



Linde India Limited

Recorded Transcript of the 85th Annual General Meeting held through VC/OAVM on 24 June 2021 at 10 A.M.



PRESENT: BOARD OF DIRECTORS –

1. MR. ROBERT J. HUGHES – NON-EXECUTIVE CHAIRMAN
2. MR. JYOTIN MEHTA – INDEPENDENT DIRECTOR & CHAIRMAN, AUDIT COMMITTEE
3. MR. ARUN BALAKRISHNAN – INDEPENDENT DIRECTOR & CHAIRMAN, NOMINATION AND REMUNERATION COMMITTEE, STAKEHOLDERS RELATIONSHIP COMMITTEE & RISK MANAGEMENT COMMITTEE
4. MR. ABHIJIT BANERJEE – MANAGING DIRECTOR

MR. PAWAN MARDA – ASST. VICE PRESIDENT & COMPANY SECRETARY
MR. ANUPAM SARAF – CHIEF FINANCIAL OFFICER

MR. ABHIJIT BANDYOPADHAYA, PARTNER, DELOITTE HASKINS & SELLS LLP, STATUTORY AUDITORS
MR. S. M. GUPTA, PARTNER, S.M. GUPTA & CO., SCRUTINIZER
MR. P. K. SARAWAGI, PROPRIETOR, P. SARAWAGI & ASSOCIATES, SECRETARIAL AUDITORS & ALTERNATE SCRUTINIZER
MR. DINESH SHA, PARTNER, MANI & CO., COST AUDITORS

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Robert John Hughes: Good morning, ladies and gentlemen. It is now 10 o'clock. On behalf of myself and the board of directors of the Company, I'm pleased to welcome you to this 85th Annual General Meeting of your Company. You are aware that the COVID-19 and its related localized lockdowns, restrictions and the need to social distancing are still continuing in India. As a result, this is another AGM of your Company which is being held through video conference and other audio-visual means in compliance with the circulars issued by the Ministry of Corporate Affairs, the Government of India and SEBI.

I remember my parting comments from our AGM last year expressing my wish that this year's AGM would be done in person. At that time, I could have never imagined the challenges of COVID-19 would pose on the world and especially India with unfortunately causing so many deaths around the world. I hope that you and your families are keeping well and have been safe in this year gone by.

Today, I'm joining the meeting from my residence in Hua Hin in Thailand. I have been informed that the requisite quorum is present and so I call this meeting to order.

Participation of members through video conference is reckoned for the purpose of a quorum as per the circulars issued by the MCA and as per Section 103 of the Companies Act, 2013.

Let me introduce my colleagues on the Board who will be participating in this conference by video from their respective locations. You can see them now on the screen, and also the Key Managerial Personnel of your Company. Firstly, Mr. Jyotin Mehta, Independent Director, participating from Mumbai; Mr. Mehta is the Chairman of the Audit Committee of the Board.

Mr. Arun Balakrishnan – Independent Director participating from Bangalore. He is the Chairman of the Nomination and Remuneration Committee, Stakeholders' Relationship Committee and the Risk Management Committee of the Board.

The third Independent Director – Dr. Shalini Sarin. She is our Chairperson for the CSR Committee. Unfortunately, she had sent a message that she's unable to attend the meeting today due to an unforeseen family emergency in the last 24 hours and our best wishes go to her.

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Mr. Abhijit Banerjee – Managing Director, participating from the office in Calcutta, Oxygen House.

Mr. Pawan Marda – Assistant Vice President and Company Secretary. I'm sure you know him well.

Mr. Anupam Saraf – the Chief Financial Officer.

They are also participating from the corporate office in Oxygen House in Calcutta.

I'm pleased to acknowledge the participation of the statutory auditors and secretarial auditors and the scrutinizer who are also participating from Calcutta.

I now request Mr. Pawan Marda, Company Secretary to provide general instructions to the members regarding the participation in this meeting. Pawan?

