

November 14, 2025

To National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra – Kurla Complex, Bandra (E), Mumbai – 400 051 SYMBOL: ELLEN	To BSE Limited New Trading Ring, 2nd Floor, Rotunda Building, P.J. Towers, Dalal Street, Mumbai – 400 001 SCRIP CODE: 544421
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Sub: Transcript of Earnings Conference Call with Analysts / Investors pertaining to the Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2025- Disclosure under Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, enclosed herewith is the transcript of the Earnings Conference call with Analysts / Investors held on November 12, 2025, post declaration of the Unaudited Financial Results for the quarter and half year ended September 30, 2025.

We request you to kindly take the above on record.

The same has also been disseminated on the website of the Company.

Thanking You.
Yours faithfully,

For Ellenbarrie Industrial Gases Limited

Aditya Keshri
Company Secretary and Compliance Officer
Membership No.: A73390

“Ellenbarrie Industrial Gases Limited Q2 FY '26 Conference Call” November 12, 2025

12 November 2025,

Vinita Pandya

Good evening, ladies and gentlemen. Welcome to the Q2FY26 Earnings Conference Call of Ellenbarrie Industrial Gases Limited hosted by Raadhi Advisors and Motilal Oswal. As a reminder, all attendees will be in the listen only mode and there will be an opportunity for you to ask questions after the presentation concludes.

If you have any questions, please feel free to press the raise hand button. We'll call you on in turn and unmute your line so you can speak.

Please note that this conference is being recorded. Kindly also know that the audio of the earnings call is a corporate material of Ellenbarrie Limited and cannot be copied, rebroadcasted or attributed in the PR media without specific and written consent of the company.

Please note that anything said on this call that reflects the outlook towards the future, which can be construed as a forward-looking statement, must be reviewed in conjunction with the risk that the company faces. A copy of the disclosure is available on the Investor Relations section of the website as well as on the stock exchanges.

To give you an in-depth understanding of the company and answer all your queries, we have from the management side today, Mr. Padam Kumar Agarwala, Chairman and Managing Director, Mr Varun Agarwal, Joint Managing Director and Mr. Srinivas Prasad, Chief Financial Officer.

I now hand over the conference to Mr. Agarwala for his opening remarks. Thank you and over to you, Sir.

Padam Kumar Agarwala

Thank you. Good afternoon, ladies and gentlemen, and thank you for joining us today. We are very pleased to share another good quarter for Ellenbarrie. The second quarter once again highlights the consistency and resilience of our core gases business which continues to be the main driver of our growth and profitability.

To set the context, our reported revenues for the quarter stood at Rs. 892 million, reflecting a 6.7% increase sequentially. On a like for like basis, excluding the one-off project engineering revenue that was part of the base last year, our revenues from

sale of gases grew by nearly 10% year on year. This growth underscores how the gases business serves as a direct proxy for the broader expansion of manufacturing activity in India, and that link remains a fundamental strength of our model.

It is also worth reiterating that the revenues from the Project Engineering division are lumpy. While it contributes periodically, the core business driver will continue to be the gases business.

EBITDA for the quarter stood at rupees 337 million, maintaining a stable margin of 38%, which we view as a clear validation of our operational discipline and cost management, our profit after tax at rupees 367 million, representing a 96% year on year increase, reflects not only the underlying operating strength, but also our continued focus on optimizing capital efficiency and strengthening the balance sheet.

I now handover to Mr Varun Agarwal to go through the results in detail.

Varun Agarwal

Thank you for that. So operationally this quarter marked an important progress for us. We successfully ramped up operations at our Kurnool and Tata Steel Metaliks plants. Our merchant plant in East India is on track to go live end of this month. We also expect to commission our onsite plant in East India by March 2026 followed by another merchant plant in FY27.

These expansions will take our total owned and operated capacity to 1910 tons per day by end of this financial year and over 2100 tons per day by end of next financial year enabling us to serve a more diversified set of industries and geographies.

