

21st November, 2022

To,
General Manager
Corporate Relations Dept.
BSE Limited
P.J. Towers,
Dalal Street,
Mumbai - 400001

Scrip Code: 522215

Sub: Transcript of Earnings Call for Q2 & H1 FY23

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 15, 2022 regarding discussion on operational and financial performance for the Quarter and Half- Year ended September 30, 2022 (Q2 & H1 FY 2022-23).

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 Thakkar
Company Secretary & Compliance Officer



“HLE Glascoat Limited Q2 & H1 FY2023
Earnings Conference Call”

November 15, 2022



ANALYST: MS. RASIKA SAWANT – LINK INTIME

**MANAGEMENT MR. AALAP PATEL - EXECUTIVE DIRECTOR - HLE
GLASCOAT LIMITED
MR. HARSH PATEL – EXECUTIVE DIRECTOR - HLE
GLASCOAT LIMITED
MR. NAVEEN KANDPAL – CFO - HLE GLASCOAT LIMITED
MR. NILESH GANJWALA - SENIOR ADVISOR - HLE
GLASCOAT LIMITED**

Moderator: Ladies and gentlemen good day and welcome to the Q2 & H1 FY2023 Earnings Conference Call of HLE Glascoat Limited. As a reminder all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '*' then '0' on your touchtone telephone. Please note that this conference is being recorded.

I now hand the conference over to Ms. Rasika Sawant. Thank you and over to you, madam.

Rasika Sawant: Thank you and welcome to the Q2 and H1 FY2023 Earnings Conference Call of HLE Glascoat Limited. Today on this call we have Mr. Aalap Patel - Executive Director along with Senior Management team.

This conference call may contain forward-looking statements about the Company which are based on beliefs, opinions and expectations as of today. Actual results may differ materially. These statements are not the guarantees of future performance and involve risks and uncertainties that are difficult to predict.

A detailed safe harbor statement is given on page #2 of 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 his opening remarks. Over to you, Sir.

Aalap Patel: Good evening and a warm welcome to all the participants. Thank you for joining us today to discuss HLE Glascoat's Q2 & H1 FY2023 financial performance. I hope you and your families are healthy and safe and I pray for the well-being.

Today on the call I am joined by Mr. Harsh Patel – Executive Director; Mr. Naveen Kandpal – CFO; and Mr. Nilesh Ganjwala – Senior Advisor to the Company and our Investor Relations Partner - Orient Capital. I hope everyone has had an opportunity to go through our Financial Results and the Investor Presentation which have been uploaded on the stock exchange as well as on the Company's website.

Despite the various set of challenges including rising input cost and energy cost, in addition to uncertainties in the geopolitical scenario, we have continued to grow our revenues and profitability across our businesses. While we witnessed temporary weakness for a couple of quarters, the demand is reviving well and this can also be seen in our robust order book.

Currently the Company has an order book of approximately five months for the India business and approximately 8 to 9 months for the European business. During the quarter the Company has witnessed stability in the prices of key raw materials, however we believe that inflationary pressures may continue. Fortunately, the days of extreme volatility in the input prices are a thing of the past. On the manufacturing front, our operational excellence, and capex projects implemented are showing promising results. The Company continues to work closely with

customers to help them find innovative solutions to their manufacturing challenges with our reliable support of innovative technology, global reach and extensive after sales network. This approach of customer understanding and problem solving has resulted in high customer goodwill and repeat clientele. The integration with Thaletec is also progressing well and this is seen in our strong quarterly performance. We are confident of achieving desired synergy from this acquisition, which will also be reflected in our top line as well as margins in the future. The Company has successfully reported a strong performance in Q2 FY2023 with consolidated revenue growing by 74% and consolidated EBITDA by over 62%. The jump in revenue was due to higher production, increase in demand from end-user industry as well as consolidation of Thaletec financials. Currently the Company is running at a utilization capacity of 70% to 75% for filtration and drying and over 80% for glass lined equipment. The Company has successfully stabilized the commercial manufacturing at its greenfield plant in Silvassa, which has resulted in augmentations to filtration and drying equipment manufacturing capacity. Going forward the Company will continue its sharp focus on product development and innovations to offer compelling value proportion to its global clientele.

I now hand over the call to Mr. Naveen Kandpal, who will brief you on the financial highlights for the period. Thank you and over to you, Naveen.

