PARTNERSHIPS IN PRACTICE

August 12, 2022

BSE Limited
Corporate Relationship Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai- 400 001

BSE Scrip Code: 543413

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

NSE Symbol: TEGA

Sub: Transcript of the Investors' Conference Call for the Quarter ended June 30, 2022

Dear Sir/Madam,

Pursuant to Regulation 30 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Transcript of the Investors' Conference Call of Tega Industries Limited ('the Company') held on August 8, 2022 at 3:30 PM IST for the quarter ended June 30, 2022. The same can also be accessed on the Company's website at https://www.tegaindustries.com/tega-investors/#qr.

Thanking You,

Yours faithfully,

For **Tega Industries Limited**

TEGA INDUSTRIES LTD. CIN: L25199WB1976PLC030532 KOL-91

Manjuree Rai
Company Secretary & Compliance Officer

"Tega Industries Limited Q1 FY23 Earnings Conference Call"

August 08, 2022

MANAGEMENT:	**MR. MEHUL MOHANKA – MANAGING DIRECTOR AND GROUP CEO, TEGA INDUSTRIES LIMITED** **MR. SYED YAVER IMAM – DIRECTOR, GLOBAL PRODUCT MANAGEMENT GROUP, TEGA INDUSTRIES LIMITED** **MR. MANOJ KUMAR AGARWAL – DIRECTOR, GLOBAL FINANCE AND CHIEF FINANCIAL OFFICER, TEGA INDUSTRIES LIMITED**
MODERATOR:	**MR. NACHIKET KALE – ORIENT CAPITAL**

Moderator: Ladies and Gentlemen, Good day and welcome to the Tega Industries Limited Q1 FY23 Results Conference call organized by Orient Capital. 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 '*' and then '0' on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Nachiket Kale from Orient Capital. Thank you and over to you, Sir.

Nachiket Kale: Hello and Good afternoon everybody. Welcome to the Q1 FY23 earnings conference call of Tega Industries Limited. Today on this call, we have Mr. Mehul Mohanka – Managing Director and Group CEO along with Mr. Syed Imam – Director, Global Product Management Group and Head of Sales, also accompanied by Mr. Manoj Kumar Agarwal – Director, Global Finance and Chief Financial Officer.

Before we proceed in the call just a small disclaimer that the conference call may contain some forward-looking statements which are based on the beliefs, opinions and expectation of the company as on the date of this call, the actual business may differ materially. A detailed safe harbor statement has also been given on the company's investor presentation which was uploaded to the stock exchanges today. I would now like to hand over the call to the management. Mr. Mehul can you please take over.

Mehul Mohanka: Thank you Nachiket. Good afternoon and a warm welcome to all the participants in the call. I am joined today this afternoon by two of my colleagues Mr. Yaver Imam who is a Director - Global Product Management Group and Mr. Manoj Agarwal who is our CFO. I hope everyone by now has had an opportunity to go through our financial results and investor presentations which have been uploaded on the stock exchanges as well as on our website. We are happy to present the financial results of the first quarter of this financial year. This quarter was marked by a bleak global macro environment affected by the geopolitical issues in Europe, the recessionary outlook in leading economies, the volatility in currencies and inflationary pressure on raw material.

In unfavorable circumstances the underlying strength in our business is evident in our performance. On a year-on-year terms we have delivered double digit growth across all our key metrics. Since this is the first time that we are declaring our Q1 results after listing I would like to explain a crucial factor in our revenue pattern. As seen in our full year results published last quarter our revenues build up throughout the financial year starting from a moderate Q1 and finishing higher in Q4. Hence the performance analysis of year-on-year versus quarter-on-quarter for our business will be more relevant.

For the past few quarters, the disruption in supply chain coupled with rising fuel and commodity cost affected our margins. In Q1 there was some respite in logistics cost which has reduced since the last quarter. However, the costs are still higher than the normal prices from a pre COVID era and commodity inflations persists as well as raw material prices remained elevated.

As a business we pass through any cost escalations to our customers with the lag of a few quarters. We are encouraged by the opportunities in front of us and have a strong pipeline with a robust order book of INR 3,004 million as of June 30th 2022 compared to INR 2,359 million as on March 31, 2022. We are committed to building a true home grown global power house in our industry. Now, I would like to hand over to Mr. Manoj Agarwal our CFO to take you through the financial performance of the company for the period under review.