From a strategic perspective, we continue to pursue a balanced growth agenda, combining organic expansion while remaining fully open to inorganic growth through acquisitions. We are strengthening our distribution infrastructure and focusing on high margin value added gases such as Argon which now contributes 13% of our total revenues. However, prices of Argon which while we are bullish on them in the long term due to structural demand supply issues may exhibit short-term fluctuations. Looking ahead, we remain very optimistic. The Indian industrial gases sector is poised for strong growth driven by demand from steel, pharmaceuticals and chemicals, Healthcare and emerging areas such as semiconductors, green energy and space research. Ellenbarrie, with its 50-year legacy, Pan India ambitions and disciplined

capital allocation, is well positioned to capture these opportunities while maintaining financial prudence and shareholder value creation.

We expect to grow at the CAGR of 20 to 25% over the next four to five years in our core gases segment, considering the last full year financial numbers as a base and all this while maintaining EBITDA margins of around 40%.

Since this is a long-term business driven by long-term contracts, we would encourage our investors to look at us from a long term perspective and not look at quarterly aberrations, if any.

Thank you and we now look forward to discuss our outlook and performance in greater detail through the course of this call.

VP Vinita Pandya

Thank you. We will now open the call for questions. Kindly raise your hand to ask a question. We will unmute your line and as a reminder, we request all participants to restrict themselves to two questions and come back in the queue.

The first question is from the line of Mr. Ashok. Can you please unmute yourself? And go ahead.

A Ashok Mithinithi

Yeah. Hi, good afternoon. Thanks for the opportunity and congratulations for the great set of numbers. Sir, my, first question would be, I have two questions actually. The first question would be on the recent GST changes. So would like to understand the recent GST changes, changes will have any the cost pressure impact on us. That's my first question and second question coming to the revenue guidance. As you mentioned at the start of the call, it would be between 20 to 25%, which is a slight change when compared to the previous guidance given in the initial conference call. So, what we understand is that in the previous call the guidance was about 25% at least revenue growth we are expecting for the next two to three years. So, is there any change in the guidance? If yes and would like to know the reasons behind it, that's it. Thank you very much.

VA Varun Agarwal

So thank you for that question. So, on your first question on GST changes, so our industry while on the, so we have two segments in the sense that we sell industrial gases and medical gases. While there is no change in the GST on industrial gases, but for products such as medical oxygen, the GST has actually been reduced from 12% to 5%. Making it of course much more affordable to our end use customers and of course this is such a critical product that we manufacture. So, you know we are thankful to the government for recognizing this and bringing down the GST to 5%.

In terms of the revenue guidance, you know our guidance of 20 to 25% is purely on the core gases business, any number which was shared earlier, would have been, you know, with respect to the overall revenues of the company. However, as we mentioned that project engineering revenues tend to be quite lumpy, I would, you know, encourage the investors to track the revenue from gases because that's the core business. And you know, if we add in some revenue from project engineering, then yes, I think what we said earlier continues to remain, but from the core gases business we would get a 20 to 25% CAGR. Anything over and above that is possible with contribution from the project engineering.

A Ashok Mithinthi

OK, Sir. Thank you very much. Just to follow up on that, would you throw some light on the on ground demand and outlook on the second-half of the year? Because as we see there are there is a good amount of ramp up of capacities happened. So just would like to know the outlook on the second-half of the year.

VA Varun Agarwal

So look, in terms of our capacity, you know, we've got whatever our existing capacities are there. Those are more or less, you know, fully ramped up. There's very limited spare capacity that we have. Of course, we are coming up with new capacity which is going to be one at the end of this month and one at the end of the financial year. The capacity which is coming in end of this month, we have good visibility in terms of, you know demand and we expect a quick ramp up of the capacity utilization there because primarily because it's also in one of our core markets in East India and the second capacity which we are coming with at the end of this financial

year, that's a Contracted capacity with a single customer where our revenues will not be dependent on the capacity utilization. So, we are not too concerned about the capacity utilization there. It's a sort of a long term contract with a fixed fee every month.