Naveen Kandpal:

Thank you Aalap bhai and a very good evening to all the participants. I will start with Q2 FY2023 financial performance of the Company. The consolidated total revenues for the quarter stood at Rs. 217 Crores versus Rs. 125 Crores in Q2 FY2022. So, we have witnessed a growth of around 74% on a year-on-year basis. Our filtration, drying and other equipment contributed Rs. 82 Crores compared to Rs. 73 Crores registering a growth of 13.3% on a year-on-year basis. Our glass line equipment contributed Rs. 131 Crores in Q2 FY2023 against Rs. 50 Crores during the corresponding quarter last year, is reporting a growth of 150%. This also includes the impact from the consolidation of Thaletec performance. EBITDA stood at around Rs. 38 Crores, showing a growth of 53% year-on-year. Our consolidated EBITDA margin for Q2 FY2023 was 17.5% as compared to 18.7% in Q2 FY2022. PAT is at Rs.19 Crores, an increase of 49% year-on-year. The reported PAT margin of 8.9% in Q2 FY2023 compared to 10.4% in Q2 FY2022.

Now moving to half yearly performance for FY2023, the consolidated total revenues for H1 FY2023 stood at Rs. 425 Crores versus Rs. 250 Crores in H1 FY2022 registering a growth of 70% on a year-on-year basis. Our filtration, drying and other equipment contributed approximately 36% of the revenue at Rs.154 Crores compared to Rs.138 Crores posting a growth of 11.2% on a year-on-year basis. The glass line business continues to contribute strongly to the total revenue at Rs. 262 Crores in H1 FY2023 against Rs. 107 Crores during the same period last year. Thus, reporting an excellent growth of around 144% and this number also includes the impact of the consolidation of Thaletec performance.

The consolidated EBITDA for H1 FY2023 is Rs.69 Crores a growth of 44% year-on-year. The Company reported EBITDA margin of 16.3% against 19.3% of H1 FY2022. The consolidated PAT is Rs. 35 Crores a growth of around 28% year-on-year.

Now I would like to request moderator to kindly open the floor for questions and answers. Thank you.

Moderator: Thank you very much sir. Ladies and gentlemen, we will now begin the question and answer session. The first question is from the line of Kaushal Shah from Dhanki Securities. Please go ahead.

Kaushal Shah: Thanks for the opportunity and congratulations on the good set of numbers. Sir when I look at the segmental numbers, I had two questions on the segmental numbers. One is that it appears that the India GLE business in September versus June has kind of degrown little bit. So what is the reason for that. The second was on the Thaletec side while the numbers revenue has grown the profitability has actually jumped very sharply. So if you can share the reason for that. Now this is September versus June so sequentially. The second question was on the balance sheet side. It appears as there is a little deterioration in our working capital and our numbers look to be quite high if I total the inventory and our debtor numbers. The number seems to be quite high so the total is actually equal to our revenue number for the six months. So which means that we are having roughly six months blocked in both debtors as well as inventory combined. So may be some thoughts on that sir.

Aalap Patel: Thank you for your questions. I will answer all the three questions sequentially. For the question about revenue of the glass lined equipment business, yes, indeed your observation is correct, that the revenue for the September quarter is slightly lower than that for June quarter. See generally speaking, during the June quarter even if you look at our results last year, the September quarter there tends to be a or rather there is a slight drop in dispatches and this is predominantly driven by the fact that a lot of the Greenfield project timelines are impacted whenever the monsoon is very heavy and we only account for the sales once the dispatches has happened. So while the production has gone on really well, they have not really get converted into dispatches. So to that effect whatever sales was missed in that quarter will get carried forward to the next quarter. Also your observation about the increase in margins in Thaletec is quite spot on. See the margin in Thaletec has gone up predominantly because of two reasons, some material has been sourced prior to the steep rise in material prices as a result of the Ukraine war however, that is a very marginal impact. So predominantly the impact has come from a great product mix during this quarter. However, this product mix is something that is not always sustainable or it is not a product mix that will continue to be there quarter-after-quarter. I think as far as your observation on working capital is concerned, may be Nilesh bhai if you would like to please comment on that.