Manoj Kumar Agarwal: Thank you Mr. Mohanka and a very good afternoon to all the participants. I will share the highlights of our performance for the quarter following which we will be happy to respond to your queries. Company reported a total revenue from operation at Rs. 2,444 million delivering a strong growth of 41.1% YoY, material margin also improved by 200 bps sequentially from Quarter 4 of March 22 to the quarter of June 22. Hence, we have been able to pass through some of the price increase to our customers. Operating EBITDA stands at 461 million and has almost doubled from Rs. 235 million in the corresponding quarter last year.

Operating EBITDA margin improved from 14% to 19% YoY showing improvement of 500 bps points on a YoY basis. The improvement of EBITDA is due to higher volume that resulting in better absorption of fixed cost also. Other expenses has gone up from 461 million last quarter last year to INR 588 million in this quarter. Most of the growth on account of higher volumes only and some element of price as well. PAT has delivered a strong growth of 94% YoY and stands at 230 million INR from 118 million INR corresponding quarter. PAT margin is up from 7% to 9.5% an increase of 250 basis points. If I have been to exclude the non-operating income the PAT has gone up from 3.33% to 10.77% on YoY basis. Now we can open the floor for the Q&A. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. We have our first question from the line of Sandeep Tulsiyan from JM Financial. Please go ahead.

Sandeep Tulsiyan: My first question was on the value versus volume growth that you have seen in the first quarter and prices increases that you have taken we did see a very strong top line growth of 41%, so if you could just break it up to understand how much of price increase is taken and what will be realization increase is built in this number if any more price increases are yet to come through which could not be completely taken under this quarter?

Manoj Kumar Agarwal: So, out of this 41% actually there are three components. One is exchange side in the exchange we have lost about 3% YoY. And on the price side we take increase of around 13% to 14% of price side and the volume is about 30%.

Sandeep Tulsiyan: And also if you could help us understand between your different segments mill liners and non-mill liners how the growth has been and within mill liners specifically DynaPrime range how that has grown in the quarter and if you can also give some qualitative perspectives which are the different geographies where you are seeing growth around any particular over category which is growing faster than the other, how do you see this number planning out for the year a qualitative perspective on the same please?

Manoj Kumar Agarwal: On the three broad category which talked about DynaPrime mill segment and non DynaPrime mill segment and a non-mill segment. On DynaPrime side on absolute terms, we have grown about 157% which consists of volume about 150% price 10% and exchange loss of 10%. Having said that just to put on record that if you can recall last year first quarter there were some challenges in Chile in supply chain side. So, there we have not been able to built up about 15 crores of revenue so that is because the trajectory is showing very high in terms of growth DynaPrime in this quarter which will certainly normalized in the coming quarters. On the mill side non DynaPrime, we have grown about 32% - again 18% is more of a business growth and 17% is about price growth. Non mill side we have grown 15% YoY i.e. 8% is about business growth and about 7% is a price growth in that.

Sandeep Tulsiyan: Any perspective on the ore versus geography vs new customer addition that you can help us to understand how this growth can turn out for the financial year FY23?

Syed Yaver Imam: As far as ore is concerned in the ore we are concentrating on copper and gold ore as we have right from the beginning from the IPO we have been informing that 75% is there. So, our focus is still on gold and copper and with iron ore as small portion of that. The process that we have put in as far as buildup of identifications, trials and turning it into a full mill as far as DynaPrime is concerned is going on across geographies earlier it was limited to LATAM now we are doing it across geography. We have also concentrated on the business development with putting someone actively involved with business development. So, our business development activity is very strong and some of the numbers which you are getting is because of the increase in the business development activity.

Sandeep Tulsiyan: And last question what I have is on the logistics and on the capex cost logistics if you can I think in the previous call you have been pretty transparent in highlighting how this cost cannot be completely pass through, but as these cost will come down which we are seeing what kind of margin impact this has had in the current quarter and how much it can cool off to and also on the annual capex number we had given overall guidance of 250 crores to 270 crores over a three year period so how much will you incur in the current financial year out of that?