A **Ashok Mithinthi**

OK. OK. Thank you, Sir. So what about the Tata Steel plant commercialization from when it will start?

VA **Varun Agarwal**

No, that is already, uh, up and running.

A **Ashok Mithinthi**

That's already up and running. Thank you, Sir. Thank you very much. That's all. I will follow up in the queue, yeah.

VA **Varun Agarwal**

Yes, yes.

VP **Vinita Pandya**

Participants, to ask a question, please raise your hand.

I have a few questions in the chat. Varun, I'll go ahead with the chat questions. Argon contributed around 10% of revenue last quarter with 37% EBITDA margins. Where does the Argon mix and margin percentage stand now and can it reach till 15% plus of sales with higher margins by FY27?

VA **Varun Agarwal**

So Argon was 10%, I think you know we've now reached about 13%. I think long term this number we do expect it to inch up, you know, while we don't want to give specific guidance on Argon margins and Argon contribution, but I think broadly we want to make this comment that yes, this is a focus area for us. We do see long term solid growth in Argon demand. And it will continue to remain a focus area. It is the margins in Argon are definitely higher than our other gases and it is a key driver of

our overall EBITDA margins for the company. So, while we are talking of a 40% sort of EBITDA Margin long term and we are already very close to that number, we don't have any specific margin number for Argon except to say that if the margin EBITDA margin for the company as a whole is 40%., then argon EBITDA margins will definitely be higher than 40%, you know, because that's the higher margin product. But more than that, you know we are not sort of commenting on specific product margins on a sort of forecast basis.

VP Vinita Pandya

Thank you for that answer. The next question is with semiconductor and electronics manufacturing rising in India, are we developing speciality gas grades or supply chains for this segment and what kind of margin percentage can such gases command versus core products?

VA Varun Agarwal

Sure, so we are gearing ourselves for to cater to these segments, I think, you know, while we tend to put both of these into the same bucket, I think what's happening is that the solar cell part of it is, you know, already happening as we speak.

Semiconductors is still going to take a little bit of time before, you know, we get meaningful gases demand from the semiconductor industry, but on the solar cell part of it, we have capabilities to supply ultra high purity gases such as ultra high purity nitrogen, ultra high purity oxygen. There are a few other gases like Silane, like ultra high purity ammonia, ultra high purity nitrous oxide. These gases are typically imported and sold, we are in discussions with multiple solar cell manufacturers with whom we already have existing relationships through supply of certain gases that we manufacture. To provide a holistic solution to them by supplying the remaining Speciality gases through import and sale, and we've also tied up on this account in terms of our supply chain. The margins here, at least for the manufactured products that we are making in house, will be significantly higher than the average company margins. But, however, for traded products, of course, because they are traded products, you know, naturally the margins would not be as high as a manufactured product, but it would still, you know, probably be in somewhat of 15 to 20% kind of a margin on the traded products thing.

VP Vinita Pandya

Thank you. Thank you for that. Our next question is from Mr. Sumanth Kumar. Sumanth, I've got you on screen. Please unmute yourself and go ahead with your question.

A Sumant Kumar

Hi Varun, can you hear me?

VA Varun Agarwal

Yeah. Hey, Sumant, I can hear you

A Sumant Kumar

So Varun, my question is again on opportunity in solar cell value chain we have seen in India is developing and we have higher expansion in that segment. Second is electronic, the semicon value chain is also creating and so.

When you see the two big opportunities, solar cell manufacturing as well as electronic manufacturing value chain, So, what are the key gases you are targeting and how is our plan for these two segment industrial gases going ahead and what is our expansion plan we have?

VA Varun Agarwal

So our idea is to, you know, so there are two types of gases broadly, right, which which they require. One is the ultra high purity air gases, which means that air separation gases which we are already manufacturing. But in an ultra high purity level of purity, so which means like 99.9999 percent. So we have now built the capability to supply these Ultra high purity levels of gases. The other set of gases are gases like which are not coming from the air, so which we are not manufacturing but which will be either which will predominantly these are imported gases.

