

Transcript of Conference Call held on May 15, 2026
Sirca Paints India Limited

Moderator: Hello, and good evening, everyone, and thank you for joining us today for Sirca Paints India Limited Q4 FY26 results call. I'm Drishti from Finportal Investor Relations team and it's my pleasure to welcome you all. We are joined today by senior members of the management team, including Mr. Sanjay Agarwal, Chairman and MD; Mr. Apoorv Agarwal, Joint Managing Director; Mr. Hira Kumar, Company Secretary and Ms. Shallu Arora, CFO. Let me now hand it over to CFO Ms. Shallu Arora to take you through the key financial highlights. Over to you, Ma'am.

Ms. Shallu Arora: Hi. Good evening, everyone and thanks for joining for our quarterly results discussion. I'm pleased to share with you the financial performance of Sirca Paints India Limited for the 4th quarter of FY '25-'26 on a standalone basis. Revenue from operations increased to INR134.29 crores in Q4 FY '26 from INR100.92 crores in the same quarter last year. This represents a robust growth of 33.07% Y-o-Y. This strong performance was primarily driven by the differentiated portfolio, premium positioning and deeper market penetration.

Moving on to our profitability metrics for the quarter. EBITDA for Q4 FY '26 increased to INR 25.74 crores from INR18.97 crores in the same quarter last year, reflecting a healthy growth of 35.69% year-on-year. Our EBITDA margin for the quarter stood at 19.17% compared to 18.8% in Q4 FY '25.

Looking at the bottom line, profit after tax increased to INR17.71 crores this quarter from INR14.16 crores in Q4 FY '25. This represents a 25.07% year-on-year growth in PAT.

Coming to the FY 26 year performance Revenue from operations increased to INR 492.48 crores in FY '26 from INR 373.68 crores in the previous financial year. This represents a robust growth of 31.79 % Y-o-Y. EBITDA for FY '26 increased to INR 98.88 crores from INR 67.44 crores the previous financial year. Reflecting a healthy growth of 46.62% year-on-year. Our EBITDA margin for the year stood at 20.08% compared to 18.05% in FY '25.

Looking at the bottom line, profit after tax increased to INR65.05 crores this year from INR 49.10 crores in FY '25. This represents a 32.48% year-on-year growth in PAT.

Let me now hand it over to our Joint Managing Director, Mr. Apoorv Agarwal for ongoing strategic initiatives and progress during the quarter.

Mr. Apoorv Agarwal: Good evening, everyone. Thank you for joining us. FY26 has been a transformational year for Sirca. Despite a subdued industry environment, we outperformed the broader paints market — a result of our differentiated portfolio, premium positioning, and deeper market penetration. Q4 delivered resilient growth supported by acrylic and advanced coating systems, wider distribution, and stronger architect and institutional engagement.

Our acrylic coatings segment saw strong traction — it is the fastest-growing premium wood-coatings category, preferred for superior aesthetics, non-yellowing, durability, and low-VOC formulations. We expanded our luxury and super-premium portfolio across Sirca, Oikos, Unico and Wembley Valentino — enabling participation from mass-market to luxury decorative finishes.

The new Wembley manufacturing facility is now fully operational, consolidating multiple production lines into one integrated setup — improving efficiency, quality consistency and cost economics. The Wembley acquisition strengthens our position in mass and mid-premium wood coatings, with strong cross-distribution synergies between Sirca's premium network and Wembley's North India footprint.

Formula transfers for acrylic and polyester systems are complete; commercial trials are underway with production expected to commence in Q1 FY27. UV technology transfer is also on track for Q1 — deepening localization and supporting long-term margins.

On brand-building, we deepened engagement through partnerships with Architectural Digest and Elle Decor, and exclusive architect programs at premium destinations. Distribution continued to expand across Tier-2 and Tier-3 cities, with the upgraded Sirca Parivaar Pro platform driving stronger channel loyalty.

Our key priorities for FY 27: scaling Wembley across India using Sirca's nationwide distribution; completing manufacturing-led localization to build efficiency and margin; continuing to expand the premium and luxury portfolio; deepening Tier-2/Tier-3 distribution through new depots, dealer appointments and Sirca Studios; growing our OEM and institutional business as organized furniture scales rapidly; and initiating exports under the Wembley Valentino brand, beginning with polyurethane-based coatings, in the coming quarters.

Our vision is clear — to build India's most aspirational coatings platform, anchored in stronger manufacturing, a multi-brand portfolio spanning mass to luxury, expanding pan-India distribution, and deep engagement with architects, OEMs and institutions. Sirca is well-positioned for sustainable, profitable growth.

And now, I would like to hand over the call to the Moderator for the Q&A session. Thank you.

Moderator:

Thank you to the management team for the insightful introduction about the company. We will now move on to the Q&A session. Participants who wish to ask a question are kindly requested to raise their hand.

To ensure we accommodate as many queries as possible, we request each participant to limit themselves to three questions at a time before rejoining the queue if needed.

Finportal: The question is from Mr. Fenil.

Fenil Brahmhatt: Oh, hello.

Mr. Apoorv Agarwal: Hi, Mr. Fenil

Fenil Brahmhatt: Yeah, I hope I am audible.