Manoj Kumar Agarwal: On the logistic side what we see that the peak which was in Quarter 3 last financial year from there it is on the downtrend when I say downtrend it has gone down at least by 20% - 22% from the peak, but still very high from the normalization rates what we had pre COVID levels. Yes that is a impact on our margin if you see the margin what we had in the March quarter from there we have able to build up about 200 plus basis point on a quarter-to-quarter basis. So, normalization of logistic cost from the peak is giving some advantage to us in terms of overall margin increase and we still believe that this will go little further down as well. Having said that we do not know how China Taiwan issue will ramp up because that will may have again a big impact if it happens to be a kind of a disaster otherwise we believe that logistic cost going to be little more normalized in that sense. So, mix of normalization and passing through the customers will help us to take the margin to a level of 60% which is what we aspire for. On the capex side, we are still on the same kind of stand what we have taken in the last call. As of now on the Chile side we already acquired land having spent about 25 crores towards that and the rest of the year will be going to kind of spent on the capex side as planned and want to talk about 250 crores of capex plans for next three years which is still going to happen on a yearly basis most spent will happen in first two years and third year will be little lower.

Moderator: Thank you. We have the next question from the line of Dhiral from PhillipCapital. Please go ahead.

Dhiral: Sir if you can quantify the DynaPrime number for the quarter?

Manoj Kumar Agarwal: DynaPrime quantity of revenue is 453 million against 176 million corresponding quarter last year.

Dhiral: And what about non DynaPrime mill liner and non-mill liners?

Manoj Kumar Agarwal: So, let me breakdown for you so on the revenue side for the current year DynaPrime is 453 million, non DynaPrime mill liner is 1,389 million and non-mill is 466 million.

Dhiral: And sir gross margins if you compare on a YoY basis it is down 180 bps, so what explain the fall in the gross margins?

Manoj Kumar Agarwal: What is down?

Dhiral: The gross margins if I say gross margin on a YoY basis last year Q1 as compared to this year Q1 it is still on 180 bps?

Manoj Kumar Agarwal: Yes so as I said that if you see the last year the price traction of the upward side started from Quarter 2 onwards. So, the price impact was not there in Quarter 1 last year and the price ramp up started from the Quarter 2. Hence if you see the trajectory of the margins, the margin started going down from Quarter 1 onwards until March last year and from March last year to this quarter we are again coming up gradually. So, that mean to say 60.42% was in Quarter 1 last year and March was 56.58 now we have come up to 58.70. So, in that sense we have been able to transfer the cost to the customers, but as we said it will take little longer time because of the very abnormal increase in prices. So, we are just coming through the 60% trajectory in the next one to two quarters.

Dhiral: If I say sir on the other expense side on a quarter-on-quarter basis despite the fall in the revenue our other expense on Q1 has remained elevated?

Manoj Kumar Agarwal: So, the other expenses mix of the fixed cost and your variable cost now the two elements if you see otherwise the inflationary environment is very big. So, all the inflation globally is very high. In fact, it is the other way round that inflation is double digit outside India which is the most cost prone countries that is impacted the cost in terms of other expenses and also some of the volumes are sitting there. So, in other ways we have been able to manage the inflation environment by keeping the cost at the same level what we had last quarter.

Dhiral: We are still maintaining our EBITDA margin guidance at 21% to 23% for the full year?

Manoj Kumar Agarwal: You are right.

Dhiral: Sir just lastly since our 85% to 90% of revenues export generated and we have seen rupee depreciating almost 5% to 6% in June quarter and then too we have reported exchange loss that you stated earlier, so what is the reason for that?

Manoj Kumar Agarwal: In our numbers lot of exchanges are there. So, in the revenue what has happened that on the India side, dollar side we have gained about 20 million in revenue, but when we have translated the overseas revenue into INR there is a loss of about 75 million. So, Indian dollar side we have gained, but while we convert our revenue to INR we have lost about 75 million. So, hence 75 million loss and 20 million gain is making 55 million of net loss as far as revenue is concerned.

Dhiral: Sir, which are the three major revenue sir in which we book our sell apart from dollar?

Manoj Kumar Agarwal: So, India we have dollar then Euro, AUD & CAD and as far as our other entity is concerned which is Chile and South Africa that is in Peso**,** ZAR locally. So, we need to convert that into INR while we make our accounts. So, there is a transition loss of 75 million.

Moderator: Thank you. We have a next question from the line of Balasubramanian from Arihant Capital. Please go ahead.

Balasubramanian: Sir our exports value growth source 50% and volume growth minus 27% as far EXIM and the major of exports in Australia around 44% and Netherland and South Africa and Canada and remaining other countries what kind of challenges, you are facing while transporting these countries right now, so what is the containers cost average it kind of 20,000 to 25,000 for foot increase containers?

