

November 9, 2023

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

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

Scrip Code: 500655

Trading Symbol: GRWRHITECH

Subject: Outcome of the Board Meeting held on Thursday, November 9, 2023

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we wish to inform you that, the Board of Directors of the Company at its meeting held today i.e., Thursday November 09, 2023, *inter-alia*, considered and approved the following:

1. The Unaudited Standalone and Consolidated Financial Results of the Company for the quarter and half year ended September 30, 2023 along with Limited Review Reports of the Statutory Auditors thereon. A Copy of Results and Limited Review Reports are enclosed;
2. The Press Release, covering the financials results is enclosed herewith.

The meeting commenced at 12.30 P.M. and concluded around 1.25 P.M.

Thanking you,

Yours faithfully,

For Garware Hi-Tech Films Limited



Awaneesh Srivastava
Company Secretary
FCS 8513
Encl. as stated above



Manubhai & Shah LLP
Chartered Accountants
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18 New Marine Lines
Mumbai – 400020
Email: infomumbai@msglobal.co.in
Tel: +91 (22) 66333558

Kirtane & Pandit LLP
Chartered Accountants
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Mahim, Mumbai - 400016
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Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
GARWARE HI-TECH FILMS LIMITED

1. We have reviewed the accompanying statement of unaudited standalone financial results of **Garware Hi-Tech Films Limited** (the 'Company') for the quarter ended September 30, 2023 and year to date from April 01, 2023 to September 30, 2023 (the 'Statement') being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. The preparation of the Statement in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, (Ind AS 34) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013, as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India is the responsibility of the Company's management and has been approved by the Board of Directors of the Company. Our responsibility is to issue report on the statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable Indian Accounting Standards ("Ind AS") specified under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W/ W100136



Laxminarayan P. Yekkali
Partner
Membership No. 114753
Place: Mumbai
Date: November 9, 2023
UDIN: 23114753BGWQVR9507



For Kirtane & Pandit LLP
Chartered Accountants
FRN: 105215W/W100057



Aditya A. Kanetkar
Partner
Membership No. 149037
Place: Mumbai
Date: November 9, 2023
UDIN: 23149037BGUGSI6066



GARWARE HI-TECH FILMS LIMITED

CIN : L10889MH1957PLC010889

Registered Office : Naigaon , Post Waluj, Chhatrapati Sambhajnagar - 431133

Corporate Office : Garware House 50-A, Swami Nityanand Marg,

Vile Parle (E), Mumbai-400 057

Statement of Standalone Unaudited Financial Results for the Quarter and Half Year ended on 30th September, 2023.

(Rs. in Lakhs)

Sr. No.	Particulars	For the Quarter Ended			For the Half Year Ended		For the Year Ended
		30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	a) Revenue from Operations	38,466	32,536	35,949	71,002	71,431	1,31,124
	b) Other Income	879	968	816	1,847	1,530	4,037
	Total Income	39,345	33,504	36,765	72,849	72,961	1,35,161
2	Expenses						
	a) Cost of Materials Consumed	20,203	16,469	15,174	36,672	32,114	60,276
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,341)	(770)	1,280	(2,111)	(3)	(169)
	c) Power & Fuel	3,079	2,970	3,440	6,049	6,636	12,590
	d) Employees benefit expenses	2,734	2,928	2,525	5,662	5,265	10,017
	e) Finance Cost	324	389	368	713	746	1,531
	f) Depreciation and amortisation expense	951	963	747	1,914	1,472	3,169
	g) Other expenses	7,632	6,741	7,807	14,373	15,258	28,183
	Total Expenses	33,582	29,690	31,341	63,272	61,488	1,15,597
3	Profit before tax (1-2)	5,763	3,814	5,424	9,577	11,473	19,564
4	Tax Expenses						
	Current Tax	1,268	881	1,274	2,149	2,667	4,210
	Deferred Tax	133	72	89	205	229	594
	Total Tax Expenses	1,401	953	1,363	2,354	2,896	4,804
5	Net Profit after tax (3-4)	4,362	2,861	4,061	7,223	8,577	14,760
6	Other Comprehensive Income						
	Items that will not be reclassified to Profit or Loss	(90)	496	885	406	1,448	103
	Income tax relating to items that will not be reclassified to Profit or Loss	49	(53)	(99)	(4)	(143)	11
	Total Other comprehensive income, net of income tax	(41)	443	786	402	1,305	114
7	Total comprehensive income, net of income tax	4,321	3,304	4,847	7,625	9,882	14,874
8	Paid-up Equity Share Capital (Face value Rs. 10/- each)	2,323	2,323	2,323	2,323	2,323	2,323
9	Reserves excluding Revaluation Reserves as per Audited Balance Sheet.						1,79,017
10	Earning per share (EPS) in Rs. (Not annualised)						
	a. Basic EPS (Rs.)	18.78	12.31	17.48	31.09	36.92	63.53
	b. Diluted EPS (Rs.)	18.78	12.31	17.48	31.09	36.92	63.53

