

June 1, 2026

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 Q4 and Year ended 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 May 25, 2026, regarding discussion on operational and financial performance for the Quarter and Year ended March 31, 2026 (Q4 & year ended 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
Q4 FY26 Earnings Conference Call”

May 25, 2026



MANAGEMENT: **MR. HIMANSHU PATEL – MANAGING 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 INTIME**

Moderator: Ladies and gentlemen, good day, and welcome to the HLE Glascoat Limited Q4 and FY26 Earnings Conference Call. 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 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 from MUFG Intime. Thank you and over to you, ma'am.

Vidhi Vasa: Thank you, Yusuf. Good evening, everyone. Welcome to the Q4 and FY26 Earnings Conference Call of HLE Glascoat Limited. Today on this call, we have Mr. Himanshu Patel, Managing 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, opinions 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. Himanshu Patel, sir, for the opening remarks. Over to you, sir.

Himanshu Patel: Good evening, ladies and gentlemen. FY26 has been a landmark year for HLE Glascoat. This year is defined by strategic expansion, operational resilience, technology leadership and the successful integration of transformative acquisitions that have further strengthened our position as a diversified global engineering solutions company. At the same time, we continue to benefit from broader industry tailwinds.

Global supply chain diversification, increasing investments in pharmaceuticals and specialty chemicals and the growing preference for reliable engineering partners continue to create significant long-term opportunities for the company. During the year, we delivered consolidated revenue from operations of INR1,353 crores, reflecting a strong year-on-year growth of 31.7%. EBITDA stood at INR148.5 crores while PAT came in at INR56.6 crores despite transition-related costs and losses associated with newly acquired business.

These numbers reflect the strength of our core operations, disciplined execution capabilities and sustained demand across our product portfolio. Our consolidated order book stood at approximately INR681.6 crores as of March 31, 2026, providing healthy visibility for FY27 and reinforcing confidence in our future growth trajectory. A key strategic highlight during FY26 was the acquisition and subsequent integration of Omeras GmbH and OmeraStore through our wholly owned subsidiary HLE Surface Technologies GmbH in Germany.

Also, the current order book at Omeras is around INR78 crores, which provides an encouraging visibility for FY27 and creates a stable base for profitable plant operations in the coming months. Our experience with international acquisitions over the years has been extremely encouraging and continues to validate our long-term strategic approach.

The successful integration and growth of Thaletec is a strong example of this. Since the acquisition, we have been able to strengthen the business meaningfully, delivering healthy double-digit growth along with strong double-digit margins. This reflects both the strength of the underlying business model and our ability to create value through operational integration, technology focus and customer engagement.

A key aspect of our acquisition philosophy is selectivity and strategic fit. We remain highly disciplined in identifying businesses with differentiated technologies, strong market positioning, niche capabilities and high entry barriers. As we know, Thaletec continues to remain a highly specialized and differentiated platform with strong technological strengths and a well-established market reputation.

Similarly, we believe Omeras represents another unique and strategically valuable business operating in a specialized niche and established customer relationships. We remain confident about the long-term potential of the business and the meaningful contribution it will create from FY27 onwards. Another important milestone during the year was the successful completion of the Amalgamation of Kinam Enterprise Private Limited with HLE Glascoat following the approval received from the Honorable NCLT, Ahmedabad bench.

This development further strengthens our capabilities in the heat transfer equipment segment and enables better alignment and integration across the group structure, positioning us for more efficient and scalable growth going forward. Moving to Filtration and Drying. This business continues to deliver strong performance during FY26 and remains one of the key pillars and growth drivers for the company.

The business benefited from healthy customer demand, differentiated technology offerings and strong execution capability. We continue to maintain the leadership position in this segment and remain optimistic about the long-term opportunity landscape, supported by increasing process automation and rising demand for advanced process solutions.

With regard to the Glass lined Equipment business, we witnessed encouraging recovery momentum during the later part of the year. The India GLE business saw improvement in execution levels, order inflows and capacity utilization supported by healthy demand from pharmaceutical and specialty chemical customers. We also continue to receive encouraging customer response for our Thaletec range of advanced glass lined products, particularly in application requiring higher performance standards and process reliability.