Nilesh Ganjwala: Thank you Aalap bhai. On the working capital side, there are two reasons why the working capital looks a little higher compared to normal working capital. The first is that is the full scale operation of the Silvassa plant which is now kicked in. So the higher levels of operation at a new plant always requires a little additional inventory, etc., to be held over there. Secondly also the order book and we have consistently maintained that our inventory and working capital cycle is very closely link to the order book. The higher order book is actually also one of the main reasons why the working capital cycle or the working capital investment looks higher in this

financial year. The third reason of course is also the reason that Aalap bhai alluded to is the fact that because some of the equipments that were manufactured, but dispatches of which will probably happened in the pursuing quarters or they are reflected in inventory at the present moment and hence that is also one of the reasons why the working capital cycle is slightly higher as at September 2022.

Kaushal Shah: So if I understood you correctly, can we expect a normalization of the working capital going forward because that was the another question. Coming back to the margin scenario as well as the glass lining and filtration, do we expect now that monsoon has gone, the third quarter will have a kind of a bunching up of higher deliveries and therefore may be a better number. So these are the two questions.

Nilesh Ganjwala: I think your observations are again very relevant. The answer to the normalization of working capital yes as the dispatches go up, obviously working capital cycles will come back to normalcy and that is something that we have seen year-after-year during quarter two, quarter three and quarter four. This is a very standard kind of a behavior in working capital that we have noticed over the years. So this is not abnormal in a business like ours. With respect to the number and dispatches also, I think historically again you would have seen that quarter three and quarter four contribute anywhere between 55% to 60% of our revenue compared to let us say the first half quarter one and quarter two which comprise anywhere between 40% to 45%. I think we are pretty much in line with that behavior of revenue and working capital which we have seen over the last several, several years.

Moderator: Thank you. The next question is from the line of Naveen Chandramohan from Itus Capital. Please go ahead.

Naveen Chandramohan: Thanks for giving us the time to ask question. So, if you looked at the way you broken down your industry revenues at the moment roughly around 78% to 80% is coming from specialty chemicals and API and pharma as well. I was just curious to understand just rewind three years back, would you see a very similar mix back then as well has the mix changed over the last few years.

Harsh Patel: The mix has changed a little bit over the years, a few years ago the pharma used to be a larger chunk of our product mix. That as I said it changes from year-to-year and currently specialty chemicals have taken up larger chunk there have been years also where agrochemicals have taken up a larger chunk so the product mix changes over time, but pharma, agrochemical and specialty chemical are always a predominant segments that we cater to.

Naveen Chandramohan: Sir the reason for me to ask this question was especially in the filtration and drying business. The replacement cycle is slightly much shorter than the glass lined equipment business. So obviously APIs and category is going through some amount of slowed down in the last few years. So while the new orders may have slowed down relatively speaking, let us say versus three to four years back is it the replacement market going to make up for some amount of the slowdown in the new order sales.

Aalap Patel: Yes, I think what you meant was probably that the replacement cycle and the filtration and drying industry is actually longer than the glass line business. So, yes, it is true, replacement cycle and the filtration and drying industry is slightly longer than that of glass lined. If you look at our current or may be let us say historically new installations probably dominated our order book, it will be very heavily dominated our order book. But as the time passes by the share of something like a replacement order is consistently going up. Predominantly because of the fact that we have now over 6000 or 7000 installations already in the market therefore now has been running in excess of 15, 20 or in some cases even 25 years. So those equipment will now all come up for replacement eventually. Second also we have now renewed thrust on after sales services and products. So not only will these equipments probably generate a replacement demand but also a substantial demand for spares. So just as an idea what used to be about 3% or 4% of our revenue when we talk about after sales services and spares has now consistently risen and over the last two or three years we have been able to nearly double it as a percentage share of the revenue. So today it is much closer or rather somewhere between 7% and 8%. The other aspect of new demand that probably does not get considered when we restrict our view only to replacement demand is that the ANFD is actually a more modern piece of machinery that replaces not just other or older ANFDs but also the traditional means of filtration and drying. So in a typical old school manufacturing facilities the filtration would probably be done with may be a filter press or a centrifuge and then there are separate dedicated dryers installed again which are legacy kind of equipment. So the real opportunity for growth in the filtration and drying business actually lies in replacement of legacy tech.

Naveen Chandramohan: And one last question on the more boring stuff which is the numbers. In terms of the finance cost for the Company H1 FY2022-23 the finance cost has slightly kind of doubled or ___slightly less than doubled but little bit higher, but both are current as well as the non-current liabilities have actually come down so is there any reason how one can reconcile this.