STANDALONE STATEMENT OF ASSETS & LIABILITIES

Rs. in Lakhs

Sr. No	Particulars	As at 30.09.2023 Unaudited	As at 31.03.2023 Audited
I	ASSETS		
1	Non-current Assets		
	(a) Property, Plant and Equipment	1,45,622	1,46,435
	(b) Capital work - in - progress	899	1,031
	(c) Intangible assets	118	123
	(d) Intangible assets under Development	9	9
	(e) Financial Assets		
	(i) Investments	8,487	7,774
	(ii) Other financial assets	303	298
	(f) Other non - current assets	152	609
		1,55,590	1,56,279
2	Current assets		
	(a) Inventories	20,635	15,679
	(b) Financial Assets		
	(i) Investments	25,437	31,630
	(ii) Trade receivables	6,815	8,242
	(iii) Cash and cash equivalents	2,124	1,994
	(iv) Bank balances other than (iii) above	1,130	1,047
	(v) Loans	81	34
	(vi) Other financial assets	92	153
	(c) Other current assets	3,374	2,696
		59,688	61,475
	TOTAL ASSETS	2,15,278	2,17,754
II	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	2,323	2,323
	(b) Other equity	1,84,319	1,79,017
		1,86,642	1,81,340
2	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,776	7,536
	(ii) Lease Liabilities	851	888
	(b) Deferred Tax Liabilities (Net)	4,245	4,035
	(c) Provisions	503	442
		7,375	12,901
3	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,996	6,543
	(ii) Lease Liabilities	660	633
	(iii) Trade payables dues to		
	- Micro and Small Enterprises	815	1,039
	- Other Than Micro and Small Enterprises	10,498	9,397
	(iv) Other Financial Liabilities	1,526	1,583
	(b) Other current liabilities	4,805	3,649
	(c) Current Tax Liability (Net)	261	24
	(d) Provisions	700	645
		21,261	23,513
	TOTAL EQUITY AND LIABILITIES	2,15,278	2,17,754