So for those, what is important is to have a proper supply chain setup, which means, you know, having warehouses in every region which can cater to the local customers. And we are well on our way to setting some of these up. So, our idea is of course we do see this as a strong growth potential going forward and we've been working on a number of these contracts. We've actually last quarter also closed about 3 contracts in this space and you know the number of inquiries in this space is actually

phenomenal. It's like more than I've ever seen. So yes, this will continue to be focus point for us and You know, you you will definitely expect to hear more news from us, you know, over the course of the rest of this financial year on this side because this is right now a very hot space.

A Sumant Kumar

So, can you talk on what other gases is required for separately for solar and solar cell and electro or semi con or electronic manufacturing industry and how what?

VA Varun Agarwal

Please.

A Sumant Kumar

Yeah, totally.

VA Varun Agarwal

Yeah, so see for solar cell, primarily apart from this, our tri-purity, oxygen and nitrogen, you require silane, you require ammonia, you require nitrous oxide. These are some of the gases. That solar cell companies require when it comes to semiconductors. I believe that the total requirement can stretch to as many as, you know, 40 to 50 different gases.

So you know of course immediate focus area for us is are the solar cell guys and you know we are building capability and storage distribution capability as well as manufacturing capability for some of these gases.

A Sumant Kumar

So, so two, two things. One is the current requirement and new trend of requirement of new gases. So, we need to develop our capability in that and expertise in that. So assuming all the cluster and you also see the how the solar panel expansion is happening in India, so the say mid part of India, north part of India, we are already in east side. So where we are seeing a more opportunity and where we are lacking where we in the geographical expansion and also.

VA Varun Agarwal

Absolutely. I think that, you know, geographical expansion is one of the key focus

area for us now because ultimately we want to be an all India company and you know, we've already started work. On plants outside the core geographies in east and South and you know at the appropriate time, of course, we will make the disclosures, but you know, be rest assured that we are looking at geographical expansion very seriously. We do understand lot of this growth is coming, especially in western India. Some of it is also coming in central India, some in North India. These are the areas where we have historically not been present, but we are actively looking at all these areas and you know there are certain plans in place for us to become a pan India Company, you know, over the next couple of financial years, so that we can capture growth across all regions.

A Sumant Kumar

So you were talking about the warehouse and you need a warehouse for importing gas and supply to us, say semi con industry and say maybe solar companies. So are we have all have we started uh making warehouses and planning in our expansion uh stays we are in the warehousing.

VA Varun Agarwal

Yeah, yeah, yeah. So these warehouses will be built in our, I mean in our plant facility only. It's not like such a huge warehouse for which we need separate land. We will be building it within the within our sort of existing facilities and as well as the expansion facilities in the new geographies, this warehouse has to be basically compliant with all the regulations because a lot of these gases are, you know, quite difficult to handle and so you know those will be built within the expansion projects and in fact, one warehouse we are now starting work in one of our existing locations. So you know, we will basically and this is required for the last mile delivery, you know.

A Sumant Kumar

So is there any packaging also in that when we are we are buying from the global market and storing and then packaging it and selling to that your customer?

VA Varun Agarwal

Uh, this will be in a smaller package than the imported like the imported material will be in bigger sized package, this will be in a smaller sized package typically.

A Sumant Kumar
And how logistic will work?

VA Varun Agarwal
Means that the gas will be imported in that bigger package, in bigger containers.

A Sumant Kumar
Local, local, local logistic I'm talking about.

A Varun Agarwal
Local, then that it will be sort of transferred into smaller sized containers and then whenever the customer requires then the small sized container will be given to the customer.

A Sumant Kumar
See the quantity is lower, so we need to have a say warehouse near to their plant or maybe if the distance is higher maybe that will be the cost will be higher in that case the freight cost.
That will be a challenge, right?