Mr. Apoorv Agarwal: Yeah, yeah.

Fenil Brahmhatt: yeah, congratulations for a good set of numbers. So, Apovaji, I just want to know if you can share the, segment-wise, revenue, revenue mix, like, this Sirca imported from Italy, Sirca made in India, welcome, then Bambilino, and then Oiko. Because and well paints. So, if, if you can share some, some more details on segment-wise, then that could be helpful.

Mr. Apoorv Agarwal: Yeah, so, you know, despite being the tough year, Sirca has registered organic as well as inorganic growth, so the revenues combined from Welcome and Wembley were approximately 120.5 crores, out of which almost 46.5 was coming from, Welcome, and 74 was crore was coming from Wembley. And, you know, out of 372 crores coming from our core business of Sirca wood coatings. Approximately 124 work was coming from the products which were imported from Italy, and approximately 252 odd crore was coming from the products manufactured in India.

Fenil Brahmhatt: Okay, so this is the year-wise number you are saying, right? Yeah.

Mr. Apoorv Agarwal: On a year... yearly basis, I'm telling, yes.

Fenil Brahmhatt: This is perfectly cool.

Mr. Apoorv Agarwal: So, 492 crores, if I combine into two categories, core Sirca was approximately 372 crores, and wembley and welcome was approximately 120.8 crores.

Fenil Brahmhatt: Okay. Got it, got it. I just want to know, what's your view on the Margins, considering the current geopolitical environment, like the, Middle East. Prices are conflict and all. So, what... what is the management view on the margins for a coming quarter, or FY27?

Mr. Apoorv Agarwal: See, so we are, you know, experiencing a short-term margin pressure because the raw material situation, as you rightly said, because of the global situation and, you know, crude oil, because most of the products that we use our crude link, are on higher side and, you know, highly volatile, so the graph is like this, and, but the good thing is that we have, we have taken a couple of price increases following the industry, and, you know, these couple of price increases were taken in two phases, and, you know, post-implementation of these couple of price increases. We will, you know, we will be in a position to maintain the gross margins that company was maintaining, you know, throughout the year, so there might be a period of 10-15 days where the company has experienced pressure on the margin side, which is a period where, you know, we were not able to pass on the increase, considering the situation, to be highly volatile. But as I said, that the industry and all the players in the industry have taken the price increase, so as Sirca paints, so the increase that we are incurring in the cost of production due to various reasons, which are the logistics, the packaging, the raw material has we are able to pass it on to the market in some or other way. So, you know, we don't see any long-term contractions on the margin side. Besides this, you know, to go aggressive, as I told you that company is going to now manufacture the balance products that we were importing last year, so we will have some margin benefits from that side by producing those products in India, which will try to, you know, help us To go aggressive, as well as maintain the margins in the category that we have been registering for last couple of years.

Fenil Brahmhatt: Okay, and last question on this export market, what we have highlighted in the presentation, the Sri Lanka, Nepal, and Bangladesh. So, we already started this export, or we are planning to start?

Mr. Apoorv Agarwal: So, you know, in the last year as well, and, you know, for the future, also, Nepal is one country where company has already been exporting, and this year, we have, you know, we have, targets of increasing, sale in Nepal. Sri Lanka, we are sent... we... last year, we only sold a couple of consignment to a single customer, but now we are trying to find full-time distributors in Sri Lanka, but for the rest of the countries, including Middle East and certain other parts of the world, companies starting to, you know, export in brand Valentino under the Brand Wembley. This is going to start in this year, for which company has identified the distributors, the parties where we want to sell. Unfortunately, because of the current situation, the shipment cost and, you know, finding the vessel for the volatile, highly, highly flammable material is a little difficult, but yes, we are expecting, as the situation normalizes. Our exports to Middle East, including Dubai, should start, you know, in this year.

Fenil Brahmhatt: Got it, got it. Thank you, thank you, Apoorv, and all the best for upcoming projects

Mr. Apoorv Agarwal: Thank you.

Finportal: Next question is from Mr. Hemaant soni.

Hemaant soni: Hello?

Mr. Apoorv Agarwal: Hi, Mr. Hemant.

Hemaant soni: Yeah, yeah, hi, sir.

Mr. Apoorv Agarwal: Hi.

Hemaant soni: I just wanted to ask you one thing, sir. What will be the Revenue Growth guidance for the next year? And, any color on the margins for the next year?

Mr. Apoorv Agarwal: So, you know, considering the current situation and, you know, considering companies' expansion into product lines and also, you know, deeper penetration into newer cities, including south and west, we are looking at a growth of almost 25-30% based on, you know, CAGR growth.

Hemaant soni: And any color on the margin, sir?

Mr. Apoorv Agarwal: the margins should the EBITDA margins should remain in the category of, say, 19-21%. So, as previously mentioned, you know, the volatility in the raw material prices has given us some temporary margin pressure, but with the couple of price increases, that will come back to track. So, you know. The EBITDA margin should stay, you know, in the range of 19-21%.

Hemaant soni: So, sir, EBITDA margins in the range of 19-21%, and, revenue growth, in the range of 25 to 30%, right?

Mr. Apoorv Agarwal: Yeah.

Hemaant soni: So, sir, the thousand crores of revenue that Vision we had.