Manoj Kumar Agarwal: Let me try to answer because I think I am not able to clearly heard you because of line disturbance. So, when you talk about the challenges in exporting the material outside India so that challenges little bit eased out this financial year. So, even challenge was there last year also we have been able to plan in advance to ensure that our customer should not suffer and we have not failed any of the supply to any of our customer worldwide. Now from there things are much better as of today. As I said that the prices of containers has gone down by 22% from the peak of Quarter 3 last financial year. So, availability of containers even price both are on a downtrend trajectory, but again we are keeping a very close watch on that how it plan up.

Balasubramanian: Sir it shows that 27% volume de-growth so you are exporting more value added products?

Manoj Kumar Agarwal: When you say 27% volume you talk about quarter-on-quarter?

Balasubramanian: Yes sir compared to last quarter?

Manoj Kuamr Agarwal: So, that is what I think our MD initially said that if you have seen our March quarter results our is a lumpy business hence we ramp up from Quarter 1 to the Quarter 4. So, Quarter 1 tends to be lower and Quarter 4 tends to be higher as a business. So, hence comparing with the quarter-on-quarter may not give a good direction to you even you can compare YoY gives a better direction as far as our business is concerned.

Balasubramanian: Yes I am talking about year-on-year compared to last year quarter?

Manoj Kumar Agarwal: Last quarter we have grown 41%.

Balasubramanian: I am talking about the volume growth in exports?

Manoj Kumar Agarwal: So, volume growth I said we have grown about 30% of volume growth YoY.

Balasubramanian: Sir could you please give a breakup for Chile revenue DynaPrime under this?

Manoj Kumar Agarwal: So, I think that much of revenue will just we are just going in very detail. The DynaPrime basically Chile what they do about close to about 80% to 85% in the new segment in DynaPrime about 15% they do in non DynaPrime segment.

Moderator: Thank you. We have next question from the line of Digant Haria from GreenEdge Wealth. Please go ahead.

Digant Haria: My question was I understand that most of our sales comes from the mining industry, but within mining if you can give some flavor of how much comes from copper, aluminum as in within non ferrous which are the major drivers and within each of them do we have major clients where we can still make in roads and ensure that our growth for future years is high?

Manoj Kumar Agarwal: So, in our business basically you rightly said we deal with more of mining processing industries. So, on a metal side we deal majorly on the gold and copper side and gold is a major portion of our revenues tends to be 40% to 45% and then followed by copper which is a 20%-22% and third is about iron ore which is about 15%. These three are the major segment for our revenue driver and then rest of about I would say about 15%-20% comes from all set of metals, talk about platinum, titanium, diamond, zinc, aluminum so lot of metals are there, but the major contribution comes from gold and copper which is about 65%.

Digant Haria: I understand that in gold maybe we would be quite dominant because gold is anyways very small quantities are mined every year, but then in iron ore and aluminum I think that our market share in these metals would be very low because these are very large industries especially the iron ore and the aluminum, so is there any scope like is there much more scope than what were there in these industries or the products they use are different from the products that we have in case of mill liners for conveyor products?

Yaver Imam: 75% of the liner business is in copper and gold. The reason being that copper to mine one ton of copper you have to process around 200 tons of ore. In gold to get 10 grams of gold you have to process one ton of ore. So, what happens is if you look at iron ore and aluminum. Aluminum the total different industry the process is different. As far as iron ore is concerned, iron ore today occurs at a very high grade around in India we have 67%-70% of the grade in globally in Brazil and all you have around 40%-45% there. So, they have to be enhanced from 45% to 67%. So, the mill requirements are much lesser over there compared to other industries. So, that is why our market share is also in gold, copper and then iron ore as Manoj said the reason being that the process requirement for the liners is accordingly.

Digant Haria: And in gold and copper would we present with the top 10 or top 15 mining companies of the world like would we have inroads there or are there some big accounts which we can still crack in the coming years?

Yaver Imam: As we had said right from the beginning in the IPO we are just touching this thing because the area which we are opened with DynaPrime it is a billion dollar industry as the liner industry for us and we have just started in that and we as Manoj said we did around 1 crore last year. So, there is a huge growth prospect going there and we are in present in all the top 40 miners of the world.

Moderator: Thank you. We have our next question from the line of Alisha Mahawla from Envision Capital. Please go ahead.

Alisha Mahawla: Sir what is the capacity utilization currently?

Manoj Kumar Agarwal: So, in this Quarter 1 we were at about 61% of our capacity utilization?

Alisha Mahawla: For FY23 except the capex that we are doing actually there is no other capex that we are currently doing?

Manoj Kumar Agarwal: Yes.

Alisha Mahawla: And what was the order book number that you mentioned I missed it?

