

November 19, 2025

To, The Manager (CRD) BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001	To, 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
Scrip Code: 522215	Symbol : HLEGLAS

Sub: Transcript of Earnings Call for Q2 & H1 FY26

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby enclose the transcript of the Earnings conference call held on November 12, 2025 regarding discussion on operational and financial performance for the Quarter and Half- Year ended September 30, 2025 (Q2 & H1 FY 2025-26).

This same will also be available on the Company's website at www.hleglascoat.com.

This is for your information and records.

Thanking You,

Yours faithfully,
For HLE Glascoat Limited

ACHAL S. THAKKAR
Company Secretary &
Compliance Officer



**“HLE Glascoat Limited
Q2 & H1 FY '26 Earnings Conference Call”
November 12, 2025**



MANAGEMENT: **MR. AALAP PATEL – EXECUTIVE DIRECTOR – HLE GLASCOAT LIMITED**
MR. HARSH PATEL – EXECUTIVE DIRECTOR – HLE GLASCOAT LIMITED
MR. NAVEEN KANDPAL – CHIEF FINANCIAL OFFICER – HLE GLASCOAT LIMITED
MR. NILESH GANJWALA – SENIOR ADVISOR – HLE GLASCOAT LIMITED

MODERATOR: **MS. VIDHI VASA – MUFG**

Moderator: Ladies and gentlemen, good day, and welcome to the HLE Glascoat Limited Q2 and H1 FY '26 Earnings Conference Call. As a reminder, all participants' lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Vidhi Vasa. Thank you, and over to you, ma'am.

Vidhi Vasa: Good afternoon, everyone. Welcome to the Q2 and H1 FY '26 Earnings Conference Call of HLE Glascoat Limited. Today on this call, we have Mr. Aalap Patel, Executive Director; Mr. Harsh Patel, Executive Director; Mr. Naveen Kandpal, Chief Financial Officer; and Mr. Nilesh Ganjwala, Senior Advisor.

This conference call may contain some forward-looking statements about the company, which are based on beliefs, opinion and expectations as of today. Actual results may differ materially. These statements are not a guarantee of future performance and involve risks and uncertainties that are difficult to predict. A detailed safe harbor statement is given on the company's investor presentation, which has been uploaded on the stock exchange as well as company's website.

With this, I hand over the call to Mr. Aalap Patel for the opening remarks. Over to you, sir.

Aalap Patel: Thank you. Good afternoon, and a warm welcome to all participants. Thank you for joining us today to discuss the financial and operational performance of HLE Glascoat for quarter 2 and H1 FY '26. I hope everyone has had an opportunity to go through our financial results and the investor presentation, which have been uploaded on the stock exchanges as well as on the company's website.

We appreciate your continued interest and support as we share our performance highlights and business updates. We are pleased to report that FY '26 continues to progress well with Q2 delivering healthy growth across key metrics. The strong performance during the quarter reflects robust demand, operational discipline and consistent execution across our businesses.

HLE Glascoat remains a leading manufacturer of specialized processing equipment serving critical applications primarily across the chemical and pharmaceutical industries. We operate in high barrier to entry segment, supported by a diversified order book, strong clientele and modern manufacturing facilities of international standards.

Our sustained performance is a testament to the trust placed in us by our customers and the continuous efforts of our teams to uphold excellent innovation and reliability in every project we execute.

The quarter marked an important milestone for HLE Glascoat as we completed the acquisition of the Omeras Global business through our wholly owned step-down subsidiary, HLE Surface Technologies GmbH, along with the shares of Omeras Store GmbH.

I would also like to highlight that the acquisition of Omeras business was entirely funded through internal accruals without any external borrowings. This reflects the inherent financial strength

of the company and our prudent approach towards expansion, while ensuring that the balance sheet remains robust even as we pursue strategic growth opportunities.

This strategic acquisition marks our entry into the glass fused steel products and panels business, opening significant global opportunities in sectors such as biogas digester systems, large storage tanks and architectural facade solutions.

This addition meaningfully expands our product portfolio, diversifies our revenue streams and positions us to participate in emerging growth sectors globally while leveraging our engineering expertise and brand strength.

Further, we are pleased to inform you that the scheme of amalgamation of Kinam Enterprise Private Limited with HLE Glascoat Limited has been approved by the Honorable NCLT, Ahmedabad Bench, effective 7th August 2023, being the appointed date.

This consolidation marks the completion of the formalities towards achieving the 70% ownership of the Kinam business as intended. Our order book remains robust at around INR 722 crores as on 30th September 2025, providing strong revenue visibility for the coming quarters.

We continue to witness steady inquiries across all business segments, reflecting the strength of our offerings and growing market acceptance. The Thaletec range of glass line products continues to receive encouraging responses from reputed customers across India, reaffirming the value and quality of our solutions.

We are also observing encouraging demand trends in our end user industries with increased capital expenditure, spending and favorable market sentiment driving new project inquiries and repeat business. As we onboard new customers and they begin using our advanced engineered and tailored products, we are able to demonstrate our technical capabilities and reliability, which in turn leads to repeat orders and expanded relationships.

Our comprehensive product portfolio enables us to offer end-to-end solutions, making HLE a one-stop partner for many of our clients' diverse process equipment needs. This approach of introducing, proving and scaling continues to drive our customer engagement model successfully.

I will now hand over the call to our CFO, Mr. Naveen Kandpal, who will take you through the financial performance for the quarter and the half year. Thank you, and over to you, Naveen.

Naveen Kandpal:

Thank you, sir. Good afternoon to all the participants. I am pleased to share our financial results for the quarter and half year ended September 30, 2025. The company reported consolidated revenue from operations of approximately INR 351 crores with a growth of 48.8% compared to Q2 FY '25. EBITDA of INR 40 crores, witnessing a growth of 13.2% year-on-year from Q2 FY '25 with an EBITDA margin of 11.4%

The company earned profit after tax of around INR 14 crores with a PAT margin of 4%. For H1 FY '26, our revenue grew by approximately 37.1%, rising from INR 463 crores to INR 635

crores. Our EBITDA for H1 FY '26 stood at INR 80 crores against INR 59 crores, thus registering a growth of 35.3% year-on-year and EBITDA margin stood at 12.6%.

In Q2 FY '26, our filtration, drying and other equipment segments grew by 111.1% compared to Q2 FY '25. We reported a revenue of INR 137 crores in comparison to INR 65 crores in the corresponding quarter.

