

May 11, 2026

The Compliance Manager
BSE Limited
Corporate Relationship Dept.,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai 400001.

Scrip Code: **500655**

The Manager, Listing Department
National Stock Exchange of India Ltd.
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051.

Trading Symbol: **GRWRHITECH**

Subject: Transcript of the Earnings Conference Call on Audited Financial Results / Business Performance of the Company for the Quarter and Year Ended March 31, 2026.

Pursuant to Regulation 30 and 46 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the transcript of the Earnings Conference Call, held on Thursday, May 07, 2026, post declaration of Audited Financial Results / Business Performance of the Company for the Quarter and Year Ended March 31, 2026.

The aforesaid transcript is also being uploaded on the website of the Company: <https://www.garwarehitechfilms.com>.

This is for your information and record.

Thanking you,

Yours faithfully,

For **Garware Hi-Tech Films Limited**

Awaneesh Srivastava
Company Secretary
FCS 8513
Encl.: As stated above.



“Garware Hi-Tech Films Limited
Q4 & FY26 Earnings Conference Call”
May 07, 2026



MANAGEMENT: **MR. DEEPAK JOSHI – DIRECTOR, SALES AND
MARKETING**
**MR. ABHISHEK AGARWAL – CHIEF FINANCIAL
OFFICER**
MR. AMAR YARDI – INVESTOR RELATIONS

MODERATOR: **MS. GARIMA SINGLA – GO INDIA ADVISORS**

Moderator: Ladies and gentlemen, good day, and welcome to Garware Hi-Tech Films Q4 and FY '26 Earnings Conference Call hosted by Go India Advisors. This conference call may contain forward-looking statements about the company, which are based on beliefs, opinion and expectation of the company as on date of this call. These statements are not a guarantee of future performance and involve risks and uncertainties that are difficult to predict.

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 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. Garima. Thank you, and over to you, ma'am.

Garima Singla: Thank you. Good morning, everyone, and I'm Garima Singla, and it's my pleasure to welcome you on behalf of Garware Hi-Tech Films Limited. Thank you for joining us today for quarter 4 and full year FY '26 Earnings Conference Call. This call is being hosted by Go India Advisors. Please note that today's discussion may include certain forward-looking statements. Therefore, they must be viewed in conjunction with the risks that the company faces.

Today, on the call, we are joined by Mr. Deepak Joshi, Director, Sales and Marketing; and Mr. Abhishek Agarwal, the CFO. I now invite Mr. Deepak Joshi to present the company's business outlook and performance, after which we will open the floor for Q&A. Thank you, and over to you, sir.

Deepak Joshi: Thank you, Garima. Good morning, everyone, and thank you for joining us today. I hope you have had a chance to review the presentation that was shared earlier. Let me take a few moments to walk you through how the year unfolded for us. Garware Hi-Tech Films is at its heart, a story of trust, resilience and long-term relationships built over generations.

While we have grown into a global enterprise, what continues to guide us are the sum of core principles, innovation, integrity and a customer-first approach. FY '26 was a year that truly tested these values. The global environment remained challenging with geopolitical volatility and elevated tariff structure across key export markets. The impact was seen in FY '26 full year with most impact in the third quarter. In such a situation, our response was not reactive but measured.

We calibrated our offtake to ensure supply chain continuity and more importantly, to stand by our customers and partners and that made the difference. Despite the challenging environment, we were able to maintain our market share across key geographies, reflecting the strength of our relationship and superior quality competitiveness of our products. As the year progressed, this steady and disciplined approach began to translate into stronger performance.

We concluded the year on a strong and positive note. Q1 was the highest ever profitability quarter in our history. EBITDA at INR157 crores, up 29% year-on-year basis and margins expanding to 26.2% Profit after tax stood at INR108 crores, up 39.1% year-on-year, a clear reflection of our operating leverage, improved realization and a stronger product mix.

For the full year, despite the headwinds, we delivered our highest ever revenue and profitability with revenue at INR2,120 crores, EBITDA at INR500 crores and PAT at INR338 crores. This performance reinforces the resilience of our business model and our ability to navigate cycles with discipline. While navigating near-term challenges, we remain equally focused on building for the future. We continue to strengthen our value-added product portfolio with the launch of sustainable TPU-based UV printable films.

PDLC specialty films, enabling privacy on demand and advanced graphic solutions. During the year, we deepened our market presence across both international and domestic markets through strategic customer additions and channel expansion initiatives. We witnessed strong traction in the U.S. and U.K. with the onboarding of several established distributors from competition, reflecting superior quality of our products and unmatched distribution network.

In India, we further expanded our domestic footprint by onboarding 4 large OEMs in automotive segment, along with 7-plus strategic addition in our architectural business segment, supporting our continued expansion in the fast-growing B2C segment and enhancing our overall market reach. Alongside our brand-building efforts are gaining momentum with around 18 lakh annual website visits and over 8 crores impression annually across Meta platform, strengthening our customer connect.

A key part of our journey has been getting closer to our end customers. Globally, we expanded our footprint with 11 new global application studios, including in the UAE and the U.S. In India, our Garware application studio network has grown over 250 locations, and we are on track to cross 300 shortly. In parallel, we are building our strong consumer-facing platform through Garware Home Solutions with 6 studios already operational.

We are confident of scaling this to 50 studios by the end of FY '27. On the manufacturing side, we have taken significant steps to prepare for the next phase of growth. During last few years, we have developed over INR500 crores towards capacity expansion across 2 PPF, 1 sun control, metalizer and 1 TPU and other ancillary lines entirely funded through our internal accruals, reflecting strong cash generation and disciplined capital allocation.

We announced an additional INR191 crores investment in a new sun control film line, adding around 1,200 lakh square feet capacity, supported by advanced robotics and automation. Even after these investments, our balance sheet remains strong and debt-free with a cash reserves of INR774 crores, giving us the flexibility to continue investing while maintaining financial prudence. Looking ahead, the upcoming TPU line expected to be commissioned by October 2026 will further strengthen our innovation capabilities.

We are also encouraged by the recognition we have received during the year, including the Plexcouncil highest exporter award and being recognized among India's top value creators by Dun & Bradstreet. As we look forward, the next phase of growth for Garware Hi-Tech Films will be driven by our high-value innovation-led segments, including sun control, paint protection films, Graphic Solutions, Garware Home Solutions and TPU-based new products.

When we step back and look at the broader picture, our marketing momentum, disciplined capital allocation, expanding D2C platform, accelerating B2B growth and continued product innovation makes us well positioned for the next phase of growth. Thank you for your continued trust and support. I would like now to hand over to Mr. Abhishek Agarwal, our CFO, to take you through the financial performance in detail. Thank you.