Mr. Apoorv Agarwal: Yes.

Hemaant soni: That seems achievable by FY29, right?

Mr. Apoorv Agarwal: Yes, 3 years from now.

Hemaant soni: Three years from now. Okay, sir, thanks a lot.

Mr. Apoorv Agarwal: Thank you.

Finportal: Next question is from Mr. Kunal Tokas

Kunal Tokas: Hello? Am I clear?

Mr. Apoorv Agarwal: Yeah, Kunalji, I can hear you.

Kunal Tokas: Thank you, Mr. Apoorv. My first question is, you talked about, starting to export Wembley Valentino.

Mr. Apoorv Agarwal: Yeah.

Kunal Tokas: I also recall you had mentioned sometime last year that we might do contract manufacturing for Sirca Italy for regions like Russia, Middle East. But that hold for some reason, so is there any progress on that?

Mr. Apoorv Agarwal: So, you know, the final discussion that we have with Sirca Italy, which happened in December 2025, where we also signed and completed the transfer of agreements of the balanced acrylic products to be produced in India, during that time, internally with the discussion of the management of Sirca Italy, was decided that, you know, it will be beneficial for Sirca Spine, Sirca India to start exports in the Middle East against the prevalent economical brands coming in from Middle East and Turkey, and that is why we decided to target these markets with a newer Wembley Valentino brand with economical range of polyurethane products. So these are going to target the customers where, you know, because of the prices, you know, the polyurethane ranges are not able to be sold, so this will be... this sale will be done under the Wembley Valentino brand now.

Kunal Tokas: Okay, understood. But there, there is still possibilities of going in with the Silka brand as well, sometime later.

Mr. Apoorv Agarwal: Yes, so, you know, Sirca Spa is already exporting, you know, to certain nations. So, if we talk about Sri Lanka, Nepal, Bangladesh, we are going to continue into the brand Sirca, but other than that, we are Sirca Spa selling some higher quality of products, like acrylic, waterborne, which still are viable to sell from Italy to the other part of nations. We don't want to create the confusion in the market, certain products coming from different origin and certain from different origins. So, in order to cater that, we will be doing it in Wembley Valentino brand, which will gain the acceptance, because in any case, the brand, newer brands from Turkey and Middle East are gaining interaction. So, yes.

Kunal Tokas: Okay, okay. And second, what are... what is the current utilization of our capacities at different places?

Mr. Apoorv Agarwal: So, you know, for our core facility, which is the, you know, the Sirca facility, where we initially had 16,000 tons in the beginning of year, but this year we have increased the capacity by 1,750 tons per annum, so the total capacity today almost stands at 7, you know, 17,750. out of which we have... this year, we have utilized almost 12,000... plus 12,000 tons, so we are expecting that by the end of this year, the capacities will be, you know, utilized, fully in single shift of the Unit 1, which is the Sirca... core Sirca unit. And besides that, the... if we talk about the capacities of the Wembley, Welcome, Valentino, and the newer product. We have installed a newer capacity, you know, where we have combined the four capacity... four units of old Wembley distributors into one. Where we have installed almost 3 times the capacity that Wembley had earlier. So here, we are sorted to, you know, reach to a turnover of about 250 to 300 crores with the right product mix of nitrocellulose and polyurethane. So in the journey of 1000 crores, we are more or less sorted with the Sirca and the Wembley capacities.

Kunal Tokas: Question is, about competition. Are you seeing? Increasing competition from the larger place, like Birla or Asian Paints or are they not making a move on this? Premium coating segment right now.

Mr. Apoorv Agarwal: Yes, so, you know, as we always speak about, Sirca has been positioned in India as a premium category wood coating player, so when it comes to the premium product category, which is the polyurethane and the acrylic and the waterborne coatings, we still prefer to move through designer specification, and that is why companies' major marketing, you know, budget goes to the interior Design Architect Fraternity, where we are becoming their preferred partner when it comes to the recommendation of the wood coating. So, in the premium category, I would say that, you know, we still have lesser challenge in terms of competition with the bigger players. For the mass category, yes, but we are trying to manage it with the, you know, better margin offering to the retailer, and also one Retailer in one market, which will give him exclusivity and, you know, motivation and incentives to promote Sirca products.

Kunal Tokas: Okay, sir, understood. Thank you for answering my questions, and have a good day.

Mr. Apoorv Agarwal: Thank you.

Finportal: Next question is from Ms. Resha Mehta.

Resha Mehta: Thank you, I hope I'm audible.

Mr. Apoorv Agarwal: Yes, Resha, you are audible.

Resha Mehta: Yeah, thank you. So, I am fairly new to the company, so just to understand the brand architecture, the Sirca brand is Premium, and Wembley and Welcome, which I believe are the two acquired brands that operate in the mass segment. Is this understanding right?

Mr. Apoorv Agarwal: Absolutely right, Resha.

Resha Mehta: And, you know, so I think, you know, before, we used to import a lot of Sirca products from Italy, which has reduced over a period of time. So can you just talk about this journey, and are we, like, you know, indigenizing production here in India, and what that does to our margins, and also the, you know, raw material volatility part? Because of reducing the imports from Italy.