The Thaletec business continues to strengthen its position in international markets, especially across the U.S. and Europe. While large pharmaceutical capex announcements globally are gradually translating into project execution, we believe we are well positioned to benefit from these opportunities over the medium term.

Within the Omeras business, we have adopted a calibrated and disciplined approach focused on execution quality, selective order acceptance and long-term sustainability rather than pursuing aggressive near-term scale. During the integration process, we also rationalized certain

nonviable business segments in line with our diligence assessment. We believe these measures will help establish a stronger and more sustainable platform for future growth and profitability.

Heat Transfer Equipment business also delivered a stable performance during the year. Successful execution of oil and gas-related orders has strengthened our track record in this segment and expanded our opportunity pipeline across both domestic and international markets. From an industry perspective, demand conditions remained relatively healthy across pharmaceutical and API-related segments during the year, while specialty chemicals witnessed gradual improvement.

Agrochemicals demand continued to remain relatively subdued, although inquiry activity has improved selectively during recent quarters. Overall, customer engagement levels and project discussions across most business verticals remain encouraging. We remain confident that the strategic initiatives undertaken over the past few years have created a strong foundation for the next phase of growth for HLE Glascoat.

With a healthy order pipeline, diversified end user exposure, strengthened international operations and improving international visibility and benefits, we believe the company is well positioned to deliver sustainable growth and enhanced stockholder value over the medium to long term. From a balance sheet perspective, we continue to maintain a disciplined financial approach during the year with a strong focus on working capital optimization, prudent capital allocation and enhancing overall financial flexibility.

Our long-term approach towards balance sheet strengthening, efficient cash flow management and sustainable growth remain unchanged. Further, the Board has recommended a dividend of 55% for FY26, reflecting our confidence in the long-term fundamentals and cash flow generation capabilities of the business. As we enter FY27, our focus remains firmly centered on improving profitability, enhancing operational efficiencies, driving better asset utilization and strengthening cash generation across businesses.

We remain committed to disciplined execution, prudent capital allocation and building a scalable technology-led global process equipment platform capable of delivering sustainable long-term value creation.

I will now hand over the call to our CFO, Mr. Naveen Kandpal, who will take you through the financial performance for Q4 and FY26. Thank you, and over to you, Mr. Naveen.

Naveen Kandpal:

Thank you, sir. Good afternoon to all the participants. I am pleased to share our financial results for the quarter and FY26. During quarter 4, the company reported consolidated revenue from operations of approximately INR391.7 crores with a growth of 17.4% compared to Q4 FY25 with EBITDA of INR43.9 crores and EBITDA margin of 11.2%. The company earned profit after tax of around INR20.1 crores with a PAT margin of 5.1%.

For FY26, our revenue grew by approximately 31.7%, rising from INR1,027.5 crores to INR1,353 crores. Our EBITDA FY26 stood at INR148.5 crores against INR140.9 crores thus registering a growth of 5.4% year-on-year and EBITDA margin stood at 11%.

In Q4 FY26, our filtration, drying and other equipment segment grew by 11.9% compared to Q4 FY25. We reported a revenue of INR122 crores in comparison to INR109 crores in the corresponding quarter. Likewise, for FY26, our revenue increased by 50.9% in this segment. Meanwhile, our glass equipment business generated about INR219.5 crores of revenue in Q4 FY26 compared to around INR167.9 crores last year in the same quarter, reflecting a growth of 29.2%. Likewise, for FY26, our revenue increased by 15.2% in this segment.

The heat transfer equipment segment showed a revenue degrowth by 7.4% in this quarter but for FY26, our revenue increased by 64.6% in this segment. During the financial year, margins were impacted because of the EBITDA loss of INR15.3 crores and PAT loss of INR15.6 crores at the recently acquired business of Omeras in Germany as well as the exceptional items related to the statutory impact of the New Labour Codes amounting to INR2.1 crores and business acquisition cost of INR4.6 crores.

We continue to prioritize efficient working capital management, disciplined capital allocation and internal accrual funding to further strengthen our balance sheet. Also, the Board has recommended a dividend of 55% for FY26, reflecting our confidence in the long-term fundamentals and cash flow generation capabilities of the business.