Abhishek Agarwal:

Thank you, Deepak, and good morning, everyone. Let me take you through the key financial highlights for the fourth quarter and full year ended 31st March 2026. We closed FY '26 on a strong note with Q4 emerging as one of our best performing quarters. Consolidated revenue for the quarter stood at INR597 crores, reflecting a healthy 8.9% year-on-year growth, along with a strong sequential recovery.

EBITDA for the quarter came in at INR157 crores, registering a robust 29% year-on-year growth with margins expanding to 26.2%. While the PBT stood at INR142 crores, up 31% year-on-year, while PAT increased to INR108 crores, up 39% year-on-year, reflecting the strong bottom line expansion and improved operating efficiency. For the full year 2026, we delivered a steady performance despite a challenging external environment.

Revenue stood at INR2,120 crores, demonstrating resilience in face of tariff-related disruptions in the key export markets. EBITDA for the year was INR500 crores, with margins maintained at INR23.6 crores -- 23.6%, sorry, reflecting our ability to sustain profitability across cycles. PBT came in at INR446 crores, while PAT stood at INR338 crores, with margins improving to 16%.

Importantly, our balance sheet continues to remain a key strength. We continued to maintain a healthy debt-free balance sheet with cash and liquid investments of INR774 crores at year-end. Our disciplined capital allocation and strong balance sheet give us the confidence to pursue this growth while continuing to enhance stakeholder value.

Thank you all. I will now hand it over to Deepak.

Deepak Joshi:

Over to the moderator, please.

Moderator:

Thank you so much. Our first question from the line of Mahesh Bendre from LIC Mutual Fund. Please go ahead.

Mahesh Bendre:

Sir, one housekeeping question. I mean, for full year, what proportion of our revenue have come from the sun control films, paint protection films and rest the commodity products?

Deepak Joshi:

Yes. So thank you, Mahesh. So our revenues for last year, I mean, were almost 50% from sun control films and both 25% from PPF and 25% from IPDs. So that's like a breakup for last year.

Mahesh Bendre:

Okay. Sure. And sir, the latest expansion that the plan we have prepared, so when this will become operational, which year it will start contributing to our sales?

Deepak Joshi:

So this new sun control film expansion, commercial production will start by June 2027. So that is Q1 FY '28.

Mahesh Bendre: Okay. So this will be -- I mean, just -- are we -- I mean, this will be carried in the existing plant or we are going to set up a new plant?

Deepak Joshi: No, no. This is entirely a new plant, at the same location, but it's a new facility. Our earlier sun control, the earlier line, it will be adjacent to that line. But this line will have more features in terms of automation and robotics to take us -- I mean, it will be a new experience for our consumers for kind of untouched material, which we are trying to make from this new line. It will improve our efficiency. It will improve our productivity. At the same time, I mean, it will be entirely new experience for our consumers as we are growing at a very fast pace in Sun Control business.

Mahesh Bendre: And this entirely will be export focused? Or is it domestic also?

Deepak Joshi: So our strategy, if we see, we focus on the both markets. I mean, both are important. But the ratios which we expect like growth all across the territories, though domestic market will also grow. But ultimately, it will be like 80%, 75-25 or 80-20 ratio between exports and domestic market. That ratio will continue because of the overall growth, which we are targeting for the company.

Mahesh Bendre: Sir, last question from my end. Sir, last year, our revenue was flat almost the same revenue what we reported in '25. So if we are to look out for next 2 years, what kind of growth we anticipate in terms of sales? And given the backward integration project is going to come off, what kind of improvement in margin we see in the next 2 years?

Deepak Joshi: Yes. So we expect like we have been growing at a CAGR more than 20% for last 4 years, except FY '26, which has been purely because of sudden 50% tariff and which was almost there till the whole year and around February 20, this all went off. So we didn't get enough time to recover what was done in the last year. So that's the reason because if you see 9-month performance was around 10% below our previous year FY '25 performance.

But we did a great jump in Q4 by taking revenues and profitability to highest level for us. So that means this year, we hope that such situation is not there, right? So we expect minimum INR2,500 crores revenue for FY '27, right? And we will maintain 25% plus/minus 2% of the guidance. Earlier, we gave plus -- 25% plus/minus 3%. Now we are doing 25% plus/minus 2%.

And we expect some margin improvement when TPU line comes on stream. And with the growth of the company strategy now to direct-to-consumer, D2C business. That's why we have emphasized that Garware Application Studios, Global Application Studios in U.S. and Middle East and Garware Home Solutions. These 3 are directly to the consumers.

So if you really see our strategy, D2C supported by our strong campaigns, marketing campaigns, digital campaigns, where you saw around 8 crores impression from Meta platforms only and website visits, which used to be like 5,000, 7,000 in a month, it has gone almost close to 1.7 lakh, INR1.8 lakh a month. So our digital drive and the focus towards the consumer is the key, key focus for years to come. And direct-to-consumer is the right strategy. And another one thing we are doing, we are selling direct-to-consumer in U.S.A., PPF business also. So all those things reflects like the key strategy is D2C, supported by digital marketing.

And third thing, with the innovative new products, like in Home Solutions, we are doing all sun control films, but at the same time, privacy on demand, which are switchable films, that means you can make your windows like fully opaque, semi-transparent and full transparent by click of a button.

So these kind of new technologies, which will -- we want to make this technology to go to every standard homes in India. And then it will go to abroad. So with all those strategies, I mean, our major focus is brand building and direct-to-consumer focus.

Moderator: Our next question comes from the line of Dikshi Jain from InCred.

Dikshi Jain: Congratulations on great numbers. My questions were mostly regarding, first, are there any exclusive partnerships that we have done with several OEMs or brands for our PPF sales in India?

Deepak Joshi: Yes, definitely. We have 4 big partnerships with OEMs. That means direct agreement with the OEMs. So they take our material to their showrooms. We have 4 such strong partnerships and 2 are already in discussion and samples are already approved. So that is already there.

Dikshi Jain: Okay. And what are the current utilization levels at all our facilities?

Deepak Joshi: Yes. So our sun control lines are running around 75% to 80%. So with current expected CAGR of around 15%, 20% growth there, which we are expecting for this year. By next year, we will be fully utilized. So that's why we have announced this capex of INR191 crores for sun control lines. PPF, we are running at the rate of around 85% to 89% at current rate. So that also we expect to go full, and we will use some fungibility of the new sun control line and think of future expansion, if required on that. And rest TPU line is on target that is coming on October this year. So that's the operating rate for us as of now.

Dikshi Jain: Last question from my side, the antidumping duty that was supposed to come on the cheap imports that are happening from China and Korea. So any update on that?

Deepak Joshi: See, that might be a question. I mean, there may be some interest or confidentiality. But the news is that all hearing, submissions and everything happened, all visits what government officials do, that has also been done. So we expect a positive news pretty soon as fast as maybe this month or next month.

Moderator: Our next question comes from the line of Rahul Jain from Credence Wealth.

