

13 October 2025

INDIA | INDUSTRIAL GASES |
INITIATING COVERAGE



Ellenbarrie Industrial Gases

Scaling profitably on India's industrialisation story



Pan-India ambition to drive long
term capacity-led growth

Margin to strengthen with robust
growth in high margin Argon

Well placed to capitalise on industry
tailwinds; initiate with BUY

Ellenbarrie Industrial Gases

Scaling profitably on India's industrialisation story

Ellenbarrie Industrial Gases (EIGL) was incorporated in 1973 and is one of the oldest operating industrial gases companies in India, with a rich legacy of over 50 years (Exhibit 11). It has grown from a single oxygen plant (set up in 1976) into a trusted partner for industrial and healthcare customers, delivering oxygen, nitrogen, argon, etc. through its network of its air separation units (ASUs) and cryogenic distribution systems. It is the market leader in the states of West Bengal, Andhra Pradesh and Telangana, in terms of installed capacity as of end-FY25.

EIGL has built robust competitive advantage in an industry dominated by MNCs via its regional focus and agile customer engagement; this gives it a distinct edge for scalable growth by building plants closer to end-users, customising offerings and targeting under-served regions. Leveraging industry tailwinds, the management is driving aggressive capacity expansion to make EIGL a pan-India player. It is building three ASUs, which will lift its total capacity to 2,121 tonnes per day (TPD) by 1QFY27 (from the current 1,361TPD); this is likely to drive 29% CAGR in merchant volume over FY25-28. Further, we expect EIGL's high-margin argon production to grow at 83% CAGR from ~9TPD in FY25 to +50TPD by FY28. Hence, EIGL is strategically positioned for further expansion in EBITDA margin to 38% in FY28 (from 35% in FY25% and 24% in FY24). Hence, we expect EIGL to deliver a CAGR of ~30%/34%/32% in revenue/EBITDA/PAT over FY25-28. We initiate coverage with BUY (TP of INR 550) based on 40x FY28E P/E (vs. Linde India trading at ~57x FY28 P/E despite lower earnings growth expectations with a similar RoE profile).

Key risks: a) decline in price/volume of argon; b) lower volume growth due to delay in start of new capacity and/or slower ramp-up; c) high customer, industry and region concentration.

EIGL's pan-India ambition to drive long-term capacity-led growth: EIGL is building three ASUs, which will increase its total capacity to 2,121TPD by 1QFY27 (from the current installed capacity of 1,361TPD). This is likely to drive 29% CAGR in merchant volume over FY25-28 — **Exhibit 1-2**. Further, it is also actively looking for expansion opportunities in West India, marking its ambition to build a pan-India presence.

Margin to further strengthen with rise in contribution from high-margin argon: We expect EIGL's argon production to grow at 83% CAGR from ~9TPD in FY25 to +50TPD by FY28 once all the announced expanded capacity is commissioned. Hence, EIGL is strategically positioned for further expansion in EBITDA margin to 38% in FY28 (from 35% in FY25% and 24% in FY24) given argon's EBITDA margin is significantly higher at 70-80% vs. 30-35% in case of oxygen and nitrogen — **Exhibit 3-4**.

EIGL has built robust competitive edge in an industry dominated by MNCs; well positioned to capitalise on industry tailwinds: Indian industrial gases industry is projected to see strong growth supported by government initiatives like "Make in India", "Aatmanirbhar Bharat", PLI schemes and import substitution policies, alongside rising demand from various end-use industries. EIGL's diverse customer base, long-term customer relationships, extensive product portfolio and demonstrated flexibility imply it is well-placed to leverage these industry tailwinds and convert market growth into sustained revenue and profitability gains.

Initiate with BUY rating with TP of INR 550: We expect EIGL to deliver a CAGR of ~30%/34%/32% in revenue/EBITDA/PAT over FY25-28, driven by: **a)** 29% CAGR in merchant volume on account of strong capacity expansion; and **b)** EBITDA margin improvement to 38% in FY28 (from 35% in FY25% and 24% in FY24) due to rise in proportion of revenue from high-margin argon. Hence, we **initiate coverage on EIGL with BUY** rating with a **TP of INR 550** based on 40x FY28E P/E (vs. Linde India trading at ~57x FY28 P/E despite lower earning growth estimate with a similar RoE profile).

Recommendation and Price Target	
Current Reco.	BUY
Current Price Target (12M)	550
Upside/(Downside)	21.1%

Key Data – ELLEN IN	
Current Market Price *	INR454
Market cap (bn) *	INR63.9/US\$0.7
Free Float	22%
Shares in issue (mn)	140.9
Diluted share (mn)	140.9
3-mon avg daily val (mn)	INR296.3/US\$3.3
52-week range	638/430
Sensex/Nifty	82,327/25,227
INR/US\$	88.7

Price Performance			
%	1M	6M	12M
Absolute	-17.6	0.0	0.0
Relative*	-18.0	0.0	0.0

*To the BSE Sensex

Financial Summary						(INR mn)
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E	
Net Sales	2,695	3,125	4,010	5,322	6,802	
Sales Growth (%)	31.4	16.0	28.3	32.7	27.8	
EBITDA	615	1,097	1,462	2,027	2,615	
EBITDA Margin (%)	22.8	35.1	36.5	38.1	38.4	
Adjusted Net Profit	453	833	1,128	1,549	1,937	
Diluted EPS (INR)	3.5	6.4	8.0	11.0	13.7	
Diluted EPS Growth (%)	60.9	83.9	25.9	37.3	25.0	
ROIC (%)	9.7	14.4	16.1	17.2	17.4	
Adjusted ROCE (%)	12.7	11.5	12.4	12.9	12.0	
ROE (%)	11.7	18.4	15.3	14.7	15.8	
P/E (x)	131.3	71.4	56.7	41.3	33.0	
P/B (x)	14.5	12.0	6.5	5.6	4.8	
EV/EBITDA (x)	104.1	58.8	41.5	30.4	23.5	
Dividend Yield (%)	0.0	0.0	0.0	0.0	0.0	

Source: Company data, JM Financial. Note: Valuations as of 13/Oct/2025

JM Financial Research is also available on: Bloomberg - JMFR <GO>, FactSet, LSEG and S&P Capital IQ.

Please see Appendix I at the end of this report for Important Disclosures and Disclaimers and Research Analyst Certification.

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Table of Contents	Page No.
Focus charts	4
Investment thesis	6
Valuation	7
Key Risks	8
Company Overview	9
EIGL's pan-India ambition to drive long term capacity-led growth	14
Margin to further strengthen with rise in contribution from high-margin argon	16
Long-standing customer relationships leading to stable cash-flows	17
Diversified product portfolio driving revenue stability and risk mitigation	19
Industry Overview – EIGL well positioned to capitalise on industry tailwinds	21
Peer Comparison	23
Assumption and estimates	25
Board of Directors and Senior Management	27
Financial Tables (Standalone)	29



EIGL is one of the oldest operating industrial gases companies in India, with a rich legacy of over 50 years. The management's pan-India presence ambition is driving aggressive capacity expansion. It is building three ASUs, which will increase its total capacity to 2,121TPD by 1QFY27 (from the current installed capacity of 1,361TPD); this is likely to drive 29% CAGR in merchant volume over FY25-28. Further, we expect EIGL's high-margin argon production to grow at 83% CAGR from ~9TPD in FY25 to +50TPD by FY28. Hence, EIGL is strategically positioned for further expansion in EBITDA margin to 38% in FY28 (from 35% in FY25% and 24% in FY24) given argon's EBITDA margin is higher at 70-80% vs. 30-35% for oxygen/nitrogen. Hence, we expect EIGL to deliver a CAGR of ~30%/34%/32% in revenue/EBITDA/PAT over FY25-28. We initiate coverage with BUY (TP of INR 550) based on 40x FY28E P/E (vs. Linde India trading at ~57x FY28 P/E despite lower earnings growth expectations with a similar RoE profile).

Focus charts

Exhibit 1. EIGL: Existing and upcoming capacity details

Facility Location	Gross Capacity (TPD)	Commencement of Operations	Comments
Bulk ASU capacity			
Existing Bulk Capacity (A)	671		
Uluberia-1, WB	115	CY04	Nitrogen, Oxygen and Argon
Parawada (Visakhapatnam, AP)	170	CY09	Nitrogen, Oxygen
Jadcherla (Hyderabad, TG)	130	CY12	Nitrogen, Oxygen
Kurnool hybrid onsite ASU (Jairaj Ispat, AP)	240	end FY25	Nitrogen, Oxygen and Argon
Kharagpur-2 hybrid onsite ASU (Tata Metaliks, WB)	16	end FY25	Nitrogen, Oxygen and Argon
Upcoming Bulk capacity (B)	440		
Uluberia-2, WB	220	Nov'25	Nitrogen, Oxygen and Argon
North (Near Delhi)	220	FY27	Nitrogen, Oxygen and Argon
Total existing and upcoming bulk capacity (A+B)	1,111		
Onsite ASU capacity (C+D)			
Existing Onsite Capacity (C)	690		
Kharagpur-1 (Tata Metaliks, WB)	176	CY19	Nitrogen, Oxygen
Kurnool hybrid onsite ASU (Jairaj Ispat, AP)	360	end FY25	Nitrogen, Oxygen and Argon
Kharagpur-2 hybrid onsite ASU (Tata Metaliks, WB)	154	end FY25	Nitrogen, Oxygen and Argon
Upcoming Onsite capacity (D)	320		
East India Onsite Plant	320	Mar'26	Nitrogen, Oxygen and Argon
Total existing and upcoming onsite capacity (C+D)	1,010		
Total existing and upcoming Bulk and Onsite capacity (A+B+C+D)	2,121		

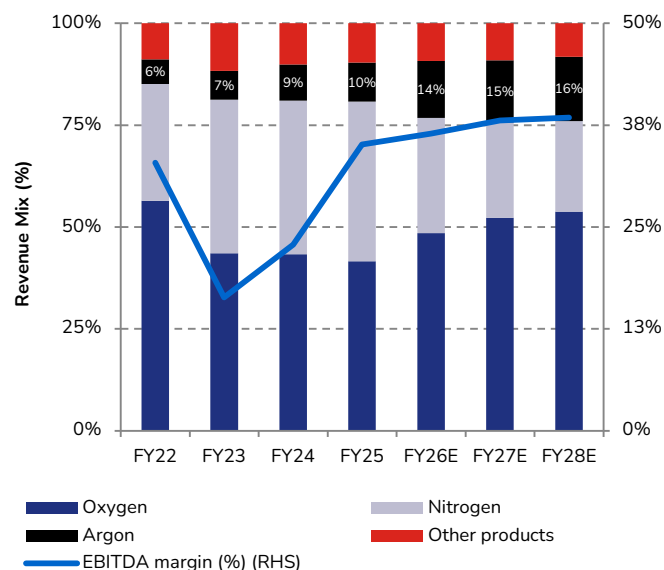
Source: Company

Exhibit 2. Industrial gases revenue split for EIGL

Particulars	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Total sales volume (in ton p.a.)								
Oxygen	59,948	69,986	63,469	68,979	76,125	119,249	168,462	227,920
Nitrogen	62,436	57,484	62,477	72,329	81,219	77,614	82,274	100,942
Argon	4,131	2,468	2,945	2,558	3,174	10,798	14,874	19,509
Total	126,515	129,938	128,891	143,866	160,518	207,661	265,610	348,371
Average Selling Price (INR/SM3)								
Oxygen	16	22	16	18	17	18	18	18
Nitrogen	12	12	13	13	14	14	14	15
Argon	50	83	71	120	120	70	74	77
Sales (INR Mn)								
Oxygen	760	1,191	801	936	1,024	1,628	2,323	3,174
Nitrogen	654	604	694	816	966	950	1,038	1,311
Argon	127	127	131	191	236	469	678	933
Other products	0	188	215	219	239	310	404	484
Total	1,541	2,110	1,841	2,162	2,464	3,358	4,442	5,904
Sales volume proportion (%)								
Oxygen	47%	54%	49%	48%	47%	57%	63%	65%
Nitrogen	49%	44%	48%	50%	51%	37%	31%	29%
Argon	3.3%	1.9%	2.3%	1.8%	2.0%	5.2%	5.6%	5.6%
Total	100%	100%	100%	100%	100%	100%	100%	100%
Sales Value proportion (%)								
Oxygen	49%	56%	44%	43%	42%	48%	52%	54%
Nitrogen	42%	29%	38%	38%	39%	28%	23%	22%
Argon	8%	6%	7%	9%	10%	14%	15%	16%
Other products	0%	9%	12%	10%	10%	9%	9%	8%
Total	100%	100%	100%	100%	100%	100%	100%	100%

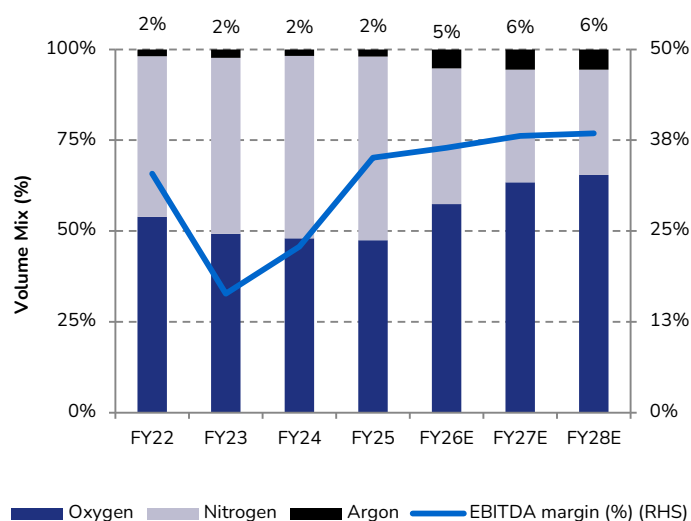
Source: Company, JM Financial.