Nilesh Ganjwala: So the finance cost is directly reflected by way the cost also includes a substantial portion of the guarantee commissions that we need to spend and as the number of installations go up or the number of dispatches go up the Company has to provide performance guarantees for each of those equipments and there is a cost of the performance guarantee that is booked under the financial cost.

Naveen Chandramohan: Got it sir I have an understanding but may be I will the rest off line. Thank you so much for that.

Moderator: Thank you. The next question is from the line of Mayur Parkeria from Wealth Managers (India) Pvt. Ltd. Please go ahead.

Mayur Parkeria: Thank you for taking my question. Sir actually I just wanted to understand given that what is going globally in terms of the supply chain or the disruption in the demand globally and possibility of what can happen on the economic side. How are you seeing that in the next one year in terms of user industries. If you can give some color on how you think it is more shape up and also in few cases are you seeing because there is a lot of talk and about Europe

manufacturing coming to India to some extent before even China substitute becomes big. So how are you seeing these trends evolving over the next 12 to 24 months.

Aalap Patel:

See as far as both of our businesses are concerned the global business as well as the Indian business we have a really robust order book for both the geographies. Also while we have a robust order book we have been consistently or rather we have been strongly booking new orders and we continue to do so. Even in terms of our order or rather inquiry pipeline we have a healthy pipeline which gives us the visibility for the few quarters down the line. So I think as far as the immediate future is concerned I think we are very confident of the performance panning out. However I think there are also some other factors at play and like you very rightly said shift of manufacturing that is happening between different parts of the world I think Harsh bhai if you can throw some light on that, that would be helpful.

Harsh Patel:

So I think the China Plus One strategy has been panning out now for quite a long time, and we see that continuing going further. We are still seeing a lot of especially in a specialty chemicals in the CRAMS business, in manufacturing business, we still see company is growing projects coming into India so in the long run the specialty chemicals business seems to be growing very well. We are also seeing similar traction in the agrochemical business and with the PLI scheme still yet to kick in completely for the pharma sector, we expect the growth in that sector also to continue for the domestic demand. As far as global business is concerned, I think one is happening currently is that even for example the European countries there are lot of in sourcing has happened, lot of chemical products which were outsourced 20 years ago which are critical to production because of the situation in China and also now the situation that is happening in Ukraine sounds a little bit counter intuitive but a lot of thought, a lot of discussion is ongoing to start making certain critical chemicals required for that local economies in Europe or even in the local country. So we feel that is happening and that also panning out over the next few years and that is why we tend to believe that our long-term future is also quite secured and looking good.

Mayur Parkeria:

Something related but just a little more as some earlier part if I remember it is little more boring in terms of numbers part of it. Our order book cycles are much shorter in terms of for us to give have a very good long-term visibility other beyond a certain point while inquiry pipeline you mentioned is healthy for a few quarters, but our order books are six months plus minus give and take in both the situations. Still you think you have a fair understanding that over two years the growth opportunities remain strong and will remain strong and any long-term and say quantitative or qualitative guidance's which you have given in the past or if you want to reiterate or anything you can give us to understand because you are at the start of the, in terms of the manufacturing cycle when it happens and so a lot of volatility going on in the manufacturing sector globally and developments in India also so just wanted to understand a little medium-term picture there.

Nilesh Ganjwala:

Our perspective of the future is determined by two things. I think one is our order book which as you rightly said is plus minus six months, basically that determines our immediate operational and production strategy. However in the longer-term, we also have inquiry pipeline as well as we are in constant touch with all our large customers who give us an ongoing perspective of where

they are looking from an investment perspective in the next two or three years so their Capex cycles are relatively known to us to some extent and that obviously gives us the confidence for the future so our confidence is driven in the short-term or the immediate term through the order book that is in terms of signed with us and then there is also the inquiry pipeline as well as our conversations with the customer which give us confidence for the medium-term.

Mayur Parkeria: sir last question from my side, is there any technological gaps or product gaps which we have to fill or which we are looking to fill or is there anything still the competition is doing better in terms of and which is happening which we need to address in the next two years time whether from the product side, equipment side or on the technology side.