Manoj Kumar Agarwal: We have about close to 300 crores order book.

Alisha Mahawla: And this is executable in one quarter three, four months?

Manoj Kumar Agarwal: It is about close to four months.

Alisha Mahawla: And would you like to quantify based on the current demand also because you have said that currently the global environment is kind of bleak what is the kind of volume growth that the company can aspire for the current year?

Manoj Kumar Agarwal: So, as we said that we are looking for 15% to 18% of CAGR in next 3 year to 5 years, but the idea is always to surpass that.

Moderator: Thank you. We will take our next question from the line of Bhavin Vithlani from SBI Mutual Fund. Please go ahead.

Bhavin Vithlani: Could you help us on what has been the freight cost as a percentage of revenue and we were targeting to move significant part of our customers from CIF to FOB and where are we in that journey?

Manoj Kumar Agarwal: So, our packing forwarding cost which was about close to. So, forwarding cost of about 8 plus percent, has come down close to about 7.25 percentage at standalone level because major freight is sitting in India as of now, and it has two impact. One is that the freight trade has gone down and the first quarter what we are saying that we have also been able to transfer some of the customers into FOB as well. So, overall, basically that gives us a advantage of 50 basis points in this quarter.

Bhavin Vithlani: Sorry for this what was the freight rates pre the increase let us say in FY19-20?

Manoj Kumar Agarwal: So, that was about close to about let us say 6.5%, 6% kind of thing. So, as we said last time that the gap was around 1.5% was coming. So, maybe we have been able to manage 50 basis point as of now we have still challenge of 1%.

Bhavin Vithlani: And we expect it to correct during the course of next financial year?

Manoj Kumar Agarwal: So, the idea is to just see that how much we can pass on let us say about 25 bps points further and if some downtrend continue in the freight side that may help us to come to normalize and get it 1% by the year end that is a mix of both price correction and the price pass on both.

Bhavin Vithlani: The second question is on the DynaPrime side we were roughly around 30 million last year, could you give us a picture as to where our DynaPrime has gone in for various test and the customer has given us an approval, so if those approval were to be converted into the entire conversion by the customer, what could our revenue potential be over the next year or two from the DynaPrime given where the trails have been successful?

Yaver Imam: I think there is a lot of forward-looking statement you want over there, but just to tell you what we have been maintaining right from the beginning that as far as DynaPrime is concerned we are going to grow at 30% CAGR for the next two-three years and if you look at the figures that is happening today we are on line with that.

Bhavin Vithlani: On the non-mill liner side we saw muted growth last year, could you just help us what was the key reason and what is the outlook that we are seeing currently?

Yaver Imam: As far as non-mill growth is there Manoj has given the figure about the growth that we have done in the non based mill also. So, I think the trajectory of the growth is happening in all the three verticals which is DynaPrime even in non DynaPrime as well as the non-mills business.

Bhavin Vithlani: The question was I mean the lower growth versus the other two categories in the non-mill liner segment, was there any specific reason why our growth was lower last year and why are we expecting the growth rates to move up?

Yaver Imam: No there is no specific reason what we have done in this year I mean we have also taken out a vertical for non-mills to concentrate on that. So, I think over the next couple of quarters it will start I mean it is already start giving some results. The concentration on non-mill will also bring into that growth trajectory we are looking for in the other sector.

Bhavin Vithlani: Just last question how is the profitability between the DynaPrime the conventional mill liners and the non-mill liner segment?

Manoj Kumar Agarwal: As we discussed last time also that as of now the margin in both the sides is more or less same. So, it is not something very differential margin in the DynaPrime mill liner and non DynaPrime mill liner. DynaPrime mill liner help us in create the volume in the business and idea is to just to give a push the DynaPrime in the market which will help us to clear the market and ultimately to focus on price increase. So, focus is basically today on the getting more market share with the fact that the price input cost has gone up abnormally high last year at least we have been able to pass through those prices as of now bearing 1% and 1.5% gap I mean that is what we are focusing on as of today.

Moderator: Thank you. The next question is from the line of Niraj Mansingka from White Pine Investment Management Private Limited. Please go ahead.

Niraj Mansingka: I just had a question how many sites you have right now in DynaPrime including trials in each?

Yaver Imam: I think we should really go away with the number of site because what is happening if you see the revenue growth you have a very strong revenue growth that is basically on the process of trial and presentation in the various places. So, growth of site and growth of business both are going hand-to-hand. So, if you are looking at what is the percentage of growth we have there close to around that we have the growth in the number of sites over there. I would not like to really specifically go into the number of sites in this call.