Likewise, for H1 FY '26, our revenue increased by 88.5% in this segment. Meanwhile, our glass line equipment business generated about INR 157 crores of sales in Q2 FY '26 compared to around INR 144 crores last year same quarter, reflecting a growth of 8.9%.

The heat transfer equipment segment showed a revenue growth of 124.8%, contributing INR 56 crores to our sales for Q2 FY '26, up from INR 25 crores in Q2 FY '25. Likewise, for H1 FY '26, our revenue increased by 105.5% in this segment.

During the quarter, margins were impacted because of higher material costs caused by certain high-value orders which were accepted in the previous quarters at very competitive prices. Initial losses incurred at the newly acquired business at HLE Surface Technologies GmbH Germany.

These are factors which have led to this transient impact on the margins for this quarter. The long-term outlook remains encouraging. Our debt reduction strategy for the full year remains unchanged from what we had outlined in the previous earnings concall. We continue to prioritize efficient working capital management, disciplined capital allocation and internal accrual funding to further strengthen our balance sheet.

The focus remains on improving leverage ratios, reducing finance costs and maintaining adequate liquidity to support our growth plans while ensuring financial prudence and long-term sustainability.

Thank you. We now look forward to taking your questions.

Moderator:

Thank you so much. We'll now begin with the question and answer session. The first question is from the line of Dhaval Shah from Girik Capital.

Dhaval Shah:

My question is on the glass line reactor segment. So first of all, we have -- overall, the working capital has improved very well. The receivable days are back to the FY '22 levels. While you mentioned some orders were taken at a competitive pricing. So does it mean that we have bottomed out in terms of the pricing pressure in the industry? And going forward, we should see a healthy recovery in the margins for the glass line segment. That's the first question.

Second question is on heat transfer equipment division. So this year, we are executing a very large order, which is giving us a very strong revenue growth. Going forward, with this one large signature order which we are doing for oil and gas, how does it open up our entry into the larger segment for heat exchangers and compete with likes of Anup and other players in the industry?

And third will be overall, what will be your outlook for the reactor segment given techchem is doing well, companies are announcing capex. But in Q2, so far, what commentary we have heard

regarding agrochemical, things are not looking that great yet. Chinese pressure is still there. So in light of this, how would be your overall glass line reactor volumes you expect to do? These are my 3 questions?

Nilesh Ganjwala :

On the glass line reactor margins, one of the reasons why the margins look a little diminished is predominantly also because of the initial losses that we've incurred at the new acquisition, which is Omeras Store. Omeras and Omeras store business.

As you are aware, we had indicated that this is a business which is going to take about 2 or 3 quarters to build and stabilize and those losses have also been reflected in the glass line business segment.

So almost about INR3.6 crores of loss -- EBIT losses have been accounted for during this period, which are adjusted against the glass line segment. So that probably explains the main reason why the glass line margins overall look a little I say reduced. The margins otherwise continue to be stable. The India business still is building its way up. As we had mentioned in the last call, we believe the -- looking at the visibility of the order book for the India glass line business, numbers will look much better over the coming quarters is our confidence and expectation. That's where we are on the glass line business.

And on the heat transfer equipment, yes, you're right. We have -- had a large oil and gas order, which we had talked about earlier. This order has very largely already been dispatched and this now adds to our track record in the oil and gas segment. We are actively in conversations to get similar and even larger orders in this segment, both in India and offshore.

This is a business that takes a little longer time in terms of the lead time for getting orders. But the initial response is very, very positive. And we believe that we should become a strong player in this segment over the next year or 2. We would like to give us that much time to stabilize against the existing players in the market, some of whom you mentioned. For the overall outlook of the business, I would request Harsh Bhai to kindly respond.

Harsh Patel:

Yes. So I think you rightly mentioned that the pharmaceutical -- so API industry is doing well. We have good orders from the API segment in the last couple of quarters. The techchem industry, while is not back -- fully back on track, I would say, is also doing better. And I would agree that the agrochemical is still under pressure.

The overall sentiment is -- in the market, however, is encouraging, except that after August, because of the situation that is panning out in the U.S. with regards to tariff on India. Some decisions or some players have been going slow in terms of capital investment. But other than that, the situation is encouraging overall, except for agrochemicals, as you mentioned.

Dhaval Shah:

Got it. And sir, with the kind of investments MNC Pharma are announcing in U.S., also some in Europe. So how does it help Thaletec? Have we seen traction like you see Pfizer, Eli Lilly and Novo and all of them are AstraZeneca, all are investing large amount of money in the U.S., also Europe and some in India. So how does it help Thaletec, definitely, we would be looking at the large opportunities and by now might have got some business as well. So can you throw some light on that?

- Harsh Patel:** Yes. So yes, that's a good question. So yes, some of the players have announced or rather all of the big players have announced large investments in U.S. and also some in Europe. However, so far, only a few of the so many announcements are really going off the paper. But overall, Thaletec is very well positioned in the U.S.
- As you know that we have now been renewing our efforts in U.S. in the last 2-2.5 years in the U.S. market. And we have a track record now much bigger track record, I would say, than last time. And that also with the with a very good company, one of the leading companies in the U.S. So that keeps -- puts us in a very good position. We have also expanded our team, and we are also in the process of adding a few more service people in the U.S. So we are, from Thaletec point of view, very well positioned to capitalize on all these opportunities that we hope will come about.
- Dhaval Shah:** Got it. And sir, last question on the glass line margin. So if we add up -- still we covered around 5% EBIT, if you add up the loss, INR 3 crores - INR4 crores loss of Omeras. So if I were to understand by when do you think we'll be able to be back at low -- like a near double-digit kind of margin which we used to do before. So any thoughts on that?
- Nilesh Ganjwala :** Yes. I think yes, as we had mentioned the last time, I think the EBITDA margins are currently in the 8% to 9%. EBIT margins are in about 5% or 6% level for the glass line business other than Omeras and Omeras Store. We expect to be in double digit for the entire Glass-line business as a whole by quarter 4.
- Dhaval Shah:** EBIT level, EBIT level double digit.
- Nilesh Ganjwala :** At EBIT level, double digit, that's correct.
- Dhaval Shah:** Okay. May be early double digit like in the March quarter...
- Nilesh Ganjwala :** I think it is unlikely to be high double digits in a hurry. Obviously, these businesses take a little time. We are -- the Thaletec business is nice and stable. It's the India glass line business, which needs to be built up, built up from a perspective of getting it back to high utilization levels, which looks very positive from the current order book and the order book visibility. So I think from that perspective, we are very confident that quarter 4, we should have double digit on an overall basis.
- Moderator:** The next question is from the line of Ajay from Niveshaay.
- Ajay:** Sir, is it possible to give the breakup of the order book across segments or even like may be our subsidiaries or is it possible to give that breakup? And also just one clarification. This is consolidated order book, which also includes the Omeras order book?
- Nilesh Ganjwala :** So this is the consolidated order book. And this -- the Omeras Store order book currently, as we said, is a very marginal order book, which is hardly about \$4 million, \$4.5 million – EUR 4- EUR 4.5 million, sorry.