Exhibit 3. Argon proportion to rise to 15-16% in revenue by FY27-28 (vs. 10% in FY25), resulting in EBITDA margin rising to ~38% (RHS)



Source: Company, JM Financial

Exhibit 4. Argon proportion to rise to 5-6% in volume by FY27-28 (vs. 2% in FY25), resulting in rise in EBITDA margin to ~38% (RHS)



Source: Company, JM Financial

Exhibit 5. EIGL: Key customers across various end-use industries

Industry	Customers
Steel	Tata Metaliks Jairaj Ispat Limited NMDC Rashtriya Ispat Nigam Limited Vizag Steel
Pharmaceuticals and Chemicals	Dr. Reddy's Laboratories Limited Apitoria Pharma Private Limited Laurus Labs Limited Honour Lab Limited Neuland Laboratories Limited Hetero Labs Limited Astec Life Sciences Limited
Healthcare	All India Institute of Medical Sciences (AIIMS) Department of Health and Family Welfare, Government of West Bengal Shree Bharath Pharma and Medical Oxygen Distributor West Bengal Medical Services Corporation Limited Chittaranjan National Cancer Institute
Engineering and Infrastructure	A major construction company in India A major electrical equipment manufacturing company in India GMM Pfaudler Limited; Mishra Dhatu Nigam Limited Air India Engineering Services Limited
Railways, Aviation, Aerospace and Space	Jupiter Wagons Limited Multiple railway workshops across India A space research organisation
Petrochemicals	Major oil marketing public sector undertakings in India
Defence	Hindustan Shipyard Limited Indian armed forces
Others	Paschim Banga Go-Sampad Sanstha; West Bengal Power Development Corporation Limited Prabhujee Foods Haldiram Bhujiwala Limited JK Papers Limited

Source: Company

Investment thesis

EIGL is one of India's oldest operating industrial gases companies, with a rich legacy of over 50 years. It has built robust competitive advantage in an industry dominated by MNCs via its regional focus and agile customer engagement; this gives it a distinct edge for scalable growth by building plants closer to end-users, customising offerings and targeting under-served regions. Leveraging industry tailwinds, the management is driving aggressive capacity expansion to make EIGL a pan-India player. It is building three ASUs, which will lift its total capacity to 2,121 tonnes per day (TPD) by 1QFY27 (from the current 1,361TPD); this is likely to drive 29% CAGR in merchant volume over FY25-28. It is also actively looking for expansion opportunities in West India, marking its ambition to build a pan-India presence. Further, we expect EIGL's high-margin argon production to grow at 83% CAGR from ~9TPD in FY25 to +50TPD by FY28. Hence, the company is strategically positioned for further expansion in EBITDA margin to 38% in FY28 (from 35% in FY25 and 24% in FY24). Consequently, we expect EIGL to deliver a CAGR of ~30%/34%/32% in revenue/EBITDA/PAT over FY25-28. We initiate coverage with BUY (TP of INR 550) based on 40x FY28E P/E (vs. Linde India trading at ~57x FY28 P/E despite lower earnings growth expectations with a similar RoE profile).

- **EIGL's pan-India ambition to drive long-term capacity-led growth; merchant volume likely to grow at 29% CAGR over FY25-28:** EIGL is undertaking aggressive capacity expansion via its: **a)** 220TPD bulk ASU plant in Uluberia (commissioning by Nov'25); **b)** 220TPD bulk ASU in North India (commissioning in FY27); and **c)** 320TPD onsite ASU plant for Jai Balaji in East India (commissioning by Mar'26). These three ASUs will increase its total capacity, including onsite capacity, to 2,121TPD by 1QFY27 (from the current installed capacity of 1,361TPD); this is likely to drive 29% CAGR in merchant volume over FY25-28 — **Exhibit 1-2**. It is also actively looking for expansion opportunities in West India, marking its ambition to build a pan-India presence. Further, it ensures a balanced growth approach by combining the right mix of both long-term contractual onsite business and high-IRR merchant business. Thus, EIGL is building scale and diversifying geographically while securing steady, long-term revenue via organic and inorganic expansion.
- **Margin to further strengthen with rise in contribution from high-margin argon:** EIGL is setting up larger bulk ASU capacities, which gives higher output of high-margin argon (vs. its existing smaller bulk ASUs with no or limited argon production abilities). Further, it has tied up with its onsite customers to produce argon at their onsite ASUs and sell the same to its other customers. Hence, we expect EIGL's argon production to grow at 83% CAGR from ~9TPD in FY25 to +50TPD by FY28 once all the announced expanded capacity is commissioned. This could increase argon's contribution in EIGL's gas revenue from ~10% in FY25 to 15-16% by FY28. Hence, EIGL is strategically positioned for further expansion in EBITDA margin to 38% in FY28 (from 35% in FY25 and 24% in FY24) given argon's EBITDA margin is significantly higher at 70-80% vs. 30-35% in the case of oxygen and nitrogen — **Exhibit 3-4**.
- **EIGL has built robust competitive edge in an industry dominated by MNCs; well positioned to capitalise on industry tailwinds:** Indian industrial gases industry is projected to see strong growth supported by government initiatives like "Make in India", "Aatmanirbhar Bharat", PLI schemes and import substitution policies, alongside rising demand from steel, pharma, manufacturing, defence, chemicals, healthcare, energy and electronics sectors. Despite its limited ~3% market share in an industry dominated by MNCs, EIGL's regional focus and agile customer engagement give it a distinct edge and has created a strong platform for scalable growth by building plants closer to end-users, customising offerings to local requirements and targeting under-served regions. Its diverse customer base, long-term customer relationships, extensive product portfolio and demonstrated flexibility in operations imply EIGL is well-placed to leverage industry tailwinds and convert market growth into sustained revenue and profitability gains. EIGL's EBITDA margin, at 35.1% in FY25, is more than Linde India's 30.8%, while the management is aspiring towards Inox Air Products' industry beating margin of ~45%.
- **Initiate with BUY rating with TP of INR 550 as we expect 30-34% CAGR in revenue/EBITDA/PAT over FY25-28:** We expect EIGL to deliver a CAGR of ~30%/34%/32% in revenue/EBITDA/PAT over FY25-28 (CAGR of 16%/24%/36% in revenue/EBITDA/PAT over FY21-25), driven by: **a)** 29% CAGR in merchant volume on account of strong capacity expansion; and **b)** EBITDA margin improvement to 38% in FY28 (from 35% in FY25 and 24% in FY24) due to rise in proportion of revenue from high-margin argon. Hence, we initiate coverage on EIGL with BUY rating with a TP of INR 550 based on 40x FY28E P/E (vs. Linde India trading at ~57x FY28 P/E despite lower earning growth estimate with a similar RoE profile). At CMP, EIGL is trading at ~33.5x FY28 P/E and ~24x FY28 EV/EBITDA — **Exhibit 6-9**.

Valuation

We initiate coverage on EIGL with a BUY rating and a TP of INR 550/share based on 40x FY28E P/E as we expect EIGL to deliver a CAGR of ~30%/34%/32% in revenue/EBITDA/PAT over FY25-28 (had witnessed CAGR of 16%/24%/36% in revenue/EBITDA/PAT over FY21-25), driven by:

- a) **29% CAGR in merchant volume** on account of strong capacity expansion; and
- b) **EBITDA margin improvement to 38% in FY28** (from 35% in FY25 and 24% in FY24) due to rise in proportion of revenue from high-margin argon.

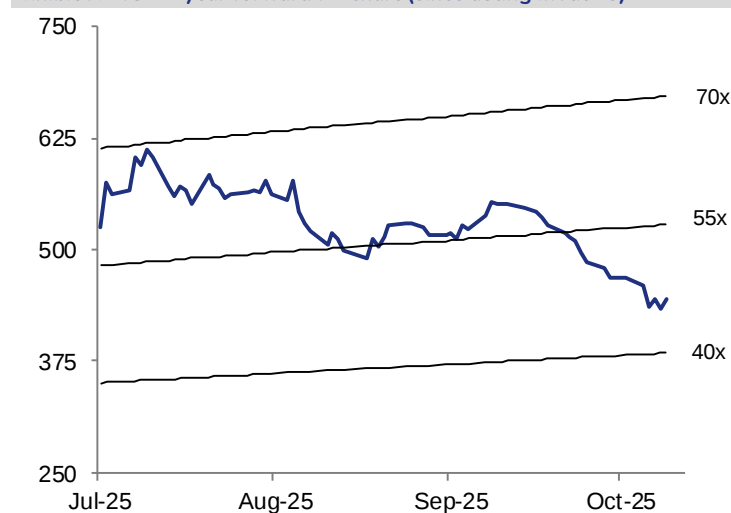
At CMP, EIGL is trading at ~33.5x FY28 P/E and 24x FY28 EV/EBITDA. This compares to Linde India trading at valuation of ~57x FY28 P/E and ~35.5x FY28 EV/EBITDA despite its EBITDA/PAT CAGR expectation being lower than EIGL with a similar RoE profile.

Exhibit 6. Valuation

Particulars	
P/E multiple (x)	40.0
FY28 EPS (INR/share)	13.7
1-year TP (INR/share)	550

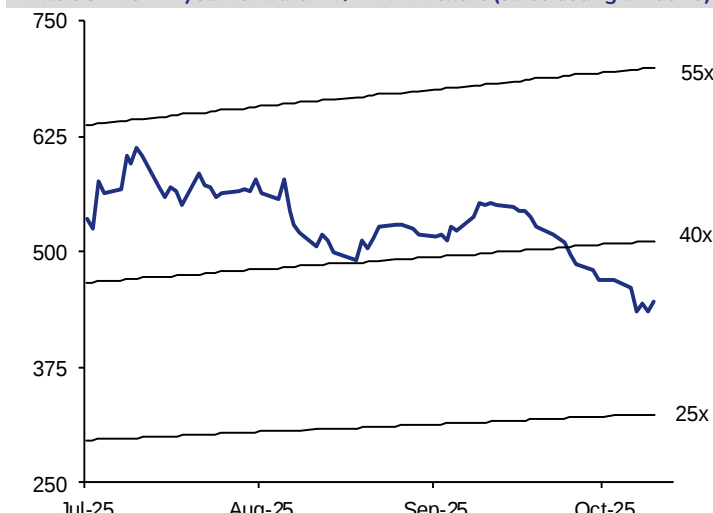
Source: Company

Exhibit 7. EIGL 1-year forward PE chart (since listing in Jul'25)



Source: Company, JM Financial

Exhibit 8. EIGL 1-year forward EV/EBITDA chart (since listing in Jul'25)



Source: Company, JM Financial

Exhibit 9. Global comparable peers valuation snapshot

Company	EV/EBITDA (x)				EBITDA Margins (%)				P/E (x)				P/B (x)				ROE (%)			
	FY25/ CY24	FY26/ CY25	FY27/ CY26	FY28/ CY27	FY25/ CY24	FY26/ CY25	FY27/ CY26	FY28/ CY27	FY25/ CY24	FY26/ CY25	FY27/ CY26	FY28/ CY27	FY25/ CY24	FY26/ CY25	FY27/ CY26	FY28/ CY27	FY25/ CY24	FY26/ CY25	FY27/ CY26	FY28/ CY27
Indian listed companies																				
Ellenbarrie (JMFe)	57.2	43.9	32.1	24.8	35.1	36.5	38.1	38.4	72.4	57.5	41.9	33.5	12.2	6.6	5.7	4.9	18.4	15.3	14.7	15.8
Linde India	68.0	59.8	42.6	35.4	29.0	33.1	34.1	34.4	114.7	104.0	70.5	56.6	14.0	12.7	11.1	9.5	12.7	13.3	17.7	20.3
Global listed companies																				
Linde PLC	17.4	17.6	16.6	15.5	37.8	39.4	39.8	40.3	27.0	27.6	25.3	23.2	5.2	5.4	5.1	5.0	16.9	19.6	20.4	21.7
Air Liquide	13.7	13.3	12.3	11.5	27.5	30.2	31.2	31.9	27.3	25.9	23.2	21.2	3.4	3.5	3.2	3.0	12.9	14.0	14.8	15.1
Air Products	13.2	14.9	13.9	12.9	49.9	41.8	42.8	43.5	24.9	21.4	19.9	18.3	3.9	3.3	3.0	2.8	24.4	16.4	16.0	16.3
Taiyo Nippon Sanso	9.7	9.3	8.8	8.3	22.8	23.9	24.1	24.4	20.5	18.2	17.0	15.9	2.2	2.0	1.9	1.7	11.1	11.7	11.4	11.3

Source: Bloomberg, JM Financial.

Key Risks

- a) **Decline in price and volume of argon can have significant impact on EIGL's profitability:** We have assumed argon volume will grow at 83% CAGR from ~9TPD in FY25 to +50TPD by FY28 as EIGL's new plants are configured to produce higher quantum of argon. Hence, argon volume is likely to constitute 5.6% of total bulk volume in FY28 (vs. 2.0% in FY25) and argon revenue contribution will rise from 10% in FY25 to 15-16% by FY28. So, any moderation in argon volume growth or its price can pose a significant risk to EIGL's earnings.
- b) **Slower-than-expected volume growth due to either delay in commissioning of new capacity and/or slower ramp-up can impact earnings growth:** There could be risk to our earnings growth estimate if our bulk volume CAGR assumption of 29% over FY25-28 is impacted due to either: i) delay in commissioning of announced ASU bulk facilities on account of execution challenges or other factors; or ii) slower-than-expected ramp-up of expanded capacity due to weaker-than-expected demand. Every 5% change in its bulk volume (vs. our base case assumption of 954TPD in FY28) can impact FY28 EPS and valuation by ~4%.
- c) **High sector concentration risk:** EIGL primarily supply industrial gases to a diverse set of industries. However, steel and pharmaceuticals & chemicals industries contributed 37% and 26% of its revenue from sales of gases in FY25 – **Exhibit 24**. Slowdown in these key sectors may adversely impact EIGL's business performance.
- d) **High customer and region concentration risk:** EIGL's revenue from sale of gases is backed by its longstanding relationships with several Indian customers across industries. EIGL sold its products to 1,829 customers across various industries in FY25; however, 46.7% of its revenue from sale of gases was derived from 10 of its large customers only. Further, all of these top 10 customers are located in East and South India. EIGL also has long-term contracts (15-20 years) with its existing three onsite and O&M customers, i.e., Tata Metaliks, NMDC and Jairaj Ispat, which contributed 2.5%, 6.4% and 5.7% of its revenue from operations respectively in FY25 – **Exhibit 10**. Loss of such key customers, their weakened financial position, or lower demand may adversely impact EIGL's business performance.

Exhibit 10. EIGL's top 10 customers are located in East and South India; contribute ~47% of revenue from operations

Particulars	Revenue (INR Mn)				Revenue Contribution (%)			
	FY22	FY23	FY24	FY25	FY22	FY23	FY24	FY25
Top 1	142	158	347	273	6.6%	7.7%	12.9%	8.7%
Top 5	430	524	950	1,002	19.9%	25.5%	35.2%	32.1%
Top 10	685	754	1,241	1,458	31.7%	36.8%	46.1%	46.7%

Source: Company

Company Overview

EIGL was incorporated in 1973 and is one of the oldest operating industrial gases companies in India, with a rich legacy of over 50 years. It has grown from a single oxygen plant (set up in 1976) into a trusted partner for industrial and healthcare customers, delivering oxygen, nitrogen, argon, hydrogen and specialty gas mixtures through its network of its air separation units (ASUs) and cryogenic distribution systems. It ensures supply reliability and customer loyalty by integrating pipeline connections, tankers and cylinder fleets. Hence, it is one of the largest manufacturers of industrial gases in East India and South India, and the market leader in the states of West Bengal, Andhra Pradesh and Telangana, each in terms of installed manufacturing capacity as of 31st Mar'25 – **Exhibit 11**.

