Garware Polyester Ltd.

GARWARE HOUSE, 50 - A, SWAMI NITYANAND MARG,
VILE PARLE (EAST), MUMBAI-400 057.
TEL.: 91-22-6698 8000 (15 Lines) FAX: 2824 8155 / 66

March 09, 2021

The Compliance Manager
BSE Limited
Corporate Relationship Department,
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai – 400 001

Scrip Code: 500655

Subject: Minutes of the Analyst/ Institutional Investors meeting under the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015

Sir,

With reference to our letter dated March 04, 2021 intimating you about the Analysts / Institutional Investors meet to be held on March 06, 2021 with M3 Investment Team, please find enclosed herewith the minutes of the aforesaid meeting held as per the scheduled time.

The above information will also be available on the website of the Company: www.garwarepoly.com.

This is for your information and record.

Thanking you,

Yours faithfully,
For **Garware Polyester Limited**

GARWARE POLYESTER LTD.

Awaneesh Srivastava
Company Secretary
Encl.: As stated above

GARWARE
REGD. OFFICE : NAIGAON, POST WALUJ, AURANGABAD 431 133.
CIN No. : L10889MH1957PLC010889 Website : www.garwarepoly.com

D. E. 2,500. 07/2020

MINUTES OF MEETING

Topic	Analyst Call – M3 Investments		
Date	Saturday, 06th March 2021		
Time	12:15 pm – 01:30 pm		
Duration of the meeting	01 Hour 15 Minutes		
Participants	Garware Polyester Ltd.: • Mr. C.J. Pathak • Mr. Pradeep Mehta • Mr. Krishnan S	Blue Lotus: • Mr. N. Chandramouli • Mr. Snehkumar Purohit	M3 Investments: • Mr. Sumit Goenka • Mr. Ayush Agarwal
Agenda	1. Analyst Meeting 2. Investor Presentation		

MINUTES OF MEETING

SUMMARY OF DISCUSSIONS:

- Garware Polyester Ltd. overview
- Suncontrol films & its entry barriers
- 3rd Largest Brand in USA & Europe
- Journey from 30cr to 200cr in USA
- Marketing Initiatives by Company
- PPF Prices & PPF Market
- R&D – New Products
- Capex plan for next three years
- Regular required capex
- Processing expenses – Related Party Transactions
- Recent revaluation of land
- Export to China Market

MINUTES OF MEETING

Sr. No.	Topic	Remarks
1.	**Garware Polyester Ltd. overview**	• Mr. Pathak Explained the following in detail: ▪ IPD & CPD division ▪ Suncontrol window films, Paint protection films, dyed polyester films & low oligomer films ▪ Backward integration of the plant ▪ Revenue from exports & revenue breakup ▪ Recent Plant upgradation ▪ Manufacturing - chip to films ▪ Exporter to 80+ countries ▪ Shifted focus to niche products & key geographies
2.	**Suncontrol films & its entry barriers**	• Mr. Ayush Agarwal asked about the suncontrol film market & entry barriers • Mr. Pathak responded that the total suncontrol film market is around $1billion & key players are based in USA • Mr. Pathak said that stringent norms, quality constraints are major barriers to suncontrol film industry • Mr. Mouli added that IPR is created internally, and GPL has complete control from chips to film. GPL manufactures a wide variety of suncontrol films & also manufacture adhesive in-house, which gives a lot more advantage
3.	**3rd Largest Brand in USA & Europe**	• Mr. Goenka asked about Garware being the 3rd Largest Brand • Mr. Krishnan answered that the company is the only Indian manufacturer of suncontrol window films in India & is 3rd largest brand in USA & Europe

		in automotive films. • Further added that USA is the key market & company operates under the brand – Global Films, Suncontrol films & Garware brand. Company also sells to private brands who then sell under their own labels. • GPL competes globally & automotive films are 100% exported • Mr. Krishnan added that company has five distributors (with 4000 tinter network) with warehouses in key areas & operations in 52 states of USA
4.	**Journey from 30cr to 200cr in USA**	• Mr. Agarwal asked about the journey from 30cr revenue to 200cr in USA • Mr. Krishnan explained that company has five distributors (with 4000 tinter network) with warehouses in key areas & operations in 52 states of USA • Mr. Krishnan added that the company hosted various promotional programs & regular interactions with tinters & retailers. The company has established its footprint & grown multifold
5.	**Marketing Initiatives by Company**	• Mr. Agarwal asked about the marketing initiatives taken by company • Mr. Krishnan answered that the company advertises regularly in related magazines & also participate in shows & events like SEMA show hosted in Vegas

6.	**PPF Prices & PPF Market**	• Mr. Agarwal had read that Garware PPF would cost INR 1.5L whereas Xpel charges $4000, also he asked about the PPF market globally
		• Mr. Krishnan answered the following:
		  o There is not that much price difference & prices differ by minimal amount
		  o PPF is a think transparent film applied on the exteriors of car paint. It protects the paints finish & reduce the color fading
		  o The film has self-healing properties that heals minor to medium scratches.

MINUTES OF MEETING

		o The company has developed a new manufacturing facility for the same & also explained the features in detail. o 3000crore market with USA being the major market o Company also explored new geographies (eg: Middle East) o Company estimates 300crore revenue by FY23 from PPF division aiming to gain 10% of current market share o Xpel currently has 800 crores of revenue from 3000 crore market
7.	**R&D – New Products**	• Mr. Goenka asked about solar backsheet & hydrolysis resistance mentioned in R&D section of annual report • Mr. Pathak answered that solar backsheet is used in panels & its highly competitive market, the company is selling this product in small quantities and there is continuous development in it. • We're developing hydrolysis resistance films for captive consumption in suncontrol films
8.	**Capex plan for next three years**	• Mr. Ayush Agarwal asked if company is planning any capex in next three years • Mr. Pathak replied that the company will disclose the capex plans post board approval.
9.	**Regular required capex**	• Mr. Ayush Agarwal asked about the regular maintainance capex • Mr. Mehta replied that the company hasn't publicly disclosed the number. • Mr. Mouli said that the company recently upgraded all manufacturing lines. • Mr. Pathak added that we don't see such major upgradation cost
10.	**Processing expenses – Related Party Transactions**	• Mr. Goenka enquired about the processing expenses in related party transactions • Mr. Pathak replied that the company outsources job work and as

MINUTES OF MEETING

		confidentiality is a concern, its done through close parties. The transactions are carried out at market rates • Mr. Mehta added that transaction is done on arm's length basis
11.	**Recent revaluation of land**	• Mr. Goenka enquired, why was the revaluation of land done • Mr. Mehta replied that the company had to comply with Ind AS, hence revaluation was done at market rate. • Mr. Mehta added that for calculations, if we compute return ratios excluding revaluation reserve then the ratios are much higher than calculated normally
12.	**Export to China Market**	• Mr. Agarwal asked about the exports to Chinese market. • Mr. Krishnan answered that china is worlds factory. We sell thermal based application to china, & an entire manufacturing line is dedicated for that product • Mr. Pathak added that thermal application industry is in china as major manufacturers of compressor are based in china.