Rahul Jain: So first of all, congratulations to the entire team of Garware Hi-Tech, to the promoters also, wonderful set of numbers and in a tough environment for the last 1 year.

Deepak Joshi: Thank you very much.

Rahul Jain: Yes. So Deepak, we have been talking in the previous 2 calls about our focus on Middle East. So just to -- and we had formed a subsidiary, which was supposed to get completed in this quarter 4. And we had spoken that various other strategies are being put in place, including on the marketing side and also whether how this subsidiary would further be available for some other

options, including sales across other regions as well as there was a discussion about some manufacturing plant. So first of all, if you can talk about where are we in terms of sales today in Middle East? What are the various steps being taken? And where do you see Middle East sales going up in the next 1 or 2 years?

Deepak Joshi:

Yes. So see, we consider Middle East, North Africa region MENA, which is a growth -- biggest growth driver for us. As of now, let me tell you, the sale of that is roughly around \$15 million. And we expect that a growth of around 25% to 30% CAGR for the year. So we are targeting \$20 million to \$22 million in -- during this year, right? So that's growth pattern. Now how did this happen?

Like we said, we have a separate team, which is -- which comes from the top competition and the entire team is built in the Middle East, and they are growing pretty fast. The subsidiary has already been completed. The work has been completed. Now there is some -- already some work has gone into this some kind of, I would say, manufacturing or some kind of value addition. That work is going on.

And the primary purpose of that of any kind of unforeseen situation from anywhere in the world like we faced last year, we are -- we will be well poised to cater our customers with this kind of flexibility. So that was the purpose, and we are well on track for that. So I've shared you like the targeted numbers and what we are doing there, and this work is in progress. And when there is any further update, we'll update you on that.

Rahul Jain:

Sure. And sir, with regards to this capex, which we have announced, so PPF, we are already at 85%, 89% utilization as what you mentioned to the previous participant. And SCF is probably around 75%, 80%. So, with that understanding, I would have thought you must have already decided or thought about or discussing about a new PPF line.

But before a new PPF line, we are going ahead and building up a new SCF line, almost 30% capacity addition. So just to understand the scenario behind this, is it because the demand is quite robust in terms of SCF and architectural film, which is a part of SCF, which is why we have announced this SCF expansion prior to going for one more PPF line?

Deepak Joshi:

Yes. See, I will tell you the growth in SCF has been pretty rapid. Of course, PPF is also growing us very fast. But next year -- see, SCF means we are a very well-known brand in India and U.S. Global is a well-known brand for automotive. So you see that growth is always there despite like we have hit a quite strong market penetration on that. But at the same time, all architectural growth also comes from there.

And if you see our new initiative, which is -- which are coming from Garware Home Solutions, which is like architectural is in a big demand. I can always say that the sky is the limit for architectural business because everywhere there is a glass -- a film can be put on that glass. In architectural, it is the world because if you see the normal sun control films, safety and security films, the films which are on privacy, privacy on demand.

And finally, the -- I can say the -- when you can see -- I mean, we make the products which are dual reflective or reflective. So you see options are unlimited in architectural segment. And we

just started that work 2, 3 years back, right? So we are growing pretty fast there. With GHS on board and architectural other brands like we are on all airports now, railways now and big hospitality chains are already under our contract in last 1 to 2 years. This growth, we are expecting the fastest.

We might grow around 25% to 30% as well with the support of GHS and architectural business. So that's why the need for sun control film came first. And another thing is sun control capacity is bigger than the PPF when we put a new line. That means PPF lines because of its speed and microns, it produces roughly 25 lakh square feet in a month, whereas sun control film can produce 125 lakh square feet in a month.

So what happens is when we put sun control plant, that means fungibility wherever we are sure that PPF will also go 100% utilization by next year, but we can do the fungible business, which we have done in the past for PPF as well in sun control line. So that's the rationale behind putting a sun control line ahead of a PPF line.

Rahul Jain:

Okay. I thought there is something to do with even one of our large customers who just on yesterday's con call mentioned about the environment changing from demand limited to more of capacity limited. That's the statement made by one of our large customers in yesterday's con call. So maybe we are trying to build capacity somewhere and keeping that in mind.

Deepak Joshi:

No, that growth, I think -- let me tell you, our growth has been phenomenal. And the large customer may buy because these customers buy sun control as well, PPF as well, right? So sun control is -- see, let me tell you, I just answered the first question, like 50% of our revenues are from sun control. So anyway, sun control is our like number 1 product. And if you see the growth is also the fastest in that.

Everything is linked to that, right? And building a sun control line, anybody can say anything, but it's one of the toughest challenge that people have. And our lines, I can't tell the details, but they are so advanced that people can't compete with that kind of operations done at one go. Like they are built by our own team. There are very unique operations with all of that sun control machine, which nobody has in the world. So we know our sun control business is a unique model, which is growing very fast.

There is no stopping to that. And PPF, of course, is growing very fast for us and with -- like previous participant asked about antidumping and similar many measures are going here, Middle East and U.S.A. and especially direct-to-consumer is one of the first priority in PPF. So that growth is unmatched. I didn't say that we will not put another PPF line, but we are continuously growing in sun control, in PPF and of course, TPU as a backward integration, we will have more demand. So that will also be decided by the company where to move fast, but we are on a takeoff mode on all 3 products.

Rahul Jain:

That's very heartening to know, Deepak, sir. Last thing on architecture films, you didn't mention much about our architecture. In the previous call, we had mentioned that we are about to do about INR300 crores in FY '26 and that INR300 crores moving to INR400 crores in FY '27 and further to INR500 crores in FY '28. Now given the changes which have happened in terms of

the tariff changes and also your thrust on Middle East, do we expect this architectural films to be higher than the number which we have given in the previous call?

Deepak Joshi:

See, it's very difficult to give each numbers ahead. So what I'm saying is like we are quite confident to reach INR2,500 crores for the coming year. And whatever we add into new products like graphic solutions, PDLCs and printable PPF and all those things, this will be definitely on top of that, right? So the growth which we -- and whatever happens cannot happen in a year's time. We are building the ground. That's what I said. The important thing is company's strategy for the future. Their strategy is direct-to-consumer.

Their strategy is building stronger new product developments, R&D and a channel which remains there with the help of consumers, right? All others are definitely there. We are strong in -- I mean, B2B segment. We are strong with OEs because they like the product, they like the quality and on much bigger hospitality and other industries, including railways and airport, right?

But our ultimate goal is to penetrate everywhere, but it should be -- the brand should be visible in terms of consumers. So that's the first priority with the digital penetration. So I'm giving you this number of INR2,500 crores plus, plus a growth of 20% CAGR, which we have done in last 4 years, barring last year, right? So that will include everything.

Moderator:

Our next question comes from the line of Saransh Gupta from SVAN Investments.