Exhibit 11. EIGL: Key events and milestones

Calendar Year	Major events and milestones
1973	Incorporated as a public limited company under the Companies Act, 1956.
1976	Its equity shares got listed on Calcutta Stock Exchange. Set-up the first oxygen plant, in Kalyani, West Bengal.
2004	Established its first air separation unit for manufacture of industrial gases (elemental gases, liquid or compressed air, acetylene refrigerant gases, and mixed industrial gases) in Uluberia, West Bengal.
2009	Established its second air separation unit for manufacture of industrial gases (elemental gases, liquid or compressed air, acetylene refrigerant gases, and mixed industrial gases) in Parawada (Visakhapatnam), Andhra Pradesh.
2012	Established its third air separation unit for manufacture of industrial gases (elemental gases, liquid or compressed air, acetylene refrigerant gases, and mixed industrial gases) in (Hyderabad) Jadcherla, Telangana.
2013	Air Water Inc., acquired upto 51% of the subscribed and fully paid-up Equity Shares of INR 10 of the Company
2017	Achieved turnover of more than INR 1bn
2018	Commenced facility for cylinder filling station at Panagarh, West Bengal. Voluntarily delisted from the Calcutta Stock Exchange
2019	Entered into an agreement with a major steel manufacturing company in India, for leasing of equipment, for onsite production and pipeline supply of gases.
2020	Secured a contract to build a plant in Bangladesh on an engineering, procurement, and construction basis.
2021	Became a 100% Indian company, through divestment of their entire shareholding by Air Water Inc., Japan to the promoters of our Company.
2022	Achieved turnover of more than INR 2bn Entered into a pipeline supply agreement with Jairaj Ispat Limited for setting up the company's largest plant of 600 TPD capacity.
2023	Entered into a contract with NMDC for operation and maintenance of their oxygen plant with a capacity of 2500 TPD.
2024	Achieved turnover of more than INR 3bn Successfully commissioned and operationalised the 600 TPD plant at Jairaj Ispat Limited
2025	Got listed on the National Stock Exchange and Bombay Stock Exchange

Source: Company.

EIGL manufactures and supplies industrial gases including oxygen, nitrogen, argon, carbon dioxide, acetylene, helium, hydrogen, and nitrous oxide, as well as dry ice, synthetic air, fire-fighting gases, medical oxygen, liquid petroleum gas, welding mixture and speciality gases catering to a wide range of end-use industries. However, oxygen and nitrogen remain the key gases for the company, like any other industrial gas manufacturer. Oxygen contributed 40.1% of its gas-related revenue in FY25 (down from 58.3% in FY22, probably due to peaking of Covid-19-driven demand for liquid oxygen). Further, nitrogen contributed 47.4% of its gas-related revenue in FY25 (up from 28.7% in FY22) and the remaining gases contributed 12.5% in FY25 (largely steady at 12-15% over the last 4 years), led by argon at 8.3% in FY25 (up from 6.1% in FY22) – **Exhibit 13**.

EIGL's end-use industry mix also mirrors its gas portfolio mix with steel manufacturing representing the largest segment at 37%, followed by pharmaceuticals & chemicals at 26%, dealer & retail networks at 9.9% and healthcare at 9%. Oxygen's dominance can be aligned with steel and healthcare industries; it is used extensively in blast furnaces for steel manufacturing, and medical oxygen is consumed in the healthcare industry. However, nitrogen's dominance can be tied to pharma and chemical industries, which rely heavily on nitrogen.

Exhibit 12. EIGL offers a wide range of industrial gases to various industries...

Industry	Gas	Use
Steel	Oxygen	Air enrichment in blast furnace
		Oxygen assisted melting in arc furnace
		Bloom and ingot cutting
		Scrap reprocessing
		Manufacture of ferro Alloys
	Nitrogen	Converter blowing for stainless and special steel
		Pulverised coal injection in blast furnace
Defence	Argon	Blanketing in blast furnace
		Converter blowing for stainless steel
	Oxygen	Manufacture of ferro alloys
		Ship manufacture and repair
Healthcare	Nitrogen	Breathing in fighter aircraft
		Pneumatic testing of rifle, tank barrels, aircrafts
	Oxygen	Specialised welding for defence equipment manufacture
		Assisted breathing
Railways, Aviation, Aerospace and Space	Nitrous Oxide	Anaesthetic
		Gastro surgery and diagnostics
	Carbon Dioxide	Cell and sample preservation
		Simulation of satellites
Engineering and Infrastructure	Argon	Welding for railway wagons
		Steel cutting and welding
	Acetylene	Steel cutting and welding
		Shielded Arc welding, MIG, TIG welding
Pharmaceuticals and Chemicals	Nitrogen	Controlled atmosphere in reactors
		Coolant for reactor cooling
		Lyophilisation
	Oxygen	Fermentation for bio-pharma applications
		Reactions for molecular synthesis
	Argon, Helium, Synthetic Air	Laboratory purpose
Petrochemicals	Nitrogen	Inerting and blanketing of hydrocarbon systems
		Enhanced recovery from oil wells
		Moving product through pipelines
	Helium	Laboratory purpose
Others	Nitrogen	Preservation of bovine semen for artificial insemination
		Boiler cleaning and pipeline purging in power plants
		Controlled atmosphere for food packaging
		Simulation of satellites

Source: Company

Exhibit 13. ...however, oxygen and nitrogen contribute to a majority of its revenue

Particulars	Revenue (INR Mn)				% of revenue from sale of gases, related products and services			
	FY22	FY23	FY24	FY25	FY22	FY23	FY24	FY25
Oxygen	1,260	915	1,086	1,173	58.3%	48.4%	48.0%	40.1%
Nitrogen	620	714	844	1,385	28.7%	37.7%	37.3%	47.4%
Argon	133	136	198	244	6.1%	7.2%	8.7%	8.3%
Acetylene	34	47	44	48	1.6%	2.5%	1.9%	1.6%
Hydrogen	9	25	29	25	0.4%	1.3%	1.3%	0.9%
Carbon dioxide	27	36	24	23	1.3%	1.9%	1.1%	0.8%
Others	78	19	38	27	3.6%	1.0%	1.7%	0.9%
Total	2,161	1,893	2,262	2,925	100%	100%	100%	100%

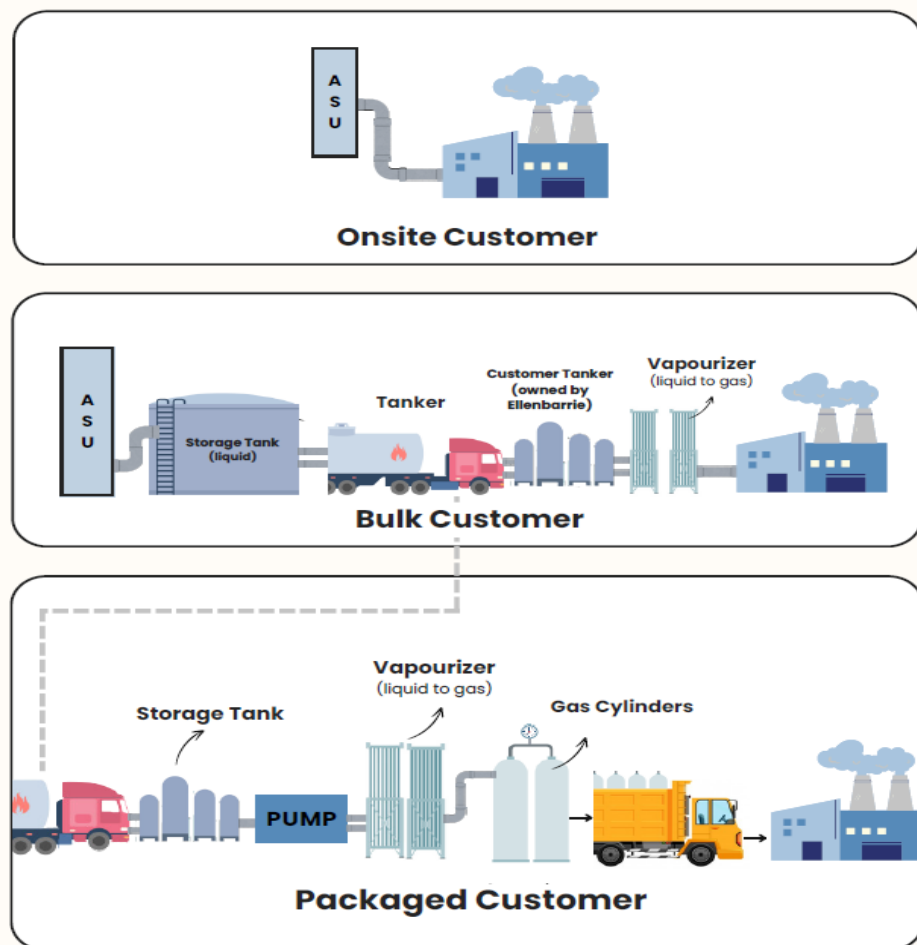
Source: Company

EIGL is present across multiple modalities of supply – Bulk, Onsite and Packaged

EIGL is present across multiple modalities of supply, namely: **a)** Bulk or Merchant, **b)** Onsite and **c)** Packaged, whereby it offers its products through a combination of supply mechanisms, including pipelines connected to its customers, cryogenic tankers and cylinders – **Exhibit 14**. It has a robust distribution network, with the 3rd highest number of transport tankers, cylinders and customer installations in India.

Bulk or Merchant segment: EIGL enjoys exceptional customer stickiness in its bulk or merchant business segment as it installs its own supporting infrastructure (vaporiser units and storage tanks) at its bulk customer sites, which cannot be used by competitors. Further, the replacement of such infrastructure requires regulatory approvals from PESO and Department for Promotion of Industry and Internal Trade under the Ministry of Commerce and Industry and can also lead to the operational disruptions and substantial capex. These technical and financial switching costs incentivise its bulk customers to maintain long-term relationships with the company, resulting in minimum churn. It currently operates three bulk ASU plants: **a)** 115TPD ASU in Uluberia-1 (West Bengal); **b)** 130TPD ASU in Jadcherla (Telangana); and **c)** 170TPD ASU in Visakhapatnam (Andhra Pradesh). Further, it has **d)** 240TPD of merchant capacity in the 600TPD hybrid onsite plant in Kurnool, Andhra Pradesh (AP) for Jairat Ispat, which was commissioned in end-FY25; and **e)** 16TPD of merchant capacity in the 170TPD hybrid onsite plant-2 in Kharagpur, West Bengal (WB) for Tata Metaliks, which was commissioned in end-FY25. In addition, the following two bulk ASU plants are likely to be commissioned soon: **f)** 220TPD ASU in Uluberia-2 (West Bengal) by Nov'25; and **g)** 220TPD ASU in North (Near Delhi) in FY27. As of end-FY25, EIGL served 328 bulk customers, under contracts typically spanning 5 years, which can be extended for 2 additional years at mutually agreed terms. These contracts typically incorporate provisions for passing through escalations in power and transportation costs (diesel), ensuring margin stability and protecting profitability against input cost volatility. EIGL earned ~INR 2bn of revenue from its bulk customers, constituting ~67% of its total revenue from sale of industrial gases in FY25 (vs. 75-78% during FY22-24) – **Exhibit 15**.

Exhibit 14. EIGL is present across multiple modalities of supply – Bulk, Onsite and Packaged



Source: Company

Onsite segment: EIGL's onsite business model involves establishing and operating ASU at the customer premises under the medium-to-long-term leasing and production contracts. EIGL not only leverages its engineering expertise and regulatory approvals to deploy ASUs but also bears all capex and maintenance costs for setting up and operating the ASU at the customer premises. In return, it gets fees for leasing and operating the ASU, as per the agreement with the customer, ensuring a fixed project IRR irrespective of the capacity utilisation. Thus, it gets long-term predictable annuity-type revenue and cash flow streams. Similarly, such arrangement benefits the customer by receiving an uninterrupted supply of oxygen, nitrogen or any other gas critical for their operations, without bearing capex or maintenance responsibilities. In this segment, EIGL operates four ASUs at customer locations under long-term agreements: **a)** 176TPD ASU for Tata Metaliks at Kharagpur (West Bengal) for a period of 15 years (since Feb'19); **b)** second 170TPD hybrid onsite ASU (including 16TPD merchant capacity) ASU for Tata Metaliks at Kharagpur (West Bengal) for a period of 15 years (since end-FY25); **c)** 600TPD hybrid onsite ASU (including 240TPB merchant capacity) for Jairaj Ispat in Kurnool (Andhra Pradesh) for a period of 15 years (since Jun'21); and **d)** 5-year operation and maintenance contract (since Oct'23) for 2,500TPD ASU owned and deployed by NMDC Steel at Nagarnar (Chhattisgarh). Further, EIGL is setting up another 320TPD onsite plant for Jai Balaji in East India to be commissioned by Mar'26. EIGL earned ~INR 0.5bn of revenue from its onsite customers, constituting ~16% of its total revenue from sale of industrial gases in FY25 (vs. 2-4% during FY22-24).

Packaged segment: Under this segment, EIGL supplies industrial gases compressed in cylinders on a purchase-order basis, operating without long-term contracts and serving customers within a defined geographic radius to manage transportation risks and logistics costs. This model provides sourcing flexibility to customers while it allows EIGL to utilise its merchant ASU capacity optimally. EIGL leverages its existing cylinder fleet and distribution network efficiently under this segment. As of end-FY25, EIGL served 1,498 packaged customers. It earned ~INR 0.5bn of revenue from its packaged customers, constituting ~18% of its total revenue from sale of industrial gases in FY25 (vs. 20-22% during FY22-24). Further, EIGL is focusing on enhancing automation in both manufacturing and packaging operations and optimising cylinder distribution and utilisation across its facilities. Through these initiatives, it aims to drive growth in this segment by improving throughput, reducing turnaround times and maximising asset productivity.