VA Padam Kumar Agarwala
Well, it all depends on the cost versus payback. So, for small consumptions having a warehouse, again would be, I mean we'll have to look at it from the Cost and payback basis, we are looking at different options on this. So, the business plan is under preparation and maybe we'll have more clarity on exact locations, et cetera in a few months from now, right now we've taken an in principle decision to have warehouses in our existing and upcoming plants. Stand alone warehouses don't justify the business volume.

A Sumant Kumar
OK, OK. So we can see in next 3 years, last question, we can see in in next three years we have a decent contribution of solar and electronic segment, electronic manufacturing segment?

VA Padam Kumar Agarwala

Yeah, we are working on those plans and definitely solar gases, for solar and semi-con would be a bigger part of our kitty in times to come.

A Sumant Kumar

OK.

Um.

Oh, thank you. Thank you.

VA Padam Kumar Agarwal

Thank you.

VP Vinita Pandya

Thank you. I'll take the next question from the chat. What is the current status of the hydrogen electrolyzer pilot? Any commercial orders or learning so far and what could be the potential margin profile in scale?

VA Varun Agarwal

Sorry, Vinita, can you repeat that? I couldn't hear you clearly.

VP Vinita Pandya

Yeah, I'll get it. What is the current status of the hydrogen electrolyzer pilot? Any commercial orders or learnings so far? And what could be the potential margin profile if scaled?

Was that clear?

VA Varun Agarwal

Yes, yes, it is clear. So, look the hydrogen electrolyzer, you know, while we while it's a pilot, uh, you know, we should also be clear that our view on hydrogen and this, you know the kind of hydrogen business that we want to do is not similar to the

hydrogen business that the sort of large energy companies want to do. For us, hydrogen is a, it's just another gas in our portfolio of gases. We will supply it to, you know, our customers across various industries. Like you know, typically it could be pharmaceutical companies, it could be, you know, edible oil companies. So we are not, we are not in that hydrogen as an energy resource kind of space. Having said that, yes, hydrogen, the hydrogen electrolyzer is also you know, capacity there is being ramped up and of course while it still remains a very small business, but you know this is something that we want to replicate whenever we are setting up our air separation plants in future, we also want to have a hydrogen electrolyzer along with it in the same premises, just because it adds to our kitty of gases. We don't, foresee hydrogen to be a very meaningful contributor to the overall revenue. I think those will still continue to be driven by the air separation gases.

VP Vinita Pandya

Thank you. That was quite insightful. The next question is Kurnool was around 60 to 65% utilized in Q1. So have we reached 85 to 90% now and are the East India merchant plant and onsite projects still on track for October and March commissioning?

VA Varun Agarwal

So yeah, Kurnool is the ramp up has happened beyond 65% which was in Q1. Now we'd be at the number which is, you know, closer to 75-80%. So that's on track as we had alluded enough in opening remarks, . Also, I think in the opening remarks we had mentioned that the Uh merchant plant in the east is expected to commence end of this month. So, there's been about a delay of a month or so. And the East on site expected to commence end of this financial year, the next merchant plant which we had originally guided for, you know, Q2 or so of next year, is now pushed to second-half of next financial year. So, you know we we've seen small delays in terms of execution and I think, you know, I would say that this is one of the key risks. Uh, that uh, you know any growing business in our sector faces which is you know this small delays in project execution. While it doesn't change the long term trajectory of the business, I think on a shorter term basis you may find that, you know a revenue which was expected to come let's say in Q3 will come in Q4 and things like that. But I think you know as I mentioned, I think the long term growth story is intact. We are putting up capacity and you know, these three plants which we are talking about, the

two merchant plants and one on site, that's not the end of the story. We've got a lot more things which are planned and we have a sort of a long term vision of growing at this 20 to 25% in our core gases business, which would require us to set up more plants. So, important thing is to look at it on a longer term basis than a quarter by quarter basis because project implementation may have slight delays, um, depending on the project.