STANDALONE CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2023

Rs. in Lakhs

Particulars	Half Year Ended	
	30-09-2023	30-09-2022
	Unaudited	Unaudited
A. Cash flow from operating activities		
Profit before tax	9,577	11,473
Adjustments for:		
Add / (Less) :		
Depreciation and amortisation expense	1,913	1,472
Finance cost	713	746
Interest Income	(28)	(21)
Unrealised exchange (gain) / loss	(39)	(358)
(Profit) / loss on sale of Property, Plant & Equipment	16	(164)
Profit on sale of investment	(319)	(64)
Dividend Income	(9)	(18)
Sundry balances written back	(26)	2
Net gain on financial assets	(731)	47
Operating profit / (loss)	11,067	13,115
Changes in Assets and Liabilities :		
(Increase) / decrease in operating assets:		
Inventories	(4,956)	(5,097)
Trade receivables	1,464	(3,340)
Loans	(47)	(53)
Other financial assets	24	(206)
Other assets	(215)	360
Increase / (decrease) in operating liabilities:		
Trade payables	878	6,270
Other financial liabilities	(59)	304
Other liabilities	1,182	(677)
Provisions	(188)	(221)
Cash generated from operations	9,150	10,455
Direct taxes paid	(1,913)	(2,554)
Net cash flow from operating activities (A)	7,237	7,901
B. Cash flow from investing activities		
Purchase of Property, Plant and Equipment & Intangible Assets	(720)	(5,617)
Proceeds from sale of Property, Plant and Equipment	79	175
Interest Income	28	21
Dividend Income	9	18
Net (Investment) / Redemption of Mutual Funds	7,271	168
Net cash flow used in investing activities (B)	6,667	(5,235)
C. Cash flow from financing activities		
Finance cost	(713)	(746)
Proceeds from Long Term borrowings	157	1,959
(Repayments) of Long Term borrowings	(10,465)	(3,271)
Proceeds from Finance Lease	-	69
(Repayment) of Lease liability	(348)	(327)
Dividend paid	(2,323)	(2,323)
Movement in margin money deposit	166	(153)
Movement in unclaimed dividend account	(248)	(256)
Net cash flow from / (used in) financing activities (C)	(13,774)	(5,048)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	130	(2,382)
Cash and cash equivalents (opening as at 1st April)	1,994	3,409
Cash and cash equivalents (closing as at 30th September)	2,124	1,027

Notes :

- 1 The above Standalone results have been reviewed by the Audit Committee and approved and taken on record by the Board of Directors of the Company at their respective meetings held on 9th November, 2023.**
- 2 The Company operates in one segment only i.e. Polyester Films and therefore, has only one reportable segment in accordance with IND AS 108 "operating segments".**
- 3 Previous period figures have been regrouped and reclassified to make them comparable with the figures of the current period.**

For GARWARE HI-TECH FILMS LIMITED



**SHASHIKANT B. GARWARE
CHAIRMAN AND MANAGING DIRECTOR
DIN : 00943822**

Place: Mumbai

Date: 9th November, 2023

Manubhai & Shah LLP
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Tel: +91 (22) 24444119

Independent Auditor's Review Report on the Quarterly and Year to Date Unaudited Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
GARWARE HI-TECH FILMS LIMITED

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of **Garware Hi-Tech Films Limited** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group") for the quarter ended September 30, 2023 and year to date from April 01, 2023 to September 30, 2023 ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a report on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the Circular No. CIR/CFD/CMD1/44/2019 dated 29th March, 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.



4. The Statement includes the results of the following entities:
 - (a) Garware Hi-Tech Films International Limited
(formerly known as Garware Polyester International Limited)
 - (b) Global Hi-Tech Films Inc. (formerly known as Global Pet Films Inc.)



5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of other auditor referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. The accompanying Statement includes interim financial results, in respect of the above subsidiaries, reflecting total assets of Rs. 11438.72 lakhs as at September 30, 2023 and total revenues of Rs. 10325.69 lakhs and Rs. 24270.13 lakhs, total net profit after tax and total comprehensive income of Rs. 405.05 lakhs and Rs. 927.33 lakhs, for the quarter ended September 30, 2023 and for the period April 01, 2023 to September 30, 2023, respectively, and cash flows (net) of Rs. 2856.89 lakhs for the period April 01, 2023 to September 30, 2023 as considered in the Statement. These interim financial information have been reviewed by other auditors whose reports have been furnished to us by the management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, is based solely on the reports of the other auditors and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matter.

For Manubhai & Shah LLP
Chartered Accountants
FRN: 106041W/ W100136

Laxminarayan P. Yekkali
Partner
Membership No. 114753
Place: Mumbai
Date: November 9, 2023
UDIN: 23114753BGWQVS6940

For Kirtane & Pandit LLP
Chartered Accountants
FRN: 105215W/W100057




Aditya A. Kanetkar
Partner
Membership No. 149037
Place: Mumbai
Date: November 9, 2023
UDIN: 23149037BGUGSJ5966

GARWARE HI-TECH FILMS LIMITED

CIN : L10889MH1957PLC010889

Registered Office : Naigaon , Post Waluj, Chhatrapati Sambhajnagar - 431133

Corporate Office : Garware House 50-A, Swami Nityanand Marg,

Vile Parle (E), Mumbai-400 057

Statement of Consolidated Unaudited Financial Results for the Quarter and Half Year ended on 30th September, 2023.

