



**DHABRIYA
GROUP**

DHABRIYA POLYWOOD LIMITED

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CIN : L29305RJ1992PLC007003

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Date: 18.11.2024

To,
The General Manager
Department of Corporate Service
BSE Limited,
P.J. Towers, Dalal Street,
Fort, Mumbai - 400 001

Scrip Code: 538715

**Sub: - : Transcript of the earnings conference call for the quarter and half year ended September 30,
2024**

Dear Sir/Ma'am,

Pursuant to Regulation 30 and 46 read with clause 15 of Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the earnings conference call for the quarter and half year ended September 30, 2024, conducted on 14th November 2024 for your information and records.

The above information is also available on the website of Company:

Kindly take the information on record.

Thanking You,

Yours faithfully,

FOR DHABRIYA POLYWOOD LIMITED

Sparsh Jain
Company Secretary
M. No. A36383



“Dhabriya Polywood Limited
Q2 & H1 FY '25 Earnings Conference Call”
November 14, 2024



MANAGEMENT: **MR. DIGVIJAY DHABRIYA – CHAIRMAN AND
MANAGING DIRECTOR – DHABRIYA POLYWOOD
LIMITED**
**MR. HITESH AGRAWAL – CHIEF FINANCIAL OFFICER
– DHABRIYA POLYWOOD LIMITED**

MODERATOR: **MS. RASIKA SAWANT – X-B4 ADVISORY**

Moderator: Ladies and gentlemen, good day and welcome to Dhabriya Polywood Limited Q2 H1 FY25 earnings conference call. As a reminder, all participant line 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 an operator by pressing star, then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Rasika Sawant from X-B4 advisory. Thank you and over to you ma'am.

Rasika Sawant: Thank you. Good morning everyone and welcome to the Q2 & H1-FI25 earnings conference call. Today on this call we have Mr. Digvijay Dhabriya, Chairman and Managing Director, Mr. Hitesh Agarwal, CFO 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 second page of earnings presentation of company which has been uploaded on the stock exchange and company's website as well.

With this I now hand over the call to Mr. Hitesh Agarwal for his opening remark. Over to you sir.

Hitesh Agarwal: Thank you ma'am. Good morning ladies and gentlemen. We welcome you all to the earnings call of Q2 and H1 FY25. I believe you have had an opportunity to go through the investor presentation and the financial results which have been uploaded on the Stock Exchange. First let me take you through the industry highlights.

The PVC market is evolving and we are witnessing new trends that fit well with our long-term goals. Urbanization continues to drive demand with more people moving into cities and increasing the need of sustainable, efficient materials. Real estate growth especially in residential and commercial sector is also contributing to the demand for durable and versatile material like PVC, UPVC and other factory-made solutions.

On top of that government support for infrastructure project is expected to keep driving demand in the coming years. Our major shift is the growing focus on sustainability. Consumers today are more aware of the environment and want products that help them live sustainably. PVC furniture, UPVC windows and other modular furniture known for its durability and recyclability is becoming a popular choice for people looking for eco-friendly solutions.

Another change in the increasing demand for flexible, easy-to-install products especially in cities, where space is limited, people now prefer modular and customizable solutions and PVC-UPVC fits their needs perfectly.

Highlights on business operations for H1 FY25, consolidated revenues stood at INR116.7 crores and increased by 11.4% compared to INR104.8 crores in the same period last year. Consolidated EBITDA stood at INR18.4 crores that is up by 27% and consolidated PAT show an increase of 32.1% which is INR8.8 crores.

We have seen margin improvement of 200 basis points in EBITDA margin and 120 basis in PAT margin. For Q2 FY25, consolidated revenues stood at INR58.1 crores and increased by 6.2% as compared to INR54.7 crores in December period last year.

Consolidated EBITDA stood at INR9.2 crores that is up by 20.8% and consolidated PAT showed an increase of 16.6% which is INR4.2 crores. We have seen margin improvement of 190 basis in EBITDA margin and 60 basis in PAT margin.

This quarter performance was impacted by an extended rainy season spending almost 1.5 months as compared to previous years, leading to a relatively flat growth. However, demand remained strong, particularly in our Modular Furniture vertical which recorded a growth of 32.7% this quarter.