Saransh Gupta:

Yes, congratulations on a very good set of numbers. I had a few questions. So firstly, I just wanted to understand like how is the industry dynamics right now like with the war going on in the Middle East. So how has the dynamics changed if we talk about from post January and what are they currently?

Deepak Joshi:

Yes. See, on the war, like somebody said, I will repeat, this is not the first war and this won't be probably the last war. The world will go like that. We -- as the company, if you really see, we have seen a COVID time when we really performed well, where shipping lines were not available, people were not available, but we performed and we guided the company to new heights.

Then came to the tariff situation. Before that, Russia was a big market, then there was a conflict. And then I said this tariff, which was the biggest like headwinds for us, right? So now this Middle East thing has come. But let me tell you one thing, the good thing about Garware is that it has got -- it supplies over 90 countries in the world. So when U.S.A. is in trouble, Europe and Eastern Europe helps us.

When there is a issue in some other part of the world, the other part helps. In the Middle East region, whenever there is a problem, we have like other areas which really perform well because I think somehow the material reaches there, but through different routes. So we have all -- and we are in touch with our customers. This -- and we are not feeling any negative impact. I mean, it's a supply chain is difficult.

But ultimately, business is going as usual there. Again, even if there is a -- I mean, more trouble into that, but we are poised to sail through that. And in terms of like our sailings, we are -- in the past also, we have avoided Hormuz and we have also avoided Suez Canal. It takes longer route, a little more on expenses on -- I mean, logistics and all, but that is only a very small part of our sales. Like I said in our previous conference calls, when things were very, very tough due to tariff situation, I said that the company has a motto that we will not lose a single customer. whatever it takes because we know it's -- there will be a brighter time.

So we held on to that. We made our inventories to sustain in a way that whenever the opportunity comes, people can refill, the customers can refill their inventories to lead -- to sail through it successfully. Same thing with all those things, we always think for future like how we can cater that market in the best possible way. And in the current situation, we see it's not as big as like the last year, as big as trouble it was last year. So it is being handled very nicely, I can say.

Saransh Gupta: Just a follow-up on that in the last con call, you did mention that due to the tariff, our inventories are at the port and we are just waiting for the tariff to subside so that we can export -- we can release those inventories. So how is the situation from the supplier end right now? Like at what position we are in the inventory?

Deepak Joshi: So whatever we said, actually, that held true, and that's why we did a good job in the -- in second half of February and March. We released most of the goods, I can say. I mean, required by the consumer at that time. We still have a good, I can say, roughly, if we talk of the U.S. territory, it's around 16 million is already there in transit plus warehousing.

Plus we are making more goods for the consumer because the demand and the season is coming, and it is one of the best seasons which we have always Q1 and Q2. So I gave you the inventory numbers, and it's a good demand cycle going on. That's all I can say right now.

Saransh Gupta: And second question is, sir, as you mentioned that from 6 home studios, how many we'll get in this year. So how big of this segment can it be if I see for at least 3, 4 years, 5 years?

Deepak Joshi: Sorry, I was not able to hear. You are talking of Garware Home Solutions or Garware or Global Application Studios?

Saransh Gupta: No, no, sir. Basically I'm talking about Garware Home Solutions

Deepak Joshi: Garware Home Solutions, yes. So like we said, we opened 6 in a very quick succession and around 4 to 5 are already in pipeline due to the time schedule, we are opening them, right? So by end of this year, target is 50, right? To open the 50 studios in different parts of India, right? And this is definitely -- the concept of this is, as our distributors, dealers are pretty big in size to cater these smaller homebuyers, we are opening these studios in every -- in neighborhood so that the smaller ticket size job can be done.

Of course, it's a higher-margin job, right? And that -- the ultimate idea is direct-to-consumer strategy. That fits into our D2C model, direct-to-consumer model where most of the work will be done through, I mean, digital mode. That means the payments and ordering and all flows will be digital mode. That work is still into -- I mean, making. But the market is really responding

well, and we are getting great responses from the homebuyers because this is something new for them.

They were never able to get these kind of small ticket supplies from us. And I'm very happy when I was in Delhi and Gurgaon and we opened there, I met many customers and they said, this small ticket size business from Garware, which is a big brand name, this is helping us. And we are using a lot of influencers to update people about these kind of new offerings. And happy to share that we are getting outstanding response from the market on this.

Saransh Gupta: We saw during plant visit the kind of value-added products that you made. I want to understand like how big this segment can become in future like SC?

Deepak Joshi: So as I said, we just started it's in nascent stages, and it's very like a digital-driven business. So we expect like by next financial year-end, we should cross around INR200 crores from Garware Home Solutions plus other new products together because this all mostly would be part of Garware Home Solutions. And going forward, our aim is higher than that. But at least I can say for next financial year, FY '28, we should cross INR200 crores business from Garware Home Solutions and plus added new products like PDLC and others.

Moderator: Our next question comes from the line of Akhand Pratap Singh from JM Financial Mutual Fund.

Akhand Pratap Singh: Sir, my question is related to refund of tariffs from the U.S.A. government, which implemented earlier actually. So what kind of amount we are expecting?

Deepak Joshi: See, this amount is definitely whatever we pay is being refunded. But -- and we are in touch with authorities also, and we have opened the account. But this is like I'm not sure like I cannot guarantee because this is a government matter. And the time it comes, definitely, I mean, then only I can confirm about that because it's something which is accounting-related matter. But let me tell you, when from 50% tariff, we did such a great job. We only like maintained what we could do in FY '25.

We managed that in FY '26 as well. Without tariff, I think we have a big, I think, a big way to go, and we are targeting like 25%, 30% growth there. So on that number, I'm avoiding because it may not -- when it comes, it's like accounting. We would like to be conservative. And whatever is in our end, we are focusing on that, right? What is the strategy for the company, how big that, we are focusing on something which is in our end, we will not let that go.

Like in our end was not to lose a single customer, which we did. Now this tariff, whenever it comes, that's great. And we'll have to see like on the accounting standards, how it is to be put into our books. And some of them, we might have to give for the consumers also, right? So -- but definitely, there will be a positive news on that.

Akhand Pratap Singh: Okay. And sir, second question related to this input cost rise. So there is a significant increase in the raw material cost. So just wanted to know the kind of inventory gain we will be having? Are we like reporting the better margins in the Q1 and how we will be managing this cost increase actually?

Deepak Joshi: See, we have like very great agreements with our consumers because we are always transparent with them. Like in the -- during tariff time also, we were very transparent with them like what should be the number, how we will compete into the market. We are not the people like if there is a 50% tariff, we will put on our consumers and our customers and do away.

We have always been very understanding. Same way our customers are also understanding because the situation, we have a scientific method where we see the correlation between the raw materials, which is PTA and MEG versus our IPD products versus our CPD products. So in all that likelihood, we went to the market and discuss with them, and we were able to get that kind of increase from our customers in a very healthy and ethical way.