Mr. Apoorv Agarwal: Yeah. So, Resha, yes, as you rightly said, we started as a pure trading company, and till FY24, 100% of our revenues coming was from import and trading. No manufacturing. Since... so, in FY25, we started manufacturing and started with almost 11 products which contributed to about 50% of the revenues, which were the polyurethane technology. And in December 2025, we signed the agreement and started the know-how transfer of the balanced acrylic and, you know, other products, and Today, we can say that, you know, 95% of the products that we used to import from Italy will now be produced in India, so we have moved from a trading to a manufacturing company, and this has been done with, again, you know, with India becoming a manufacturing hub, and, you know, most of the raw materials, most of the global companies have now strong presence in India, so the cost of the production And the raw material availability was much better, so it was...more viable to produce in India, which has increased our gross margins a lot, but following this, the competition has also followed the same activity, and most of our immediate competitors are also producing in India, in lieu to which we have transferred in last couple of years the price benefit also to the market. So, for example, if we saved, say, a 20% On my cost, we have transferred almost 12-15% to the market, making product more affordable, and that is why our quantity-wise growth in polyurethane has been much more than the value-wise, because we

have done revision of price and reduced the selling price by 12-15% after becoming cheaper, and then 4-5%, we have increased our marketing costs. That is why you don't see a jump in the EBITDA, but yes, our gross margins have increased, which are being passed on in the market by increasing the schemes and also increasing our marketing budgets towards design fraternity.

Resha Mehta: Understood. And, you know, I think, Wembley, brand, when we had acquired, was doing around 72 crores of revenues, if I'm not wrong. And this year, I think at the very start, you called out that, it's done around 74 crores revenues in FY26. So, does that imply that, you know, there has been no growth in the Wembley brand in the last one year? And if yes, then, you know, why, and what are we doing to try and fix the growth part?

Mr. Apoorv Agarwal: Yes. So, Resha, there are a couple of reasons where we don't see a lot of growth in the Wembley brand, since it was the first year. So, first year, the transformation and, you know, the teething problem took... was a little more than what we expected. So, when we acquired the brand, so the old distributors did, you know, extended and some more quantity sales before the acquisition was completed, so, you know, their 72-odd crore sale last year, they had almost 5-6 crore sale that they did additional before the transition, so one... one strong billing to all their distributors, so practically most of the April sale was done in March. Also, in the month of March, we faced a major shortage of a main product raw material which goes into NC coal cotton nitrix. Which is... which was, you know, which actually made us, you know, lost revenue of about 4 to 5 odd crores, you know, in the month of March, so we almost lost orders of 4 to 5 crores in March from Wembley. Had it had been done, we could have reached revenue of 80 crores, and, you know, considering apple to apple, we were expecting a 20% growth, but Considering these two factors, we, you know, we were more or less flat, but as we go into the next financial year, where the transformation and where the acquisition has completed the one-year deadline and the terms in agreement with the old owners of the company has completed, we expect that this revenue will show real growth.

Resha Mehta: Okay, and can you just call out your RM basket? You know, your top 4, 5 RMs, and what is there, percentage allocation? at the Company level.

Mr. Apoorv Agarwal: Yeah, our RM majorly comprises of 3 parts, which is the resins, which are alkyd and, you know, polyester-based resins. Then is the solvents, which are the byparts of crude. So solvents include solvents like toluene, like butylacetate, like PMA, and then the third part, which is the smallest part, is the additives, which comes from global suppliers like BYK, Dow, and Bayer. So these three are the main category of the RM, which we use, out of which 95% is solvent plus the resin, and 5% is the additives.

Resha Mehta: Okay, and resins and solvents, both are essentially imported, right? Or do we buy it from local dealers?

Mr. Apoorv Agarwal: No, both are essentially important, and mostly we buy from the dealers and, you know, from the reputed companies. The resins that come are from global suppliers and are made on our recipe, which is the key product going into our formulation, and some key resins we manufacture in-house as well.

Resha Mehta: Right. And, you know, so since we, what would be our export, revenue salience? Would it be, very small, negligible, or...

Mr. Apoorv Agarwal: Negligible. If we talk about absolute numbers, last year was about 9 crores, majorly from Nepal and 1-2 customers from Sri Lanka. This year, under the brand Wembley Valentino, we expect to grow our exports from the first quarter itself.

Resha Mehta: And, So, you know, you did say that you have faced, some challenges in, you know, your raw material, for... especially for Wembley, right? So, are we seeing that raw material shortage, or because of supply chain disruption right now? And because of that, do you, you know, foresee that it could hamper the revenue growth?

Mr. Apoorv Agarwal: See, mostly, if we talk about Sirca and, you know, solvent side, we are not facing any significant delays or shortages of the raw material. The only problem is the high volatility in the prices. But when it comes to the nitrocellulose coatings, which uses a very important raw material called cotton, which is NC cotton, which comes from a global supplier called nitrix. There, we are still facing pressures from the supplier, because it is a product which also goes in defense, and, you know, the defense demand has been increased, and some part of nitrous has been diverted to defense, and there are some problems also with the maintenance of certain cotton suppliers. So, this is expected to be, you know, streamlined by beginning June, when the other unit, a new unit of Nitrex gets operational. So, currently, only with this raw material, we are facing shortages, which, you know, where we are not able to supply the nitrocellulose products completely, but we are expecting that within June, it will streamline and, you know, we will be back on track.