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

Moderator:

First question is from the line of Vivek Rakholiya from Ficom Family Office.

Vivek Rakholiya:

First question was in the Q2 con call, the management had expected an EBITDA margin of 16% for the full year of FY26. The actual stood at 10%, 11% other than the labor law changes and the Omeras acquisitions. What were the 3 key reasons for not achieving this guidance? And how would you expect the revenue and the margins going ahead, if you could quantify wherever possible?

Nilesh Ganjwala:

So, I think in the Q2 call, I think the discussion was more related to the overall margins for the second half of the year and also for the next financial year because the first 6 months had already passed by. If you adjust for the Omeras revenues and the losses incurred there, which was, of course, also expected from a loss perspective.

The adjusted EBITDA margin for the business, the ongoing business is close to about 13.5%. So, that it's considerably higher than the 11% that is currently reflected after adjusting for this thing. So, I think from a margin perspective, we are on an upward trend, and we are expecting this trend to continue in the coming financial year.

Vivek Rakholiya:

Could you expect to achieve 16% full year EBITDA margins in the next 2 years?

Nilesh Ganjwala:

Yes, that would be correct. That would be correct. Again, 16% EBITDA margins, I would expect from the entire business with the exception of Omeras because Omeras is right now in the turnaround mode. So, while we expect Omeras to be profitable, Omeras may not by itself deliver 16% at a stand-alone basis. So, on an average, it could drag the average down a little bit. But excluding Omeras, we will be at 16%. Yes, we will be.

- Vivek Rakholiya:** The second question is, again, in the previous call, the glass lined equipment utilization was expected to move from 60%, 65% to 80% in the exit quarter. What has been the update on the utilizations? And also in the presentation, it was mentioned that the GLE margins have fallen -- EBIT margins have fallen from 18% in FY21 or so to 10%, considering the exceptional year due to Omeras's acquisition this year. But the broader trend is clear. What steps are we taking to reverse this decline? And is there any indication that the steps are working?
- Nilesh Ganjwala:** So, again, the same thing. If you adjust for the Omeras numbers, as you rightly said, our adjusted margins would be in the range of about 10% for the year. And for the last quarter, it would probably be closer to about 11.5% to 12%. So, that's really where we are. As is obvious, things are looking better at the glass lined equipment business, specifically from an India perspective, we are now closer to about 75% capacity utilization.
- And even the order booking and the order pipeline looks far more encouraging than it was earlier. Interesting to note here that the Thaletec range of products that we have introduced in India and have been talking about that for the last couple of years is seeing very good traction. If you remember, we had presented this as a medium-term opportunity, and we had always estimated that this will take about 3 to 4 years' time for a substantial, what should I say, mindset change in the hands of the users. We are seeing that happening. And this year, Thaletec products have contributed close to about 20% of the overall Glass Lined India products.
- So, I think that's already a substantial improvement from that perspective. Going forward, we only expect this trend to further strengthen.
- Vivek Rakholiya:** Understood. And does Thaletec fetch the same margins as the India operations?
- Nilesh Ganjwala:** The Thaletec margins are relatively stable relative to last year. We are currently in the low double-digit margins at Thaletec at the EBITDA level, and those margins are in line with expectations. The only thing in Thaletec is that over the last -- I think we had a slightly softer third quarter due to which the annual sales of Thaletec have remained more or less stagnant. We haven't seen growth at the top line level at Thaletec Germany, but we are expecting that again to turn around because the current order book at Thaletec Germany looks very encouraging.
- Vivek Rakholiya:** Understood. And the next question was about the recent developments on the impact of gas prices that glass furnace operations. Has there been any disruptions in that? And is there any likely impact in the Q1?
- Harsh Patel:** Yes. So, the gas prices have definitely increased. We, as with so many other things that have changed because of the recent conflict in Iran. Now so far, we have been able to pass on the price increases to a large extent, but so there has been the impact. So, what was your exact question actually, you got cut off a little bit in between.
- Vivek Rakholiya:** No, no, sir. That answers my question, sir. And, just taking a step back over the last year of operations, which were the 2 areas wherein management had big positive and big negative surprises over the last year?