But that is an order book which is obviously built up and that's where all our efforts are. To give you a split of every order book, may be we can share it with you separately. Of course, we have the splits with us. But suffice to say, the order book for the overall India business is a little over 5 months currently, which is very healthy. And for the Thaletec Germany and Thaletec U.S. business, it is in excess of 9 months, which is again very, very healthy.

Ajay: Got it. Okay, sir. And like in the previous con call which we had like after the Omeras acquisition, the order book -- Omeras Store order book was around EUR 7 million. So given the current 4-5 million, so we have started to execute that order book, is it?

Nilesh Ganjwala : So in the first 45 days of operations, we have already delivered goods worth EURO 1.8 million. A small segment of the -- a small portion of the orders, we have actually canceled because we found them non-viable. So that's about \$0.5 million or something like that is what we've given up. And this was in line with our due diligence that we had conducted. So this is absolutely in sync with our overall plans.

Ajay: Got it. And sir, we also had a pipeline -- a healthy pipeline of over, I guess, EUR 28 million for the Omeras Store. And -- so just wanted to ask 2 things on this, like given the 45 days of may be execution which we have had at Omeras Store.

Are we facing any challenges? Or is it how we have envisaged things to go things as per plan. So I wanted to ask one thing on how has been the execution over there? And the other on Omeras, like are we seeing any conversion of that pipeline? Yes, that's it.

Aalap Patel : So like you mentioned Omeras. At Omeras and Omeras Store, we had a very healthy visibility of inquiries, which was in the tune of 28 million 45 days ago, and that has only grown by a couple of million as we speak today. However, in terms of conversion, we are still awaiting conversion of these inquiries into orders, partly because there are some fairly large projects in there.

So whenever they convert, they will convert in one go. But also a lot of relationship building is currently going on with these customers as new management, which has just taken charge of the organization.

So intense discussions, meetings with the customers are going on to kind of reintroduce ourselves and establish our credibility there. So the pipeline of inquiries is still healthy. But as you can imagine, for a brand-new business segment, there is some time which is required upfront to start converting these into orders. But the pipeline is still healthy, healthier, in fact.

Ajay: Got it. And sir, one question is on -- again on the glass line segment. Sir, I mean we have this acquisition at Omeras, which has impacted the margin, but even the stand-alone margins look a little bit impacted. And in the glass line segment, majority of that comes through Thaletec and India, I guess, roughly doing around INR30 crores, INR40 crores quarterly. Majority of our stand-alone sales is the filter and dryer equipment.

And with the steel prices being currently at like 5-year low, I just wanted to understand more on this segment, like I mean, what sort of other raw material like -- high-cost raw material, which we are mentioning in the opening remarks, which impacted this margin?

And on the glass line equipment, so other players like to name them, may be standard glass, which is again into glass line and majorly serves the pharma market has been doing, I mean, north of 20% to 25% EBITDA margins.

So one understanding which I wanted to ask from you is like the glass line equipment, which may be goes into the pharma sector has higher margins or it depends on order to order with may be a spec chem player which may affect this margin? And what are our plans to build the Indian glass line equipment business because we also have plans to introduce the Thaletec production to India.

But I mean, if I look at our overall glass line segment, I mean, given our quality of execution and everything, the segment still looks like we have a lot of room to improve over here. So I just wanted to know your thoughts on each of these, like on the glass line segment. If you can may be answer that in detail, that will help us understand?

Nilesh Ganjwala :

Okay. So on the composition of glass line sales, the India sales in the glass business is well in excess of INR 55 crores. It's close to INR 57 crores. And the India glass line business is growing on a quarter-on-quarter basis, we have grown at over 20%. So as I said, the Indian glass line business looks to be on the right positive trajectory as we speak.

The material cost impact that we discussed was not so much from a perspective of higher cost of material, but it was from a more competitive pricing that we had offered on some of these large projects that we have won in the past. And these projects are won across segments.

So it's part of rebuilding glass line business on one side from a volume perspective and also simultaneously getting business for the filtration, drying and other reactor businesses. So we have very large orders that we've taken from extremely reputed players and, of course, long-standing customers. And where I think consciously a decision was taken that this is in the best interest of building the entire business for the future.

So -- and that's exactly what we've done. So the material cost increase is not due to increase in the cost of material. It is due to the pricing that we have taken. And that's exactly what I think Naveen mentioned in his opening remarks.

Ajay:

Got it. And sir, just one thing on the same question, like the pharma glass line equipment has higher margin because peers set to do north of that kind of margins, 20% to 25% EBIT margin. So does it also has to do anything with the regionality like because may be we are present in the may be the Eastern region on the Hyderabad where a lot of pharma companies are putting up that capex that gives them that regional advantage? Or may be if you can help us understand the functioning of the industry a little bit. So...