Resha Mehta: So, basically, only the Wembley brand gets impacted, right? Because of the nitrous...

Mr. Apoorv Agarwal: Yes, because NC is under Wembley only. If we talk about the polyurethone, acrylic, and other ranges of coatings, the raw material price volatility is there, but there is no major shortage or disruption in the raw material.

Resha Mehta: And, you know, with the agreement that we recently, you know, or the discussions that we had recently with, our Italian, partner, so, With that, does that open up any fresh opportunities, be it, you know, for contract manufacturing, or for exports, or, you know, maybe for something else?

Mr. Apoorv Agarwal: Yes. So, you know, as per our latest agreements, we have signed to produce the balanced products which were earlier imported, considering, you know, the need of the market, and with this, we have already discussed the export opportunities, and after the mutual discussion with Sirca Italy and their management, Mr. Liuji Durante, we decided to, you know, start the export in full swing under the brand Wembley Valentino, and see the results, and see the market, and then maybe think about contract manufacturing at the later stage, because currently, with the key product category, Sirca Spa is still, you know, comfortable and competitive to export to other nations, so maybe, in the coming quarters, or in later in the year, we will be discussing that opportunity, but for now, what we are going to focus is on the exports to the other nations under the brand Valentino by Wembley.

Resha Mehta: Understood. And, you know, we, if you can talk about the distribution expansion, which you said is going to be one of the drivers of growth, right? So, currently, we would be strong in north, I presume. So, how much percentage of our revenues comes from, say, north, west, east, south?

Mr. Apoorv Agarwal: You know, currently, majority of our revenues, even after acquisition of Wembley and Welcome, which were also North-centric, comes from the northern part of India, where we include states like Delhi, NCR, Punjab, and Haryana, UP, UK, Rajasthan, and MP. So, 80% of the revenues are

coming from these territories, and 20% is coming from the west and the south, where We have now started to expand, and, you know, out of 20 depots that we have, Pan India, 5 depots recently have been opened in last year, which are in Bangalore, or majorly in the south and the West, from Pune to Surat to Ahmedabad to, you know, Mumbai, a new branch coming in the center of Mumbai. So the core focus of the company remains to grow the revenues in the West and the South this year.

Resha Mehta: So, you know, with this growth focus in West and South, and considering there is, of course, competition as well, do you see that as we expand, we try to expand more to, you know, markets outside of the North, we may have to give, extended credit periods or trade discounts or so on and so forth to, you know, our channel partners, which may in turn, you know, affect our margins or stretch our working capital.

Mr. Apoorv Agarwal: See, no. What I think is that, you know, Sirca is a brand which is not new to West or South Market. It's a brand which is very much accepted by the designer and the architects, but unfortunately, we are a little late to, you know, enter strongly and fully into the South and the West. Company is recognized as one of the preferred partners for furniture manufacturers in those regions, so people like Godrej, people like Narsi, people like Spacefoot, which are in Nagpur, Nasik, and Pune are using our products. Since many years, so, you know, we... Sirca is a... is a... is a preferred, or it is a established name in the market where, you know, even the retail market knows that it is a brand which is very, very popular in the North, but now, with the right team, which were... which was set in last year, the revenue momentum has already begun, and, you know, it follows the similar payment lines, which are, you know Which are in line with the competition, or which are in line with what we are following in the north. So we don't see any extended credit terms, but also, in fact, better credit terms, because if we speak, when we go from North to, you know, south and west, the credit terms in the retail in South and West are a little better than what it is in North.

Resha Mehta: Right, and one last question, if I may, right, so what are the price hikes that you have taken? You did call out we've taken two price hikes, but just if you could quantify that.

Mr. Apoorv Agarwal: Yeah, so at the Sirca level, we have taken a price increase of 5%, which was implemented from first week of April, and another price increase of, again, a 5%, which has been implemented from today. So, 2 price increases, combining to almost 10% on the whole range of Sirca products. And, on the Wembley and the Welcome side, the price increase has been approximately 35 rupees per liter.

Resha Mehta: And this is enough to offset the RM price, inflation so far.

Mr. Apoorv Agarwal: So far, yes.

Resha Mehta: All right. Okay, thanks, thanks so much, Apoorv, for answering all my questions. I'll join back with you.

Mr. Apoorv Agarwal: Thank you.

Finportal: Next question is from Mr. Mahesh Attal.

Mahesh Attal: Congratulations on good set of numbers, Apoorv.

Mahesh Attal: Am I audible?

Mr. Apoorv Agarwal: Yeah, thank you, Mahesh.

Mahesh Attal: Yeah, so I'm fairly new, and I was just looking at your results, and see, the kind of growth that you have done in FY26, What optimism you take, along with you with the last financial year, that gives you a strength, or maybe...kind of...Say, optimism at company level, that you'll be able to give the same kind of results in the next... maybe, we can talk about the next financial year, or maybe in a couple of years down the line, that you can just give some guidance on that.