VP Vinita Pandya

OK. Thank you. Has a site or customer been finalized for the proposed Western India expansion and will it follow a merchant or onsite model?

VA Varun Agarwal

Uh, so uh, we are looking at West as a merchant model. I think there's significant demand there. A lot of new industries coming in as well. Uh site uh for the plant has more or less been finalized, but I think we are not in a position to make an announcement yet because it's not been sort of 100% finalized, but I'm hoping that next time we speak to the investors we will be able to share that exact location.

VP Vinita Pandya

OK. The next question is for the new 220 TPD plant, earlier guidance was around 160 crore capex for 100 to 120 crore annual revenue. Does that ratio still hold or are newer designs improving returns and power efficiency?

VA Varun Agarwal

So, I think this 220 plant is anyway, you know, about to be commissioned. So, you know Capex is obviously frozen revenue from that plant. I think the revenue potential of 100 plus crores you know still holds. So, I don't think there's any significant change in terms of new design or anything like that, and as I said, the Capex is more of most of the Capex is already been done and, you know, we expect to Commission the and get the production by the end of this month. We've in fact also received, you know, for us the power connection is the sort of mean, It's a, significant milestone in terms of our commissioning the plant power connection. You know we before that we only get this construction power. So, we've also received the plant power connection and you know now it's you know just a matter of, you know, connecting everything up together and pressing the start button basically.

VP Vinita Pandya

OK. The next question is there is some delay in execution of North India capacity as in the Q1 con call you said Q1 FY27, but in the Q2 PPT you mentioned H2 FY27.

VA Varun Agarwal

Yes, that's correct. And I I sort of covered that earlier in my earlier answer as well. There is a slight delay and as I mentioned that you know uh when it comes to Project execution, you know, while we endeavor to complete all the projects as per the schedule given, but there may be delays, doesn't change the long term outlook of the business. But, on a short term basis it may have a small impact, but long term look we are very confident of not just the not just that one merchant plant of FY27 but. You know, to put up more plants across the country and you know, working actively on setting up multiple capacities.

VP Vinita Pandya

OK. Thank you. Uh, what is the capacity utilization for Q1 and Q2 for FY26?

VA Varun Agarwal

So, look broadly, you know we were fully utilized across all our plants except the recently commissioned Kurnool plant and that has gone up, you know, from Q1 to Q2 as I had mentioned in one of my earlier answers. Apart from that, most of our other plants are running at pretty much full capacity.

VP Vinita Pandya

OK,
What is the reason for falling the revenue on YoY basis and if you can provide location of North India capacity?

VA Varun Agarwal

So YoY basis, you know as we had mentioned there's a last, last, Q2 of last financial year we had booked a revenue of about 150 million from project engineering, the way project engineering works is that you keep doing, you keep executing a project, this is basically sale of projects to customers sort of like an EPC business. So, you keep doing the work, but then you take the block revenue booking in one particular

quarter and so then that quarter looks a little distorted. So, I think the correct way to look at it is to look at the revenue from the core gases business.

So if you strip out that 150 million of revenue from project engineering in the last financial year Q2, then there is a growth in revenue in fact of about, I think close to 10% percent.

VP Vinita Pandya

OK. Thank you. The next question is since the revenue growth has been around 8% for H1, is H2 going to be much stronger to achieve that 20 to 25% growth?

VA Varun Agarwal

So, H2 will be stronger, uh, just from the fact that we have new capacity coming in. So, we would expect H2 to be stronger. And again, I want to reiterate that you know this 20 to 25% growth is, slightly longer-term growth CAGR. So, you know, as I said there can be short term aberrations, but given the type of capacities and CapEx that we are planning, you know, this is a longer term growth target which we have, but yes, Q2, sorry, H2 should be better just from the fact that capacity ramp up of existing production should continue and as well as you know, the new capacity should kick in. So, both of those should contribute.

VP Vinita Pandya

Thank you. What is the management's CAGR vision for revenue and profit growth for next three years? Is it below 25% or above?