- Nilesh Ganjwala :** So we are also very active in the pharma business. We are also active in the pharma business in the Western part of India as well as in the southern part of India. So we are quite conversant with the margins that are prevalent in this industry.
- The margins in the pharma industry might be somewhat better, but not dramatically so. And I think this is borne out by our historical performance and may be the historical performance of some of our competitors. You mentioned a certain competitor and their margins, really, it's very difficult for us to comment on the performance of a competitor because I don't know what they are doing, and it would be difficult for us to comment on that.
- Ajay:** Understood, sir. And sir, one final question on the Kinam. So we -- you mentioned that may be we should look at it more of may be 1, 2 years' time when we can may be grow this into a larger entity.
- But already in last fiscal year, we did close to, I guess, INR120 crores, INR130 crores and this year itself, we have crossed, I guess, INR93 crores, INR93 crores - INR95 crores. But this also includes that large oil and gas order. So I just wanted to ask more on the pipeline which we have for Kinam?
- Nilesh Ganjwala :** So the Kinam order book as of today as of September, sorry, is in excess of INR100 crores. So again, Kinam order book also looks very positive. And this year is likely to see a substantial increase in top line and bottom line from the heat exchanger business.
- Ajay:** But just on the pipeline, I was asking the current order book that gives a lot of confidence on Kinam. But anything on the pipeline which we are may be in the advanced stages of conversion of that pipeline? Or will it be some kind of lumpiness which you should expect going forward in Kinam? So may be on that, if you can may be help us understand or comment anything?
- Harsh Patel:** Yes. So on the pipeline, see, as I think we mentioned earlier, have now created a track record on the petrochemical industry. So we are working with other companies also to bag similar orders. But right now, there is no real order book in that segment, but that whole segment is looking very encouraging based on what we have already executed.
- So the order book is largely from the traditional business that Kinam has been -- had been having. But as Naveen earlier explained, we are looking at this oil and gas/petrochemical business on a much longer-term horizon, and we are investing -- when I say investing, not really money, but time and for certifications and all that is needed, and it will come about in the long run.
- Ajay:** Got it. May be if I can squeeze in one more. On the Omeras 1.5 or 2 million which we have executed, what sort of margins have we gotten there? Because from the details which we have given in the last presentation for Omeras, like the gross margins were quite healthy in the range of may be 50%, 55%, but because of higher execution period and labor expenses, the EBITDA margins were roughly around 4% to 5% kind of range.
- So I just wanted to know on that part for the Omeras Stores from our current execution? I mean, what sort of margins are we currently doing? May be if you can share that? And if not, like going

forward, what sort of margin should we again expect there? It would be in the range what Thaletec was doing or should we expect that to be much better?

Nilesh Ganjwala : The margins are in line with what you said. We are having gross margins in the 50% kind of a range. So it is only about building the volumes to an optimal level at which level we should see healthy double-digit margins.

Ajay: Healthy double-digit EBIT margins?**Nilesh Ganjwala :** Yes, that's correct.

Moderator: The next question is from the line of Vibhav Khandelwal from Laburnum Capital.

Vibhav Khandelwal: Just wanted to understand a gain on the glass business, right? We see that the growth has come down in this quarter, especially. What would be the reason you mentioned that you want to increase volumes and margins are a little low. But in terms of top line growth, could you comment on what exactly is your outlook for the year and what happened this quarter and your outlook for the JV business?

Nilesh Ganjwala: I think the JV business has shown growth in this quarter. I don't know -- you are saying there is no growth, but the JV business is showing growth on the top line even during this quarter, even quarter-on-quarter and on a year-on-year basis.

Vibhav Khandelwal: It is showing may be I just -- so what I want to understand is that if you look at the F&B business, the kind of growth that it is showing, similarly, how do we -- how should we sort of look at these results? How should we look at the sort of operating performance for both the segments? My understanding would be that broadly it's the same sort of industry. So the sort of performance -- top line performance would be similar, but there's some variation in it. So how does it happen? Is it because of competition? Or if you could sort of guide us?

Nilesh Ganjwala : Yes. I think it's a mix of multiple things. I think we need to understand that in the filtration drying business, we are both the pioneers and the market leaders. So we also have a substantial technology, should I say, niche or differentiation with respect to the competition there.

And hence, our growth in filtration drying reflects that. In the glass line business, we are in the process of establishing our technology superiority and -- which is where we are seeing a substantial growth in both the inquiries as well as the order book pipeline. It is slightly a business of patience.

As you know, we have been working very diligently to introduce the Thaletec technology products into the Indian market. We are looking -- we are seeing extremely good, should I say, traction on those kind of businesses. And this is something that is going to convert into growth, market share and margins, but it will take some time.

Vibhav Khandelwal: Understood. This is helpful. Okay. All right. But also what I wanted to understand is that you talked about the margins and volumes -- to build up the volumes, you had a pricing decision. What I wanted to understand is that we saw at least in the past couple of quarters, the commentary and generally, the operating comments have increased in terms of the superior growth.

But at least in the last year, the environment wasn't as great, but the margins were still sort of very high. So we would sort of expect that in sort of an up cycle when the overall demand very healthy, the margins would be much better for GLE. So are you seeing an uptick in competition like in this quarter, the last quarter -- this quarter?

Nilesh Ganjwala :

I think I would agree with you to the extent that, yes, the overall traction has improved. Margin improvement normally, as you are aware, reflects with a lag for the obvious reason that while orders booked today reflect in my profit and loss account typically 2 or 3 quarters down the line because we account for our sales only on dispatch.

So typically, from the time you get an order to the time that it reflects on the P&L account is typically anywhere between 5 to 7 months kind of a lag. So the better margins that we are currently in a position to negotiate will reflect in the P&L only in quarter 4, which is exactly what I had indicated in my earlier answer.

So you are right, I agree with you. Margins are looking up. But for it to reflect on the P&L account will be always with a little bit of a time lag.

Vibhav Khandelwal:

And would you be able to offer any guidance in terms of growth and margins in addition to you offered some guidance in the previous conference call. But any update both the Omeras acquisition and the current demand and supply situation on a consol basis, how do you think FY '26 and FY '27 might be shaping up?

Nilesh Ganjwala :

I think on the Omeras business, we do not have a guidance for this particular year, except to say that by the end of the year, we should be at breakeven or above because as we said, we will need about 2 to 3 quarters to stabilize and grow this business.

Again, Omeras order book always comes with a much longer execution time line. Some of the larger orders that Aalap bhai spoke about have execution periods in excess of 1 year, 1.5 years. So typically, while we may have a great order book, the numbers will flow through in a slightly extended period of time.

So we are very hopeful of getting to breakeven and above by the end of the year, which is where we are very confident of. There are multiple steps initiated for that purpose. On the business other than Omeras, I think our second half of the year should see improved EBITDA margins. We are expecting EBITDA margins for the overall business at about between -- roughly about 16%, which will be far more healthier than what we have declared in the first half.

And the first half of this year, of course, has been substantially better than what it was during the first half last year. And this will probably be on the back of a better number, better top line as well simply because historically, again, over the last 2 decades, you would have seen that the second half roughly constitutes between 55% and 60% of our revenues. So we expect a similar trend to play out this year as well.