Akhand Pratap Singh: Okay. Okay, sir. And sir, in PPF business, can you tell what is the proportion between the direct-to-consumer and B2B?

Deepak Joshi: So you mean margins between D2C and the -- I mean, big customers -- distributor. That's what you are asking.

Akhand Pratap Singh: Yes. You mentioned B2B as well actually in the -- yes.

Deepak Joshi: Yes, yes. So in D2C, it is usually, I can say, 30%, 40% higher than the distributor margin. It depends case-to-case basis, how do we negotiate. But D2C is always better because then there are no distributors or dealers in between. You are directly handling those things. But in that, the real cost comes of your digital marketing and penetration. But of course, the margins are definitely 25%, 30% higher than the distributor margins.

Akhand Pratap Singh: Revenue front, what...

Moderator: I'm sorry to interrupt you, sir, but you may please rejoin the queue.

Akhand Pratap Singh: Yes. Just last question. Revenue share, I was looking for, sir, from the D2C and B2B in the PPF business?

Deepak Joshi: That is -- let me tell you, this is just -- we started this campaign maybe 2 years back with Garware Application Studios. But Global Application Studio is -- we started like 6 months back only. So as of now, I can estimate the D2C business is only 10% of overall our revenue. In India, it is like -- I can say it's like 40% as high as. But together with world market, I can say it is only 10% to 15% right now, right? But it's growing very fast, and that's the future for us.

Moderator: Our next question comes from the line of Nikhil Chaudhary from Toro Wealth managers LLP.

Nikhil Chaudhary: Congratulations on a fantastic end to the year in a despite a challenging environment. I had 2 questions. Rest of the questions have been answered. In the Q3 call, we had mentioned that we have some partnerships that are going on with the Chinese players using our global brand. Any status update on any partnership that we have signed?

And what could be the outlook with respect to these partnerships? And in the PPT, we have mentioned about 4 OEMs onboarded. Is it in the PPF business? Is it like an OEM like the Mahindra tie-up that we did? That we had a couple of quarters back?

Deepak Joshi: So answering the second question first. So yes, it is the same tie-up which we did with Mahindra & Mahindra. Similar because I'm not naming name for the competitive safety for us. So we have now 4 in our books and another 2 are already under discussions are going on. So you are right on that. And that's how the growth into PPF is continuously happening in the domestic market. So this is your second question. And first question, yes, the discussion is still on because honestly, after tariff, the situation changed for us and the order flow increased so big.

In Q3, of course, that was like somewhere in February, we updated you on that. So that discussion is still going on because some of the agreements are still being discussed because that would be a long-term partnership. We are still in discussion. And we are hopeful that, that will definitely help us in PPF business going forward. It's not yet concluded, but we are making sure that it goes in the right direction.

Nikhil Chaudhary: Got it. Got it. And what would be the U.S. share in Q4? I guess it was not mentioned in the PPT. Middle East, you mentioned in one of the answers that it is around 15 million, Middle East and North African region, which is around 6% of the revenues. What would be the U.S. share for Q4 and full year?

Deepak Joshi: Once second, what is the U.S. -- yes. So it is -- last year, it was 45%. It was -- I mean, if you talk of FY '25, it was 48%. Last year, because of tariff and all situation, it was 45%.

Moderator: Our next question comes from the line of A Sriram Palaniappan from ithoughtpms.

A Sriram Palaniappan: My first question is on one of our customers has indicated plans to move towards in-house manufacturing of PPF. So how should we think about the potential impact on our business over the medium term? And also what is our medium-term goal with Global Application Studio?

Deepak Joshi: Yes. So that -- I mean, that kind of announcement, actually, that has been discussed. I think there is no direct impact because we are not the only supplier for them. And whoever you are talking, I mean, there are others as well. So we don't see any challenge in our volumes. But at the same time, we are always working because we always want to go to the market, and that's how we are now 40% into D2C market in the domestic market and overall 10% to 15% in our portfolio for PPF.

So for us, we don't see any challenge on that. In fact, we are like we are now 85%, 89% of run ability, 85% to 89%, and we are full with order books on that. So there is no challenge which we see into that, right? Because -- and the second thing is our major market is -- major thing is sun control, which is 50% of our revenue generator. And that we are continuously growing even with the stronger with a stronger strength going forward, right?

So that is there. And when you talk about global application studio that are like in U.S.A. and Middle East. So they are continuously in -- we have a target for both the places. Like overall, we should have at least -- I mean, I can say, 50% for next 1 year. That's the target which we are keeping for Garware -- Global Application Studios.

And they will be -- when we say there will be like currently 10% to 15% volumes coming from them, Garware and Global Application Studios. And we definitely would like to go 25% and

then 35% as a target going forward for our business. And that will add -- that will increase our margins. So that's the -- and second thing is the brand visibility will increase more and more.

A Sriram Palaniappan: Got it, sir. And within the SCF sales in FY '26, can we know what is the contribution of architectural...

Deepak Joshi: Okay. Architectural, it is around 25% of total sun control sales. But that is growing. I can say 25% to 30% is moving towards that.

Moderator: Our next question comes from the line of Riya Mehta from Equitas.

Riya Mehta: Congratulations on good set of numbers. Sir, my first question is in terms of you are focusing that Garware will now become more of a D2C brand, et cetera. So what kind of investments are we doing with this in terms of marketing and all ad spend, et cetera. So will our margins be lower than the B2B for some time?

Deepak Joshi: See, our strategy is not -- we are not stopping B2B to grow into D2C, right? So what is happening, this work has been -- we have been doing this work since last 1 year, right, where our D2C focus is increasing. And we already did a great marketing campaign last year, which was part of the current performance of FY '26, where our impressions were close to INR8 crores from Meta platforms only.

And apart from that, our -- we revamped all our websites and put a new effort so that everybody sees actually what we are doing into the market. And in Garware Home Solutions, we are directly building a channel, which is -- you can order online, these kind of things with the app and our website, right? These efforts, definitely, we have budgeted for this year as well. Last year, we already started spending on that. This year also, we budgeted these kind of things into our numbers already.

So I can say there is a slight increase in our marketing budget. But definitely, D2C is going to be 25% to 30% higher margin than B2C even for this year. And -- but the volumes for this year is not that great. I think the next year, it will be even bigger. But these numbers of -- will not change like the more spending on branding because we have done that as a mix of our business strategy, where OEM we are growing, right? And these hospitality industry, all big hotel chains are doing great with us. And then the airport authority, railways and all those things are helping us to grow on all around. So that's the strategy for us.

Riya Mehta: Got it. And in terms of the current results, what would be the currency appreciation in the entire result, impact?

Deepak Joshi: Sorry...

Riya Mehta: Dollar appreciation -- impact of dollar appreciation -- constant currency growth?