Exhibit 15. EIGL's revenue break-up from bulk, packaged and onsite customers

Particulars	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (INR Mn)							
Bulk customers	1,680	1,420	1,706	1,952	2,791	3,819	5,218
Packaged customers	430	421	457	515	567	623	685
Onsite customers	51	51	99	457	552	775	788
Total	2,161	1,893	2,262	2,925	3,910	5,217	6,692
Growth (%)							
Bulk customers		-15.5%	20.1%	14.5%	43.0%	36.8%	36.6%
Packaged customers		-2.0%	8.5%	12.7%	10.0%	10.0%	10.0%
Onsite customers		0.1%	93.1%	361.1%	20.7%	40.4%	1.7%
Overall		-12.4%	19.5%	29.3%	33.7%	33.4%	28.3%
Revenue contribution (% of from sale of gases, related products and services)							
Bulk customers	77.7%	75.0%	75.4%	66.7%	71.4%	73.2%	78.0%
Packaged customers	19.9%	22.3%	20.2%	17.6%	14.5%	11.9%	10.2%
Onsite customers	2.4%	2.7%	4.4%	15.6%	14.1%	14.9%	11.8%
Total	100%	100%	100%	100%	100%	100%	100%

Source: Company, JM Financial

EIGL also provides project engineering services

EIGL also offers project engineering services, where it leverages its extensive technical knowhow for the design, engineering, supply, installation and commissioning of tonnage ASUs and related projects on a turnkey basis for customers across several sectors. It also offers turnkey solutions involving medical gas pipeline systems, where it assists healthcare facilities in designing, installing, commissioning, operation and maintenance of medical gas pipeline systems. Moreover, it supplies products and medical equipment to healthcare facilities, which include anaesthesia workstation, spirometers, ventilators, sterilizers, bed-side monitors, and lung diffusion testing machines. In FY25, EIGL earned ~INR 0.2bn of revenue from project engineering services, constituting 6.4% of its total revenue while its core gas segment revenue was ~INR 2.9bn, constituting 93.6% – **Exhibit 16**.

Exhibit 16. EIGL's revenue split between its business segments

Particulars	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue (INR Mn)							
Sale of gases, related products and services	2,161	1,893	2,262	2,925	3,910	5,217	6,692
Project engineering services	285	158	433	200	100	105	110
Total	2,446	2,051	2,695	3,125	4,010	5,322	6,802
Growth (%)							
Sale of gases, related products and services		-12.4%	19.5%	29.3%	33.7%	33.4%	28.3%
Project engineering services		-44.4%	173.4%	-53.7%	-50.0%	5.0%	5.0%
Overall		-16.1%	31.4%	16.0%	28.3%	32.7%	27.8%
Revenue contribution (%)							
Sale of gases, related products and services	88.4%	92.3%	83.9%	93.6%	97.5%	98.0%	98.4%
Project engineering services	11.6%	7.7%	16.1%	6.4%	2.5%	2.0%	1.6%
Total	100%	100%	100%	100%	100%	100%	100%

Source: Company, JM Financial

EIGL's pan-India ambition to drive long-term capacity-led growth

EIGL has established a network of strategically located facilities that position it in proximity to key pharma, steel, automotive, railway wagons and locomotive companies, enabling it to service its key customers promptly and efficiently. As of end-FY25, it operates nine facilities spread across East, South, and Central India, of which five are located in West Bengal, two in Andhra Pradesh, and one each in Telangana and Chhattisgarh. These facilities include three bulk manufacturing plants along with cylinder filling stations, two standalone cylinder filling stations and four onsite facilities.

EIGL operates four ASUs at customer locations under long-term agreements: **a)** 176TPD ASU for Tata Metaliks at Kharagpur (West Bengal) for a period of 15 years (since Feb'19); **b)** second 170TPD hybrid onsite ASU (including 16TPD merchant capacity) ASU for Tata Metaliks at Kharagpur (West Bengal) for a period of 15 years (since end-FY25); **c)** 600TPD hybrid onsite ASU (including 240TPB merchant capacity) for Jairaj Ispat in Kurnool (Andhra Pradesh) for a period of 15 years (since Jun'21); and **d)** 5-year operation and maintenance contract (since Oct'23) for 2,500TPD ASU owned and deployed by NMDC Steel at Nagarnar (Chhattisgarh). However, it is to be noted that EIGL only operates and maintains Nagarnar ASU under the operation and maintenance contract while the ASU is owned and deployed by the customer itself.

Separately, it operates three bulk ASU plants: **a)** 115TPD ASU in Uluberia-1 (West Bengal); **b)** 130TPD ASU in Jadcherla (Telangana); and **c)** 170TPD ASU in Visakhapatnam (AP). Further, it has **d)** 240TPD of merchant capacity in 600TPD hybrid onsite plant in Kurnool, AP for Jairat Ispat; and **e)** 16TPD of merchant capacity in 170TPD hybrid onsite plant-2 in Kharagpur, WB for Tata Metaliks.

EIGL is also undertaking aggressive capacity expansion via its:

- a)** 220TPD bulk ASU plant in Uluberia (Uluberia-2) – expected to be commissioned by Nov'25;
- b)** 220TPD bulk ASU in North India (near Delhi), which it expects to commission in FY27; and
- c)** 320TPD onsite ASU plant for Jai Balaji in East India – expected to be commissioned by Mar'26.

All these three upcoming ASUs will increase its total capacity to 2,121TPD by 1QFY27 (from current installed capacity of 1,361TPD). Please note that its total capacity doesn't include O&M contract for the customer's 2,500TPD ASU plant in Nagarnar, Chhattisgarh, given EIGL doesn't own this ASU. Separately, in the 1QFY26 concall, the management shared that it is also actively looking for expansion opportunities in West India as well, where industrial growth is taking place rapidly. These expansions mark its ambition to build a pan-India presence, moving beyond its established bases in East and South India into growing industrial hubs in West India and North India.

Complementing its facility network, it has built efficient distribution networks over the years, owing to its production capabilities and its presence in East and South India. In terms of bulk distribution capability, its fleet of cryogenic transport tankers in circulation is one of the largest in India as of end-FY25, which allows it to efficiently deliver its products across the country while maintaining controlled environments.

Further, EIGL pursues a balanced growth approach by combining the right mix of:

- a) Long-term contractual onsite business** - this provides reliable demand pipeline and higher customer retention through integrated facilities with high visibility on future cash flows and decent IRR of 15-18%.
- b) Merchant sales (bulk and packaged)** - this offers opportunity to earn higher IRRs and build a larger customer base, though cash flow visibility is not as strong as in the onsite business. It intends to extend this model into new geographies, particularly targeting steel and heavy industry customers in North and West India who require dependable gas supply.

Further, inorganic growth complements EIGL's organic expansion. Its acquisition of TruAir (at a cost of INR 54mn) in Bengaluru expanded its regional footprint, improved utilisation of its Kurnool facility, and increased access to customers in South India's industrial sector. TruAir's retail cylinder filling station and wholesale distribution operations add depth to EIGL's product and service offerings. It plans to continue identifying acquisition opportunities given the fragmented nature of the industrial gases market in India, with many smaller players operating at limited scale. Strategic consolidations will help broaden the product portfolio, improve operational efficiencies, and strengthen market position. Through this combination of organic capacity projects and strategic acquisitions, EIGL is steadily building scale and diversifying geographically while securing steady, long-term revenue streams. It is positioned to capture an increasing share of the expanding industrial gases sector in India, supported by strong barriers to entry, trusted customer relationships, and a growing industrial gases market.

Exhibit 17. EIGL existing facilities: capacity and capacity utilisation details

Site Locations of Bulk ASUs	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Actual Production (TPA)							
Uluberia, WB	35,876	37,526	38,355	36,781	37,473	37,473	37,473
Parawada (Visakhapatnam), AP	50,247	51,908	52,109	59,100	56,525	54,264	54,264
Hyderabad (Jadcherla), Telangana	46,750	40,732	46,900	42,132	42,793	42,361	42,361
Uluberia-II, WB					5,631	52,553	73,574
Delhi NCR plant					-	-	53,900
Kurnool, AP*				21,000	63,000	75,600	82,320
Kharagpur, WB*				280	2,240	3,360	4,480
Total production (TPA)	1,32,873	1,30,166	1,37,364	1,59,293	2,07,661	2,82,036	3,56,841
Total production (TPD)	364	357	376	436	569	773	978
Normal Bulk capacity (Adj for normal loss) (TPA) Gross Capacity (TPD)							
Uluberia, WB	115	38,238	38,238	38,238	38,238	38,238	38,238
Parawada (Visakhapatnam), AP	170	56,525	56,525	56,525	56,525	56,525	56,525
Hyderabad (Jadcherla), Telangana	130	43,225	43,225	43,225	43,225	43,225	43,225
Uluberia-II, WB	220				18,769	75,075	75,075
Delhi NCR plant	220					-	77,000
Kurnool, AP*	600		42,000	84,000	84,000	84,000	84,000
Kharagpur, WB*	150		2,333	5,600	5,600	5,600	5,600
Total normal Bulk capacity (TPA)	1,37,988	1,37,988	1,82,321	2,27,588	2,46,356	3,02,663	3,79,663
Total normal Bulk capacity (TPD)	378	378	500	624	675	829	1,040
Capacity Utilization (%)							
Uluberia, WB	94%	98%	100%	96%	98%	98%	98%
Parawada (Visakhapatnam), AP	89%	92%	92%	105%	100%	96%	96%
Hyderabad (Jadcherla), Telangana	108%	94%	109%	97%	99%	98%	98%
Uluberia-II, WB					30%	70%	98%
Delhi NCR plant					0%	0%	70%
Kurnool, AP*				25%	75%	90%	98%
Kharagpur, WB*				5%	40%	60%	80%
Overall Bulk capacity utilisation	96%	94%	75%	70%	84%	88%	92%

Source: Company Note: Assumed 350 working days in a year, at three shifts per day operating for eight hours a day. Normal capacity for merchant ASU is based on 95% of gross installed capacity due to liquid transfer loss, tank evaporation loss etc. *Merchant capacity at Kurnool and Kharagpur hybrid on-site ASU

Exhibit 18. EIGL: Existing and upcoming capacity details

Facility Location	Gross Capacity (TPD)	Commencement of Operations	Comments
Bulk ASU capacity			
Existing Bulk Capacity (A)	671		
Uluberia-1, WB	115	CY04	Nitrogen, Oxygen and Argon
Parawada (Visakhapatnam, AP)	170	CY09	Nitrogen, Oxygen
Jadcherla (Hyderabad, TG)	130	CY12	Nitrogen, Oxygen
Kurnool hybrid onsite ASU (Jairaj Ispat, AP)	240	end FY25	Nitrogen, Oxygen and Argon
Kharagpur-2 hybrid onsite ASU (Tata Metaliks, WB)	16	end FY25	Nitrogen, Oxygen and Argon
Upcoming Bulk capacity (B)	440		
Uluberia-2, WB	220	Nov'25	Nitrogen, Oxygen and Argon
North (Near Delhi)	220	FY27	Nitrogen, Oxygen and Argon
Total existing and upcoming bulk capacity (A+B)	1,111		
Onsite ASU capacity (C+D)			
Existing Onsite Capacity (C)	690		
Kharagpur-1 (Tata Metaliks, WB)	176	CY19	Nitrogen, Oxygen
Kurnool hybrid onsite ASU (Jairaj Ispat, AP)	360	end FY25	Nitrogen, Oxygen and Argon
Kharagpur-2 hybrid onsite ASU (Tata Metaliks, WB)	154	end FY25	Nitrogen, Oxygen and Argon
Upcoming Onsite capacity (D)	320		
East India Onsite Plant	320	Mar'26	Nitrogen, Oxygen and Argon
Total existing and upcoming onsite capacity (C+D)	1,010		
Total existing and upcoming Bulk and Onsite capacity (A+B+C+D)	2,121		

Source: Company

Margin to further strengthen with rise in contribution from high-margin argon

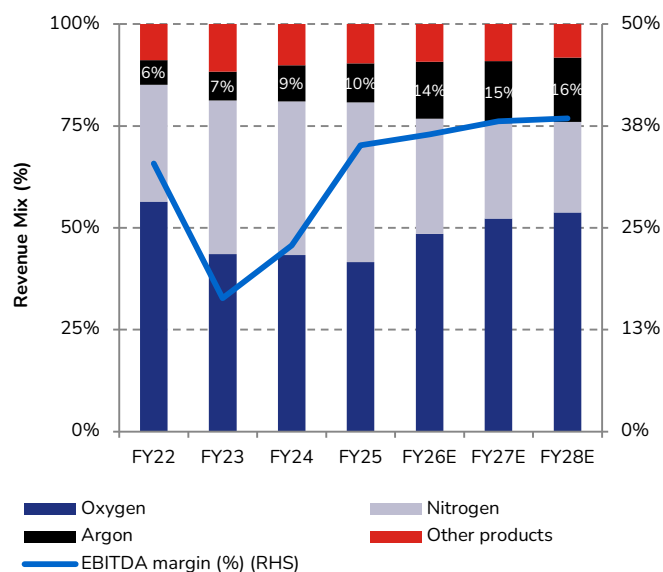
Strong growth in argon demand due to rise in demand for precision welding: Argon is used in different processes in various end-use industries (like defence, railways, aviation etc.); precision welding is one of its most common use-cases. It is used in precision welding of new aluminium railway coaches, defence equipment, etc. Hence, the demand for argon has increased rapidly in India in the last few years with rise in manufacturing.

However, argon capacity addition is constrained to 5% of oxygen capacity: Argon is the third most abundant gas in the atmosphere, but its quantum is limited to less than 1% vs. ~21% for oxygen and ~78% for nitrogen. Hence, it is technically not possible to produce more than 5% of oxygen production. Also, it's not financially viable to produce argon only in any ASU given its limited 1% quantum. Hence, argon can only be produced as the by-product of the manufacturing process for oxygen and/or nitrogen at any ASU. So, it is practically impossible to increase argon production for any industrial gases company without installing new oxygen and/or nitrogen capacity, which limits the supply for argon.

Hence, argon has strengthened from INR 50/scm in FY21 to ~INR 120/scm in FY25 vs. INR 14-18/scm for oxygen and nitrogen: Argon prices more than doubled from ~INR 50/scm in FY21 to ~INR 120/scm in FY25. However, they have recently moderated sharply to INR 70-80/scm as its demand got impacted after the imposition of sharp tariffs (of 50%) by the US on Indian goods. Despite such sharp moderation, argon's realisation is much higher than that of oxygen (~INR 18/scm) and nitrogen (~INR 14/scm). Argon shares largely identical production costs with that of oxygen and nitrogen; hence, EBITDA margin in argon is significantly higher at 70-80% vs. 30-35% in case of oxygen and nitrogen.