Aalap Patel: So I think in the filtration and drying space currently we are not only the market leaders but we are also clear technology leaders in the sense that we generally have been for the last many years driving the market as far as new products and introduction of new products and future is concerned and I think our focus strongly continues to remain in that direction and we will continue to introduce different features and solutions for customers as we go forward. In the glass lined equipment business while currently there is really no substantial differentiation between the products of both the two major reputed manufacturers with the whole Thaletec acquisitions or rather the integration of the Thaletec acquisition playing out we wish to bring a similar level of competitive edge in terms of production differentiations given in the glass lined business.

Mayur Parkeria: Related to that can I just continue one continuation of this answer. Sir we are seeing lot of companies on the user side moving to continuous process plants and that is taking off. Any changes from our side or does it improve, how does it changes the landscape for us or opportunity side or anything changes for us in that.

Harsh Patel: In the short to medium-term not much will change for us the reason for that is when we hear about continuous processes these processes are really hard to implement on a very large scale and also once I mean there is a very long process you go through while if we work in small scales the lab it is a long process that you go through and on top of that a lot of continuous processes are anyway using the same equipment just in a different way so the continuous process is that I have seen the implemented still use glass lined equipment but in a different configuration then they are used currently. So we do not see really a big change for us happening because of continuous processes being envisaged.

Mayur Parkeria: Okay sir thank you very much.

Moderator: Thank you. The next question is from the line of Jeet Vira from MJ Investment. Please go ahead.

Jeet Vira: Thanks for the opportunity. I have couple of questions. First is how is your integration with Thaletec progressing and when do we achieve 100% synergies that we envisage from this, and the second is if you can throw some light on the situation in Germany in terms of energy prices and what steps are we taking to mitigate this energy price risk.

Aalap Patel: So see the integration of Thaletec is progressing really well. So there are different areas where synergies need to be expected. So a substantial progress has been made both on the sourcing side as well as cross selling and technology side. Initial identification of projects, some initial test items all of that was already now being done and we are very happy with the results that we have gotten. Also some key regulatory permits and licenses required from various government bodies for transfer of technology have also been received. So I think the integration of both the businesses is going really well and as per our expectation. As far as the situation in Germany is concerned with regards to energy, currently we are already experiencing an increased energy cost however, since the total contribution of energy cost compared to the Indian operations is lower in terms of percentage I think so far we have been able to contain the impact. However going forward I think it would be critical to watch how the energy subsidy plans of the government pan out over the next few weeks and that could really determine if at all there is any impact that we would eventually have to take but so far we have been able to contain that and or pass it on to our customers and hopefully since are coming quarters as well.

Jeet Vira: Okay that is it from my side. Thank you.

Moderator: Thank you. The next question is from the line of Tushar Chaudhari from Edelweiss Broking. Please go ahead.

Tushar Chaudhari: Thanks a lot sir for giving me an opportunity to ask questions. My question was regarding the margin whatever margins have fallen over the last couple of quarters, is it linked to the steel prices and are looking at the global steel prices. Steel prices in India has fallen almost 15%, 20% so do you think that we will be able to achieve the margins which we had achieved couple of years back.

Nilesh Ganjwala: Yes, absolutely correct I think even on an earlier call we had mentioned this that steel prices and more importantly the volatility of steel prices has an impact on our profitability because ruling steel prices are typically a pass through based on our pricing mechanism but when there is extreme volatility as we saw may be a couple of quarters ago then that definitely has an impact on the bottom line. Going forward and second important thing to realize here is that the impact of pricing of raw material on the profit and loss account appears about two quarters or two to three quarters later because that is determined by the production cycle of the business and hence we believe that going forward margins will improve because after let us say quarter four last year the volatility actually has been absent and that enables us to have in far more efficient pass through mechanism in our pricing and that in turn reflects on better profitability hence two quarters from there which effectively would be Q3 and Q4.

Tushar Chaudhari: And sir second question would be on Silvassa. On Silvassa plant when do you expect it to ramp up fully and which kind of products you are expecting from this.

Nilesh Ganjwala: The Silvassa plant as we speak is already in full production of course as the production cycle for any equipment is between three to four months or anywhere between three to five months the dispatches from Silvassa will ramp up in Q3 and Q4. Already in Q2 it has contributed to the

dispatches. So from an operational perspective Silvassa is already operating in excess of about 65% to 70%.

Tushar Chaudhari: Great thanks.

Moderator: Thank you. The next question is from the line of Jay Shah an Individual Investor. Please go ahead.