- Harsh Patel:** I think the big positive or it was -- I mean, there was not one single big positive, but the fact that the pharmaceutical API sector is doing well is positive for us. Also, we were beginning to see some recovery in other sectors. That was positive. But then, as everybody knows, the last month or last -- since February, things have changed again. So, that was probably the big negative. So, it is -- the big negative is mostly the external geopolitical issues that are going on right now.
- Vivek Rakholiya:** Understood. And sir, the last question was that Omeras was expected to achieve double-digit margins and breakeven by the Q4. Was the set target achieved? And if not, what were the reasons for the same? And also from your strategy standpoint, what is the game plan for Omeras look like over the next 2 years considering there is a longer execution timeline of 12 to 18 months for that segment?
- Nilesh Ganjwala:** Omeras is now very close to breakeven, which is exactly what we had expected and what we had communicated at that point in time. I think we expect over a period of time, maybe over the next 2 years to get into double-digit margin kind of business. The growth at Omeras, both in terms of capability as well as in terms of the order book is very, very encouraging. In fact, the order book from December '25 to March '26 over 1 quarter, the order book has almost doubled, and we expect this trend to continue going forward as the pipeline of orders over there is very, very strong.
- So, we expect Omeras to turn around very, very soon. In fact, we are very close to breakeven as we already mentioned earlier. In terms of getting to double-digit margins, I would expect that to happen in the next financial year for Omeras on a stand-alone basis. So, I think as far as Omeras is concerned, we are very much on track. We have built capabilities, as I mentioned earlier. We now have a very strong team.
- We have concentrated over the last 6 months to build a strong management team, which is critical to deliver the results and performance that we all expect. And I think we have now a team in place already. And I think things are looking very, very encouraging on an overall basis, both from a perspective of team, capability as well as the order book in hand and the order book pipeline.
- Moderator:** Next question is from the line of Kiran from Table Tree Capital.
- Kiran:** Sir, I have a few questions. First question, sir, are you giving the breakup these days for Thaletec, glass lined, filters and dryers and Kinam for FY26?
- Nilesh Ganjwala:** I think as per the segment reporting requirements, we do provide results for filtration and drying, which is, of course, filtration and drying, which is straightforward. Then the glass lined products, which includes glass lined India, Thaletec, which is glass lined Germany and the glass lined panels that are being manufactured at Omeras. And heat transfer basically captures the heat exchanger business of Kinam. So, that's how we are presenting the numbers. I think that's absolutely clear.
- Kiran:** Got it. Got it. So, the glass lined piece is what is the combination. And out of that 24% was to answer your previous question -- previous responder, 24% of that was from Thaletec.

- Nilesh Ganjwala:** That's correct.
- Kiran:** Okay. Got it. Sir, second question on -- actually a sub-question on Kinam, heat transfer equipment rather. We've done INR200 crores of revenue. I think in one of the con calls, I can't remember which quarter, but we said we had one large O&G order on heat transfer equipment.
- And this year, we did INR200 crores. Do you expect a similar kind of run rate on the heat transfer equipment going ahead as well for FY27 -- and margins also to kind of be in a good range for heat transfers?
- Harsh Patel:** So, I think we expect the heat transfer business overall to grow at a 15% to 20% range for the next couple of years. That is what we expect. And yes, we have made some inroads in the petrochemical industry, and we are looking to expand or rather our market.
- We are also looking at some export opportunities. And in the long run, we feel, especially with the current geopolitical situation happening, whenever that settles down, we expect the demand for the heat exchanger business to really jump. So, whenever that happens, we may then talk of a different kind of growths. But the timeline is uncertain, of course, for obvious reasons.
- Kiran:** Got it. So, till that time happens, 15% to 20% growth is what you are projecting for the next 2 years.
- Harsh Patel:** Yes, yes, sir. That's correct.
- Kiran:** Got it, sir. Sir, second question, sir, from an Omeras perspective, obviously, we bought it for INR27 crores. It had about INR200 crores of revenue. Now if I remove INR100 crores because it was only 6, 8 months where we had Omeras for this year, INR89 crores is what the presentation says. So, roughly, we did about INR1,250 crores this year.
- In terms of the demand that you are seeing, especially Thaletec very good demand, Omeras, very order book doubled. I think pharma and CDMO stuff within India is exploding. So, do you think this INR1,250 crores has a potential to go to about INR2,000 crores in 2 years?
- Nilesh Ganjwala:** I think if we do less than INR2,000 crores, we will be disappointed. I think -- but this would -- but I would only -- the only difference would be I would include Omeras in the INR2,000 crores number.
- Kiran:** Got it. So, we are saying including Omeras, INR2,000 crores in a couple of years, give or take. I mean, I'm not holding it to it. I'm just trying to understand the vision, sir. And 15% plus margin overall, not this year, but overall next year is what we are trying to target.
- Nilesh Ganjwala:** Yes. I would say, again, 15% margin, let's understand the Germany business delivers a lower margin. The Indian business, yes, 15% plus for sure.
- Kiran:** Got it. So, no, I was asking about the consol. So, consol will not be -- it will be around 15%.
- Nilesh Ganjwala:** Will be in the range of between 14% and 15% on a consol basis.