Deepak Joshi: See, on the currency, we definitely get advantage. I won't say no on that. But our raw materials like previously asked like the raw materials, PTA and MEG and plus some of the chemicals and raw materials, they are either imported directly or on import parity basis. So I can say 45% to

50% impact is definitely nullified with that, right? So for the balance, definitely, we get an advantage of that. Exact number, Abhishek, can we give? Do we have some kind of thing on that? I'm just asking our CFO on that. Definitely, as I said, 50% is naturally hedged because our import or import parity business is there. Balance, definitely, we get advantage of that.

Riya Mehta: Raw material availability and the pricing currently, are we able to pass on the entire incremental raw material price hike? This is for both your traditional business of films as well as the PPF and SCF because -- basically 2 questions, availability and ability to pass on the price hike?

Deepak Joshi: Yes. I can tell you that we have been able to pass maximum of it because industrial product business is normally -- the consumer are directly affected, so we do that. So that is already passed on. In consumer, it takes time. But with the help of inventory, like everybody knows, it's no secret that the kind of inventory we get the appreciation. And by the time price increase comes, we are good with that. So I can say no negative impact of that. In fact, slight positive impact might be there because of that.

Riya Mehta: Got it. And my last question would be that with the current interest rates going up and inflation also picking up in various geographies that you cater to, or do you see any impact of demand anywhere? Or you see people curtailing down the cost because this is not a staple cost and more of a discretionary spend?

Deepak Joshi: Sorry. Can you repeat the question, please?

Riya Mehta: With the current inflationary scenario and interest rates also hiking, do you see any impact on demand? Or do you see any kind of slowdown coming in from any places because it's a discretionary spend after all?

Deepak Joshi: I think the kind of segment we are in, it's not a commodity where people do. This is really -- I mean, if you're referring to kind of global -- you're talking about global warming and the situation?

Riya Mehta: No, no, no. I'm talking about inflation and interest rates in the current environment.

Deepak Joshi: So honestly, this -- whatever is happening is happening in the peak season, that's summer for us. And in that, like demand really remains high for us in India for like 3 months, 4 months. And in the world, it is yet to come. So people have started building their thing. So we are not seeing that kind of impact. This might be more can be visible during weak season of Q3. But fortunately, for us, all those things is happening into the peak season.

So we are not seeing the impact as of now. The demand is pretty high in this season. And in fact, unfortunately, wherever there is more buildings coming up, I can't refer directly. But if you really see, there is a lot of new construction is going on everywhere, including Middle East. So that's a good opportunity for the company. That's why we are focusing more into the Middle East.

Riya Mehta: Got it. And in terms of next...

Moderator: I'm so sorry to interrupt you, Riya, please rejoin the queue. Our next question comes from the line of Nilesh Jain from Astute Investment Management Private Limited.

Nilesh Jain: My question was on the TPU line, which is going to come out in October. Broadly, I wanted to understand, largely, this is given the backward integration. Have you identified any other products for the 25% which you mentioned, we'll be using apart from the PPA?

Deepak Joshi: I mean, your question is for the new -- sorry, the question is for the TPU business, right? So like we said, it is -- it can be used 100% in the PPF for the margin improvement. But we have built a new team, R&D team, which is working on some products, and we have identified already 2 products where we will start our first foray into from the TPU business, right? One is the automotive product and one is the architectural product.

So with that product -- with these 2 products, we are definitely -- we'll start our sales, which will be like because it's starting in the Q3 of this year. So in 3, 4 months, I think there will be a very minimal revenue, but we will set targets for the next year. So these 2 products, definitely, we are eyeing on from the start of the TPU business. And if that goes successful, then it will be -- I mean, a big potential. And let me tell you about one of the product is being used widely in U.S.A. and Europe market and not touched by anybody in India. So that can be a good product for us in architectural segment from TPU.

Nilesh Jain: Okay. Given -- you mentioned you're adding capacity on SCF side, what I understand, given your current utilization is 80% and it will be fully utilized for this year and the additional capacity is going to come in next year, which will be close to an additional 20% capacity. Don't you feel there's a constraint on capacity to grow? So you might need to add PPF line as well given -- operating at 90%?

Deepak Joshi: Like I gave you the example that the growth -- the major growth drivers are both PPF and sun control. But D2C business from Garware Home Solutions is growing very fast. And the line size of window film, this lamination line is much bigger than the PPF, right? So we can use the fungibility for PPF business definitely because it will also be full. And then we will think of how the growth is going. We are conservative in that, but we are -- we know the right capital allocation.

So the decision was between PPF and window films, and we have taken the decision of window film lamination line because the size is much bigger. It's 4x production comes as compared to PPF, right, because of the thickness and all those things. So we'll use that fungibility to make more PPF. And here, the growth of D2C business, GHS and architectural, which is growing very fast will be catered directly from sun control line. So that's the rationale behind putting this line.

Nilesh Jain: Sure. And just last clarification...

Moderator: I'm sorry to interrupt you, Mr. Jain, but please rejoin the queue for more questions.

Nilesh Jain: I just want a clarification...

Deepak Joshi: Yes, yes, just go ahead.

- Nilesh Jain:** What would be the standard tariff which we would be paying right now?
- Deepak Joshi:** Total tariff. So I'll explain you. The original tariff between before, I can say before this administration came was 6.26%, right? That was the standard till last year when it went added 10%, then added 25%, then added 50%. So we'll talk of additional tariffs, which is only 10% now as compared to 50% last year. So 6.26% is already there. It was always there. But 50% was on top of that, now only 10% on top of this.
- Moderator:** Our next question comes from the line of Sunil Jain from Nirmal Bang Securities Private Limited.
- Sunil Jain:** Congratulations on good numbers. Sir, my question relates to whatever the sales you are doing in your own brand, whether you are able to pass it on the whole price increase or whole cost increase because of all these raw material price increases? Or B2B, you may have some agreement, but B2C, is that happening at a stretch or it will take some time?
- Deepak Joshi:** No. Actually, honestly, we are able to pass that on because if you really see this -- when we talk of our product -- industrial product business, there is almost a big correlation. I can say, 45% to 50% directly into these raw materials, which is because of the crude oil jumping and all those things. There, the market reacts pretty quickly, and we were able to do that. So that was number one.
- Number two, when we talk of our consumer products and PPF business, PPF business is mainly driven by TPU and adhesives and all those things. There, the increase was not that big because they are not directly linked to crude, right? So there, the increase was minimal, but still we were able to take our price increase there. Now the third factor is sun control business, which is based on polyester.
- There, the impact of overall, whatever if INR100 is increased is only INR10 on the polyester film because rest of the components are high value addition on coatings, on adhesives, on nano dispersion and all those things. There, we have seen that correlation going to like between, I can say, approximately 10%, 12% or 15% even. And there, calibrately, we were able to take advantage of that -- sorry, we were able to take the price increase on a different, different situation from different customers.
- Sunil Jain:** So out of the total sales, how much is we are selling in our own brand like Garware and Global?
- Deepak Joshi:** So if we see roughly 55% goes into own Garware brands and -- Garware or Global, I mean, our brands and roughly 40% to 45% goes into the private labels. And that may be like direct private labels or neutral labels.
- Sunil Jain:** Okay. And sir, last question related to the coming quarters. See, last year, Q1 was impacted because of the seasonal rain and also duty, which came up in the U.S. Generally, you said that Q1 is a strong seasonal quarter. But if you see last year, there was a substantial decline from Q4 to Q1. So generally, Q1 is softer than Q4 or it's equal or better than Q4?