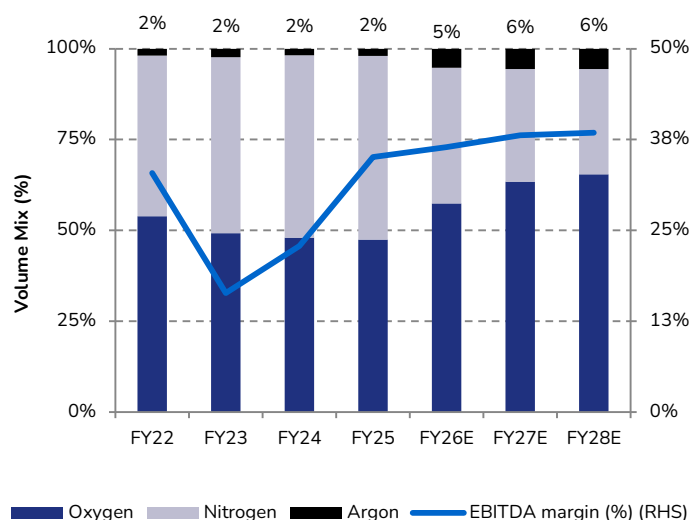
EIGL expanding argon output from ~9TPD in FY25 to +50TPD by FY28 with revenue contribution rising from 10% in FY25 to 15-16% by FY28: EIGL has aggressive plans to tap this attractive argon opportunity by setting up larger bulk ASU capacities that give higher argon output (vs. its existing bulk ASUs with no or limited argon production abilities). Further, it has also tied up with its onsite customers to produce argon on their onsite ASUs and sell the same to its other customers. Hence, we expect EIGL's argon production to increase from ~9TPD in FY25 to +50TPD by FY28 once all the announced expanded capacity is commissioned. This could increase argon's contribution in EIGL's gas revenue from ~10% in FY25 to 15-16% by FY28. Hence, EIGL is strategically positioned for robust margin expansion through such argon expansion.

Exhibit 19. Argon proportion to rise to 15-16% in revenue by FY27-28 (vs. 10% in FY25), resulting in rise in EBITDA margin to ~38% (RHS)



Source: Company, JM Financial

Exhibit 20. Argon proportion to rise to 5-6% in volume by FY27-28 (vs. 2% in FY25), increasing EBITDA margin to ~38% (RHS)



Source: Company, JM Financial

Longstanding customer relationships leading to stable cash flows

Strong relationships with customers with contract tenures of 5-15 years and driving 80-90% of revenue from repeat customers: The industrial gases industry is characterised by strong customer loyalty, especially among large onsite clients, due to gas supply via pipelines under long-term contracts typically ranging from 15-20 years. Moreover, its bulk customers demonstrate even greater stickiness because the storage and vaporiser infrastructure at their facilities is owned by the company, which cannot be used by competitors, further reducing customer churn. As of end-FY25, EIGL served diversified 328 bulk customers, under contracts typically spanning 5 years, which can be extended for 2 additional years on mutually agreed terms; it also serves three onsite customers with long-term contracts (usually 15 years and extendable). In connection with the sale of gases, it has established longstanding relationships with customers across industries and as of end-FY25, its top 5 and 10 customers have been associated with it for 8.4 years and 7.7 years, on average, respectively. Further, its revenue from operations from customers with whom it has a relationship of over 10 years during FY25, FY24 and FY23 was 39.1%, 43.6% and 43.2%, respectively. Revenue from repeat customers (defined as customers who have purchased from the company for at least 2 consecutive years) contributed to 85.7%, 92.2%, 90.7% and 83.54% of its revenue from gases in FY25, FY24, FY23 and FY22, respectively – **Exhibit 21**. In FY25, the highest revenue generating customer contributed to 8.7% of its revenue from operations, demonstrating the diversification in its customer base.

Exhibit 21. EIGL's revenue split based on customer relationship longevity

Particulars	Revenue (INR Mn)				Revenue Contribution (%)			
	FY22	FY23	FY24	FY25	FY22	FY23	FY24	FY25
More than 10 years	797	885	1,175	1,221	32.6%	43.2%	43.6%	39.1%
More than 5 years but less than 10 years	487	474	444	504	19.9%	23.1%	16.5%	16.1%
Up to 5 years	1,161	692	1,076	1,400	47.5%	33.7%	39.9%	44.8%
Total	2,446	2,051	2,695	3,125	100%	100%	100%	100%

Source: Company

Healthy mix of private and government customers: Further, EIGL's customer base includes a healthy mix of private and government customers. Its private customers span a wide range of industries such as steel, pharmaceuticals, chemicals, healthcare, engineering, aerospace, and manufacturing, with long-standing relationships and tailored supply solutions delivered through pipelines, tankers, and cylinders ensuring reliability. On the government side, it supplies industrial gases mainly through a stringent tendering process that includes strict qualification criteria, creating a high entry barrier for new players. This government segment includes defence, railways, government steel plants, and public healthcare institutions. In FY25, EIGL earned 72.7% of its revenue from private customers and the remaining 27.3% from government customers – **Exhibit 22**. This balanced mix of credit-worthy government contracts and diversified private sector clients helps maintain stable revenue and mitigates concentration risk.

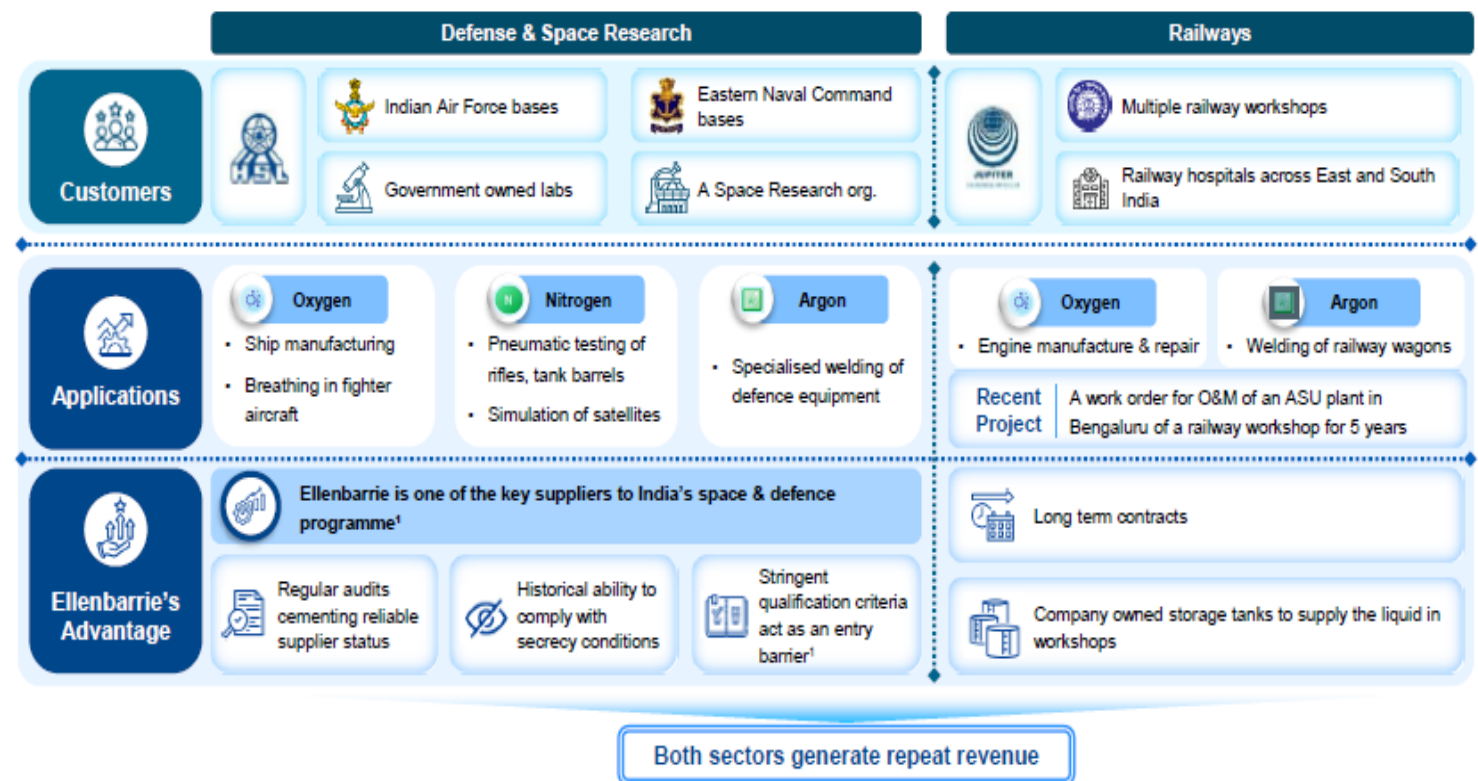
Exhibit 22. EIGL's revenue split between government and non-government customers

Particulars	Revenue (INR Mn)				Revenue Contribution (%)			
	FY22	FY23	FY24	FY25	FY22	FY23	FY24	FY25
Government customers	556	519	565	854	22.7%	25.3%	21.0%	27.3%
Non-government customers	1,890	1,532	2,130	2,271	77.3%	74.7%	79.0%	72.7%
Total	2,446	2,051	2,695	3,125	100%	100%	100%	100%

Source: Company

Key supplier to government sectors like Defence & Space Research and Railways: EIGL is a key industrial gases supplier to government sectors like Defence & Space Research and Railways, serving prestigious customers such as Indian Air Force bases, naval commands, government laboratories, space research organisations, and multiple railway workshops and hospitals across East and South India. It provides industrial gases critical for applications ranging from ship manufacturing and fighter aircraft breathing to engine repair, welding of defence equipment and railway wagons etc. EIGL's competitive edge stems from its status as a reliable supplier (backed by regular audits, a historical ability to comply with secrecy conditions, long-term contract wins, and company-owned storage tanks at customer sites) as well as the ability to secure repeat revenue through stringent qualification criteria that serve as entry barriers in government tenders for sensitive and long-duration projects – **Exhibit 23**.

Exhibit 23. EIGL is a reliable supplier to India's defence, railways and space research

¹. As per F & S Report

Source: Company

Diversified product portfolio driving revenue stability and risk mitigation

Diversified product portfolio serving wide variety of industries: EIGL manufactures a comprehensive range of industrial gases, including oxygen, nitrogen, argon, helium, hydrogen, carbon dioxide, nitrous oxide, and acetylene, to serve a wide variety of industries. Its products are critical inputs in sectors such as steel production, pharmaceuticals, shipbuilding, glass manufacturing, welding and fabrication. Beyond this, it caters to specialised requirements of industries including steel, pharmaceuticals and chemicals, healthcare, engineering and infrastructure, railways, aviation, aerospace, petrochemicals, food and beverages, energy, electronics, manufacturing, and defence. It also supplies ancillary products such as dry ice, firefighting gases, liquid petroleum gas, medical oxygen, synthetic air, welding mixtures, and specialty gases, meeting the specific needs of its customers across diverse applications. Its ability to supply medical oxygen in compliance with technical and regulatory specifications further exemplifies its operational strength. Due to its scale, it can also offer liquefied argon, which requires advanced infrastructure for production. It simultaneously enhances customer operational efficiency and increases its share of their requirements by engaging with customers to expand the portfolio of product applications. Its deep expertise in the entire gases value chain is also leveraged through its project engineering services.

EIGL also intends to build competencies in manufacturing, supply, storage and distribution of ultra-high purity and electronic gases used in electronics and semiconductors: EIGL's diverse portfolio of industrial and medical gases enables it to serve critical functions across a wide spectrum of public and private sector industries, fostering revenue diversification and reducing dependence on any single sector – **Exhibit 24**. This business diversification is critical in limiting concentration risk while ensuring steady demand for its products. EIGL has developed one of the most extensive customer bases in the Indian industrial gases market, with 1,829 customers served in FY25, indicating a broad and varied client profile. Further, it intends to continue expanding its portfolio of industrial and medical gases, focus on speciality gases, and offer a complete range of pure and speciality gases to its customers. It has also proposed to research on and develop capabilities for green hydrogen, as well as allied products such as green ammonia. Further, it intends to build competencies in manufacturing, supply, storage and distribution of ultra-high purity and electronic gases and chemicals, which are used in electronics and semiconductors. Hence, it intends to initially establish supply chains and distribution capabilities for electronic gases and chemicals, and thereafter identify local manufacturing opportunities for these gases and chemicals. Moreover, it will focus on catering to applications such as space research, building on its existing experience of supply to space research and defence organisations.

EIGL favourably placed in a fragmented and capital-intensive industrial gases market: Its strategic focus on product portfolio expansion, broad industry coverage, and strong customer engagement positions it favourably in a fragmented and capital-intensive industrial gases market. Its regional leadership in East and South India, supported by a robust network of manufacturing facilities, distribution assets, and project engineering capabilities, provides a strong foundation for sustained growth, operational resilience, and customer retention. This business approach not only supports long-term revenue stability but also allows it to address growing demand in emerging sectors such as electronics, aerospace, defence, and healthcare with customised gas solutions.

Exhibit 24. End-use industry wise breakdown of EIGL's revenue from gases, related products and services

Particulars	Revenue (INR Mn)				Revenue Contribution (%)			
	FY22	FY23	FY24	FY25	FY22	FY23	FY24	FY25
Pharmaceuticals and chemicals	453	587	666	760	21.0%	31.0%	29.4%	26.0%
Steel	310	411	645	1,083	14.3%	21.7%	28.5%	37.0%
Dealer and retail network	668	328	259	288	30.9%	17.3%	11.4%	9.9%
Healthcare	256	155	182	262	11.8%	8.2%	8.1%	9.0%
Railway, Aviation, Aerospace and Space	147	130	131	153	6.8%	6.9%	5.8%	5.2%
Defence	67	79	97	102	3.1%	4.2%	4.3%	3.5%
Engineering and infrastructure	112	78	93	108	5.2%	4.1%	4.1%	3.7%
Petrochemicals (including Oil and Gas)	27	51	72	85	1.2%	2.7%	3.2%	2.9%
Others	122	72	116	83	5.7%	3.8%	5.1%	2.8%
Total	2,161	1,893	2,262	2,925	100%	100%	100%	100%

Source: Company

Exhibit 25. EIGL: Key customers across various end-use industries

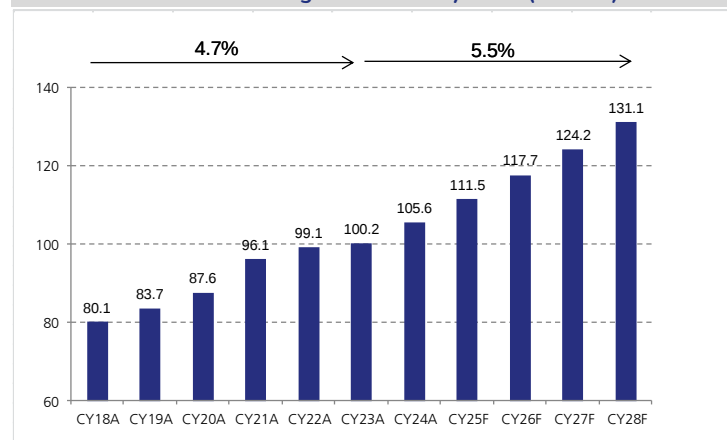
Industry	Customers
Steel	Tata Metaliks Jairaj Ispat Limited NMDC Rashtriya Ispat Nigam Limited Vizag Steel
Pharmaceuticals and Chemicals	Dr. Reddy's Laboratories Limited Apitoria Pharma Private Limited Laurus Labs Limited Honour Lab Limited Neuland Laboratories Limited Hetero Labs Limited Astec Life Sciences Limited
Healthcare	All India Institute of Medical Sciences (AIIMS) Department of Health and Family Welfare, Government of West Bengal Shree Bharath Pharma and Medical Oxygen Distributor West Bengal Medical Services Corporation Limited Chittaranjan National Cancer Institute
Engineering and Infrastructure	A major construction company in India A major electrical equipment manufacturing company in India GMM Pfaudler Limited; Mishra Dhatu Nigam Limited Air India Engineering Services Limited
Railways, Aviation, Aerospace and Space	Jupiter Wagons Limited Multiple railway workshops across India A space research organisation
Petrochemicals	Major oil marketing public sector undertakings in India
Defence	Hindustan Shipyard Limited Indian armed forces
Others	Paschim Banga Go-Sampad Sanstha; West Bengal Power Development Corporation Limited Prabhujji Foods Haldiram Bhujiwala Limited JK Papers Limited