Mr. Apoorv Agarwal: Yeah, yeah, Mahesh. You know, so there are 3 major points that actually fuel us and that actually make us very confident and optimistic about registering, you know, the growth that we have been doing for last many years, and you know, the first thing is that, you know, the demand for the polyurethane and the product shift from a certain product category to polyurethane technology is happening very fast in the market, which will, you know, Sirca, being as an established player in the polyurethane category, will give us a lot more opportunity, and we can say in simple words that the market size of polyurethane is going to rise in the coming year, which makes us very confident that, you know, we will be able to grow in our polyurethane category. The second good reason is that Indian furniture industry in India is almost ready to, you know, scale to next level after the BIS implementation, which happened a couple of months ago. We are expecting the local production of furniture in India to grow very aggressively for next 3 to 5 years. So this year, we are seeing an upside in the manufacturing of local furniture and, you know. Know, less of imports, which will allow us to sell more coatings to the furniture manufacturer, which is the core business of Sirca. The third Again, very important, as also mentioned earlier, that Sirca is expanding into newer territories with a core focus in West and South, an experienced team coming in. And joining us for last 6 months are already started... have already started to show results, so the real number expansion will be shown in this year, and with the Wembley Welcome integration into Sirca, we are seeing, you know, to use the positive sides and energies of both the brand to increase the sale of both the brands. So, all three points that the addressable market for Sirca India is increasing, the...furniture industry is set to rise because of the various reasons that I mentioned. And third, the distribution network and Wembley Welcome integration will give us more powers to increase the sales, fuel our, you know, strategy and thought of registering the growth that we did this year.

Mahesh Attal: So, you will be maintaining the same growth numbers that you have delivered in this financial year? Are you confident on that?

Mr. Apoorv Agarwal: Yeah, so we are quite confident, and that is why in the beginning I mentioned that, you know, we expect a minimum, considering the market situation and being, you know, being a little on the restricted side, we still see that 25% to 30% CAGR growth is what we expect as minimum.

Mahesh Attal: Okay, so, I just want to understand the... let's... I just want to go to the basics, I mean, to understand your business. So, let's say I... I am getting furniture done at my office, or maybe at my residential space. So, why would I... why would I require only Sirca? I mean, why would the person who's actually helping me do it, maybe the interior guy.Or maybe... Who's the one who recommends your product? Like. Basically, what is your selling point? I mean. Why would someone come to Sirca... buy Sirca as a brand? And where exactly this polyurethane thing you say, right? What was... prior to polyurethane is what I want to understand. I mean...

Mr. Apoorv Agarwal: Okay, so I will answer your second question first. Before polyurethane, people were mainly using melamine. Melamine is a two-component product, but only with 10% hardener, and very easy to apply. So, for the contractor, it was very easy, but if you talk about the VOC content, and if you talk about the final finish, it is, you know, nowhere near to polyurethane, which is still a very less VOC and high on quality product. So...Coming back to your second question, in our trade, there are mainly three influencers, when we talk about retail business. One is architect and designer, which we called as... call as a doctor of our trade. Second is the contractor and the painter, which actually goes to the dealer and buy our product. Third is the dealer, which is the point of sale, which are the multi-brand shop, which is selling Asian Pains, Virgin, Aerolac, and also keeping Sirca as a product. So, these are the three main influencers, and, you know, Sirca has been originated, and Sirca has been positioned as a premium wood-coating player in the market, and that is because of the design fraternity. Sirca has given India best of the products at the time where, you know, no competition existed, and that is why we have maintained a pure Made in Italy identity, and that is why we are the preferred choice of designer. So we have the category of the products, which are being specified by the designer like a doctor. And the specification goes into their drawings and goes into their... into their project, and when a contractor is hired at the site who has to polish the furniture which is made on site, that contractor then goes to the market, to the retailer, to buy the product. So this is the whole cycle, and that is why our influencer program with designers is very strong. strong, and today we are proud that we are one of the top partners when it comes to wood coatings with architects, because we have developed that relation with the design fraternity in last 20 years by recommending our product, and that is why we say that, you know, 100% of our sale which we do is secondary. Then we also run a very strong influencer program with contractor on Sirca Parivar app. And dealer acts as our, logistic partner, who keeps our product and sells it to the, as per demand.

Mahesh Attal: Apex number for FY27?

Mr. Apoorv Agarwal: Huh?

Mahesh Attal: Capex, capex, any capex outlined for FY27...

Mr. Apoorv Agarwal: So, you know, for FY27, we are not, actually, expecting very big Capex. We are only expecting a 5 to 6 odd crore CAPEX, which we will do to enhance our production of the Acrylic products, which we have, just completed the know-how. Most of the Capex has been completed this year, which were mainly towards the Wembley, Welcome site to consolidate 3-4 different facilities into one for cost economies, and also to increase the capacity for next three years.

Mahesh Attal: What would be the ro- what is the royalty number that the parent company gets from the sale?

Mr. Apoorv Agarwal: The parent company gets 0.75% of our total reported revenue.

Mahesh Attal: That is excluding the Wembley brand, right? Wembley brand is something that we have acquired on our own.

Mr. Apoorv Agarwal: on our own, but we are giving it on a total thing, because in December 2025, we signed an agreement to also export the polyurethane products in Wembley Valentino brand, and also launched in Indian Market, which are made from... and which are being done, with the help of Sirca Italy.