Deepak Joshi: Sir, you answered the question. Last -- we say Q1 is the strongest because of the seasonal -- our major market is exports. So for exports, it's like June, July, August, September. These are the strongest season in U.S. and Europe, right? So in such situation, this -- I can say, April, May, that is Q1 is the right time for the ordering from us. So that's why it is always a strong season.

And in India, this is like up to June is the strong season because of heat comes that season and then rain comes, right? So last year, the situation, this did not happen. There were 2 things. One, domestic market, the rain started coming in the month of April and also and beginning of May. And it never stopped. It continued till the monsoon last year. And also, the tariff situation made it very uncertain in U.S. for the ordering and everything, right? So in this year, we don't see that challenge. So you answered your question, sir, on your own.

Sunil Jain: Okay. Just was confirming. So India sales...

Moderator: Sorry to interrupt you but you may please rejoin. Our next question comes from the line of Swechha Jain from ANS Wealth.

Swechha Jain: Congrats on a great set of numbers. Sir, my first question is on the SCF, the new capex. Sir, how much of this would be for the automotive part? And how much of this would be for the home solutions, the sales that you are expecting on this capex, sir? And what would be the asset turnover from this, sir?

Deepak Joshi: Okay. So on the new capex, see, Garware, let me tell you, this -- overall, this addition is roughly 30% of capacity addition, right? So if we see GHS, we don't see like from this plant, how much it will go into which product line. I'll be very honest with you. When we put the line, we put the line based on what sale increase we are seeing. That is what is the CAGR where we are going to grow and where I should need this capacity. So based on that, current 75% to 80% will almost finish by Q2 of next year.

That was the estimate. Of course, we can do some debottlenecking on the old plants, and we will not lose any sales because of that. So that's the reason to put the new plant. Now GHS, we have a separate target where we are talking because the volumes won't be great, like imagine a home. I'll give you some numbers. Like if you really see, we -- our distributor or dealers, the second guy, distributor buys like 5 lakh, 7 lakh square feet in a month and a dealer buys maybe 50,000 square feet or 1 lakh square feet.

But a homebuyer need like 50 square feet or 70 square feet. So that demand, we can cater -- the idea to do that to reach every home means to make that even if that business goes to 20 lakh square feet, which is not even 7%, 8% of our business, but we will be catering a big part of the country and the revenue generation can happen anywhere between INR50 crores for 1 year and the next year around INR200 crores with all the PDLCs and everything.

So -- but that is the idea that to make the brand present everywhere and at the same time, increase the sales from different channels, right? Because if you really see the company when we were doing only IPD and CPD in sun control, sun control and IPD business, our revenues used to be INR750 crores, INR800 crores. Then we strategically increased the CPD business towards architectural business then we went to INR1,300 crores, right?

Then we added this PPF business and along with the growth in architectural and normal sun control business, we reached a level of INR1,600 crores in FY '24, right? And then with the growth in these 2 new lines coming and everything, we reached INR2,100 crores last year. So the idea is our products, when we increase the product basket, it helps us because when we were not doing PPF, many customers were not coming only for sun control because it's a basket order.

Now we are doing sun control for automotive, we are doing sun control for architectural, we are doing sun control for safety, security, decoration and dual reflection. And then we are talking of now architectural in the home solutions. Then we are adding TPU for architectural and automotive. So we are continuously increasing our segment. Each segment, even if adds INR100 crores to INR200 crores value, that will drive our next growth upto INR2,500 crores, INR3,000 crores in like this year and next year. So that's where we are moving.

Swechha Jain:

Right. So sir, just a follow-up. So when you say architectural, so help me understand on the architectural side, what is the addressable market for us? I mean I'm so sure we have chalked out an internal plan for us that what is the most attractive products for us in the architectural, what geography looks most attractive for us? And help me understand, I know it's a very basic question that I'm asking, but home solution, what I understand is a subset in architectural, right?

Deepak Joshi:

Yes, yes.

Swechha Jain:

So what is the strategy like which geography, which product, what is the revenue potential? And what kind of margins that we have internally chalked out for us for next 2, 3 years? If you can help me understand that, sir?

Deepak Joshi:

See, that will be like -- I'll answer the question in a strategic way because if I give the numbers, margins and everything, so the people who are just eyeing on these things will definitely that's - - we work -- everybody works with a strategy, right? So we have a best strategy in place. Now to answer your question, I'll give you in a broad level, like there is a big market potential in U.S.A. where we have like made a team from one of the number 1 competition in U.S.A.

Second biggest market or I can say fastest-growing market, even more than U.S.A. is the Middle East because if you see it's an ideal market for sun control business because there is a lot of sun and there is hardly any -- there is no rain and there is hardly any winter, right? And the maximum development is happening. So that's why 2 years back, we took a call. We made a strong team there and the team now working, I can say that proudly that one of the segment of Dubai Mall is also done by us.

So that's the quality of our product, but it was missing the kind of the team which goes, which has got relation, which has got that kind of drive -- so we have done that. And now with that subsidiary there, which is directly working with all -- because if we are there, we can directly add value to our sales team there. I mean they can definitely take advantage of local thing, right?

So that market is -- now you can see the growth, we see Middle East and North Africa region is like something a big target for us. Then coming back to India, again, we made a team, which was no focus on to automotive. It's to fully dedicated for architectural business. Now architectural business, we already did railways, airports, all airports, railways and then best

hospitality chains are working with us and also some OEs who make like your -- would redesign your entire home, bathrooms and everything, we have directly tied up with them, right?

Now next thing is these -- how to cater to the smaller guys and make a brand, right? If you go to B2B, they will test your product, they will say, forget about it. I will make my brand, your product is outstanding. But how do I grow the business of Garware or Global to the end consumer. So that's where the Garware Home Solution and Garware and Global Application Studios come into picture.

The product is great, but the name is also great. So there, the margin will be, like I said, will be 30%, 40% higher than distributor level and the branding will be there. And at the same time, there -- the strategy works that there is a separate team. There is a -- now the question is you are talking of the TAM, right? Now the TAM in this is you can create -- I mean, we have our targets. We know what it is. But to tell you, there is like we're already catering such a big segment there and fighting with one of the like cheap imports coming from China and Korea.