Vibhav Khandelwal:

Anything for FY '27? I was asking if you would like to offer any guidance for FY '27?

- Nilesh Ganjwala :** No, I don't think we have a guidance for FY '27 at this point of time. Suffice to say, I think we are very confident and we are preparing for growth going forward. Because FY '25, we are expecting Omeras to start contributing in a big way in addition to the other engines also **Inaudible**
40:26
- Moderator:** The next question is from the line of Vivek Patel from Ficom Family Office.
- Vivek Patel:** Firstly, why has the GLE segment's revenue and margin slowed down? And how can you counter this slowdown, which could actually be structural due to the size of the addressable market? And just beyond that, where are we seeing any large opportunities or scope for growth as both filtration and drying and the GLE segment has witnessed muted growth since FY '23. It will be helpful if you could share these in detail.
- Aalap Patel:** So as we have said a couple of times during this concall, the GLE margin expansion or rather rebuilding of the GLE margins for us is largely a question of rebuilding the volumes and getting the capacity utilization up. As Nilesh bhai also said, we have already started rebuilding the volumes and usually, the margins trail that by a quarter or 2.
- So really, for us, other than that, the key lever for further driving up the GLE business margin is the introduction and adoption of better and highly differentiated products, the way we do in filtration and dry. And for that, we are aggressively marketing and selling Thaletec products and solutions.
- However, the process of adoption of this better technology is, as you may understand, not overnight, and it happens as customers use new products, better products, see the benefits and then decide to use that as they go forward. So this process is very much underway. And as this process also continues, it would -- it should further add to recovery of margins in the glass lining business.
- Vivek Patel:** And what about opportunities for other areas, like heat exchanger, for example, or filtration?
- Aalap Patel:** Can you please elaborate what do you mean when you say other areas?
- Vivek Patel:** You spoke about expansion of the Gle segment other 2 areas that we have filtration and drying, which we have and the drain, which we have been leading at, and the heat exchanger, heat transfer segment that we recently acquired. What is the scope of growth for those two segments?
- Aalap Patel:** If you look at the numbers last year 12 numbers on the top line at about INR 314 crores These are the 12-month numbers...
- Moderator:** Your voice is cutting, sorry.
- Nilesh Ganjwala:** I repeat my answer. Filtration and drying revenue for the whole of FY '25 was at about INR 314 crores. For the first 6 months of this financial year, the revenue from filtration and drying is already at INR 252 crores, which is -- if you were to just annual numbers on an equated basis, still represents almost a 60% growth in business. So that is obviously phenomenal.

At the EBIT level, our EBIT for the year last year from the filtration drying business was at about INR 36 crores - INR 37 crores. We've already crossed INR 35 crores in the first half. So obviously, even at the profitability level, filtration and drying business is obviously doing extremely well. So we are well on track to hit all-time records both in the revenue as well as on the profitability side in the filtration and drying business.

Coming to the heat exchanger business, the heat transfer business, our aggregate revenue for FY '24 was at about INR 122 crores last year. We are close to a little under INR 100 crores already in the first 6 months.

So obviously, again, we are looking at growth in excess of 40% on an annualized basis in this one single segment. And similar is the story with the EBIT from this segment. So we are obviously seeing very good growth happening both in the heat transfer as well as in the filtration and drying business.

Vivek Patel:

Secondly, in the Q4 FY '24 concall, it was mentioned that the expected peak revenues in Thaletec and Kinam were INR 450 crores and INR 300 crores, respectively, without any major capex. Where are we in that journey to achieve this peak revenue and margins? And what was the same for both in this quarter? And also, I believe there were some setbacks over here. Kinam, for instance, in FY '25, the expected revenue was pushed to FY '26. If you could throw some light on that. **Nilesh Ganjwala:** Kinam, of course, FY '25 was the first year post our acquisition, first completed year. So we don't have comparable numbers for the previous year in that situation. However, in the Kinam business, the last year, there was a substantial focus on building capabilities for larger things going forward.

And that was also something that we mentioned with respect to building capabilities and also including some new equipment installation required to build capacities for oil and gas execution. So that was something Kinam remains on track for growth. I think the number of, say, maximum revenue is still at that level, and we can -- we would be in a position to achieve that in a year or 2 is where we see. Thaletec of course, Thaletec, the growth is going to be driven more by the market.

The comment on the capacity was from perspective to say that it's unlikely to require very large capex for may be 2 or 3 more years to come because we already have substantial capacity. And even at capacity levels of 60% utilization where we are currently at in Thaletec, we are remarkably profitable. So it works in our favor in that sense.

Vivek Patel:

So peak revenue for Thaletec can also be achieved in 2 or 3 years?

Aalap Patel:

Yes, Thaletec will probably -- because Thaletec is going to be driven more by the demand dynamics as we see demand improving, which we are seeing and also by our recent foray into the U.S. market, which will obviously supplement the capacity utilization of Germany. It is only going to look better going forward.

Vivek Patel:

And are there any plans to venture into more complicated and large size of heat exchanger, say, in the range of 150 to 200-plus tons like another listed peer of ours. And what are the licenses

actually required to increase our capability and eligibility for serving oil and gas and other oil and gas and petrochemical projects?

Aalap Patel:

So it's a very large market with an equally diverse end use. So there is -- it will be difficult for me to list out a couple of licenses that are good enough to address all of these. I think it's more a question of creating a focus area in terms of the application industry or size of equipment and then focusing on those particular licenses, clearances, certifications and so on.

So having already executed many of these orders, just the large -- one of those large ones being repeatedly highlighted in the call, we have the required licenses to at least start bidding for some of these orders, which we already have. And as we do, we will obviously see some success and then we have to continuously build on that success.

Vivek Patel:

Just for clarification, I still I believe the largest equipment heat exchanger that we have is might be 100 tons capacity. Are we going beyond that? And are we technically capable? And where are we on that spectrum?

Aalap Patel:

Yes, we are technically capable and competent to handle equipment, which is heavier than 100 tons as well. And as you might imagine, in these heavy equipment, you can always -- regardless of how heavy an equipment you manufacture, there is always something that you cannot cope for.

So like I had said earlier also, you have to address a particular need. Higher value equipment doesn't always just mean heavier equipment. It could also be, let's say, instead of 150 ton, it could be an 80-ton equipment, but with more exotic chemistry -- exotic material.