- Kiran:** Understood, sir. And one last question, sir. In terms of customer segments, when I say customer segments, obviously, we cater to primarily pharma and agrochemical and chemical. Within the subsegments, where are you seeing the steepest growth for demand for our filters and dryers, glass lined, including Thaletec and Omeras? I mean in terms of subsegments, it would be really interested to see where the capex is happening.
- Harsh Patel:** So, most of the capex currently in India is happening in the pharma sector, API, I should say. There is also demand in the custom manufacturing sector. I think as I explained, the specialty and the agro are in some form not keeping up with the pace of the others. So, that is how it is moving for both filtration and drying as well as for glass lined India business is growing -- for glass lined Germany business, it's a mix, but we have had also more share from the pharmaceutical API business.
- Moderator:** Next question is from the line of Pehel Sharma from DD Investments.
- Pehel Sharma:** So, I wanted to ask that like how does your long-term global strategy evolve? And what role will Europe and other international markets play in driving HLE's future growth?
- Harsh Patel:** I think if you see actually as a company in the last few years, we have positioned ourselves well in Europe. So, we are, of course, already present in India, and we were exporting to different countries from India. But since 2021, we have positioned ourselves well in Europe. So, in Europe, we are -- we have -- for Thaletec products, we have already started expanding out of their markets of strength, which we used to call as a dark country, which is basically Germany, Austria and Switzerland.
- So, we have already expanded out of those countries and now we have created reach in different areas of Europe. But we have also in the last few years, expanded into the U.S. market. So, we have appointed more people there and we have gotten orders of -- consistently orders from the U.S. for the last 2 years. And our global -- as part of our global vision, the U.S.A. will be a major growth driver for us at Thaletec.
- This will also be the case for our Omeras business. Omeras is known position in Europe, especially in Italy and in Germany. So, as a first step, we would like to expand our presence in other countries in Europe. And as a step two, we will also take Omeras to the U.S.
- So, we want to become a technology led global company. The new opportunity that will come by also will be Middle East because as I explained in the previous question, Middle East will become a great opportunity for us in the heat exchanger business.
- So, we already have a lot of things going on, and we have already invested in people in the Middle East. We have our own [sales team being 0:33:09] built-up and this was being done well before all this conflict started. So, that was also a big area of focus. So, Europe, Middle East, U.S., we are well positioned to expand ourselves into different markets.
- Pehel Sharma:** Understood. And one more question that what is the current utilization level in the heat exchanger segment? And how is it expected to trend over the next 2 years, like next 2 to 3 years?