(Rs. in Lakhs)

Sr. No.	Particulars	For the Quarter Ended			For the Half Year Ended		For the Year Ended
		30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	a) Revenue from Operations	39,711	37,971	39,477	77,682	76,464	1,43,801
	b) Other Income	916	890	904	1,806	1,754	4,216
	Total Income	40,627	38,861	40,381	79,488	78,218	1,48,017
2	Expenses						
	a) Cost of Materials Consumed	20,761	17,143	16,373	37,904	34,678	64,836
	b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,968)	815	1,803	(1,153)	(25)	1,643
	c) Power & Fuel	3,080	2,971	3,442	6,051	6,638	12,596
	d) Employees benefit expenses	3,297	3,530	3,062	6,827	6,330	12,187
	e) Finance Cost	365	433	405	798	831	1,699
	f) Depreciation and amortisation expense	972	984	763	1,956	1,490	3,241
	g) Other expenses	8,054	7,129	8,118	15,183	15,945	29,820
	Total Expenses	34,561	33,005	33,966	67,566	65,887	1,26,022
3	Profit before tax (1-2)	6,066	5,856	6,415	11,922	12,331	21,995
4	Tax Expenses						
	Current Tax	1,416	1,078	1,467	2,494	3,039	4,932
	Deferred Tax	59	409	135	468	25	449
	Total Tax Expenses	1,475	1,487	1,602	2,962	3,064	5,381
5	Net Profit after tax (3-4)	4,591	4,369	4,813	8,960	9,267	16,614
6	Other Comprehensive Income						
	Items that will not be reclassified to Profit or Loss	(90)	496	885	406	1,448	103
	Income tax relating to items that will not be reclassified to Profit or Loss	49	(53)	(99)	(4)	(143)	11
	Items that will be reclassified to Profit or Loss	(54)	64	(93)	10	(215)	89
	Total Other comprehensive income, net of income tax	(95)	507	693	412	1,090	203
7	Total comprehensive income, net of income tax	4,496	4,876	5,506	9,372	10,357	16,817
8	Profit attributable to :						
	Owners of the parent	4,591	4,369	4,813	8,960	9,267	16,614
	Non- controlling Interest	-	-	-	-	-	-
9	Other comprehensive income attributable to:						
	Owners of the parent	(95)	507	693	412	1,090	203
	Non- controlling Interest	-	-	-	-	-	-
10	Total comprehensive income attributable to:						
	Owners of the parent	4,496	4,876	5,506	9,372	10,357	16,817
	Non- controlling Interest	-	-	-	-	-	-
11	Paid-up Equity Share Capital (Face value Rs. 10/- each)	2,323	2,323	2,323	2,323	2,323	2,323
12	Reserves excluding Revaluation Reserves as per Audited Balance Sheet.						1,83,259
13	Earning per share (EPS) in Rs. (Not annualised)						
	a. Basic EPS (Rs.)	19.76	18.81	20.72	38.57	39.89	71.51
	b. Diluted EPS (Rs.)	19.76	18.81	20.72	38.57	39.89	71.51