About the business segments of our company; PVC Profile that is an extruded PVC Profile business, purely B2B business segment. Revenue stands at INR66.9 crores for H1 FY25 compared to INR63 crores in H1 FY24, a 6.1% increase. This segment contributes about 57% to overall topline of this period.

UPVC Windows, Revenue stands at INR29.4 crores in H1 FY25 compared to INR26.3 crores in H1 FY24, a 11.5% increase. This segment contributes about 25% of topline. Modular Furniture, revenue stands at INR20.5 crores for H1 FY25 compared to INR15.5 crores in H1 FY24, a 32.7% increase. This segment contributes 18% to our topline in this period.

We are currently having an order book of about INR135 crores plus for our project related business, which is mainly related to UPVC Windows and Modular Furniture projects for the project side only. Additionally, we are pleased to announce that we have started manufacturing of Soffit Panels, that is basically single-layer fall ceiling and wall paneling panels at our Bangalore facility.

In fact, I would request our CMD, Mr. Digvijay Dhabriya to elaborate more about this new product, which we have recently started. I would request Mr. Dhabriya to please, continue.

Digvijay Dhabriya:

Good morning, everyone. Namaskar. Happy New Year to everyone. Thank you for giving me the chance. The Soffit Panel is a fall ceiling basically used for the fall ceiling in the balconies and the outer areas like ports and all this and this is very popular in Europe and America, particularly for the wooden houses and all this. So this is now gaining popularity in India. And I am proud to say that Polywood is the first company who has started manufacturing in India.

We have all other brands which are in the market, they are importing right now and we hope that this product is going to gain a very big market. Right now, we are estimating around 300 crore rupees of market for the Soffit and we are hoping that we will gain a good percentage of the total sale out of it.

And this is the section where we have introduced two different designs and soon, we are going to launch five more new designs for fall ceiling and we are working on outdoor Soffit Panels also for the outdoor usage for the facade of a building. So we hope that in the next six months, we will launch the outdoor UV-resistant Soffit Panel also. Thank you. Over to you, Hiteshji.

Hitesh Agarwal: Being the first company in India to produce this kind of panels domestically, we expect this product to significantly contribute to our growth strategy and give us a competitive edge over the imported panel suppliers. Although this quarter has not been ideal for us, we are confident that industry trends will drive growth in the long run and we will continue to focus on higher margin products and gradually phase out lower margin offerings. This strategic shift aligns with our vision of sustainable growth and value creation for our stakeholders. That is all from our end.

Now, we request the question-and-answer session to start.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Pritesh Chedda from Lucky Investments. Please go ahead.

Pritesh Chedda: Sir, can you tell us the growth in the fluted panel and the furniture segment, which is your main growth driver in the quarter and the first half? And this 10% growth that we are seeing in the revenue for the first half, what should it look like in FY25 at the company level?

Hitesh Agarwal: Yes, sir. Thank you, Priteshji. Regarding the growth in the modular furniture, it has been very good in the first half. It is almost 32% plus. And we expect the same kind of growth in modular furniture for the entire year going forward. In view of the order book, what we are having and the export potentials to Europe, which we have started in modular furniture.

And for the fluted panel, yes, there is a very good month. Growth is there. We said that we are shifting from the low-margin products to high-margin products. We are more aggressive in that. And in the first half itself, the fluted panel sales was around INR19 crores as compared to the INR30 crores or in the FY24. So we are expecting around INR40-INR45 crores sales for the fluted panel itself in this year.

And this will be further added with the new product addition of the soffit panels, which we have recently started manufacturing at our Bangalore facility. So for the whole year business projections, we are sticking to the growth plan, what we have earlier shared of 25% year-on-year growth for the next four years. See, last quarter, there has been a little slow because of the extended rainy season, particularly in Rajasthan and the Delhi NCR area.

Usually, by mid of July, rain gets over. But this time, it was there till end of September. So that causes a little bit of slow demand from the sites where we have been working. Again, street activities were a little slow. That was the only cause. Otherwise, the market is very good. Demand is good. Healthy order book. Everything is fantastic and goes with our vision of growth.