Source: Company

Industry overview - EGIL well-positioned to capitalise on industry tailwinds

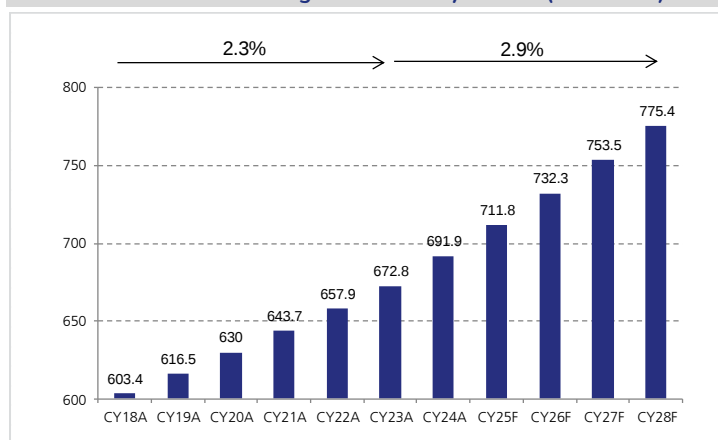
Globally, industrial gases industry likely to grow at 5.5% CAGR as it continues to witness robust tailwinds: Global tailwinds are set to drive long-term demand growth in the industrial gases sector. Population growth, urbanisation, and technological progress are expanding end-market consumption. These forces are elevating gases from basic commodities to mission-critical inputs that improve yield, safety, and throughput for the end-use industries. Further, the cost of downtime and stock-outs make secure supply of these gases non-negotiable, reinforcing long-tenure relationships, customer stickiness, and pricing discipline. As gases remain embedded across manufacturing workflows, this dynamic broadens the revenue base while supporting steady volumes, resilient margins, and improving cash flow visibility for the suppliers. In CY24, the global demand for industrial gases was around USD 105.6bn, which is expected to reach USD 131.1bn in CY28 with CAGR of 5.5% – **Exhibit 26**.

Exhibit 26. Global industrial gases market by value (USD bn)



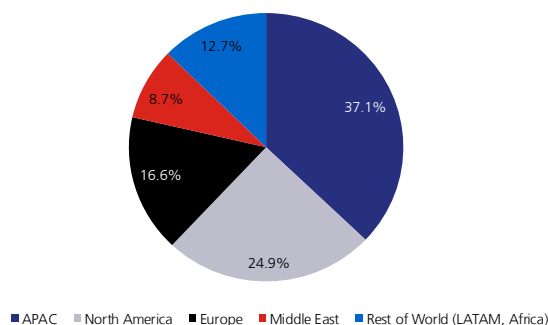
Source: Company.

Exhibit 27. Global industrial gases market by volume (mn tonnes)



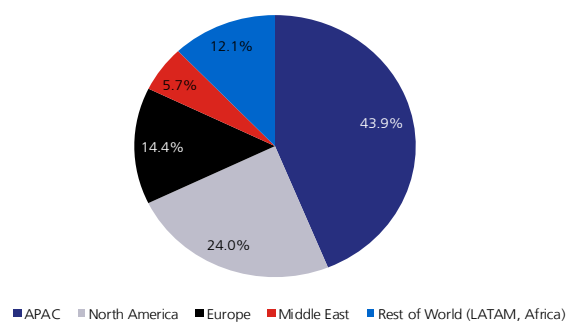
Source: Company.

Exhibit 28. Global industrial gases market – Regional segmentation by value (USD 105.6bn in CY24)



Source: Company.

Exhibit 29. Global industrial gases market – Regional segmentation by volume (691.9mn tonnes in CY24)



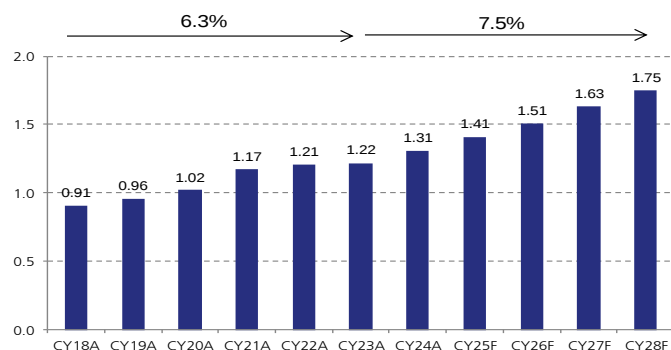
Source: Company.

Indian industrial gases market is projected to grow at 7.5% CAGR over FY24-FY28 to USD 1.75bn by CY28: The total market size of India's industrial gases market reached USD 1.3bn in CY24 after growing at a CAGR of 6.3% over CY18–CY24, propelled by rapid industrialisation, infrastructure build-out, an increasing focus on hydrogen as a clean energy vector, and innovations in production, storage, and distribution that lift efficiency and reduce costs. It is further projected to grow at 7.5% CAGR over FY24-FY28 in value terms to reach USD 1.75bn by CY28 and expected to grow at 4.3% CAGR in volume terms over FY24-FY28 underpinned by government initiatives such as "Make in India" and import substitution policies, alongside rising demand from steel, pharmaceuticals, manufacturing, defence, chemicals, healthcare, energy and electronics sectors. The growth runway is compelling as end-use industries expand and upgrade. Steel, pharmaceuticals, petrochemicals, healthcare, and broader manufacturing are scaling capacity and adopting higher-quality, efficiency-led processes, while policy priorities like "Make in India" and "import substitution" strengthen domestic ecosystems and demand visibility.

India's strong GDP growth has driven a surge in steel production, significantly boosting demand for oxygen and other process gases, while broader economic expansion raises energy and chemical

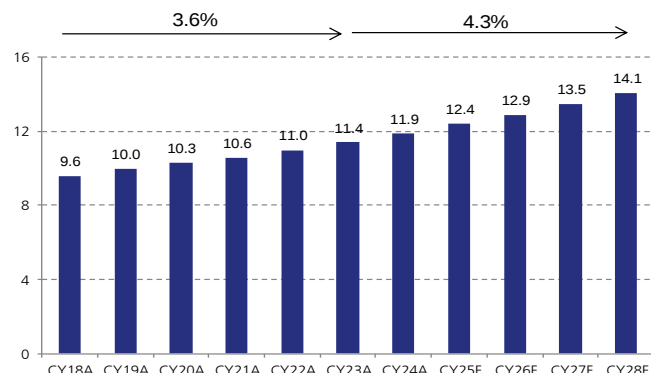
consumption and intensifies gas needs across the oil and gas and chemical value chains. Healthcare demand for medical oxygen and nitrous oxide grows with hospital capacity and investment, and pharmaceutical growth increases the use of nitrogen and specialty gases in drug manufacturing and R&D. Economic expansion accelerates urbanisation and shifts consumer behaviour toward convenience, driving higher consumption of packaged and ready-to-eat foods that, in turn, increase demand for gases used in food processing, packaging, and preservation. India's industrial gases industry is positioned at the core of the country's manufacturing and services supply chain. It supports steel and other metals, oil and gas, general manufacturing, healthcare, pharmaceuticals, chemicals and fertilisers, and food and beverage, with established suppliers such as Linde, Inox Air Products, Air Liquide, Ellenbarrie, Air Water, and Goyal MG Gases providing scale and reliability.

Exhibit 30. Indian industrial gases market by value (USD bn)



Source: Company

Exhibit 31. Indian industrial gases market by volume (mn tonnes)



Source: Company

Rising electronics manufacturing boosts industrial gases demand in India: India's expanding electronics manufacturing boosts demand for industrial gases used in semiconductor and device production, especially nitrogen, argon, hydrogen, and oxygen for inerting, etching and sputtering, annealing, and precision cutting. Government programmes such as the Production Linked Incentive and new Electronic Manufacturing Clusters have attracted large investments from Apple, Samsung, and Foxconn, which increases gas consumption across EMS lines, and display and solar manufacturing in India. Within the domestic market, electrical and electronics contributed 4.1% of industrial gases by value in CY24. The electronics market is expected to grow at a CAGR of 16.6% from ~USD 424bn in CY24 to ~USD 783bn in CY28, which naturally lifts volumes of high-purity process gases and underpins new capacity for production and purification in India. Electrical and electronics represented ~20% of Indian argon demand in CY24 through uses in semiconductor fabrication, microelectronics, lighting, flat panel displays, and solar cells. Rising electronics capex in Andhra Pradesh, Tamil Nadu, Karnataka, Gujarat, and Maharashtra from companies such as Foxconn, Wingtech, Voltas, TCL, Sunny Optotech, Dixon, Tata Electronics, and Pegatron together with an upcoming RRP Electronics semiconductor facility in Maharashtra of ~INR 50bn is creating regional clusters that draw in higher argon offtake. Complementary roles are evident as nitrogen enables soldering and reflow inerting, hydrogen supports controlled annealing, and ultra-high purity oxygen finds use in solar cell and semiconductor steps, which binds electronics growth to a larger and more specialised gas mix. With policy support raising PLI allocations and placing electronics and semiconductors among national manufacturing priorities under Make in India, the sector is set to drive sustained increases in industrial gases volumes and product sophistication in the Indian market over the medium term.

EGIL well-placed to capture a meaningful share of the expanding market: In this environment, EIGL's infrastructure-intensive operations, extensive manufacturing capabilities and proven track record in identifying, producing and delivering a diverse range of industrial gases position it to capture a meaningful share of the expanding market. Despite holding only 2.85% market share in FY25, EIGL's regional focus and agile customer engagement provide it a distinct edge over larger multinational competitors. It has created a strong platform for scalable growth by building plants closer to end-users, customising offerings to local requirements and targeting under-served regions. Its diverse customer base, extensive product portfolio and demonstrated flexibility in operations imply EIGL is exceptionally well-placed to leverage industry tailwinds and convert market growth into sustained revenue and profitability gains.

Peer Comparison: EGIL has built robust competitive edge in an industry dominated by MNCs

India's industrial gas industry dominated by MNCs with a long tail of small local companies:

Linde, Air Liquide, Air Products, Taiyo Nippon Sanso, Messer, and Air Water are the leading manufacturers of industrial gases globally and dominate this industry characterised by high capital requirements and stringent regulatory standards. In CY24, the top 3 players, Linde, Air Liquide and Air Products, accounted for 70.4% of market share globally; annual revenue was USD 33bn for Linde, USD 29.3bn for Air Liquide and USD 12.1bn for Air Products. Similarly, the industrial gases industry in India is also dominated by a few key players like Inox Air Products, Linde India and Air Water, which held 26%, 24% and 11% market share respectively as of end-FY24. However, it is to be noted that the Indian industrial gases industry is far more fragmented than the global industrial gases industry, with a long tail of small companies that serve customers with their limited capacities.

EIGL has built strong competitive edge despite its limited ~3% market share: EIGL is a relatively small company and held ~3% market share as of end-FY24. It competes with its large multinational or foreign-backed peers with its strong regional presence built close to customers based on their specific needs. Its operations are also strengthened with the experience and learning's from its past foreign partnership with Air Water. Further, its competitive edge lies in its agility and flexibility to cater to customer's tailor-made requirements and its ability to maintain strong customer relationships. It engages closely with customers, drives sales through effective relationships, and leverages its local geographic reach to deliver responsive and localised service.

EIGL's EBITDA margin is more than that of Linde India while is aspiring towards Inox Air Products' industry-beating margin: EIGL operates at better EBITDA margin (was 35.1% in FY25) vs. Linde India (EBITDA margin of 30.8% in FY25) due to: **a)** Linde India's higher contribution from low-margin project engineering services (with revenue contribution of ~18% for Linde India vs. only ~6% for EIGL in FY25); and **b)** Linde India's higher overhead cost. However, Inox Air Products has been operating at the industry-best EBITDA margin of 45-50% over FY21-FY24 driven by its favourable product mix and more focus on the highly profitable merchant business. EIGL's business model is similar to that of Inox Air Products and, hence, the management aspires for EBITDA margin of 40-45% driven by rising share of high-margin argon and onsite business.