STATEMENT OF CONSOLIDATED ASSETS & LIABILITIES

Rs. in Lakhs

Sr. No	Particulars	As at 30.09.2023 Unaudited	As at 31.03.2023 Audited
I	ASSETS		
1	Non-current Assets		
	(a) Property, Plant and Equipment	1,45,752	1,46,600
	(b) Capital work - in - progress	899	1,032
	(c) Intangible assets	118	123
	(d) Intangible assets under Development	9	9
	(e) Financial Assets		
	(i) Investments	8,353	7,640
	(ii) Other financial assets	303	298
	(f) Other non - current assets	152	609
		1,55,586	1,56,311
2	Current assets		
	(a) Inventories	23,884	19,885
	(b) Financial Assets		
	(i) Investments	25,437	31,630
	(ii) Trade receivables	1,586	2,995
	(iii) Cash and cash equivalents	9,014	5,999
	(iv) Bank balances other than (iii) above	1,130	1,047
	(v) Loans	81	34
	(vi) Other financial assets	92	153
	(c) Current tax assets (Net)	67	-
	(d) Other current assets	4,352	3,380
		65,643	65,123
	TOTAL ASSETS	2,21,229	2,21,434
II	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	2,323	2,323
	(b) Other equity	1,90,307	1,83,259
		1,92,630	1,85,582
2	Non-current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,776	7,536
	(ii) Lease Liabilities	867	939
	(b) Deferred Tax Liabilities (Net)	3,646	3,172
	(c) Provisions	503	442
		6,792	12,089
3	Current liabilities		
	(a) Financial Liabilities		
	(i) Borrowings	1,996	6,543
	(ii) Lease Liabilities	730	701
	(iii) Trade payables dues to		
	- Micro and Small Enterprises	815	1,039
	- Other Than Micro and Small Enterprises	10,519	9,318
	(iv) Other Financial Liabilities	1,660	1,658
	(b) Other current liabilities	5,004	3,558
	(c) Current Tax Liability (Net)	384	302
	(d) Provisions	699	644
		21,807	23,763
	TOTAL EQUITY AND LIABILITIES	2,21,229	2,21,434

CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2023

Rs. in Lakhs

Particulars	Half Year Ended	
	30-09-2023	30-09-2022
	Unaudited	Unaudited
A. Cash flow from operating activities		
Profit before tax	11,922	12,331
Adjustments for:		
Add / (Less) :		
Depreciation and amortisation expense	1,956	1,490
Finance cost	798	831
Interest income	(101)	(31)
Unrealised exchange (gain) / loss	89	(591)
(Profit) / loss on sale of Property, Plant & Equipment	16	(164)
Profit on sale of investment	(319)	(64)
Dividend Income	(9)	(18)
Sundry balances written back	(26)	2
Net gain on financial assets	(731)	47
Operating profit / (loss)	13,595	13,833
Transfer of Foreign Currency Translation Reserve	10	(215)
Changes in Assets and Liabilities :		
(Increase) / decrease in operating assets:		
Inventories	(3,998)	(5,119)
Trade receivables	1,446	324
Loans	(47)	(53)
Other financial assets	24	(206)
Other assets	(509)	281
Increase / (decrease) in operating liabilities:		
Trade payables	977	6,108
Other financial liabilities	(1)	376
Other liabilities	1,471	(1,534)
Provisions	(189)	(221)
Cash generated from operations	12,779	13,574
Direct taxes paid	(2,479)	(2,884)
Net cash flow from operating activities (A)	10,300	10,690
B. Cash flow from investing activities		
Purchase of Property, Plant and Equipment & Intangible Assets	(727)	(5,617)
Proceeds from sale of Property, Plant and Equipment	79	175
Interest Income	101	31
Dividend Income	9	18
Net (Investment) / Redemption of Mutual Funds	7,271	168
Net cash flow used in investing activities (B)	6,733	(5,225)
C. Cash flow from financing activities		
Finance cost	(798)	(831)
Proceeds from Long Term borrowings	157	1,959
(Repayments) of Long Term borrowings	(10,465)	(3,271)
Proceeds from Finance Lease	-	69
(Repayment) of Lease liability	(380)	(341)
Dividend paid	(2,323)	(2,323)
Movement in margin money deposit	166	(152)
Movement in unclaimed dividend account	(248)	(256)
Net cash flow from / (used in) financing activities (C)	(13,891)	(5,146)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	3,142	319
Cash and cash equivalents (opening as at 1st April)	5,999	9,931
Effects of exchange rate changes on cash and cash equivalents	(127)	227
Cash and cash equivalents (closing as at 30th September)	9,014	10,477

Notes :