Pawan Marda:

Thank you, Mr. Hughes. Good morning, everyone. As mentioned by the Chairman, this AGM is being held through VC in compliance with the circulars issued by the MCA and SEBI. The Company has enabled the members to participate at the 85th AGM through video conference facility provided by NSDL in compliance with the applicable circulars issued by the Ministry of Corporate Affairs and SEBI. Proceedings of the AGM are also being webcast live for all the members and are also getting recorded. Members have been provided the facility to exercise their right to vote by electronic means, both through remote e-voting and e-voting at the AGM in accordance with the provisions of the Companies Act and SEBI regulations. The remote e-voting period commenced on Monday, 21 June 2021 at 9 a.m. and ended on Wednesday, 23 June 2021 at 5 p.m. The members joining the meeting through video conference who have not already cast their votes by means of remote e-voting, may cast their vote during the AGM through the e-voting facility provided by NSDL as per the instructions given in the notice of the AGM. Members may please reach on to NSDL helpline numbers in case they need any assistance during the AGM.

The Company has received one representation from the BOC Group, the holding Company under Section 113 of the Companies Act, 2013 in respect of 75% of the share capital held by the BOC Group Limited, U.K. The Register of Directors and Key Managerial Personnel and Register of contracts or arrangements has been made available electronically for

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inspection by the members of the Company on the NSDL platform during the AGM. In terms of MCA circulars, since the AGM is being held by way of VC, the provisions for appointment of proxies and register of proxies are not applicable. Members are requested to refer to information provided in the notes to the AGM notice for more details. Some shareholders have sent their questions in advance as per Note 21 of the AGM notice, and the same will be responded during the Annual General Meeting. The Company has received requests from some members to register themselves as speakers in the meeting accordingly. The floor will be open for these members to ask questions or express their views during the AGM. The moderator will facilitate that session, once the chairman opens the floor for questions and answers.

Thank you very much, ladies and gentlemen. I now hand over back to the Chairman to continue with the proceedings. Mr. Hughes please.

Robert John Hughes: Thank you Pawan. I hope the members would appreciate that the Company has taken all the necessary efforts to enable members to participate and vote on the items being considered at this meeting.

Now, let me take a look at the economic scenarios in front of us. The challenges posed by COVID-19 and there is little certainty at present of its future path. The economies across the globe are all facing the same albeit in somewhat different proportions. As I mentioned in my address last year, there was a sharp contraction in growth rates across the world on account of the huge disruption to the economic activity caused by the COVID pandemic.

As per recent estimates, India's economy recorded a negative growth of minus 7.3% in the fiscal 2021 despite an uptick in Q4 of that year on the back of growth seen in the manufacturing sector. Needless to mention, the impact of this contraction in the Indian economy was felt across all sectors and industrial segments. The phase unlocking of the economy, however, revive the sentiments. But the country has again been hit by a devastating second wave in April of this year. Although it is heartening to note that new infections have been declined in India, the risk of a potential third wave cannot be ruled out.

Let me now briefly give you some highlights of your Company's performance during 2020, which has to be seen in this backdrop. Your Company recorded lower revenues of Rs.14,711.24 million as against Rs.17,617.86 million, which was primarily due to the



divestment of the South Region Divestment Business, as you're aware, a strong impact of COVID-19 mainly during Q2 of the financial year 2020, when the Gases and PED revenue witnessed a sharp decline. I am however happy that as a result of the strong pickup in the economy in the latter part of the fiscal year of 2020, the revenues in several businesses surpassed the pre-pandemic levels. Further, as a result of significant reduction in interest costs, due to repayment of borrowing from the proceeds of divestment, your Company's profit before tax and exceptional items was at Rs.2,252.42 million, up 30% as compared to the financial year of 2019. On an underlying basis, the Gases business has recorded a modest growth of 3% in such a difficult year, which is very satisfying. The net profit for the financial year 2020 was Rs.1,555.35 million, which also compares well with that of the previous year on a like-by-like basis.

The integration of Linde India and Praxair India through the joint venture Company that was approved by your Board in March 2020, has delivered the synergies and productivity improvements that was promised, contributing about Rs.780 million to this performance. These synergies and productivity benefits were derived from various initiatives, among which include optimization of fixed assets, plant operations, distribution, repair and maintenance, transport losses, etc.

Based on this, your Board has therefore recommended a dividend of 30% on equity shares for the year 2020 for your approval.

Linde India has already published its financial results for the first quarter of the current financial year 2021, during which your Company earned revenues from operations of Rs.4,414.23 million as compared to Rs. 3,772.62 million during the same quarter in the previous years on the back of improvement in Gases revenue from its onsite, both packaged and healthcare customers.

PED revenues were marginally subdued as a result of phasing issues, though the pipeline of orders remain robust at over Rs.12,300 million as at the 31st of March 2021. These orders are mainly for air separation and nitrogen plants, compressed air systems from both the steel and refining sectors.