So you really have to pick and choose the space that you want to play in. And fortunately, for somebody who is just beginning in this space, we do have the luxury to pick our battles. And only as we grow volumes beyond a certain level, do we have to then start worrying about infrastructure and scalability of the infrastructure. We are still, I would guess, about a year or 2 away from that point. if you get there faster, great. But this is our best at the moment.

Vivek Patel:

On the overall gross margins level, I believe we are much lower than our closest peer. Although cost control has actually helped us retain a competitive EBITDA level margins, what are the three key areas that we are working on to improve the overall gross margin levels?

Nilesh Ganjwala:

I don't think we are off from the gross margin perspective. I think in the heat exchanger business, I believe we are referring to the heat exchanger business. In the heat exchanger business, I think we are probably amongst the highest margin players today due to the efficiency both at the operating level as well as at the administrative and sales expenditure control level. I don't think we are adversely comparable to any of our competitors in the heat exchanger business.

Vivek Patel:

I'm sorry, because what I meant to ask was about a consolidated overall number across segments. So we are in the 50%-55% range, around about that. Our closest peer would be about 60% range, slightly above that. Hence, I take the question?

Nilesh Ganjwala:

On the overall, I think it's very difficult to compare competitors like that because, for example, the gross margin in the glass line business is very different from the gross margin in the filtration drying business. And again, it's also very different compared to the heat exchanger businesses.

So I think a comparison on an overall basis would actually lead to wrong conclusions. Just to give you a perspective, the filtration and drying margin at the gross margin level, which is just at the material cost level would be -- there will be a difference of close to about 10% at that level.

So they are very, very different and very, very, very different. So most of our competitors are not in the filtration drying business at all or their business there would be relatively negligible. And hence, the numbers are not comparable.

Vivek Patel:

Okay. Understood. And if I could squeeze in one last question. The previous participant -- one of the participant had asked about the omeras margins 4% to 5%. You have mentioned that in the recent quarter consolidated the margins are also the same. But in the previous call, you had expected the margins to increase significantly from 4% - 5% to around about mid-teens.

How are we planning to achieve that? And when do we believe that we can achieve the double-digit mid-teens EBITDA margins for the same? And just while we are in this transition phase, you believe that overall Indian margins would suffer and come back a little below 10% during that time period? And if not, how would you believe the overall margins would look like?

Nilesh Ganjwala:

I think we answered this earlier today. We expect Omeras be breakeven and above by quarter 4 this year. And this was also what we had discussed on the call when we discussed the acquisition itself. The margin of 5% was at the EBITDA level. Those margins will improve substantially as the volumes improve. So we are very confident of achieving the projected numbers that we had talked about at the time of the acquisition.

Vivek Patel:

Okay. Understood. And just last one, just on the omeras side, catering to the architectural facade industry you have mentioned. What are the dynamics of that and also the domestic wastewater biogas treatment transportation segment where we will be catering via omeras and how we believe that industry is domestically?

Harsh Patel:

So let me -- so for the architecture business, let me start with architecture business. So right now, India as a country is at a nascent stage where the adoption -- there is little or no adoption of the Omeras kind of product in the architecture business.

So that will be something that we will build upon in the long term because there are many advantages of these products which India has not been introduced to so far. So architecture business right now for us will not be an immediate product for India. Whereas the story is very, very different on the biogas and on the storage front.

On the biogas front, definitely, as you know, that India is right now in a very high growth rate. That is the reason that we believe that this could be -- and this can be an extremely high growth area for Omeras business in India.

We are also working and developing in the process of understanding the market and developing -- based on that, developing a plan for the biogas industry in India. That is ongoing right now. Waste water and water is another very, very interesting segment in India. So with many new industries like semicon, solar, things like that, the need for purified water has gone up dramatically.

And the best way right now to store purified water is a glass line tank. So -- that also is a very interesting segment. Again, we are in the process of understanding and establishing -- understanding the market.

And then based on what we know, we will then come up with the plan for this market. But yes, for the Storage Solutions India, we are very optimistic, and we are very excited. We are in the process of building a strategy for that. And right now, for the time being, architectural business is something that we will -- we have put aside to be looked at may be in a year or so.

Moderator: The next question is from the line of Rohan Mehta from Lelux LLP.

Rohan Mehta: So I wanted to understand, firstly, where is the order book momentum most positive and which areas are muted according to your observation as on date? And also, could you please share the competitive intensity in each segment? And you could go segment-wise, that would be great.

Harsh Patel: I think we mentioned a little bit earlier that the pharmaceutical -- so when I say pharmaceutical, I mean GTI business is seeing good competitive -- I mean, good growth. So did you mean to say segment-wise from the end-use point of view or from internal segment point of view? Can you clarify, please?

Rohan Mehta: From the internal segment point of view.

Harsh Patel: Okay. So from the internal segment point of view, I think we are I mean the glass line reactor with the introduction of the Thaletec products, we believe will be a growth story in the coming years compared to, say, so let me put it this way.

For the glass line and the F&D business, the end users are more or less similar, and they will be in a similar or similar trajectory. Aalap, you can may be add if you feel that there is something else that you should say.

Aalap Patel: Yes. So I think at the moment, like Harsh says, there is similar competitive intensity in filtration and drying and glass line. Obviously, as is also evident with the top line numbers, it is slightly more intense in the glass line business than the F&D. But largely, we are catering to the same end customers.

Again, in the heat exchanger space, the competitive intensity is slightly different because other than chemical and pharmaceuticals, we also cater to other segments such as metal processing, food and beverages, paints, etc. So it's a much larger market, so to speak.

So the opportunity size is slightly larger. And in addition to that, we are also now slowly beginning to venture into larger-sized equipment for the energy sector. So I would say the

competitive intensity is lower in the heat exchanger business relative to the other 2 purely because we are looking at a larger addressable market size.