Pritesh Chhedda: So if both the key growth driver divisions have grown substantially higher than the company level, then which of the divisions has actually declined or not performed?

Hitesh Agarwal: There is no decline in the divisions, basically. UPVC windows also, it has performed. Because since UPVC windows goes with the complete exterior facade of the building, when the rain is there, then activities, internal activities remain continuous, but on the outside, outer surface, we can't work it in the rainy season. So that was the main reason. That is not too much

promising. So all product lines are working uniformly as such. Modular furniture growth is more as compared to PVC and UPVC.

Pritesh Chheda: And what kind of order backlog are you running at the end of H1-25 versus the end of H1-24? And I think this order backlog has to do with furniture and UPVC, right?

Hitesh Agarwal: Order book is related to furniture and UPVC only. That is around 30%-32% of the overall top line of the company. So current order book is around 135 crores. And even after that, the September end, we have booked further orders, also INR7-INR8 crores. So we can say around INR140 crores of order book in the current scenario we are having.

Pritesh Chheda: What is the number last year?

Hitesh Agarwal: Last year, that order book was around INR110-INR115 crores. In second half FY24, we have booked a large number of orders for all products, UPVC as well as furniture.

Pritesh Chheda: And what will be the execution cycle of this INR140 crores?

Hitesh Agarwal: It's a running cycle basically. It depends on the project timelines. Different orders, 6 months to 2.5 years. So that is the overall timeline as per the contractual terms.

Pritesh Chheda: And when your mix changes in favour of furniture and fluted panels, does your gross margin and EBITDA margin expand or they are at a similar margin?

Hitesh Agarwal: We have seen the improvement on the margin front regularly. Last year also, FY-24 and H1 also, both EBITDA level and gross level margins are improving. And we are focusing more and more on the value-added products only.

Modular furniture, based on the more capacity utilisation, margin will get automatically improved. And extrusion, addition of the new products fluted earlier and now soffit. So all those products will keep on giving us better margins.

Pritesh Chheda: And my last question is, considering your first half growth of 10% and your guided growth of 25%, there is a substantial growth needed in half 2. How confident are you to deliver that?

Hitesh Agarwal: Yes, there is a backlog of around INR12-INR15 crores in solid terms. We will catch up with the incremental demand because usually Q4 remains very robust all the years. So we are quite confident that based on the order books in hand, the product offerings and the demand which is coming, we will catch up with our expected demand.

Digvijay Dhabriya: So with our past experience, the first quarter is always good. But the second quarter is a little downside. The third quarter is better than the first one. And the fourth quarter is the best among all four quarters. This is what the normal scenario of the construction industry is.

Pritesh Chheda: Okay, sir. Thank you very much.

Moderator: Thank you. The next question is from the line of Bhavesh Chauhan, who is an individual investor. Please go ahead.