Exhibit 32. Peer comparison table

	EIGL	Linde India	Inox Air Products	Air Water	Air Liquide	Taiyo Nippon Sanso India	Goyal MG Gases
Establishment year (India)	1973	1935	1963	2014	1992	2009	1973
End use / industries catered	Steel, pharma and chemicals, healthcare, engineering and infrastructure, railways, aviation, aerospace and space, petchem, defence, semi-conductors, etc.	Chemicals, electronics, construction, food and beverage, healthcare, steel and other metal manufacturing, oil and gas, metal fabrication, etc.	Chemicals, automotive, food & beverages, aerospace, oil & gas, healthcare, metal fabrication, steel and other metal manufacturing, etc.	Steel, healthcare, electronics, chemicals, automotive, oil & gas, metal fabrication, etc.	Healthcare, electronics, chemicals, automotive, water treatment, oil and gas, metal fabrication, steel & other metal manufacturing, etc.	Electronics, healthcare, and manufacturing, semiconductor fabrication, automobiles, etc	Steel Manufacturing, Food & Beverage, Pharmaceuticals, Metal Fabrication, Petrochemical/ Refineries, Defense & ISRO
Range of products offered	Oxygen, nitrogen, argon, hydrogen, carbon dioxide, acetylene, dry ice, helium, mixtures, etc.	Carbon dioxide, argon, oxygen, hydrogen, nitrogen, helium, mixtures, etc.	Argon, hydrogen, carbon dioxide, nitrogen, oxygen, helium, syngas, etc.	Oxygen, nitrogen, argon, and carbon dioxide.	Carbon dioxide, argon, oxygen, hydrogen, nitrogen, helium, mixtures, etc.	Cryogenic storage tanks, regulators, EPC services, helium, oxygen, nitrogen, argon, hydrogen, carbon dioxide	Oxygen, nitrogen, argon, hydrogen, carbon dioxide, cryogenic liquid storage and transport tanks
Geographical positioning	Market leader in West Bengal, Andhra Pradesh and Telangana in terms of installed capacity at end FY25	Market leader in industrial gases business in India.	Second highest market share in India.	One of the top 3 players in India.	One of the top 5 player in India.	Maharashtra, Telangana, Rajasthan, Gujarat	Ghaziabad, Raipur, Durgapur, Asansol
India market share (Fiscal 2024)	3%	24%	26%	11%	3%	~2%	~2%
Supply capability	On-site, bulk tankers and cylinders.	On-site, pipeline supply, bulk tankers and cylinders.	On-site, pipeline supply, bulk tankers and cylinders.	On-site, bulk tankers and cylinders.	On-site, pipeline supply, bulk tankers and cylinders.	On-site, bulk tankers and cylinders.	On-site, bulk tankers and cylinders.
Distribution	Owned fleet of tankers, cylinders.	Owned fleet of tankers, cylinders along with third party distribution	Owned fleet of tankers, cylinders along with third party distribution	Owned fleet of tankers, cylinders along with third party distribution	Owned fleet of tankers, cylinders along with third party distribution	Owned fleet of tankers, cylinders, pipelines	Owned fleet of tankers, cylinders, pipelines

Source: Company

Exhibit 33. Comparative financials of leading industrial gases manufacturers in India

	FY21	FY22	FY23	FY24	FY25
Revenue (INR Mn)					
Ellenbarrie Industrial Gases Ltd.	1,752	2,446	2,051	2,695	3,125
Linde India Ltd.	14,711	21,120	31,355	27,687	24,854
Inox Air Products Pvt. Ltd.	17,574	20,904	21,918	25,899	NA
Air Water India Pvt. Ltd.	8,697	9,344	10,359	10,819	NA
Air Liquide India Holding Pvt. Ltd.	1,410	1,916	2,073	2,738	NA
Taiyo Nippon Sanso India Pvt. Ltd.	2,224	2,295	2,006	2,083	NA
Goyal MG Gases Pvt. Ltd.	1,655	2,124	1,947	1,748	NA
Revenue Growth (%)					
Ellenbarrie Industrial Gases Ltd.		39.6%	-16.1%	31.4%	16.0%
Linde India Ltd.		43.6%	48.5%	-11.7%	-10.2%
Inox Air Products Pvt. Ltd.		18.9%	4.9%	18.2%	NA
Air Water India Pvt. Ltd.		7.4%	10.9%	4.4%	NA
Air Liquide India Holding Pvt. Ltd.		35.9%	8.2%	32.1%	NA
Taiyo Nippon Sanso India Pvt. Ltd.		3.2%	-12.6%	3.8%	NA
Goyal MG Gases Pvt. Ltd.		28.3%	-8.3%	-10.2%	NA
EBITDA (INR Mn)					
Ellenbarrie Industrial Gases Ltd.	459	805	336	615	1,097
Linde India Ltd.	3,748	5,466	7,648	7,023	7,651
Inox Air Products Pvt. Ltd.	8,353	10,479	9,963	11,463	NA
Air Water India Pvt. Ltd.	1,527	1,988	2,196	1,975	NA
Air Liquide India Holding Pvt. Ltd.	57	283	139	395	NA
Taiyo Nippon Sanso India Pvt. Ltd.	255	121	82	138	NA
Goyal MG Gases Pvt. Ltd.	305	305	443	315	NA
EBITDA Growth (%)					
Ellenbarrie Industrial Gases Ltd.		75.3%	-58.3%	83.2%	78.3%
Linde India Ltd.		45.8%	39.9%	-8.2%	8.9%
Inox Air Products Pvt. Ltd.		25.5%	-4.9%	15.1%	NA
Air Water India Pvt. Ltd.		30.1%	10.5%	-10.1%	NA
Air Liquide India Holding Pvt. Ltd.		395.7%	-50.9%	183.7%	NA
Taiyo Nippon Sanso India Pvt. Ltd.		-52.6%	-32.2%	67.3%	NA
Goyal MG Gases Pvt. Ltd.		0.0%	45.2%	-28.9%	NA
EBITDA Margin (%)					
Ellenbarrie Industrial Gases Ltd.	26.2%	32.9%	16.4%	22.8%	35.1%
Linde India Ltd.	25.5%	25.9%	24.4%	25.4%	30.8%
Inox Air Products Pvt. Ltd.	47.5%	50.1%	45.5%	44.3%	NA
Air Water India Pvt. Ltd.	17.6%	21.3%	21.2%	18.3%	NA
Air Liquide India Holding Pvt. Ltd.	4.1%	14.8%	6.7%	14.4%	NA
Taiyo Nippon Sanso India Pvt. Ltd.	11.5%	5.3%	4.1%	6.6%	NA
Goyal MG Gases Pvt. Ltd.	18.4%	14.4%	22.7%	18.0%	NA
PAT (INR Mn)					
Ellenbarrie Industrial Gases Ltd.	241	672	281	453	833
Linde India Ltd.	1,511	5,072	5,381	4,341	4,548
Inox Air Products Pvt. Ltd.	4,728	7,077	6,654	7,657	NA
Air Water India Pvt. Ltd.	-2,457	1,408	1,316	925	NA
Air Liquide India Holding Pvt. Ltd.	-234	158	1,476	-73	NA
Taiyo Nippon Sanso India Pvt. Ltd.	NA	NA	NA	NA	NA
Goyal MG Gases Pvt. Ltd.	67	119	351	319	NA
PAT Growth (%)					
Ellenbarrie Industrial Gases Ltd.		179.2%	-58.1%	60.9%	83.9%
Linde India Ltd.		235.7%	6.1%	-19.3%	4.8%
Inox Air Products Pvt. Ltd.		49.7%	-6.0%	15.1%	NA
Air Water India Pvt. Ltd.		NM	-6.5%	-29.7%	NA
Air Liquide India Holding Pvt. Ltd.		NM	836.7%	NM	NA
Taiyo Nippon Sanso India Pvt. Ltd.		NA	NA	NA	NA
Goyal MG Gases Pvt. Ltd.		76.6%	195.3%	-9.1%	NA
PAT Margin (%)					
Ellenbarrie Industrial Gases Ltd.	13.4%	26.2%	12.6%	15.6%	23.9%
Linde India Ltd.	10.1%	23.4%	16.6%	15.3%	17.8%
Inox Air Products Pvt. Ltd.	25.9%	31.8%	28.4%	27.6%	NA
Air Water India Pvt. Ltd.	-28.2%	15.0%	12.6%	8.5%	NA
Air Liquide India Holding Pvt. Ltd.	-16.0%	7.4%	69.3%	-2.6%	NA
Taiyo Nippon Sanso India Pvt. Ltd.	NA	NA	NA	NA	NA
Goyal MG Gases Pvt. Ltd.	3.9%	5.3%	15.9%	15.0%	NA
RoE (%)					
Ellenbarrie Industrial Gases Ltd.	16.3%	19.9%	7.8%	11.1%	16.9%
Linde India Ltd.	6.8%	18.7%	17.1%	12.5%	11.9%
Inox Air Products Pvt. Ltd.	14.0%	17.4%	14.1%	14.0%	NA
Air Water India Pvt. Ltd.	-9.6%	5.2%	4.6%	3.2%	NA
Air Liquide India Holding Pvt. Ltd.	-11.0%	6.9%	39.2%	-2.0%	NA
Taiyo Nippon Sanso India Pvt. Ltd.	16.8%	-8.7%	-19.5%	-7.3%	NA
Goyal MG Gases Pvt. Ltd.	1.8%	3.1%	8.4%	7.1%	NA

Source: Company

Assumption and estimates

Exhibit 34. EIGL – Key operational assumptions

Particulars	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Key operational assumptions (bulk and packaged)								
Volume details								
Normal capacity (TPD)		378	378	500	624	675	829	1,040
Capacity utilisation (%)		96%	94%	75%	70%	84%	88%	92%
Production volume (TPD)		364	357	376	436	569	728	954
Sales Volume (TPD)		356	353	394	440	569	728	954
Realisation details (INR/scm)								
Oxygen		22.1	16.4	17.6	17.5	17.7	17.9	18.1
Nitrogen		11.9	12.6	12.8	13.5	13.9	14.3	14.8
Argon		82.9	71.5	120.4	119.7	70.0	73.5	77.2
Financials (INR Mn)								
Revenue	1,751	2,446	2,051	2,695	3,125	4,010	5,322	6,802
YoY Growth (%)	1%	40%	-16%	31%	16%	28%	33%	28%
Reported EBITDA	459	805	336	615	1,097	1,462	2,027	2,615
Reported EBITDA Margin (%)	26%	33%	16%	23%	35%	36%	38%	38%
EBITDA Growth YoY (%)	88%	75%	-58%	83%	78%	33%	39%	29%
OCF	709	314	387	437	43	2,057	1,206	1,635
Cash Capex	168	171	949	870	692	2,206	2,484	1,910
FCF	541	143	-562	-433	-649	-149	-1,278	-275
YoY Growth (%)	-37%	-74%	NM	NM	NM	NM	NM	-79%
Net Debt/(cash)	458	-895	-244	34	480	-3,386	-2,447	-2,512
Net Debt/Reported EBITDA (x)	1.0	-1.1	-0.7	0.1	0.4	-2.3	-1.2	-1.0

Source: Company, JM Financial.

Exhibit 35. Consolidated revenue break-up for EIGL

Particulars	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Revenue break-up (INR Mn)							
Gases, related products & services	2,161	1,892	2,262	2,925	3,910	5,217	6,692
Onsite	51	51	99	457	552	775	788
Bulk and Packaged	2,110	1,841	2,162	2,464	3,358	4,442	5,904
Oxygen	1,191	801	936	1,024	1,628	2,323	3,174
Nitrogen	604	694	816	966	950	1,038	1,311
Argon	127	131	191	236	469	678	933
Other products	188	215	219	239	310	404	484
Project engineering services	285	158	433	200	100	105	110
Total	2,446	2,051	2,695	3,125	4,010	5,322	6,802
Revenue proportion (%)							
Gases, related products & services	88%	92%	84%	94%	98%	98%	98%
Onsite	2%	2%	4%	15%	14%	15%	12%
Bulk and Packaged	86%	90%	80%	79%	84%	83%	87%
Oxygen	49%	39%	35%	33%	41%	44%	47%
Nitrogen	25%	34%	30%	31%	24%	19%	19%
Argon	5%	6%	7%	8%	12%	13%	14%
Other products	8%	11%	8%	8%	8%	8%	7%
Project engineering services	12%	8%	16%	6%	2%	2%	2%
Total	100%	100%	100%	100%	100%	100%	100%
Revenue growth (%)							
Gases, related products & services		-12%	20%	29%	34%	33%	28%
Onsite		-1%	94%	362%	21%	40%	2%
Bulk and Packaged		-13%	17%	14%	36%	32%	33%
Oxygen		-33%	17%	9%	59%	43%	37%
Nitrogen		15%	18%	18%	-2%	9%	26%
Argon		3%	46%	23%	99%	45%	38%
Other products		15%	2%	9%	30%	30%	20%
Project engineering services		-44%	173%	-54%	-50%	5%	5%
Overall		-16%	31%	16%	28%	33%	28%

Source: Company, JM Financial.

Exhibit 36. Consolidated EBITDA break-up for EIGL

Particulars	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
EBITDA break-up (INR Mn)							
Gases, related products & services	749	302	585	971	1,446	2,010	2,597
Onsite	41	32	69	308	372	522	531
Bulk and Packaged	708	270	516	663	1,074	1,488	2,066
Project engineering services	56	35	30	126	16	17	18
Total	805	337	615	1,097	1,462	2,027	2,615
EBITDA proportion (%)							
Gases, related products & services	93%	90%	95%	89%	99%	99%	99%
Onsite	5%	9%	11%	28%	25%	26%	20%
Bulk and Packaged	88%	80%	84%	60%	73%	73%	79%
Project engineering services	7%	10%	5%	11%	1%	1%	1%
Total	100%	100%	100%	100%	100%	100%	100%
EBITDA growth (%)							
Gases, related products & services		-60%	94%	66%	49%	39%	29%
Onsite		-22%	116%	346%	21%	40%	2%
Bulk and Packaged		-62%	91%	29%	62%	39%	39%
Project engineering services		-38%	-14%	320%	-87%	5%	5%
Overall		-58%	82%	78%	33%	39%	29%
EBITDA margin (%)							
Gases, related products & services	35%	16%	26%	33%	37%	39%	39%
Onsite	80%	63%	70%	67%	67%	67%	67%
Bulk and Packaged	34%	15%	24%	27%	32%	34%	35%
Project engineering services	20%	22%	7%	63%	16%	16%	16%
Overall	33%	16%	23%	35%	36%	38%	38%

Source: Company, JM Financial.

Exhibit 37. Industrial gases revenue split for EIGL

Particulars	FY21	FY22	FY23	FY24	FY25	FY26E	FY27E	FY28E
Total sales volume (in ton p.a.)								
Oxygen	59,948	69,986	63,469	68,979	76,125	119,249	168,462	227,920
Nitrogen	62,436	57,484	62,477	72,329	81,219	77,614	82,274	100,942
Argon	4,131	2,468	2,945	2,558	3,174	10,798	14,874	19,509
Total	126,515	129,938	128,891	143,866	160,518	207,661	265,610	348,371
Average Selling Price (INR/SM3)								
Oxygen	16	22	16	18	17	18	18	18
Nitrogen	12	12	13	13	14	14	14	15
Argon	50	83	71	120	120	70	74	77
Sales (INR Mn)								
Oxygen	760	1,191	801	936	1,024	1,628	2,323	3,174
Nitrogen	654	604	694	816	966	950	1,038	1,311
Argon	127	127	131	191	236	469	678	933
Other products	0	188	215	219	239	310	404	484
Total	1,541	2,110	1,841	2,162	2,464	3,358	4,442	5,904
Sales volume proportion (%)								
Oxygen	47%	54%	49%	48%	47%	57%	63%	65%
Nitrogen	49%	44%	48%	50%	51%	37%	31%	29%
Argon	3.3%	1.9%	2.3%	1.8%	2.0%	5.2%	5.6%	5.6%
Total	100%	100%	100%	100%	100%	100%	100%	100%
Sales Value proportion (%)								
Oxygen	49%	56%	44%	43%	42%	48%	52%	54%
Nitrogen	42%	29%	38%	38%	39%	28%	23%	22%
Argon	8%	6%	7%	9%	10%	14%	15%	16%
Other products	0%	9%	12%	10%	10%	9%	9%	8%
Total	100%	100%	100%	100%	100%	100%	100%	100%

Source: Company, JM Financial.