- Moderator:** The next question is from the line of Divya Agrawal from Namu Communications LLP.
- The next question is from the line of Vanshita Amlani from M R Patel Family Office.
- Vanshita Amlani:** I wanted to confirm about the acquisition that company completed with this acquisition? Or any further acquisition is planned?
- Nilesh Ganjwala:** Sorry, I couldn't hear if you could kindly repeat.
- Harsh Patel:** We don't really -- sorry.
- Vanshita Amlani:** I wanted to confirm about the acquisition that company completed with this acquisition? Or is there any further plan of inorganic expansion?
- Nilesh Ganjwala:** The acquisition is completed in all respects. So there is no other formalities remaining to be completed from an implementation perspective...
- Vanshita Amlani:** I wanted too -- I was asking that is any plan to acquire another company or something like that?
- Nilesh Ganjwala:** Currently, there is nothing on the horizon in terms of any further acquisition. We obviously keep coming up with -- we keep getting approached with some interesting ideas. But for the moment, no, we are not looking at anything.
- Vanshita Amlani:** Okay. And in current quarter, the inventory level seems to be higher. So it is just a onetime or like we can expect a similar level of inventory?
- Nilesh Ganjwala:** Inventory is not higher compared to the previous year. The inventory is actually on a number of days basis, we have actually reduced the number of days inventory from 121 days to 110 days. So there is an improvement in the inventory. So one will have to look at inventory from a perspective of the revenue as well as the order book.
- So with the growth in revenue and growth in order book, inventory is likely to go up. But in terms of efficiency, which is in terms of the number of days that it represents, we are much better off than when we were, let's say, in the previous financial year.
- Vanshita Amlani:** Okay. And there are a limited number of players in the industry that -- so if the players decide on the price, won't it be beneficial for all the companies like there are limited players in this industry.
- Nilesh Ganjwala:** I'm sorry, we did not quite get your question.
- Vanshita Amlani:** Like in this industry, there are limited players. So if the players decide on the pricing level, so it won't be beneficial for you to that -- if you both decide on same pricing?
- Nilesh Ganjwala:** I don't think we have ever attempted or even looked at some such arrangement, No, no.

- Moderator:** The next question is from the line of Yug Jhaveri from Molecule Ventures.
- Yug Jhaveri:** So first question was on the side of order book. So if you see H1 FY '26, approximate order inflow was around INR800 crores, which is 70% of last year's inflow if you include Omeras as well. So considering this industry H2 is usually stronger. So we do expect similar kind of inflows or better in H2? Yes. First question is on that?
- Nilesh Ganjwala:** I think the current inquiry pipeline looks, as Aalap mentioned, looks quite encouraging. And we are hoping to convert substantially into order book, which will obviously drive business going forward. So yes, I think our expectation still remains that we will continue to do well in H2.
- Yug Jhaveri:** Got that. The next question is on Kinam side. So there is quite a volatility in the EBIT margin. Some quarters is 10% some quarters it goes to 25% -30%. So what can we consider a median or a base EBIT margin in this segment? And the oil and gas order which we executed, if you can share the order value as well as the execution period in oil and gas as well as the current INR100 crores order book, which is excluding oil and gas, execution cycle?
- Nilesh Ganjwala:** So the oil and gas -- to answer your question on the margins, our, let's say, stable annual margins for the heat exchanger business should be in the range of between 20% and 22%.
- The oil and gas margins are slightly lower given the higher volumes and are likely to be at about 18% is what we are expecting. The order size that we executed not just in quarter 2, but even partially in quarter 1 as well was an aggregate value of roughly about INR60 crores. I think it was -- the entire execution was spread over Q4, Q1 and Q2.
- Yug Jhaveri:** Okay. Sure, sir. So do you expect going forward to improve the EBIT margin in Kinam side to the median level, right?
- Nilesh Ganjwala:** That's correct. That's correct.
- Yug Jhaveri:** Last question if I can squeeze in on the GLE segment. So if you see historically, both F&D and GLE segment has moved in tandem. So for example, when there is growth in F&D segment has performed quite well and vice versa.
- So given now that 80% of last year's F&D revenue has been executed until now. So what is the outlook on F&D for H2? Will it be on a similar growth rate? And second is on the GLE side. The F&D is performing quite well, What exactly would the outlook for GLE because if you see GLE India has grown by about 20% quarter-on- you said 1.8 million orders executed for Omeras. So I think we are struggling in terms of Thaletec. What is the scenario there? And what growth outlook could be in GLE segment?
- Nilesh Ganjwala:** The GLE segment, as you rightly have understood this, there are 3 elements. There is the India GLE business. There is the Thaletec GLE business and now there is a new element of Omeras arising from the recent acquisition. The dynamics of all of them are different.
- Thaletec business is driven by growth in the European markets as well as by the recent business development efforts that we have now started in the U.S. market. They are looking good, and I

think we are looking at more than double-digit growth rate in Thaletec, GLE business on an annual basis. And this comes on the backing of a relatively large base of revenues already there.

In addition, the India GLE business, of course, as we said, we are -- because of the slump in the 4 or 5 quarters ago period, we are rebuilding from there. The numbers look much better now. As I said, both the order book is looking good as well as the order pipeline also looks to be encouraging.

So we are expecting the India GLE business to start contributing meaningfully going forward from a bottom line perspective. The Omeras business, of course, we also discussed. We are building that up from very low levels.

But we have the advantage of having very, very good visibility on a very strong pipeline, which Aalap already referred to earlier. As we start converting, which we are expecting to do in the recent -- or the coming very soon coming months, that will also start contributing to the bottom line. And that we expect to make a meaningful contribution in FY '27. So FY '26, as I mentioned, by the end of FY '26, we expect to touch breakeven at Omeras.

Yug Jhaveri:

Thanks for such a detailed answer and last is, so if you see 2 to 3 quarters back, we were doing price undercutting -- as a result, current quarter margins in GLE looks very less compared to the medium. But as you said that the new orders are at a high margin.

So going forward, the GP margin should improve, excluding Omeras in double digit in EBIT margin, am I able to understand correct? So going forward, the orders we are bidding is compared very high margin -- high margin compared to what we were doing till now?

Nilesh Ganjwala:

Yes. So I think margins will improve. And I think there are 2 elements to margins. And I think probably we believe that every order comes with a set margin. I think one of the key elements in this business is capacity utilization, which I think Aalap and Harsh bhai have referred to consistently. If you notice the moment we get a higher capacity utilization, margins will grow.

And that is typically what happens with higher capacity utilization because we already have a good gross margin. When you have a good gross margin, it is only about spreading your overheads and overheads are related to total installed capacity, not only to executed capacity.

And hence, the moment we get closer to higher 80% kind of capacity utilization or even 90%, which we are capable of achieving, you will see margins which will be in a completely different zone compared to where you see them today. And that's exactly what the management effort is targeted at.

Moderator:

The next question is from the line of Deekshant Boolchandani from DB Wealth.