I'm also pleased to highlight that PED was successful in gaining its largest ever order for an air separation plant of about Rs.3,700 million, which demonstrates the strength and capability of the Company in its Project Engineering segment. The profit before tax and



exceptional income during Q1 of 2021 amounts to Rs.903.92 million, which compares very well with Rs.565.85 million during Q1 of 2020.

As I mentioned earlier in my speech, several states in India have had to enforce local restrictions to combat the second wave of COVID-19. It is however expected that the overall economic impact of this second wave is not likely to be that significant. But the Reserve Bank of India has recently put its projections for GDP growth for the fiscal 2021-22 to 9.5% from an earlier forecast of 10.5%. However, I hope the rapid vaccination strategy and a calibrated unlockdown of the economy will lead to quicker and sustained recovery.

Let me briefly share with you my thoughts on the outlook of some of the most important industrial segments that support the growth of our industry. The steel industry, a major driver of industrial gases growth is at present witnessing an improvement in performance with rising prices and a broad-based pickup in volumes in most of the steel consuming sectors, such as automobile, construction, capital goods and consumer durables. This augurs very well for the gases industry generally and your Company is expected to benefit from this trend.

Another area of interest come from the government's increased focus on improving infrastructure across India, especially healthcare. The need to invest more in the healthcare infrastructure, particularly in rural India, will provide opportunities for growth for the Gases business. The management team has also been evaluating investments opportunities for installing new merchant capacity in north and west India to capture the growth of these markets.

Your Company has a very strong balance sheet with almost zero debt. This allows us to aggressively follow the business opportunities highlighted and drive profitable growth. The management team of your Company continues to remain resilient and is committed to deliver performance that creates value for all stakeholders. The support of the Linde Plc as the ultimate holding Company has been high as ever before, which provides competitive edge to your Company in both the Gases and Project Engineering businesses. All this leads me to be optimistic for the medium to long-term prospects of your Company.

Before I conclude, let me first place on record my most sincere compliments to the employees of the Company at all levels. In particular, the COVID heroes for their tireless



effort and unwavering commitment that they have displayed in these difficult times to keep the operations at a satisfactory level, while ensuring that vital life-saving resource oxygen was made available in the country, wherever it was needed.

I would also like to thank my colleagues on the Board for their wise counsel as always, the Linde Plc group for their support and technology guidance, and all our customers business partners for their understanding in these difficult times.

I'm very appreciative of the splendid efforts made by the Government of India, Indian Railways, Indian Air Force and our industrial partners, but for whom the reach of oxygen across the length and breadth of our country would not have become possible in such a short time.

I also place on record my appreciation of the contribution made by Cheryl Chan, who has recently stepped down from the Board of Linde India.

Finally, I would like to sincerely thank you, our shareholders for your support and encouragement, which motivates us to do better every year. Stay safe and take care.

I would now like to invite Abhijit Banerjee, your Managing Director to make a brief presentation about the performance and various other initiatives of the Company during the year 2020 and a brief update on the business scenarios and various end user segments of the Company at present. Abhijit, over to you.

Abhijit Banerjee:

Thank you, Mr. Chairman. Good morning, dear shareholders, Members of the Board, ladies and gentlemen. I'd like to just give you a brief update on the Company. The agenda, I will be just giving a small introduction on Linde Plc, Linde India, then I'll shift over to an overview of what happened in the financial year 2020 for us. I'd like to cover briefly on the wave 2, which hit us in 2021, what challenges we faced, how we rose to the occasion and give you an outlook about what the future holds for us.

Next slide please. On the left hand side of the slide, I have given a very brief information on Linde Plc. The shareholders may remember last year I had given a bit more detailed information about Linde Plc and Linde India. I didn't want to repeat all the information once again. But just as an overview, Linde Plc was formed in '18 with the business combination of Linde AG and Praxair Incorporated, two world Class companies with



leading edge technology, more than 140 years of shared history and very, very successful companies, both of them. It is by far the largest industrial gases and engineering Company in the world with the presence in more than 100 countries. More than 75,000 employees worldwide, about 6,500 patents we pride ourselves on our technology base and always strive to improve on it and in 2020 sales across the world was around US\$27 billion.