- Bhavesh Chauhan:** Sir, we have seen only 10% growth in this quarter. But is Q3 looking better? Things have normalized?
- Hitesh Agarwal:** Yes, Q3 will definitely be better because things have already improved. Demand is again coming up in a speedy manner. It will definitely be better.
- Bhavesh Chauhan:** And sir, we plan to have more and more high margin products. So when can we see benefits of this? I mean, is it over a period of next 2-3 years, 5 years? And do we see EBITDA margin inch up towards 20%?
- Hitesh Agarwal:** 20% is not that obvious. But the improvement is always in our mind. We are focused on all kinds of the cost control measures and in fact on the gross margin levels also by offering the high value additional products. So you can see that every quarter or every half year yearly, the margin improvements at both levels is there. We are hopeful to maintain this with certain improvement only.
- Bhavesh Chauhan:** Okay, sir. Thank you and all the best. Thank you.
- Moderator:** The next question is from the line of Manan from KamayaKya Wealth Management. Please go ahead.
- Manan:** Hi, good morning, sir. Thank you for the opportunity. My first question was regarding the gross margin. So despite I see for the Q2, the revenue growth in UPVC was slight lower than the overall H1. Our gross margin increased. So what was the reason behind that?
- Hitesh Agarwal:** The gross margin, we said that we are focusing towards the high margin products, particularly that fluted panels and then modular furniture also. So they are leading to better margins. And one more reason that gross margins always depends on the volatility of the raw material prices.
- So Q2 has been better in terms of the raw material prices as compared to Q1. In Q1, there were certain fluctuations in PVC for one and a half months. But Q2 remains really good for the entire industry. So we have been able to achieve better margins.
- Manan:** Yes, that's what I was asking. So how much of this was because of the favorable raw material prices, if you could quantify?
- Hitesh Agarwal:** Actually, that we have not identified. But yes, our focus is to maintain at least 35% plus gross margin. So we are pricing our products accordingly for all our verticals. So we have been able to have some 2%, 2.5% extra margin in this quarter. So partially it is contributed to the stable pricing of the raw material. And second, partially through the addition of the revenue from the high value products, high margin products.
- Manan:** Okay, my second question was regarding raw material only. So we are seeing there is a huge volatility happening in the prices of PVC. So how are we managing ourselves with that?
- Hitesh Agarwal:** No, actually, see, it's a normal phenomenon of the PVC industry. In a year, two or three times it happens. In particular, this year, almost seven and a half months is over. Only once it happens in the month of around May, May and June only. That was due to certain logistics

issues only. So we are not forcing any kind of the major price fluctuations in PVC or other related products, which are our main raw materials. So until and unless there is any unexpected thing happens on the global front. Otherwise, prices are compatible.

Manan: Okay, and you are confident with maintaining EBITDA margin of 15% plus for the second half of the year and for FY26?

Hitesh Agarwal: Yes, in fact, our entire team at all levels, they have been ready to work hard and to, in fact to improve this level. With the increased top line, what we are expecting as compared to H1. So there should be improvement on that, further improvement.

Manan: Okay, and last question on the fluted panel. So if I remember correctly, our target was to reach at INR100 crores revenue for fluted panel by FY26 or 27. So how that thing is progressing? I mean, I heard that INR30-INR35 crores of revenue we can achieve this year. So is it going on with our targeted plan or?

Hitesh Agarwal: Yes, it's going to be our targeted plan. This soffit panel, what we had recently started, that is from the similar application only, fall ceiling and wall paneling. So, in fact, this year, INR45-INR50 crores. In fact, we had earlier projected around INR40 crores only and with the shift of our overall policy from low margin to high margin products. So we are expecting to achieve INR45-INR50 crores in this year itself because 90 crores is already achieved in H1. So we are strict to our earlier goals and we are putting our best effort to achieve those targets.

And we are focusing on the certain new territories, particularly Maharashtra, Mumbai and all, where the market for these kind of products is really good. In fact, in H1, we have opened our depot in Mumbai region also. Earlier we said that we have opened our showroom only display gallery. Now we have opened our warehouse also over there to cater more demand from the dealers and distributors.

Manan: This is regarding Arizon Studio you are talking about, right? You were talking about Arizon Studio when you said Studio Plus?

Hitesh Agarwal: Not about only Arizon Studio. It's about that Mumbai showroom displays our entire product range. So up to March 24, as we conveyed that we are starting our showroom. But now looking to the market scenario over there, we have opened the depot also, similar to our other depots in Gujarat, West Bengal, Haryana and other states. So to cater more market in Maharashtra, we have opened company's own depot in Mumbai also. So it's all about how to achieve our projected top lines. We are taking different kind of measures. That is one of them.

Manan: Thank you so much. That's it from my side. I wish you all the best. Thank you.

Moderator: The next question is from the line of Mahesh Atal from Atal and Associates. Please go ahead.

Mahesh Atal: Good morning, sir. First would be a very basic question that I would like to know the margins of these three things, which is PVC profiles, UPVC windows, modular furniture. If you can segregate the gross margins in this. If you can on a basic level.

Hitesh Agarwal: As we had earlier conveyed also, gross margins in all three product lines, it's almost in the same range, 5%-7% deviation. Currently, it is slightly lower in the furniture segment, but going forward, it will increase. So it's in the range, you can say around 40%-47% range of margin for different product verticals.