VA Varun Agarwal

So same sort of, you know as I mentioned 20 to 25% is a revenue CAGR over sort of four to five years. I don't think I want to get into like a two year, three-year sort of a number, but I think a long-term guidance is sort of 20 to 25% from the core gases business and an EBITDA margin of around 40%. That's and we are you know on the margin side we are obviously there, there or thereabouts and so the idea is to keep growing the revenue with while maintaining this similar sort of EBITDA. Maybe, that'll inch up a little bit more the EBITDA margin, but near about sphere there.

VP Vinita Pandya

Thank you for that. Kindly raise your hand to ask a question. Participants, if you have any questions, please raise your hand.

Since, there are no further questions, I would like, sorry, there's one question.
Any plans to enter Gujarat or Maharashtra?

VA Varun Agarwal

Yeah, so we have a plan to enter western India. You know, we can't share the location at this stage precisely, but plans are there to enter western India and, you know, at the appropriate time when we are able to meet the disclosure, we will share it with with you.

VP Vinita Pandya

Thank you.
Yeah.

VA Varun Agarwal

Uh, Vinita, you should read this comment also.

VP Vinita Pandya

Yes, OK, Sumant, you're on screen. You can unmute yourself.

A Sumant Kumar

Yeah, Varun, can you talk on Argon gas price decline? How is the trend outlook?
What are the key factors to drive going ahead?

VA Varun Agarwal

I see Argon price decline. I mean if you're comparing between Q1 and Q2, I don't think there is anything, uh, any sort of decline in Argon price, uh, I think long term.

A Sumant Kumar

YoY I am talking about?

VA Varun Agarwal

YOY, see. So Q2 of last year, the argon prices, there was an abnormal spike. So, you know that that was a bit of an aberration in Q2 of last year. But you know, on a normalized basis, that's why I'm saying see quarter on quarter, if we start trying to analyze argon prices, then even we don't have an answer, OK, because we are sort of looking at longer term trends. Rather than quarter on quarter price movements because you know it's like stock market every day you cannot analyze why it moved up or down right. But long-term trend you can give. So, it's like similar thing that we can't give a quarterly why price moved up, why price moved down but longer term yes we continue to remain bullish. You know the reason is very simple. OK, Argon demand is increasing faster than the Argon supply and you know you cannot set up Argon supply, just Argon supply cannot be set up right. Your whatever Argon supply comes is like a byproduct of your oxygen production. So, you know oxygen production growth rate will determine the Argon production growth rate and Argon demand is growing up like very fast you if you know you spoke about that solar cell, now what is the next step for all these solar companies? The next step is all these guys are going to go into ingots. For these ingots, you need huge amount of argon. So structural demand for argon is very strong. Demand is going to outpace supply and that is why long term, you know we remain bullish on argon. But, short term of course see very difficult to say, but again our sales are not purely determined by short term prices, right? So that is another caveat I want to share that ,you know we have contracts also in place. So, you know by short term there may be volatility. We have contracts in place, and you know we are not at 100% of our production. Is not exposed to the short term price movements

A Sumant Kumar

But oxygen nitrogen price is also corrected Y-Y basis. So compared to previous year, how's the demand of industrial gases? The demand is there a moderation in demand, that is why the nitrogen oxygen price is corrected.

VA Varun Agarwal

No, demand is strong, right. We've also see also you know we've got to keep in mind that power prices are also corrected, right. So, power pricing is at the multi-year low. And you know given that even if price is correct, our margin remains protected. Ultimately our goal is to protect the margins. So and you know the nature of the industry is such that the margins will remain protected if. Today, power prices shoot up. If diesel prices shoot up, then our end product cost will also shoot up.

A Sumant Kumar

OK. OK, Varun. Thank you.

VA Varun Agarwal

Thank you.

VP Vinita Pandya

I'll take the next question. What is the expected growth rate in sales in FY26 as compared to FY25 after addition of new plant? Any exit number you are targeting in terms of turnover for FY26?