So, to avoid any confusion and everything, we printed out, we calculated that number of 0.75%, but on the total reported revenue.

Mahesh Attal: Okay, okay. Yeah. And what's the... what... what's something so specialized about Wembley that gives you a confidence that this will be accepted very well in Indian markets, and the global markets, or...what is the kind of size that you're looking at in the first year of operations? Any numbers that you have worked on?

Mr. Apoorv Agarwal: You know, Wembley actually is a household brand when it comes to, you know, the products like sanding, sealer, and lacquer, which are nitro technologies, nitro-based technologies, and, you know, it is a brand which is... which was present in India since 1962. So it is a kind of a legacy, and they have been positioned very, very well in their product category. They sell the volumes which we did... which we do in polyurethane, because the average realization of the product is very less, but in terms of the quantity, they are more or less similar size of what we sell in Sirca, because the average realization is less. Surprisingly, you know, 70% of the revenue of Wembley comes from two products which are their hero product, and, you know, which they are selling for many years, which are called as sanding sealer liquor. Brand is very well positioned in terms of name. They have not scaled revenues because of their own personal reasons, where the old promoters had own interest to invest, but that is where we saw a strategic upside, and you know, with the increasing demand and addressable size of polyurethane, we are all set to launch PU in Wembley Valentino brand, so we are seeing that all together.

Mr. Apoorv Agarwal: There... we see, from the base that we have done this year, almost a 40% increase in the revenues coming from Wembley and Valentino this year.

Mahesh Attal: And, the margins on that would be higher than our, Existing business margins, or it would be on the same lines?

Mr. Apoorv Agarwal: No, no, the margins on these products are less than the Sirca Luxury product range.

Mahesh Attal: How less? I mean, can you just quantify the margins that this business will have?

Mr. Apoorv Agarwal: you know, this business, has 10-12% less gross margins compared to, 15% less margins than compared to... gross margins compared to, you know, Sirca. These are the products which goes, you know, which goes into retail as a primary product and not as a secondary product, so selling Sirca requires a lot more manpower, a lot more schemes, a lot more more effort in terms of marketing, but with the mass product, like sanding sealer Lacre under the Wembley brand, and, you know, PU under the Valentino, which we intend to offer to the mass market need of polyurethane will require less manpower and more primary selling. So what we believe is that even if the gross margins are less in terms of Wembley and Sirca. But, you know, final EBITDA, if I make a separate balance sheet of Wembley welcome and, Sirca, the final EBITDA would still come down more or less at the same level.

Mahesh Attal: Okay, so basically what you're saying is that absolute numbers would be increasing, but the margins would be shrinking.

Mr. Apoorv Agarwal: Yeah.

Mahesh Attal: Okay, so you would be actually increasing your top line a lot because of adding this thing, right?

Mr. Apoorv Agarwal: Exactly.

Mahesh Attal: Okay, so should we take the bandwidth of what we have achieved in FY26? That could be the bandwidth that we see from here, or it may be slightly decrease on that?

Mr. Apoorv Agarwal: See, you know, only considering the external factors, you know, the market sentiments, and, you know, even if you see last couple of years and results from the building materials space that, you know, none of the company actually has registered much, very good growth in a year-on-year basis. Still, Sirca has outperformed because of the distribution network and everything, only because the market sentiments, the demand side never was opening up, and still we are going through a rough patch or a stage where still, because of the current ongoing situation, the demands are, you know, not increasing to the extent that we do. If that happens in the coming quarter, of course, yes, we should be, you know, more or less in line in terms of our growth with the FY26.

Mahesh Attal: And what is the price differential between the melamine thing and this polyurethane thing?

Mr. Apoorv Agarwal: See, if we talk about per liter melamine today, after so much increase, about 230, 240 rupees a liter, PU comes out at an average of 450, 460. But, you know, there is a kick to it, because the coverage of the product of polyurethane is much more than melamine, so per square foot cost, we see a 10% difference.

Mahesh Attal: So, basically, polyurethane would be on the higher side, and.

Mr. Apoorv Agarwal: Yeah, pollution is on the higher side, yes.

Mahesh Attal: But then the quality, as you said, or maybe... the...

Mr. Apoorv Agarwal: It's something which anyone can make from a naked eye, even a layman.

Mahesh Attal: Okay, alright, okay. Thank you, Apoorv. That's all from my side, and all the best.

Mr. Apoorv Agarwal: Thank you, Mahesh.

Finportal: Next question is from Ms. Resha Mehta.

Resha Mehta: Yeah, thank you. So, I would presume you would have an exclusive right to sell the Sirca, branded products in India, right?

Mr. Apoorv Agarwal: Yes, Resha, we have an agreement, brand agreement with them, which, you know, which is currently till 2041

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Resha Mehta: Understood. And acrylic products, are they a new product line, and hence a new revenue stream for us? And would this also be under the Sirca brand?