Maresh Atal: What happens, because what I was seeing in your presentation is that you guys are deliberately moving towards, you see a lot of growth coming in modular furniture. Is it right to assume that when our turnover would be increasing in this particular segment, this would reflect in the margins too? Because when you say modular furniture is on a lower margin base, do you really think that the margins might go up from here?

Hitesh Agarwal: No, it's not being lower to that extent, which can affect the overall margin of the company. Because I said that 5%-7% and that contribution of this modular furniture is slightly lower in our overall revenues, about 18%. So gradually it will increase.

But once, as I said in modular furniture, in earlier communications also, we have shared that we are focusing on the exports, particularly in this modular furniture that is increasing. And the increment increased business, definitely on the gross margin front also, we will have certain edge. And in modular furniture also, we are working hard to improve our margins at the par level of the PVC and UPVC verticals. So there will not be an adverse effect on the margins going forward with the growth in the modular furniture business.

Maresh Atal: Coming to fluted panels, we see that the biggest player in the market is AGT, if I am not wrong. So that is being imported currently or they must have one unit here, I don't know exactly.

Hitesh Agarwal: AGT?

Maresh Atal: AGT.

Hitesh Agarwal: In fact, we haven't heard about the AGT fluted panels. AGT used to be the suppliers of the high-gloss MDF boards, basically. We used to...

Maresh Atal: Ground check we have found that AGT is supplying it in the South market. So we just wanted your view that coming to these players who are dumping their goods in Indian markets, how fast competitive are they? Because we see a lot of fluted panel players coming into India, dumping a lot of product into the decorative market segment. This is from China.

Hitesh Agarwal: Domestic market will definitely have an edge over the imported market in terms of different issues. In imported materials, they have the limitations of the range, they have the limitation of the sizes. But when it is domestically manufactured, because every building has a different height and width. So usually in the interior, we don't want any kind of joints and all. So here in India, we can produce as per the requirement. So that gives a perfect edge to compete with the international players.

Yes, AGT is out there, but in this Soffit panels, some PARE is there, then one Vox is there. So they are the players and they are doing very good business in Soffit, but both are imported. In

fact, last month only we started this Soffit manufacturing and the response is really very good. So we don't see any kind of competition from the imported panels or the dumping materials.

Moderator: Sorry to interrupt you sir. I would request you to rejoin the queue for your follow-up question. Thank you. The next question is from the line of Armaan from Blue Sky Capital. Please go ahead.

Arman: Yes, thanks for the opportunity. I want a bit of more color on your new product of single layer phone ceiling. Can you talk more about it? What is the product like? I mean, what it is replacing with and what are the qualities? And one of the also thing that you told that you are the first company to produce domestically. So, what has been a key barrier before that, that why no one has started producing it domestically? And what advantage now you get that at this junction, you will start manufacturing and it will have an edge over others?

Hitesh Agarwal: See, Soffit panel, as we said that it's a single layer profile. In extrusion, normally whatever the profile was earlier existing in Indian manufacturing industry, that was a multi-layer follow profiles. So this single layer profile, as mentioned by CMD sir also, it is more used in the Europe and US to innovate their houses and all. So this product was required certain specific machinery toolings and certain product mix also.

See, I cannot comment on why the other players have not started this in India. Since we are into this industry from last 32 years, when we see that this can be a new product which takes some share of the fall ceiling wall paneling. So we are into this extrusion, we have taken one step forward and started it as the first one in India.

It has very wide range of color, finishes and designs. Yes, others are also having, but when imported, any importer, it is really tough to maintain the large number of inventories. Because again, when we are manufacturing domestically, we can produce as per the requirements.

So we do not keep finished inventory of different colors. Only the raw materials are maintained in the different finishes, prints and designs.

Arman: Correct. Got it. And currently, the market size you told about, it is fully being made by imported, right? INR300 crores?

Hitesh Agarwal: Yes, for these soffit panels.

Moderator: Thank you. The next question is from the line of Manan from Walfort PMS. Please go ahead.

