

Investor Release

HLE Glascoat reports strong Financial Performance

Anand, Gujarat, 12th June, 2021; HLE Glascoat Limited, engaged in the specialized business of manufacturing chemical process equipment, leaders in filtration and drying and second largest player in the Indian glass lined equipment market announced its Audited Financial Results for the Quarter and Year ended 31st March, 2021

Revenue from Operations

Rs. 488 crores



EBITDA

Rs. 96 crores



Profit After Tax

Rs. 53 crores



Key Financial Highlights:

Particulars (Rs. Crs.)	Q4 FY21	Q4 FY20	Y-o-Y	FY21	FY20	Y-o-Y
Revenues	149.8	113.2	32%	488.4	429.8	14%
EBITDA	28.8	20.8	39%	95.6	76.2	25%
EBITDA Margins (%)	19.2%	18.4%	+80 bps	19.6%	17.7%	+190 bps
Profit After Tax	17.9*	11.0	63%	53.4	39.2	36%
PAT Margins (%)	12.0%	9.7%	+230 bps	10.9%	9.1%	+180 bps

* During Q4 FY21, the Company have winded down the Chemical Business operations. Profit after Tax for the Quarter has increased by 63% despite the loss of Rs. 2.02 crores incurred on discontinuation of the chemical business.

Segment Wise Performance

Segment Revenues (Rs. Crs.)	Q4 FY21	Q4 FY20	Y-o-Y	FY21	FY20	Y-o-Y
Filtration, Drying and Other Equipment	70.6	52.9	33%	241.7	199.3	21%
Glass Lined Equipment	66.9	37.7	78%	200.2	152.5	31%

Segment Result - EBIT (Rs. Crs.)	Q4 FY21	Q4 FY20	Y-o-Y	FY21	FY20	Y-o-Y
Filtration, Drying and Other Equipment	13.3	7.7	74%	43.8	31.1	41%
Glass Lined Equipment	15.0	3.7	310%	41.9	18.8	122%

Dividend: The Board of Directors have recommended a Total Dividend of **Rs. 4/- per equity share** of Face Value of Rs. 10/- each (40% of Face Value) for the financial year ended 31st March 2021

Other Key Highlights

- Order Book of approximately 6 months for both filter dryers and glass lined equipment
- Order book for both the segments continued to remain encouraging reflecting the continued demand from the user industries and the product quality and acceptance.
- Return on Capital Employed (RoCE) is at 41.1%
- Return on Equity (RoE) is at 39.6%
- Net Debt is Rs. 56 crores, reduced from Rs. 74 crores in FY20
- Net Debt to EBITDA stands at 0.8x as on 31st March 2021, reduced from 1.1x from last year

Update on on-going Capex

- Installation of additional Gas Fired Furnaces is under way at the Anand facility. These will boost our Glass Lining capacity by nearly 25% and reduce the per unit Power and Fuel costs further. The new furnace is expected to be operational by Q1 FY2022. The aggregate project cost is estimated at Rs. 10 crores (substantially incurred).
- Planned addition of manufacturing shed adjacent to the existing facility at Maroli adding over 25% more floor area for manufacturing of Filtration, Drying and Other Equipment. The implementation is likely to be completed in around 9 months. The aggregate project cost is estimated at Rs. 15 crores.

Company plans to incur Capex of ~Rs. 50 crores in FY2022

- Greenfield plant at Silvassa to augment Filtration, Drying and Other Equipment manufacturing capacity. It is expected to be completed during FY2022.

Impact of 2nd Wave of CoVID

- The Country witnessed a 2nd wave of CoVID 19 during the months of March to May 2021. The Company has organised vaccination camps at the factories for employees and their families.
- Due to the restrictions imposed by the authorities, the Company had limitations in operations caused by regional lockdowns, unavailability of oxygen, manpower shortages, logistic issues and other related restrictions. The Company is taking several measures to minimize the financial impact of the second wave of Covid-19 infections.

Commenting on the Results, Mr. Himanshu Patel, Chairman and Managing Director said,

“FY21 has been a challenging year for all, wherein the capabilities and competencies of our Company have been tested. Our Company delivered record revenues and profitability in FY21 on back of strong growth backed by robust demand from the end user industry and increased efficiencies in the business.

The Order book for the filtration, drying and glass lined equipment segments continue to be strong and the delivery schedule continues to remain stretched. The robust order flow and the sustained demand from all our end user industries - API Pharma, Specialty Chemicals, Agrochemicals, Dyes and Pigments is promising. These user industries are performing well and continue to invest in future growth.

Our endeavour continues on adding new and innovative products to our portfolio, enhance our addressable market through strengthening the after sales network and be a preferred vendor for our customers. The Company is continuously exploring new growth opportunities to use the engineering capabilities and to introduce value added products.

Our efforts towards achieving operational efficiencies on a sustainable basis are ongoing. The Company continues to have a long-term focus on meeting our customers evolving expectations.”

About HLE Glascoat Limited

(Formerly known as Swiss Glascoat Equipments Ltd.)



HLE Glascoat is engaged in the specialized business of manufacturing chemical process equipment. The Company’s largest product segment is Filtration and Drying Equipment. HLE is the preferred supplier and technology leader having over 60% share in the Indian Filtration and Drying market. The flagship products in this segment are Agitated Nutsche Filters and Dryers. HLE Glascoat’s plant manufactures more specialized filters and dryers every year than any other vendor in the world. Today, the HLE brand is synonymous with filtration and drying in the Indian Chemical and API industries and is considered to be the ‘Industry Reference for Excellence in Engineering’.

Currently, HLE Glascoat is also the second largest player in the Indian glass lined equipment market. HLE Glascoat is highly reputed for its quality, customer focus and reliability. The Company manufactures specialised glass lined equipment like reactors, columns, heat exchangers, filters and dryers. HLE Glascoat has set high standards of innovation and engineering even in this product segment and has continued to develop its glass lining technology indigenously.

HLE has the unique advantage of having the capability of supplying a bundle of products for all chemical process industries. HLE Glascoat operates three manufacturing facilities in Western India with best-in-class equipment. The Company’s state-of-the-art plants include a modern machine shop with CNC machine tools, state of the art SCADA controlled electric and gas fired furnaces for glass lining of equipment as well as components. Highly automated manufacturing process with SPMs ensure accuracy and repeatability. HLE Glascoat has the distinction of being the first manufacturer to have successfully implemented Robotic Welding to match the stringent quality standards of glass lining.

HLE Glascoat’s customers are spread across the agrochemicals, specialty chemicals, dyes and pigments, API and pharmaceutical industries. Esteemed clientele includes almost all the large reputed domestic and MNC industry players in India and many others worldwide.

Contact Details

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