Deekshant Boolchandani:

Congrats, Aalap bhai, Harsh bhai. Really good results on the top line and really amazing to see that the efforts that we are taking on this up cycle. So the first question is that we have this historic vintage in 2018, '19, '20, we had seen this really good up cycle for us, and we were able to see those high sort of ROCE numbers. I'm sure that that's like a vision for us even now. How is it that we can achieve that sort of growth in this particular cycle?

Nilesh Ganjwala:

I think that's a very interesting question, something that we always question ourselves. And I think the answer is, again, the same that I just talked about. I think the capacity utilization levels in 2019 when we were at a different high in the business was close to about 90%, both across at filtration drying as well as in the plant at Anand, which manufactures glass lined equipment.

We are currently not there, and I'll be honest with that. But we do believe that if this trend continues for the next 6 to 12 months, we will be there. And I think that's really what we are all aiming for. And all our efforts are focused on that. There is one significant difference compared to 2019, which probably makes us even more confident than before, and that is technology. I think we haven't probably spoken enough about it on this call. We have mentioned that on filtration and drying, we have the technology edge.

On the glass line equipment, we are in the process of demonstrating our technology advice we have the technology emanating from our Thaletec acquisition. The technology is yet being communicated and demonstrated to multiple large customers in India. This kind of diffusion of knowledge does take time. But once it establishes itself, then it is extremely long term in nature. As you can see from our filtration and drying experience where we have been able to maintain very, very strong market leadership over decades.

And we are hoping to create that in the medium to long term. And I think a lot of our effort from a sales, business development, technology absorption, etc., internally is focused to achieve that goal. Obviously, these kind of, should I say, efforts or initiatives do not show results over 1 or 2 or 3 quarters. This is necessarily a long-term -- medium-term to long-term game. But the management is very, very confident that over the medium to long term, they will achieve success.

Deekshant Boolchandani:

So actually, when you are speaking of this, it's very inspiring because we are already improving on our debtor days and our payable days. And if the business continues to improve, which we are confident on inventory days should take care of themselves more or less.

So now that you're talking about utilization, I don't need to ask a very specific number because may be it's not the right way to look at it because we are also in an integration process right now. But if you could give us a ballpark number on what is our capacity utilization right now? And what are we expecting Q4 exit quarter to look like on capacity utilization?

Nilesh Ganjwala :

We are currently -- in the glass line business, we are currently at between 60% and 65% capacity utilization. We are hoping to take that up to about 80% by quarter 4.

Deekshant Boolchandani:

And if I -- again, I know that this is not the perfect way to understand this maybe because of our integration efforts right now. But if I want to look at the whole business, what is our capacity utilization across segments? And what can we expect in like exit Q4?

Nilesh Ganjwala :

I think the filtration drying, we are already at 80%. We'll probably be closer to 85%, 90% in Q4. Glass Line India, I already mentioned we should be in the 80% ballpark. In the heat transfer business, we are likely to be closer to about 65% to 70% capacity utilization in exit Q4. That's where we expect us to be. Yes.

Deekshant Boolchandani: So the '27 year is going to be the inflection point for us, right? Like if we are continuously improving our capacity and orders are coming in and our books are getting healthier day by day, then it's the FY '27, may be, let's say, Q3, Q4 where we are going to see the highest sort of inflection point for us on numbers, but it's going to take a lot of efforts that the management rightfully and beautifully is doing so far. Is that the correct assumption?

Nilesh Ganjwala : I think it's -- I wouldn't call it inflection point. I think it's a logical end point to all the efforts that we are doing. And obviously, in FY '27, we will need to start thinking of what we need to do for FY '28 and '29.

So that's something that we will need to keep doing. It's a conscious endeavor, both in terms of new products, new technologies, new product lines and obviously -- and then capacity building from an execution perspective.

So it's an all-round effort. I'm sure you understand the equipment manufacturing business is a difficult business from a -- and has serious entry barriers. What we've really consciously done from a strategic perspective is build a very highly technology-intensive business, both in filtration drying to start with, then glass line equipment as level number 2 and now with Omeras, where we are again working with high-tech, very niche specialized product range. And I think that really is going to be the differentiator going forward.

Deekshant Boolchandani: Okay. Sir, is this -- pardon my like bluntness of the question, but I think it's important to ask since -- this is the quarter where we have seen like operating margin issues, and you have very well mentioned it on the call. So is this the worst that our quarter is going to be? Because I mean, H2 is ideally going to be better for us. So is this the bottom quarter that we should be assuming?

Nilesh Ganjwala : I think that's a fair assumption. That's a very fair assumption.

Deekshant Boolchandani: And lastly is on our PAT margin. So again, 16% is the EBITDA margin. We understand that may be 55%, 60% is going to be H2. What kind of PAT margins can we assume for the entire year of FY '26?

Nilesh Ganjwala : This is a very difficult question to answer on this forum. But suffice to say, if you just do your numbers, you will come up with the kind of margin story that we are looking at. And I think at the PAT level, we would be -- it would be fair to say that number should be at a net for the year basis in excess of between 6.5% to 7%.

Deekshant Boolchandani: Amazing, sir. Sir, I only ask this -- I mean you understand why are we asking this, but because we are going through this integration process, it's excluding exceptional items that is going to really take a hit for us. And it's just transitory. Like you're doing great on business. We really appreciate the efforts that you are taking. So congratulations on that. If I can ask one more question, please.

Nilesh Ganjwala : I think we are running out of time, but we'll take that probably as the last question, if you don't mind. Let's do that.

Deekshant Boolchandani: Yes, yes, sir. Sir, Kinam is one thing that we were giving out a minority like profit sharing to. So now that the amalgamation process is at the tail end of it, when can we expect that we will no longer be giving any minority interest to a third-party subsidiary for us?

Nilesh Ganjwala : So Kinam was always structured from a perspective of having our erstwhile promoters to continue with us, and they actively are engaged in the business, and they have been absolutely wonderful partners. And I think we see no reason to disturb that arrangement because I think it's working very, very well for us.

They bring a lot to the table from a perspective of knowledge, passion, very importantly, as well as execution capability. So -- and they are extremely engaged and active in the business. So we see no reason to disturb that arrangement.

Deekshant Boolchandani: So 30% of Kinam's profit are going to be minority interest for us going forward as well. That's a fair...

Nilesh Ganjwala : Absolutely. That's correct.

Deekshant Boolchandani: Congratulations on amazing results. Wish you the best of ahead.

Nilesh Ganjwala : Thank you very much.

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