And at the same time, products imported from U.S.A. But again, put together, everything has not even -- it's like, I will say, tip of the iceberg because people do not know what a architectural product can do for homes and buildings, right? Even the owners of many hospitality chain, they were not aware when I explained them, their eyes were like, oh, really, that's the thing. But again, we go to the basics like we did in PPF.

When we entered into PPF market, nobody was even aware what a PPF is. We made that so popular in India, more than 50 participants are there importing product or buying from us and selling it. Same way we are doing into this architectural business via Garware Home Solutions, and we will have the same strategy, guiding people, making those campaigns, going to big buildings and putting canopies, making them explain. And this will be done all over India and in the Middle East. So that's the strategy for us.

Swachha Jain: Okay. Okay. So in products, it's not just sun control, right? There are more product?

Deepak Joshi: I'll just answer to this. Yes, there is not only sun control. There will be like surface protection films, which is for your furniture, which your kitchen sink and everything other than sun controlled and safety security film, there will be a switchable film on demand that is called a privacy on demand. You can do -- like make it opaque, transparent, semi-transparent. And so many lots of products are coming into that segment.

Swachha Jain: Okay. Sir, can I just squeeze in one very small question. I wanted to ask in last call also, if you allow me.

Deepak Joshi: Yes, please go ahead.

Swachha Jain: Okay. Sir, we were doing something with Vande Bharat. I just want to get an update on that. Are we doing something for Vande Bharat?

Deepak Joshi: We did during Kumbh Mela. Last year, we did a full train to avoid -- so you know we are doing. Thank you.

- Moderator:** Our next question comes from the line of Ankit Gupta from Bamboo Capital.
- Ankit Gupta:** Congratulations for a great set of numbers, especially for the entire year, we have done phenomenally well. Sir, my first question is on the impact of declining....
- Moderator:** Ankit, I'm sorry to interrupt you, but can you be a little loud?
- Ankit Gupta:** Sure. Sir, my first question is on the declining U.S. automotive sales. So if you look at last quarter and even in the month of April, we have seen 5%, 6% decline in the U.S. -- new U.S. automotive sales. So what can be its impact on our automotive SCF sales as well as on the PPF sales because our majority of the business on the SCF as well as on the PPF side comes from U.S. So if you can elaborate on that and how it can impact us?
- Deepak Joshi:** See, I mean, I think that is quite understandable. When the tariff was at peak, we were able to make -- I mean, not lose the customer. But in -- at the same time, the sales were a little affected because we were not able to do it freely with 50% of the tariff, right? Now going forward, I mean, we have -- like we don't see any such challenge this year. In fact, we see a growth -- good growth potential coming from U.S. market now because the real challenge has gone from the market.
- Ankit Gupta:** Sure, sure. And sir, on the PPF side, we have seen a bit of decline in this financial year. And our biggest customer on the PPF is also setting up its own manufacturing plant. So how do you see our relationship with them evolving? And it's a large part of our PPF sales. So our sales will be impacted when their manufacturing plant comes online?
- Deepak Joshi:** No. As I said, I mean, this -- I think there is a lot of confusion on that, right? It's -- we -- PPF, they buy from other sources as well, and they get it manufactured. Similar exercise, they might be doing in future. I'm aware of everything, but I can't say any here. But at the same time, I don't see any impact on our business because our growth has been phenomenal.
- Our -- I mean, Global and Garware brand, we have doubled what we were doing last year, and we expect that to grow in a steep skyrocketing in the coming years. So we are not bothered with that, right? Because their volumes, we were not supplying 100% to them because there are a couple of more suppliers as well, right? I know some of this thing looks like that we are the only supplier or we are like too much dependent on them on PPF. That is not the case.
- Ankit Gupta:** But our relationship with them will continue? Even when...
- Deepak Joshi:** No, no, definitely. We are a big like into sun control and other business. See, it's not easy to change the product because our product has got a very unique properties in terms of sun control. And let me tell you with -- I mean, I can tell you with great pride that the product line is very different from our other supply. The base there and nano dispersion facility and our adhesive technology is very unique and very different and it cannot be changed.
- Even if a brand wants to go for manufacturing and replace it, it's not possible because it is something like a prevailing product. And we have discussed that, and we are continuing with

our relations. That's what their growth plan for the future. But of course, we have our plans, and we continue to be in great relationship with each other.

Moderator: Our next question comes from the line of Vinay Nadkarni from Hathway Investments Private Limited.

Vinay Nadkarni: Deepakji, really good set of numbers in spite of a very, very tough year. Just wanted -- 2 questions in short. One is, how do you see your April volume growth given this summer seems to be better than last year?

Deepak Joshi: See, I think that's a question related to current performance. I would like to avoid. I can only say that we have already given a guidelines for the year for INR2,500 crores. We will maintain that because we cannot answer because this is the current ongoing. It will be like beyond the scope of us talking about this right now.

Vinay Nadkarni: Fine. I understand that. The other question was, when I look at your U.S. volumes, you said around 45% of your business came from U.S. And last year, you had said that you had to absorb most of the tariffs because you couldn't pass on and you didn't want to penalize your customers. In spite of that, you have maintained your margins. So that -- I just wanted to understand how could that be achieved with 450% of your business taking higher hit on margins?

Deepak Joshi: Yes. So I think we discussed that even each quarter when despite 50% of -- 50% volume coming from there, but 50% tariff, we still maintained because we grew on the other geographies quite handsomely. At the same time, we -- I mean, we restricted our sales for just to continue without losing customers. That means we held our products in certain special conditions, right? And then in -- when it was available, the tariff went low.

At that time, we cleared the goods according to the demand from the customer. So it was like a very strategically and well maintained supply chain where we were -- we did not flush the material at the highest tariff. We tried to hold and navigated it through at the right time, right?

And in fact, when this tariff was to come, we made more material and kept there to avoid the tariffs. I mean it was like prior to when we knew it is going to happen, we built up our inventory there. And at the same time, we liquidated when it was only -- I mean, it was utmost necessarily to be done. We did at that time. And it was -- it went towards the low tariff and we cleared it. So this is like the strategy which we followed, which worked for us.

Moderator: Ladies and gentlemen, due to the time constraint, that was the last question for today. I now hand the conference over to the management for the closing remarks. Over to you, team.

Deepak Joshi: Thank you. And I would like to -- on behalf of Garware Hi-Tech Films Limited management, I would like to thank all participants. And we hope -- I mean, we were able to answer all of your queries. And in case of any further explanation required, you can reach out to our IR team. And with this, thank you very much, and have -- I wish a great year ahead for everyone. Thank you.

Moderator: Thank you, sir. Ladies and gentlemen, on behalf of Garware Hi-Tech Films, that concludes this conference. Thank you for joining us, and you may now disconnect your lines.