- Harsh Patel:** So, the utilization in heat exchange business is about 70%, 75%. And I think we will I explain, we will grow at a normal pace, we will grow at 15%, 20% for the next two years. So, because we are doing that, we are also looking for -- we will start looking for creating capacity next year onwards based on how current year goes.
- Peהל Sharma:** And one more last question that where do you expect the incremental demand for heat exchangers to originate geographically, like between domestic markets like India and export regions such as Europe or the Middle East?
- Harsh Patel:** So, our current focus, of course, is in India. So, India, the strategy is penetration because there are players present. We are new entrants for India in the business, especially for petrochemical and oil and gas. For the traditional chemical and pharmaceutical industry, we are the largest player in the country, and we will continue to grow there and keep our market share. The next phase of growth for us is expected to be in the Middle East to begin with. And later on as a step two, we will expand in the United States.
- Moderator:** Next question is from the line of from Ajay from Niveshaay.
- Ajay:** Sir, I wanted to know more on Omeras. If I heard it correctly, you mentioned that the order book currently stands at INR78 crores?
- Nilesh Ganjwala:** Current order book is about INR78 crores to INR79 crores.
- Ajay:** And sir, if you can maybe elaborate more on the Omeras, what was the contribution mainly in this quarter because it gets reported in the Thaletec, in that subsidiary. So, how much contribution has been recorded for Omeras and in which quarter? And also if you can maybe -- because the Thaletec at an individual level used to have EBIT margins of around maybe 13%, 15%. So, if you can maybe give us some hint on the absolute any loss which we are incurring at Omeras currently? And maybe this year at what scale do we see Omeras to end up with?
- Nilesh Ganjwala:** So, Omeras' revenue contribution in the fourth quarter is about -- between INR43 crores and INR44 crores to the overall sales of the consolidated basis. I think the margin at the EBITDA level is -- we touch breakeven when we do roughly about between INR45 crores to INR50 crores in a quarter. That's roughly about between INR15 crores and INR18 crores, INR15 crores to INR17 crores per month.
- So, that's our rough breakeven calculation. Of course, it depends on margins and some dynamics of the business. But probably that's the kind of number that we are looking at, which effectively means that at roughly about INR200 crores, INR225 crores kind of an annual revenue, Omeras will be at EBITDA breakeven.
- So, that's as far as Omeras is concerned. As far as Thaletec is concerned, I think we have had a year where, as I mentioned, where the numbers were slightly subdued in terms of growth relative to the previous year. But the margins have been in the low double digits. I think it's in the range of roughly about 11%, 11.5% at the EBIT level.

- Ajay:** Sir, like the call on Omeras we are targeting maybe this year to achieve breakeven and even get some margins, we'll close this year maybe with INR200 crores top line. Is that what we are aiming at for the Omeras business?
- Nilesh Ganjwala:** I think the aim is to get way above INR200 crores. That's what our aim obviously, yes, certainly. Because the order book and the pipeline currently indicate that we will be able to achieve that for this year. So, while the margins may not be very healthy in terms of double digit or so on, but at least the fact that it makes a sustainable turnaround would itself be a very big thing for us. Going forward, of course, we can build on top of that.
- Ajay:** And this majority of the demand will be from tanks, facades or bio-waste, if you can maybe give some color on this. And followed with this, the India capex, which we had -- which we are planning to look for Omeras, like which particular product is that for? And will that be beyond the order book for the business which we are looking at, that is particularly for Indian business? and not for export?
- Harsh Patel:** Sorry for the European market, we expect demand from both tanks as well as from architectural business -- so Omeras has a great strength in architectural business. So -- and that we will continue to do. And also, we expect robust healthy demand from tanks business. So, as far as the India investment is concerned, we are investing in India mainly to cater to the Indian market and in the long run for the Middle East.
- So, the demand for the India operations will be -- in the beginning, we are expecting to do only tanks. The architectural market in India at the moment is not at the maturity level where they will accept this product. So, yes, in the beginning 3 years or so, we will be focusing on tanks for different applications. So, tanks are also used for various applications. So, tanks are used for storing wastewater, tanks are used for storing extremely pure water for semiconductors, for food.
- Tanks are also used for as biogas digesters. So, when we say tanks, it's not so simple. Tanks also have multiple segments.
- Ajay:** Got it. And the timeline on this capex, like we expect this to get commercial in Q1 FY27?
- Nilesh Ganjwala:** Yes. We expect to be commercially operational by the end of this financial year. So, this will -- the capex in India will probably reflect in next year's financials from a revenue perspective.
- Moderator:** Next question is from the line of Ishika Bajaj from Kredent Family Office.
- Ishika Bajaj:** So, I wanted to ask, did you have any export revenues in this financial year?
- Nilesh Ganjwala:** I think exports from India have been in the range of about 5% to 7%. So, yes, of course, I'm not including the revenues from the Germany business, but exports from India operations have been in the range of 5% to 7% of the India business.
- Ishika Bajaj:** Okay. And just a broad question, which segments are we expecting to drive overall growth in the next 2 years, like in the 3 segments that we currently have?