Manan: Thank you so much for the opportunity. Sir, I had a few questions. First one is, what are our capacity utilization levels? Please can you answer that?

Hitesh Agarwal: The capacity utilization for this PVC profile is around 50%-55%. And UPVC in the range of around 30%. So that is the current capacity utilization. Modular furniture, there is no rated capacity. It is on the basis of the revenue only. So based on the current revenue, we can say around 70% of capacity we are utilizing.

- Manan:** Okay. And the next question would be, sir, do we have any debt reduction plans? From a long term?
- Hitesh Agarwal:** Yes, it is there. In fact, we have not added new debts. We both threw our H1 figures. So there has been a reduction in both long-term and short-term debts. So we are focused on that. We have a long-term vision of being debt free. But although, yes, we have not yet finalized any debt. But debt reduction plan is always there.
- Manan:** Okay, okay, got it. And sir, where exactly is this depot, the showroom that you just said in Mumbai?
- Hitesh Agarwal:** Sorry?
- Manan:** The showroom that you said that you have put another showroom in Mumbai. Can you please tell me where exactly is it?
- Hitesh Agarwal:** Yes, this is in Andheri. The showroom is in Andheri. Lakshmi Industrial Complex. Where all the major interior products, showrooms are available there. So they are also placed over there. And that depot warehouse we have opened in the Bhiwandi.
- Manan:** Okay, got it. And the last question is, sir, can you please explain more about the new Soffitt product that you have mentioned? Like, give us a use case and what would be the EBITDA margin profile for the same product?
- Hitesh Agarwal:** See, Socket Panel, again, since it is from the same extrusion segment, and currently the market is being controlled through imported products by two or three large players only. So we expect a little bit better margin in that, because the pricing, what's prevailing in the industry, they are taking some advantage, we can say, because that competition doesn't exist. So once the product goes into the competition, in the initial times, we will also have certain better margins in that product. But yes, it's not lesser than with our existing product portfolio.
- Manan:** Okay, so this would also be around 16% something?
- Hitesh Agarwal:** Yes.
- Manan:** Okay, and sir, you didn't give me a use case of, see I don't know what exactly this product does. So can you explain what this product does?
- Digvijay Dhabriya:** This product is basically a ceiling. You have seen the balconies. In the balconies, the upper side is the wooden ceiling, earlier it was. Now we are putting all this Soffitt for the balconies and all the parking spaces. And all those who are not open to the direct sunlight, but they are open spaces in the building. So the uses are increasing, and this product is going to take a big market.
- Manan:** Okay, got it. And you said the market for this is around INR300 crores?
- Digvijay Dhabriya:** Yes, right now.

- Manan:** Right now, okay. Thank you so much. That's it.
- Moderator:** Thank you. The next follow-up question is from the line of Mahesh from Atal & Associates. Please go ahead.
- Mahesh:** Thanks for the follow-up, sir. Just wanted to know, how are we rewarding the people who are distributing our products? Because that's the main area where your products, you'll be able to cater it to the last customer. So how are we on that? How are we working on that?
- Hitesh Agarwal:** You're talking about the dealer distribution network and all, right?
- Mahesh:** That is one thing. But at the end, the dealer and distributor would be also selling it through the interior designers and all those. One of the panel players, they have been very aggressive in this concept where they reward their last customer or the person who's buying from the dealer also. So how are we doing on that? Because at the end, it's all about the interior designers who will be recommending your product to the end customers?
- Hitesh Agarwal:** See, PVC profiles, which are basically used for the interior application, multiple interior applications, Wall Paneling, making the furniture, doors, partitions and everything, which is distributed through our dealer distribution network and contributes around 55% - 60% of top line.
- So we are having a wide, large sales team which is spread throughout India. We are in regular touch with our dealer distributors, supporting them in all contexts, visiting to architects, interior designers. That is a regular activity, basically. Apart from that, we are regularly participating in exhibitions, shows.
- So that means we are catering to architects, interior designers, the large consumers like the builders and developers for their project requirements. So extending full support to our dealer distributors to generate the revenue at their end also.
- Mahesh:** Okay. We've got just one more question from my side before I end this. So I just wanted to know that, let's say, could you also get into a zone where you apply for some government things, government projects and all directly? Where you revamp their buildings? Because there's a lot of revamp happening on the government side also?
- Hitesh Agarwal:** Yes, definitely. There is a good possibility of the business. And in fact, we have already started enlisting our new products, basically. Because earlier, we have done several projects with the governments, but not focused, not regularly focused in that. We have started enlisting our products, particularly for the fluted profiles and all. So going forward, maybe we'll have some revenue contribution from the government business, government side also.
- Mahesh:** Just to squeeze in, sir, could you tell me how many players today are manufacturing this fluted panel and who's our next big competitors to us?
- Hitesh Agarwal:** The fluted panel is manufactured, several manufacturers have come up over, they are regionally spread basically. In the listed peers, there is no large player, because listed only we