- 1 The above Consolidated results have been reviewed by the Audit Committee and approved and taken on record by the Board of Directors of the Company at their respective meetings held on 9th November, 2023.**
- 2 The Company operates in one segment only i.e. Polyester Films and therefore, has only one reportable segment in accordance with IND AS 108 "operating segments".**
- 3 Previous period figures have been regrouped and reclassified to make them comparable with the figures of the current period.**

For GARWARE HI-TECH FILMS LIMITED



**SHASHIKANT B. GARWARE
CHAIRMAN AND MANAGING DIRECTOR
DIN : 00943822**

**Place: Mumbai
Date: 9th November, 2023**

Garware Hi-Tech Films Limited

FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2023

Consolidated revenues for Q2FY24 remained steady at Rs 397 crores and PAT at Rs 46 crores, a stable performance

With strong volume growth in PPF especially from the US customers and an expansion of the domestic distribution network, the PPF plant is currently operating at its peak capacity

New patents for adhesive-backed, hydrolysis-resistant window film and low oligomer film are expected to strengthen our market position.

Product qualifications and commercial agreements with top-tier US customers for shrink films, with potential to generate additional revenues.

Gross debt at zero, all term loans prepaid

Mumbai, November 9, 2023: Garware Hi-Tech Films Limited (GHFL) (BOM: 500655 | NSE: GRWRHITECH), a global manufacturer of Solar Control Films (SCF), Paint Protection Films (PPF) and other speciality polyester films, announced results for the quarter and half year ended September 30, 2023.

Consolidated Financial Summary:

Rs in crores (except EPS)

Particulars	Quarter Ended					Half Year Ended			Year Ended
	Q2FY24	Q1FY24	Q2FY23	QoQ	YoY	H1FY24	H1FY23	YoY	FY23
Revenue	397.1	379.7	394.8	4.6%	0.6%	776.8	764.6	1.6%	1,438
EBITDA	74.0	72.7	75.8	1.8%	(2.4%)	146.8	146.5	0.2%	269
EBITDA %	18.6%	19.2%	19.2%	-	-	18.9%	19.2%	-	18.7%
Cash Profit	55.6	53.5	55.8	3.9%	(0.4%)	109.2	107.6	1.5%	199
PBT	60.7	58.6	64.2	3.6%	(5.5%)	119.2	123.3	(3.3%)	220
PAT	45.9	43.7	48.1	5.0%	(4.6%)	89.6	92.7	(3.3%)	166
PAT %	11.6%	11.5%	12.2%	-	-	11.5%	12.1%	-	11.6%
EPS	19.8	18.8	20.7	-	-	38.6	39.9	-	71.51

Dr S. B. Garware, Chairperson and Managing Director of GHFL

Commenting on the results, **Dr S B Garware, Chairman and Managing Director**, said: *"Our PPF business has delivered strong volume and revenue growth with committed orders from our US customers and from our deepening domestic distribution network. The PPF plant is now operating at peak capacity, and the fungible capacity of our new lamination line has currently alleviated our capacity constraints. Our recent launch of safety glazing film in India has shown promising results. We aim to invest resources to capitalise on this opportunity in India through robust marketing and product awareness initiatives."*

Ms Monika Garware, Vice Chairperson and Joint Managing Director added, *"During the quarter, we have maintained consistent growth amidst the challenges faced by the polyester film industry. Our PPF business has grown significantly and our flagship SCF business has recorded a consistent volume improvement over the last 2-3 quarters. In addition, the recovery in commodity film prices is expected and would help to increase our revenues and margins. We have prepaid our long-term debt, underlining our strong financial position. Our balance sheet reflects cash reserves of around Rs 350 crore, which is expected to support our capacity additions and future growth."*

Business Updates:**Solar Control Film (SCF)**

SCF contributed 36% of the total revenue in Q2FY24 vs 39% in Q1FY24, even as there was ~8% revenue growth in Q2 compared with Q1FY24, due to a higher volume growth in PPF. Our target for the domestic SCF business is to contribute around 6% to 8% of sales within the next 3-4 years. We are capitalising on the untapped domestic market with re-launch of the "Safety Glazing" window film, robust marketing strategies and increased resource allocation for the domestic market. At the same time, the export market has seen an upturn due to an improved macroeconomic environment and increased car sales, contributing to a volume recovery in the SCF business over the last 2-3 quarters.