Harsh Patel: See, our growth will be driven by multiple segments. We will not be driven by one segment, and that is actually what we are aiming for as well in the long run. So, pharmaceutical API businesses are doing well, and they will continue to be our top contributor to our growth, India as well as outside of India. But now because Omeras is in our portfolio, we will also -- other things like biogas storage, storage systems, architectural business, they will also contribute to our growth.

And at Kinam, as part of our strategy, we have been expanding into the oil and gas and petrochemical business. So, that will also contribute to our growth. So, this gives us a very diversified product and growth portfolio.

Ishika Bajaj: Okay. And is it possible to get this Thaletec revenue for FY26?

Nilesh Ganjwala: Please repeat sorry, I couldn't get your question, if you could kindly repeat.

Ishika Bajaj: Yes. Is it possible to get this Thaletec revenue number for FY26?

Naveen Kandpal: Yes. So, in the current financial year, Thaletec gave revenue of around EUR34 million.

Moderator: Next question is from the line of Vivek Gupta from Star Investment. Yes, please go ahead.

Vivek Gupta: Yes. Sir, as the next-gen leaders at the HLE, how do you envision HLE to evolve over the next decade? And what positioning or capabilities would you like the company to be known for? Also, sir, additionally, with multiple integrations underway, how are you managing increased organizational complexity while maintaining executional discipline and the margin performance?

Harsh Patel: There are many questions in one, but I will maybe try to answer as to my best understanding. I think at HLE, we have always -- we are always striving to be a technology-led global company. And even with the next generation, that vision or that way of doing business will not change. We will not go into me-too kind of products. Only and only if we have some technology differentiation, then we will enter a segment or a product.

So, that has been our strategy so far, and we will continue to operate in that way also going forward. As far as the integration question goes, we have now -- this is now -- we have already acquired now 3 -- actually 4, if you start from Swiss Glascoat, 4 acquisitions, out of which 2 are international and 2 acquisitions are in India. So, we have now, I would say, a good understanding of what we have to do when we acquire a company. There is -- and we are carrying that process forward also for Omeras now.

And we had already done it for Thaletec, Swiss Glascoat and Kinam. So, we have a good team. The team understands what needs to be done and the integrations have been so far quite smooth. I hope I answered your question.

Vivek Gupta: Yes, yes, sir. Sir, in the Q2 con call, you had guided for heat exchanger utilizations to reach around 65% to 70%. So, could you provide the current utilization level and elaborate on the factors behind your relatively cautious growth outlook compared to the listed peers that are expecting stronger growth in this segment?

- Harsh Patel:** See, our current utilization is in the same range, 75% range, plus or minus a few percent. So, that is -- and peers, I think as far as the chemical, pharma API, specialty chemical industry goes, there are really no peers to Kinam. So, I assume that the peers that you are speaking about are mainly the peers or the companies that are operating in the petrochemical and oil and gas sectors.
- So, what is -- we are new -- relatively new entrants to petrochemical and oil and gas. And that is the reason that we are not being, let's say, we are not projecting ourselves to do the same kind of numbers of growth that those companies which are well established in those sectors are having.
- Moderator:** Next question is from the line of Saumiya Raghvanshi from Nirva Capital.
- Saumiya Raghvanshi:** So, my question was, how do you view the synergy potential between Omeras and HLE's existing portfolio?
- Harsh Patel:** See, Omeras and HLE from the market point of view, we have a lot of customer overlap in India and outside as far as the tank business goes. There is also a potential to -- for technology exchange because Omeras is a glass lined company and Thaletec and HLE Glascoat is also a glass lined manufacturing company. But the way things operate are -- there is opportunity to learn from each other.
- So, there is good synergy potential from that point of view. And of course, Omeras helps us to expand our markets, I mean, reach because Omeras is present in certain markets where HLE was not strong. So, over a period, it's not -- it's a long process. It doesn't happen overnight. But over a period, we will be leveraging each other strength in all these 3 areas that I just mentioned.
- Saumiya Raghvanshi:** Okay, sir. Got it. Additionally, within the glass lined equipment segment, what are the key factors driving the anticipated utilization ramp-up? And how sustainable do you believe the trend is?
- Harsh Patel:** So, the key factors that are driving the glass lined business, I assume you are talking about the Indian operations of glass lined business are the demand uptick that we have seen in the API Pharmaceutical business and a little bit of recovery also in the specialty and the CDMO kind of company.
- I mean everything was going well until about February. What we are seeing is some companies are deferring some decisions because of the ongoing geopolitical situation. So, while the -- I mean pharma -- the pharmaceutical and the API sectors are not yet doing that, but especially the CDMO or the agrochemical companies, which we are seeing are coming back have kind of, again, deferred a few things. That is what we are seeing.
- Moderator:** Next follow-up question is from the line of Kiran from Table Tree Capital.
- Kiran:** Sir, I have a quick clarification on -- I mean, glass lined products. If I just take glass lined products, it's a combination of our glass lined business plus Kinam plus Omeras, right? And help me understand if this is correct. INR6 crores sorry go on.