Mr. Apoorv Agarwal: Yeah, so acrylic is under the Sirca brand, and these were the products which still, in the market, has been sold as a Made in Italy product, and, you know, after the technical know-how

agreement with Sirca Italy in December 2025, we are almost completing the trial stage, and the Made in India product will be rolled out in the quarter one of current financial year. Acrylic is not a very new product, it is fairly an old technology in Italy, but in India, we launched it 3 years ago, where the revenue for the first year was negligible, but in last couple of years, revenue has shown a great spike after polyurethane becoming a commodity. Acrylic is taking over the architect segment.

Resha Mehta: Okay, so the application would be the same for acrylic products, just like the PU?

Mr. Apoorv Agarwal: Yeah, the method of application is exactly the same, like, we apply, and we apply acrylic. The main difference is acrylic is a higher technology product, so the VOC content is 50% less compared to polyurethane. Secondly, it is a product which actually enhances the aesthetic value of the veneer or the wood that you apply acrylic on, so it has non-yellowing properties. It has a property which gives you even a smoother finish, so it is something which is, you know, more premium than polyurethane.

Resha Mehta: Understood, alright. And your thousand crore revenue vision basically also captures the opportunity that arises from acrylic products, right?

Mr. Apoorv Agarwal: Exactly, yes, ma'am.

Resha Mehta: All right, that's it. Thank you.

Finportal: Next question is from Mr. Tanmay Mehta.

Tanmay Mehta: Hello?

Mr. Apoorv Agarwal: Yeah, hi, Tanmay. Yes, you are audible.

Tanmay Mehta: Yeah, hi, sir. Like, I want to ask, what is the timeline for exports to become a meaningful contributor? Like, say, for 5% or more to overall revenue?

Mr. Apoorv Agarwal: See, you know, we are expecting the exports to, under Wembley and Valentino's, to start, you know, within the first quarter. We already have certain orders, but because of the current ongoing situation, we are still, you know, facing some logistic issues. So, as, you know, as we go forward this year, I think we will The export will become, you know, A part of contributor in the revenue, if not 5% we are expecting, should be near 3-4%.

Tanmay Mehta: Okay, and...One more question I would like to ask, like, which geographies beyond North India are you prioritizing for Wembley distribution?

Mr. Apoorv Agarwal: So, Wembley Pan India, you know, Pan-India, we are now going to expand Wembley, and along with Wembley, the Valentino and Welcome brand into East by hiring a distributor in Kolkata, into West and South by hiring distributors in all the major cities of South and West.

Tanmay Mehta: Okay, thank you, sir. Lovely voice.

Mr. Apoorv Agarwal: Thank you!

Finportal: We will be taking next question from Mr. Arnav Karn.

Arnav Karn: Hello, sir, thank you for the opportunity. I have just one question on the working capital of the company. If I compare our working capital with our peers, like Asian Paints. It's almost twice as high. Can you give some explanation, why is this the case?

Mr. Apoorv Agarwal: Yeah, so Arnav, in last couple of years, because of our inorganic growth coming from the acquisition of the Welcome and Wembley brand, has actually increased a little on the working capital side, because of the transition phase, because, you know, during the transition, we have to acquire all the closing stock and also ensure the newer production and maintain better inventories in terms, you know, to ensure that the transition is smooth. Besides that, again, the receivables from Wembley Welcome has been a little on the slower side because of the initial transition phase and, you know, the payments of the old owners. Has to come first before our payments coming in, and, you know, by the end of this year, it has completed. So, in the coming quarter, we are expecting both the inventory and also the debtors to come down, and which has been up from last two years, majorly following this acquisition, and also because of the global disturbance, which pushed us to you know, to immediately sign agreement of producing acrylic also in India, so acrylic sales were growing and almost contributed to almost 120-odd crores this year. And there, the inventories of these products had to be kept for 6 months because of the...logistic issues, the production time in Italy was increased, the logistics time was increased, so we were keeping inventories of these products of almost 6 months so that we don't run out of the stock. But now, by producing it in India and, you know, consuming the old inventories by maximum June end, we will have a lot of relief from the import inventories which we were holding for a period of 6 months, and, you know, we are expecting almost 15-20 crores inventory going down from here, and also, from data side, we are expecting huge numbers to go down as the transition stage from Wembley Welcome has completed now, and, you know, the newer payment, all the payments to Sirca will start coming from now. So this will help us to improve the working capital in the coming days.

Arnav Karn: Understood, understood, sir, thank you. That's all from my side.

Finportal: Okay, we will be taking last question from Mr. Mahesh Attal. Hello, Mahesh, are you there? Okay, as there are no further questions, I would like the management to give the closing remarks.

Mr. Apoorv Agarwal: Alright, Thank you, Team Finportal, and thank you, everyone, for joining. You know, at Sirca, as I mentioned earlier, our vision remains very clear to build India's most aspirational and technologically advanced coating platform across premium, luxury, and mass market categories. With stronger manufacturing capabilities, a diverse brand portfolio. Expanding distribution reach, and deep engagement with the designer and architects. We believe the company is well-positioned for the next phase of sustainable and profit growth. Thank you.

Finportal: Thank you. On behalf of Finportal, I would like to express our gratitude to the management team of Sirca Paints India Limited for taking the time to join us and provide such detailed responses to the questions. We also appreciate all the participants for their engagement. If any questions remain unanswered, please feel free to reach out to us at the email IDs given in the chat box. You may disconnect now.