In addition, our strategic diversification into complementary architectural film segments has been demonstrated by the successful commercialisation of decorative films in the US. Finally, the acquisition of a patent for an advanced adhesive-backed window film represents a technological advance.

Paint Protection Film (PPF)

PPF contributed 30% of the total revenue in Q2FY24 vs 16% in Q1FY24. PPF business continues to perform well, largely driven by strong demand from our US-based distributors, continued expansion of our domestic distribution network and robust marketing initiatives to increase product awareness. The PPF plant operated at a capacity utilisation of 118% as the company effectively managed potential capacity constraints by utilising the available fungible capacity from the new SCF lamination line.

The Company achieved its target of acquiring 500 OEM brand dealerships ahead of the planned schedule. It plans to scale up, setting a new goal of 900 dealers within the next two years. Additionally, GHFL secured partnerships with almost 100 PPF studios and channel partners, marking nearly half of its intended target.

IPD Business

In Q2FY24, the revenue share of our IPD business, which includes shrink, special IPD, and other commodity films, was 34%, down from 54% in the corresponding quarter last year due to increase share of CPD business and IPD headwinds. The specialised IPD products, including low oligomer, release liners and other intermediates, have shown steady growth. The shrink film business experienced a decline due to lower demand; however, product qualification and commercial agreements with two major customers in the US signalled growth opportunities in shrink film. In contrast, the commodity-based IPD films continue to face headwinds from oversupply in the polyester film industry, which we expect to reverse in the coming quarters. The cumulative capacity utilisation of IPD plants was 78%, compared to 99% in the corresponding quarter last year. GHFL successfully secured a patent for low oligomer film and has two other patents in process for the IPD division.

Revenue Growth

In Q2FY24, GHFL's consolidated revenue stood at Rs 397 crore and PAT at Rs 46 crore, showing a stable performance. In Q2FY24, the PPF business maintained its significant growth trajectory, SCF business saw volume recovery, but revenue tempered by degrowth in the IPD business. In Q2FY24, the CPD segment saw a revenue growth of 53% compared to the corresponding quarter last year. In comparison, the IPD segment reported a decline of 32% in revenue during the same period. Around 78% of revenue is generated from film exports, primarily contributed by North America and Asia. GHFL's speciality films contribute ~90% of its revenues, positioning it for superior growth compared to the poly film industry, which is currently facing overcapacity challenges.

Margin

In Q2FY24, GHFL reported an EBITDA of Rs. 74.0 crores (vs Rs 72.7 crores in Q1FY24, Rs 75.8 crores in Q2FY23), driven by higher PPF and SCF volumes. However, these gains were tempered by margin pressure on IPD products and strategic yet aggressive expenditure in marketing and sales initiatives. In Q2FY24, we have expensed Rs 5.76 crores towards such new marketing/sales initiatives, the benefits of which would accrue in the long run. Excluding these strategic marketing cost, the EBITDA for Q2FY24 would have been Rs 79.8 crores (vs Rs 75.6 crores in Q1FY24, Rs 75.8 crores in Q2FY23).

Outlook

The untapped potential in the domestic market for safety window films and PPF, coupled with robust branding, marketing efforts and an expanding distribution channel for CPD products, is expected to drive volume/revenue growth in India. In addition, the export market is showing robust momentum for both PPF and SCF, particularly from established markets such as the USA. Diversification into complementary architectural and decorative films is expected to contribute to sales growth in the medium/long term. Shrink films and other specialised IPD products are expected to benefit from new patents and products, and increasing customer preference for environmentally friendly films.

About Garware Hi-Tech Films Limited

GHFL is a global manufacturer of Solar Control Films, Paint Protection Films and other speciality polyester films. GHFL is one of the few companies in the world to have a vertically integrated chip-to-film operation in Chhatrapati Sambhaji Nagar (Aurangabad), Maharashtra, India, with state-of-the-art facilities to produce a highly flexible product mix.



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