Nilesh Ganjwala: Sorry, sorry. I just would like to interject. Glass lined products do not include Kinam. Kinam is in the heat transfer equipment.

Kiran: Sorry, sir. Glass lined includes glass lined for India business, Thaletec, I misspoke, Thaletec plus Omeras, right?

Nilesh Ganjwala: That's correct. That's absolutely.

Kiran: Perfect, sir. So, INR676 crores is what we did in FY26. Now if I understand Thaletec revenues from the previous responder's question is Eur34 million, it's about INR377 crores, right? and then INR89 crores is from Omeras. So, if I subtract all of that, then I get about INR210 crores of glass lined business in India, right?

And this is pretty much flatlined. I mean, if I look at '21, '22 numbers, it is pretty much flatlined there, right, INR200 crores, INR220 crores. I don't know if I'm making any mathematical mistakes here...

Nilesh Ganjwala: I think broadly -- I think your methodology is correct. I can just correct you to the extent that the Thaletec India, the INR equivalent revenue is a little under INR350 crores because the revenue is calculated at the average exchange rate during the whole year. You probably take an exchange rate right at the end of the year.

Kiran: Right, right.

Nilesh Ganjwala: So, the number that reflects in the accounts is, I think, INR345 crores, if I'm not mistaken, give or take, a crores here and there. And the India business is a little under INR250 crores. So, it is a considerable improvement over the previous year.

Kiran: So, improvement over the previous year. okay, sir. I mean that's great. But I'm just saying it's pretty much flat line for -- I mean, I'm not talking of the peak of chemical capex in '21 and '22. But from '22 onwards, it roughly seems to be around this INR200 crores to INR250 crores mark, not pushing through it.

I mean, is there any -- I mean, should I understand it as that glass lined is pretty much flat line, one, because of competition, two, because our clients are not -- have not invested as much capex over the last 4 years? How should I read this is what I'm trying to ask, sir? Because we have not grown for 4 years, if I look at a 4-year timeline?

Harsh Patel: So, there is -- yes and no, because what has happened in the last 4 years is that the -- because of various reasons, the margins have been subdued. And I mean -- okay, let me put it another way. The cost per equipment that we used to get in '21, '22 was much different than what we are getting now. So, if you see the activity at the shop floor, the activity on the shop floor has actually increased. The number of equipment that we dispatch has actually increased by 30% to 40%.

But the value per equipment has gone down to such an extent that you don't see the growth in the business. So, capex is happening. Our business has grown from an output point of view, but not from a revenue point of view.

- Kiran:** Got it. And over the next 2 year.
- Moderator:** Sorry to interrupt, we will take that sorry to interrupt, Kiran. We will take that as the last question for the day. Ladies and gentlemen, we will take this as the last question for the day. I now hand the conference over to the management for the closing comments.
- Harsh Patel:** Thank you very much, ladies and gentlemen, for your interest in HLE Glascoat, and we look forward to seeing you in the next call. Have a good evening.
- Moderator:** Thank you, sir. On behalf of HLE Glascoat Limited, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines