrusion. We have more than 800 channel partners throughout India and across all states. The majority of our revenue comes from this line of business. Almost 65% plus of revenue comes from this PVC extrusion B2B business, which is generated through channel partners.

Jitendra Lokhande – Vyom Invest: I believe there are also some retail stores. Can you tell us about those?

Management: Those retail stores relate to Studio Arrezo. They come from our furniture division, the {? Nestle ?} modular furniture business. Studio Arrezo is a model where we have developed a design-to-execution process. An individual can walk in, get the retail business designed, and then the product is manufactured according to the specifications and executed. This is one part of our modular furniture business. As of now, it is not contributing much, but going forward, it should become a major contributor to our modular furniture business as well.

Jitendra Lokhande – Vyom Invest: What percentage would it currently represent of total revenue?

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Management: Its current contribution to modular furniture is somewhere around 20–22%, coming from the Studio Arrezo business.

Jitendra Lokhande – Vyom Invest: It can become a major contributor going forward?

Management: Yes, in modular furniture.

Jitendra Lokhande – Vyom Invest: Thank you.

Operator: Thank you. Ladies and gentlemen, anyone who wishes to ask a question may press star and one.

Operator: The next question comes from the line of Puneet Singh with Counter-Cyclic. Please go ahead.

Puneet Singh – Counter-Cyclic: My question is regarding the sustainability of margins. In FY25, EBITDA margins were 16%, whereas currently they are about 21–22%. I want to understand how much of these margins were temporarily related to price hikes due to the Iran war, perhaps because of which [trails off]

Management: [pause] Thank you, Puneet, for your question. If you look at our performance over the last 8–10 quarters, margins have continuously improved or remained at the higher end. This is not because of any kind of price hikes or other factors. It is purely because of the refined product mix. We have upgraded our offerings across some segments where earlier volumes were coming from low-cost or highly competitive products.

We have now upgraded the mix by adding fluted and {? soffit ?} panels, furniture profiles, higher-range doors and windows, and a very refined range of modular furniture products to cater to individual customers, architects, and interior designers. The improvement in margins is coming from all of these factors.

Puneet Singh – Counter-Cyclic: Can you help us understand the product profile in FY25 versus currently? What percentage of revenue came from fluted products and similar categories?

Management: [off-mic discussion] If you ask specifically about the fluted business, in FY24 it was somewhere around 38 crores, and it stood at 30 crores in H1 alone this year.

Operator: Mr. Singh, have you finished your question? No response. Our next question comes from the line of Prithvi with Abacus Asset Managers. Please go ahead.

Prithvi – Abacus Asset Managers: Congratulations on the good numbers. I wanted to get an idea about competition from imports. There are also large importers operating in the same segment. How is the competitive landscape, how are we gaining an edge, and how are we gaining market share from them?

Management: Regarding competition across our different product segments, if I speak about extrusion, earlier there used to be significant competition from Chinese imports of profiles related to ceiling paneling and similar products. However, over the last 2–3 years, we have observed that this competition has almost vanished. I am not saying that it has merely reduced; it has almost

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vanished.

In today's scenario, domestic manufacturing capacity has been built up. Since we have been in this line of business for 34 years, we have built a very wide range of offerings, and continuous research and development is taking place for the addition of new solutions. With that, we have been able to cater to the market better, generate revenue growth, and sustain margins.

Similarly, in other product segments, including modular furniture, we have upgraded our product range. This helps us secure good orders from projects as well as exports compared to other competitors. Import tariffs have also increased significantly. They are almost double, more than double, and three times higher. Therefore, the cost of imported products is also very competitive compared to Indian-manufactured products. Indian manufacturers are now at an advantage.

Prithvi – Abacus Asset Managers: On the aluminium and facade division, what channels are we planning to sell through? Are we targeting existing channel partners or making other major arrangements with major players?

Management: The aluminium window and facade business primarily comes from large builders and developers. Since 2006, we have been working with them for our uPVC window and modular furniture products. We have had associations with a very large number of established builders and developers for almost 20 years. Therefore, the majority of these new orders are coming from our existing relationships as well as from new clients.

Prithvi – Abacus Asset Managers: Understood. Thank you very much, and all the best.

Management: Thank you, Prithvi.

Operator: Thank you. Ladies and gentlemen, anyone who wishes to ask a question may press star and one. As there are no further questions from the participants, I now hand the conference over to the management for the closing remarks. Thank you, and over to you, team.

Management: [pause] Okay. Thank you very much. I sincerely thank everyone for joining today's call and for your valuable questions. I hope we have been able to address most of your queries. Looking ahead, we remain confident in our growth prospects, supported by our record order books, expanding manufacturing capabilities, and new product verticals. Thank you, everyone, once again.

Management: We also welcome our investors and stakeholders to visit our facility and gain a closer understanding of our operations and ongoing expansions. We remain committed to sustainable growth, improving profitability, and creating long-term value for our shareholders. If you have any further queries, please reach out to our investor relations partner {? SGA Advisory ?}. Once again, thank you for your continued trust and support. Victory to India.

Operator: Thank you so much, sir. Ladies and gentlemen, on behalf of {? Dhabriya Polywood Ltd. ?}, that concludes today's call. Thank you for joining us, and you may now disconnect your lines.

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Dhabriya Polywood

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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