and one more industry is there from Gujarat, Kaka Industries. So I think they are more into the PVC doors and other integrated furniture profiles, not in the fluted at all. Some places are there in Punjab, some are in South India also. There is no renowned listed names.

- Digvijay Dhabriya:** More are imported, sir. More from the China.
- Maresh:** Yes. All right, sir. Thank you and all the best.
- Moderator:** Thank you. The next follow-up question is from the line of Manan from Wallfort PMS. Please go ahead.
- Manan:** Thank you, sir, for the opportunity again. Sir, I'm trying to search this new product, Soffitpanel. I'm not able to search it on Google? Can you give some name so that I can properly search?
- Hitesh Agarwal:** You can search with the name of the Vox.
- Manan:** Yes.
- Hitesh Agarwal:** This company relates to the Ashirwad Group basically. Earlier, you might have heard about the Ashirwad Pipe, Bangalore based company. So, they have divested their Ashirwad Pipes to somebody, some foreign entity, and they have started this Vox. And second name is the PARE.
- Manan:** Okay, got it. Thank you so much.
- Moderator:** Thank you. The next question is from the line of Arman from Blue Sky Capital. Please go ahead.
- Arman:** Yes, thanks for the follow-up. I just want to understand what is the current price differential between what is being imported in our all three products, what is being imported from China and at what price we are being, at what cost we are producing it? Is there any, what kind of price differential currently the company is taking?
- Digvijay Dhabriya:** There are two things out there. The most important thing is the quality, the colors, design, the range. So the importers have the limitation. In one country, they import only two to three colors. But we are offering 2,000 colors. That is our USP. Our guarantee is for the 10 years and 10 to 12 years or 5 to 10 years depend on the product to product. So we are giving a guaranteed product.
- The third thing is the length. If you need 5 feet, we give the 5 feet. If you need 10 feet, we give the 10 feet. But all the products imported are of standard length. So we are giving a zero waste. So all these three and we have a wide distribution all over India. So importers are locally based.
- Say one color, they are introducing five colors in Delhi. Then the same colors are not in Chennai. They are not available in Kolkata. So we are giving all the supply support and the length support to everyone. So these are our USP. And the quality wise, we are the best in the

quality. We take care of all the quality standards. So we are getting a good market share day by day compared to the importers.

Arman: Okay. Yes, that is very well understood. I have went to some of the stores in nearby my areas also who are selling your products? So that I get what is the quality. And definitely we will be charging a premium? So what kind of premium we are charging vis-a-vis the other players?

Digvijay Dhabriya: Normally the price difference is if the similar product is there, weight wise and the ingredient wise, from China and here. So the price difference is not more than 5%. But if we are giving a weight of 10 kg and the product is 8 kg coming from China, then the price difference is because of the weight only and the quality. 5%, 10% is the normal price difference. They are on the lower side, Chinese are on the lower side, 5%, 10% and we are higher by 5% to 10%.

Moderator: Thank you. As there are no further questions, I would now like to hand the conference over to Mr. Digvijay Dhabriya for closing comments.

Digvijay Dhabriya: Yes, thank you all participants in this evening phone call. I hope we have been able to answer your all questions satisfactorily. If you have any further questions or would like to know more about the company, please reach out to our Investors Relation Manager at X-B4 advisory. Thank you, stay safe and healthy. Jai Hind.

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