Jay Shah: Thank you for the opportunity and congratulations on a good set of numbers. Couple of questions from my end first is to Aalap sir. Sir you did mentioned in your opening remarks something about the after sales service, aftermarket services. So just wanted to get some guidance as to how big is that business for us, how margin accretive is that business for us and can you please elaborate a little bit more on that part of our business.

Aalap Patel: So the after sale and service business generally constitutes of sales of spares to the customers, sales of services in terms of optimization of existing equipment, services with regards to improvement in performance, etc. Also services of maintenance and services during breakdown. So this is generally the nature of the business it also includes some level of refurbishing, overhauling of equipment both glass lined as well as filtration and dryer. Now over the last many years we have seen that this portion of our business used to be in the range of 3% to 4% of our revenues however with consistent efforts, training of service people, some internal restructuring to create some after sales marketing activities, etc., and obviously backed by our growing or rather a larger installed base, we have been able to grow this business to may be something like an 8% between 7% or 8% of our revenue currently and needless to say in terms of margins this is a much higher margin business than the OEM manufacturing. Also what is really important for us in terms of after sales is the European markets where the after sales business contributes as much as 40% of the revenue, the number of 7% to 8% that I quoted earlier is for the India business. So for the European business, a substantial portion of the revenue comes from after sales services and part.

Jay Shah: So any guidance as to a range of margin that we are getting on the services business.

Aalap Patel: No, I think generally while this is a much higher margin business I think the amount of variability in the kind of services and parts that are provided generally varies widely so I am not sure if I will be able to give an exact number on the margins of this part of it.

Jay Shah: Also could the reason for the increase in contribution from the sales service could be the COVID norm easing out and your workers and engineers going to the factory of the chemical, pharma companies to basically do the refurbishing reglassing or has it been your internal restructuring.

Aalap Patel: So I think most of this refurbishment does not happen at the customer side it happens in our own plant so I do not think easing of the COVID norms has really had any impact.

- Jay Shah:** And one more question if I may ask what may be our current capacity across all our four plants including the German plant.
- Aalap Patel:** So I think in discrete manufacturing units such as ours, it is very difficult to quantify rather put a number on capacities, so I think generally what we speak of is an estimate of the capacity utilization and I use the word estimate purely because not only is capacity dependent on the product mix that we manufacture but it is also constantly optimized by internal operational excellence and continuous improvement projects and like I had said early on during my speech we are right now operating at about a 70% to 75% capacity in the SME business and over 80% in the GLE plant.
- Jay Shah:** So I think this might be the field utilization and may be try and grow above this and that is why we are doing the Silvassa Capex.
- Aalap Patel:** I guess this Silvassa Capex is already completed and Silvassa right now is already reached about a 65% to 70% manufacturing output and I think while it has reached the maximum manufacturing output I think it will convert into sales in the coming quarters that manufacturing cycle is about four months long on an average.
- Jay Shah:** I think that is it from my end thank you and all the best for the upcoming quarters.
- Aalap Patel:** Thank you.
- Moderator:** Thank you. The next question is from the line of Amit V an Individual Investor. Please go ahead.
- Amit V:** Good evening Sir, I just would like to know if you can throw some light on the Thaletec first half numbers or is it safe to assume that the difference between consolidated and standalone numbers are the Thaletec related numbers.
- Nilesh Ganjwala:** So I think you are right. The major difference between the standalone and the consolidated numbers would be attributable to Thaletec, there is also the stake that we have in H L equipments which is a partnership firm which also affects the consolidated numbers. Just to give you an overview of the Thaletec numbers in India rupees for the first half has done a revenue of about Rs.129 Crores with a PBT of about Rs.20 Crores.
- Amit V:** Okay thanks a lot. That is all.
- Moderator:** Thank you. Ladies and gentlemen that was the last question for today. I now hand the conference over to Mr. Aalap Patel for his closing comments. Over to you, sir.
- Aalap Patel:** Thank you everyone for participating in the conference call of HLE Glascoat Limited. I hope you have a good day. Thank you Naveen Ji, thank you Harsh bhai and thank you Nilesh bhai so much for being on the call.

Moderator: Thank you from the management. Ladies and gentlemen on behalf of HLE Glascoat Limited that concludes this conference call. Thank you for joining us and you may now disconnect your lines.