Niraj Mansingka: But could you share some color on the growth I understand you said 30% growth CAGR for next few years, but can you show some growth color so that we can understand will it back in 400?

Yaver Imam: Right from the beginning, right from the IPO what we have been saying is the process that we are going through where we are introducing in different geographies the DynaPrime. As of now today we have non DynaPrime working in Africa, South Africa, Russia, in Australia, in Canada and USA we put in this thing. So, Latin America whatever has happened the results of that are being taken globally. In Latin America also, we are looking at getting into newer customers which are over there. So, as of now spread across globally we have number of sites on which we are working and depending upon the customer and the process they are having number of sites will start coming into the picture which will reflect in both the order booking as well as the revenue growth that we will get from DynaPrime and looking at what has happened and is happening today and 30% CAGR is given what we are looking at in this year and the next couple of years.

Niraj Mansingka: Question related to this if you are talking about 30% CAGR DynaPrime then why you are having the low guidance for 15%-18% for next few years?

Yaver Imam: DynaPrime has a low base so what is happening if you multiply the base of DynaPrime with the other basis which is growing at different trajectory then you will get the cumulative at 17%-18%.

Niraj Mansingka: I asked you that non-DynaPrime revenue has been growing reasonable number?

Yaver Imam: That is what he is thinking if you look at finally when we look at DynaPrime is out shaping the growth in all the other categories and has a lower base. Once the base comes to the same level probably DynaPrime will drive this thing, but as far as accumulated growth is concerned of all the categories then you get that thing based on 30% growth of DynaPrime.

Moderator: Thank you. We have next question from the line of Keval Ashar from DSP Investment Managers. Please go ahead.

Keval Ashar: What is our right to win in hybrid mill liners compared to the ones manufactured by our global peers?

Yaver Imam: Can you repeat your question please?

Keval Ashar: Sir, what is our right to win in hybrid mill liners compared to the ones manufactured by our global peers?

Yaver Imam: I mean again right from the IPO we are saying if you look at the hybrid liner with our DynaPrime ranges there are two categories of the hybrid one is the ball mill and the SAG mill. In SAG mill area as of now with a body of work the only creditable supplier is us. So, our basic is disruption of this thing compared to the steel liners how the steel liners are working and what values we are delivering. Other peers are in the hybrid category they have to design and establish their product before they come up to the level that we are there. So, most of them are close to around two to three years behind us.

Keval Ashar: And the second question is you mentioned 30% growth in DynaPrime for the next few years of that 30% how much would be volume growth?

Yaver Imam: I am talking about volume growth only.

Keval Ashar: So, then how much would be the increase in realization year-on-year for DynaPrime?

Yaver Imam: I mean that again will be a little difficult to say because the pricing, costing freight everything what is happening is a very fluid kind of a situation every year. We are right from the beginning we have told that we intend to keep the margins as close to 60% as possible and that is what we are going to do and depending upon year-to-year how the cost as well as logistic cost can be passed on we will be doing that.

Moderator: Thank you. We have our next question from the line of Khadija Mantri from Sharekhan. Please go ahead.

Khadija Mantri: My question is that in our portfolio is everything manufactured in house or do we have some imported components as well?

Manoj Kumar Agarwal: No everything is in house manufacturing.

Khadija Mantri: Sir who all are our competitors and is it possible to quantify the market share?

Yaver Imam: We have already as far as the Red Herring prospectus was there we had already given the market share as well as who are our major competitors. Major competitor is Metso in DynaPrime range where we had on with Steel Liner, Select Metals, Bradken these are these and as far as the global market share is concerned for mill liners we are inching to number four as far as the market share is concerned.

Khadija Mantri: And sir there has not been any change given the global headwind there is no change in the market share?

Yaver Imam: We are talking about the report which is a year old so not major shift will occur in a year.

Moderator: Thank you. In the interest of time this will be the last question. I would now like to hand the conference over to Mr. Nachiket Kale for closing comments. Over to you sir.

Nachiket Kale: Thanks to all participants who asked question on this call, we thank everybody to spare their time and come today. I would also like to thank the management for taking all the questions and providing their insights. For any other queries you can get in touch with Orient Capital, Investment Relation Advisors for Tega Industries. Please take care everybody, have a nice day. Thank you.

Moderator: Thank you. On behalf of Tega Industries that concludes this conference. Thank you for joining us and you may now disconnect your lines.