If there's any range which you can give.

VA Varun Agarwal

So look, I think the, you know, just to be consistent, we want to guide on a long-term basis only. I think this is the right way to look at our business. I think there's some, there's a comment. What is the expected?

In case there is more argon to be produced because of increased demand, will it not lead to higher oxygen production and hence lower oxygen prices? So Nikhil, that was your question and the answer is that you cannot produce more argon, because, I mean, unless there is demand for oxygen, it doesn't work the other way around because you know the quantum of argon which you get is hardly 4 to 5% of the quantity of oxygen that you produce. So, just for that 4-5 percent, you cannot set up a capacity just for that 4-5 percent because then what are you going to do with the rest of the product, which is the bulk of your production and cost. So, it never, it doesn't work the other way. It generally is that OK, whenever there is an Oxygen demand, you set up a capacity and you get argon as a byproduct. From a viability perspective, the other way around does not work. And you know, coming to your

next question about guidance.

Again, yeah, just to be consistent and you know to reiterate, I think we are looking at a long term guidance, you know over four to five years with last year as a base because last year was the last full year number available, based on that full year number, we are looking at a 20 to 25% CAGR just on our core gases business. I don't want to give sort of short term guidance but, I think longer term guidance is intact. We are coming up with new capacities. There are multiple expansions. Of course, three plants are already being constructed. There are multiple more which are on the drawing board which we will keep announcing to you, you know in future quarterly calls. So, you know we are well on our way to achieve that number. We have plans in place, but we would not like to give a quarterly guidance or a sort of half yearly guidance.

VP Vinita Pandya

Participants, if you want to ask a question, kindly raise your hand.

There's one question.

We are expanding in the western part, so what are our plans to penetrate the market given the already present vendors there?

VA Varun Agarwal

So yeah, there are, look, vendors are there all over the country, right? But then the point is that the market is also expanding. So, you know if we are able to set up a plant which has efficient cost of production, then there is no reason for us to not be able to capture the increase in the market, right? And then there also there are certain customers with whom we already have relationships in other geographies who have other production in Western India as well, maybe a second plant is there in Western India, those customers there we have direct access, you know we can come in as a second supplier. So, there are multiple strategies of course we are not going to deploy, you know, a significant capital unless we have a fair degree of confidence that we are going to be able to sell the product. So, you know, be rest assured that you know if the market is growing right, there is enough room for capacities to expand and for everyone to get a piece of the market. So it's the problem happens is that the market stops growing. But because our industry is such that it we supplied to a multiple variety of sectors and we are so closely linked with the overall.

Manufacturing growth of the country. So, in that sense we are quite well, we are quite secure. I mean today if there is a collapse in manufacturing across the country. so that's of course a macro India level risk. Then we'll be exposed. But you know, at a micro level we are not exposed to risks because we are diversified and supplying across multiple sectors. So, market is growing, we'll come in, we'll also take a piece of the growth of the market. And anyway, we are not saying that you know on day one we'll sell everything, right. It's a gradual ramp up, which takes 1 1/2 years, two years, and you know that's built into our financial calculations while setting up a plant.

VP Vinita Pandya

Since there are no further questions.

I would like to hand over the call to the management for their closing comments and one more statement, best of luck, you're a truly visionary leader.

VA Varun Agarwal

OK. I think that's a good enough closing comment, Vinita. But no, thank you everyone for joining this call. And you know, we look forward to continue this growth journey.

VP Vinita Pandya

Absolutely.

VA Varun Agarwal

We'll be happy to, you know, engage with all all the investors on a regular basis to address the queries and you know, thank you for attending the call once again.

Thank you.

VP Vinita Pandya

Thank you once again for your time and participation. On behalf of Ellenbarrie Industrial Gases, this concludes today's conference. For any questions, please, please feel free to write to us on e-mail IDs mentioned on the invite. We appreciate your engagement. You may now disconnect your lines. Thank you, Varun!

Thank you, Padamji!

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