Board of Directors and Senior Management

Board of Directors

- **Padam Kumar Agarwala** is the Chairman and Managing Director. He holds a bachelor's degree in commerce from St. Xavier's College (autonomous). Prior to his directorship in the EIGL since March'95, he was associated with the company as a business head for more than 12 years. Further, he oversees the EIGL's business activities particularly for the eastern region and is responsible for implementing business plans and setting governance standards of the company.
- **Varun Agarwal** is the Joint Managing Director. He holds a bachelor's degree in science (economics) from London School of Economics and Political Science and a master's degree in philosophy from Cambridge University, England. He has been associated with EIGL since Aug'08. Prior to his association with the company, he was also associated with Lehman Brothers Limited. He is currently a member of the Hyderabad Chapter of Entrepreneur's Organisation. He oversees the company's business operations particularly for the southern region and is responsible for optimising financial performance and implementing growth strategies of the company.
- **Soumitra Bose** is a Non-Executive Independent Director. He holds a bachelor's degree in commerce from University of Calcutta. Additionally, he is an associate member of the Institute of Chartered Accountants of India and the Institute of Cost and Works Accountants of India. Prior to his association with the Company, he was also associated with the Unilever Group and S.H. Kelkar & Co. Limited.
- **Ajit Khandelwal** is a Non-Executive Independent Director. He holds a bachelor's degree in commerce from University of Calcutta and a doctorate of philosophy (Ph.D. h.c.) in commerce with specialization in finance and investment from University of Swahili. Prior to his association with EIGL, he was also associated with Brijnath Khandelwal & Co., and has over 36 years of experience in Capital Markets, Investment Banking and Investment Advisory. Further, he is currently also associated with BNK Securities Private Limited and Kothari Phytochemicals & Industries Limited as a director.
- **Pawan Marda** is a Non-Executive Independent Director. He holds a bachelor's degree in commerce, from St. Xavier's College, University of Kolkata. Additionally, he is an associate member of the Institute of Company Secretaries of India. Prior to his association with EIGL, he was also associated with Linde India Limited as the director- corporate affairs and company secretary, Rossell Industries Limited as an assistant general manager (legal) and company secretary, Sinclair Hotels and Transportation Limited as a company secretary, Voltas Limited, and Indian Rayon and Industries Limited.
- **Seema Sapru** is a Non-Executive Independent Director. She has cleared examination for bachelor's degree in science (chemistry) from Meerut University, and master's degree in arts (education) from Chaudhary Charan Singh University, Meerut. She is the recipient of several prestigious awards including Swami Vivekananda National Principals Award 2024 and certificate of excellence presented by Times Group at the Times of India Principal's Seminar 2024. Further, she is currently also associated with Heritage School, Kolkata, as the principal.

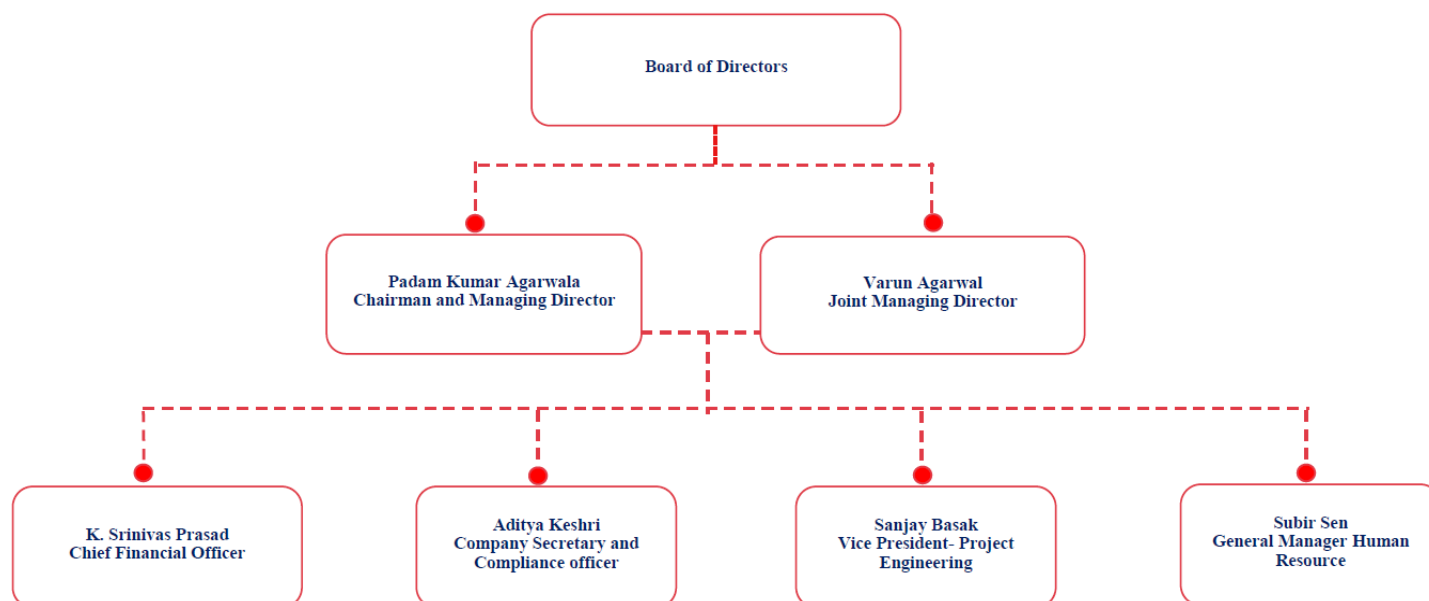
Senior Management

- **Padam Kumar Agarwala** is the Chairman and Managing Director. He holds a bachelor's degree in commerce from St. Xavier's College (autonomous). Prior to his directorship in the EIGL since March'95, he was associated with the company as a business head for more than 12 years. Further, he oversees the EIGL's business activities particularly for the eastern region and is responsible for implementing business plans and setting governance standards of the company.
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- **K Srinivas Prasad** is the CFO. He holds a bachelor's degree in commerce from BJB college, Bhubaneswar, Utkal University. He is also an associate member of the Institute of Company Secretaries of India, the Institute of Chartered Accounts of India, and has qualified the examination for Institute of Cost and Works Accountants of India. Prior to joining EIGL, he was

previously associated with Air Liquide North India Private Limited. He has been associated with the company since Dec'13 as controller-finance, and was appointed as the Chief Financial Officer of the company in Nov'14. He is responsible for heading functions related to finance, accounts, and taxation along with managing cash flow, budgetary variance, and actions taken on receipt of audit observations.

- **Aditya Keshri** is the Company Secretary and Compliance officer. He is an associate member of the Institute of Company Secretaries of India. He was previously associated with Alcove Developers LLP, Grameen Shakti Microfinance Services Private Limited, and Jiwanram Sheoduttrai Industries Limited. He joined EIGL in Mar'24, and was appointed as the Company Secretary and Compliance officer of the Company in Apr'24. He is responsible for ensuring corporate secretarial compliance functions in the Company.
- **Sanjay Basak** is the Vice President- Project and Engineering. He holds a master's degree in technology (cryogenic engineering) from Indian Institute of Technology, Kharagpur and has completed the executive programme in operations management from Indian Institute of Management, Calcutta. He is also a member of the Institution of Engineers (India). Prior to joining EIGL, he was previously associated with BOC India Limited and Bhushan Steel Limited. He has been associated with EIGL since May'16 as projects - head and was appointed as the Vice President- Project and Engineering of the Company in Apr'23. He is responsible for reviewing project contracts including project execution, designing, procurement, quality, planning and implementation.
- **Subir Sen** is the General Manager - Human Resources. He holds a post-graduate certificate in human resource management from XLRI Jamshedpur. Prior to joining EIGL, he was previously associated with Creative Polypack Private Limited. He joined EIGL in Jun'22. He is responsible for leading and managing human resources and talent management processes, covering a broad range of strategic solutions and developing organisation and people capabilities.

Exhibit 38. EIGL management organisational structure



Source: Company

Financial Tables (Standalone)

Income Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Sales	2,695	3,125	4,010	5,322	6,802
Sales Growth	31.4%	16.0%	28.3%	32.7%	27.8%
Other Operating Income	0	0	0	0	0
Total Revenue	2,695	3,125	4,010	5,322	6,802
Cost of Goods Sold/Op. Exp	549	357	397	480	568
Personnel Cost	161	228	229	297	377
Other Expenses	1,370	1,443	1,922	2,519	3,242
EBITDA	615	1,097	1,462	2,027	2,615
EBITDA Margin	22.8%	35.1%	36.5%	38.1%	38.4%
EBITDA Growth	83.2%	78.3%	33.2%	38.6%	29.0%
Depn. & Amort.	100	207	232	323	409
EBIT	515	890	1,230	1,704	2,206
Other Income	207	359	338	319	319
Finance Cost	80	171	108	16	17
PBT before Excep. & Forex	642	1,078	1,461	2,006	2,507
Excep. & Forex Inc./Loss(-)	0	0	0	0	0
PBT	642	1,078	1,461	2,006	2,507
Taxes	189	245	332	456	571
Extraordinary Inc./Loss(-)	0	0	0	0	0
Assoc. Profit/Min. Int.(-)	0	0	0	0	0
Reported Net Profit	453	833	1,128	1,549	1,937
Adjusted Net Profit	453	833	1,128	1,549	1,937
Net Margin	16.8%	26.7%	28.1%	29.1%	28.5%
Diluted Share Cap. (mn)	130.9	130.9	140.9	140.9	140.9
Diluted EPS (INR)	3.5	6.4	8.0	11.0	13.7
Diluted EPS Growth	60.9%	83.9%	25.9%	37.3%	25.0%
Total Dividend + Tax	0	0	0	0	0
Dividend Per Share (INR)	0.0	0.0	0.0	0.0	0.0

Source: Company, JM Financial

Cash Flow Statement (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Profit before Tax	642	1,078	1,461	2,006	2,507
Depn. & Amort.	100	207	232	323	409
Net Interest Exp. / Inc. (-)	-73	-99	-230	-302	-302
Inc (-) / Dec in WCap.	-172	-1,053	944	-348	-392
Others	1	-17	-17	-17	-17
Taxes Paid	-61	-74	-332	-456	-571
Operating Cash Flow	437	43	2,057	1,206	1,635
Capex	-870	-692	-2,206	-2,484	-1,910
Free Cash Flow	-433	-649	-149	-1,278	-275
Inc (-) / Dec in Investments	-511	-230	-777	163	0
Others	164	353	342	322	322
Investing Cash Flow	-1,217	-569	-2,641	-1,999	-1,587
Inc / Dec (-) in Capital	0	0	3,750	0	0
Dividend + Tax thereon	0	0	0	0	0
Inc / Dec (-) in Loans	758	684	-2,222	38	40
Others	-83	-165	-108	-16	-17
Financing Cash Flow	675	519	1,420	21	23
Inc / Dec (-) in Cash	-105	-7	836	-772	70
Opening Cash Balance	114	9	2	838	66
Closing Cash Balance	9	2	838	66	137

Source: Company, JM Financial

Balance Sheet (INR mn)					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Shareholders' Fund	4,099	4,934	9,799	11,335	13,258
Share Capital	65	262	282	282	282
Reserves & Surplus	4,033	4,672	9,517	11,053	12,976
Preference Share Capital	0	0	0	0	0
Minority Interest	0	0	0	0	0
Total Loans	1,769	2,453	200	205	210
Def. Tax Liab. / Assets (-)	261	310	310	310	310
Total - Equity & Liab.	6,129	7,697	10,309	11,850	13,778
Net Fixed Assets	3,312	3,842	5,816	7,977	9,478
Gross Fixed Assets	4,562	4,840	7,046	9,530	11,440
Intangible Assets	0	0	0	0	0
Less: Depn. & Amort.	1,269	1,464	1,696	2,019	2,428
Capital WIP	19	466	466	466	466
Investments	1,725	1,971	2,749	2,585	2,585
Current Assets	1,688	2,646	2,578	2,213	2,741
Inventories	110	142	182	242	309
Sundry Debtors	453	826	1,060	1,407	1,798
Cash & Bank Balances	9	2	838	66	137
Loans & Advances	180	98	98	98	98
Other Current Assets	935	1,579	400	400	400
Current Liab. & Prov.	597	763	834	926	1,027
Current Liabilities	177	141	180	239	306
Provisions & Others	419	623	654	686	721
Net Current Assets	1,091	1,883	1,744	1,287	1,715
Total - Assets	6,129	7,697	10,309	11,850	13,778

Source: Company, JM Financial

Dupont Analysis					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
Net Margin	16.8%	26.7%	28.1%	29.1%	28.5%
Asset Turnover (x)	0.5	0.5	0.4	0.5	0.5
Leverage Factor (x)	1.4	1.5	1.2	1.0	1.0
RoE	11.7%	18.4%	15.3%	14.7%	15.8%

Key Ratios					
Y/E March	FY24A	FY25A	FY26E	FY27E	FY28E
BV/Share (INR)	31.3	37.7	69.5	80.4	94.1
ROIC	9.7%	14.4%	16.1%	17.2%	17.4%
ROE	11.7%	18.4%	15.3%	14.7%	15.8%
Net Debt/Equity (x)	0.0	0.1	-0.3	-0.2	-0.2
P/E (x)	131.3	71.4	56.7	41.3	33.0
P/B (x)	14.5	12.0	6.5	5.6	4.8
EV/EBITDA (x)	104.1	58.8	41.5	30.4	23.5
EV/Sales (x)	23.8	20.6	15.1	11.6	9.0
Debtor days	61	97	97	97	97
Inventory days	15	17	17	17	17
Creditor days	31	25	26	27	27

Source: Company, JM Financial

APPENDIX I

JM Financial Institutional Securities Limited

Corporate Identity Number: U67100MH2017PLC296081

Member of BSE Ltd. and National Stock Exchange of India Ltd.

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New Rating System: Definition of ratings	
Rating	Meaning
BUY	Expected return $\geq$ 15% over the next twelve months.
ADD	Expected return $\geq$ 5% and $<$ 15% over the next twelve months.
REDUCE	Expected return $\geq$ -10% and $<$ 5% over the next twelve months.
SELL	Expected return $<$ -10% over the next twelve months.

Note: For REITs (Real Estate Investment Trust) and InvIT (Infrastructure Investment Trust) total expected returns include dividends or DPU (distribution per unit)

Previous Rating System: Definition of ratings	
Rating	Meaning
BUY	Total expected returns of more than 10% for stocks with market capitalisation in excess of INR 200 billion and REITs* and more than 15% for all other stocks, over the next twelve months. Total expected return includes dividend yields.
HOLD	Price expected to move in the range of 10% downside to 10% upside from the current market price for stocks with market capitalisation in excess of INR 200 billion and REITs* and in the range of 10% downside to 15% upside from the current market price for all other stocks, over the next twelve months.
SELL	Price expected to move downwards by more than 10% from the current market price over the next twelve months.

* REITs refers to Real Estate Investment Trusts.

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