Below that is just an overview of the entities under Linde Plc which are operating in India. On top of the circle, we have Linde India. If we go clockwise then comes Praxair India. Then there is Linde South Asia Services, the joint venture between Linde India and Praxair India which was set up last year as all the shareholders are aware. Then we have the Bellary Oxygen Company, Belloxy as we call it, you know it's under divestment procedure right now. And then there is Linde Engineering based in Baroda. Between the entities of Linde Plc, we have built more than 100 air separation plants and nitrogen plants in the last 20 years. The world's largest ASUs, five of them at Reliance Jamnagar by Linde, there are (+20) ASUs operating on the BOO structure. There are engineering centers at Baroda as I mentioned like engineering also in Kolkata and Bangalore. And Linde is definitely the preferred partner for any industrial gas requirement in sectors like steel industry, petrochemical sector refineries, etc.,

On the right hand side is a brief overview of Linde India, just reminding about the business verticals that we have. Onsite segment where we install ASUs on build on operate basis and supply gases to our customers through pipelines. It's a highly capital-intensive segment and we have customers like Tata Steel, Steel Authority of India Limited, Jindal, Stainless, ITC and others.

Next comes the Bulk segment. You would have seen our tankers flying on the road where we supply oxygen liquid, nitrogen liquid to more than 1,000 customers across the country. There's a very strong delivery team supporting this business segment as the customer services segment which ensures that every customer's requirements are being met. Then we have what we call the PGP or the Packaged Gas Product segment, where we are supplying compressed gases to customers across various industry segments, more than 150,000 cylinders in rotation and more than 2 million cubic meters of gas supplies every month. Then we have a niche segment called the PGP special products which deals with specialized gases like helium, calibration gases, electronics gases, it's a small but very profitable segment and we look forward to further growth on that.



Then, of course, the Healthcare segment which came very much into the limelight somewhat last year, but definitely a huge amount this year. Pre-COVID we used to do about 200 tons per day of medical oxygen supplies across the country, numbers definitely became significantly higher than April, I will go with the details later on, in the presentation.

And then of course, we have a PED division, which is India's pioneer in setting up cryogenic air separation plants, nitrogen generation plants. Not only in India, but also across the world, we have references in the ASEAN countries, we are building for customers in Egypt and list got very, very big references of customers in India.

Next slide please. Now, let me just give you some highlights of what happened in 2020. If I look at an executive summary for the 2020, first of all safety, safety is something very, very important and very close to our hearts. There were challenging times during the lockdown on ensuring our safety, we were able to not just operate safely but also deliver products to our customers safely. I'm very happy to inform that our team rose to the challenge and we had a pretty useful safety factor in 2020. Like any other business in India, why just India, across the world with a substantial COVID impact on our numbers last year, I'll be giving a bit more details of that in subsequent slides.

The SRDB divestment, which was successfully concluded in December 2019, definitely left an impact on our numbers in 2020, both in terms of revenue and profit when you compare on a year-on-year basis. But on the other side, the cash flow that came in from the divestment helped our balance sheet substantially, reduced our finance costs significantly.

The overall revenue if you look at what we call the underlying revenue, that is net of the divestment business, shown a decent growth on a year-on-year basis. Again, I'll come to the details later on. Cash flow as I mentioned, thanks to the divestment proceeds, totally debt-free by 2020.

And PED projects, there were a good order intake including the largest single order that were bagged at HPCL Rajasthan Refinery. There were some issues around the PED revenues, that was partly lower compared to year-on-year basis, I will come to that later.



Dividend, the board is pleased to recommend a dividend of 30%, which you are already aware of.

And as far as the divestment that was mandated upon us by the CCI, there's the Belloxy business which needs to be divested, we are keeping it as an asset held for sale. The divestment did not take place because as you're aware, the prospective buyer was affected because of the COVID that hit us last year. It is still being held as asset-for-sale even now as we speak.

And the next slide, I would just like to give the shareholders an idea about how COVID impacted us last year. The first set of numbers on the left hand side show our figures in 2019. I have used that as 100% for the various industry segments. The stat column that you see shows what we call the MPG business that is the Bulk and Packaged Gas business. The first blue box over there shows industrial oxygen, liquid oxygen. The next one is liquid nitrogen and liquid argon. Then the yellow one is liquid medical oxygen, light blue and above that is a compressed medical oxygen, above that the green ones are the rest of the packaged gas. The blue line that is shown is the sum total of the MPG business and the red line on top of it shows the Onsite business.

So, if we take Q4 2019 as the base, Q1 2020 was pretty good for us, there was definitely an improvement in our liquid nitrogen, liquid argon volumes. So, the MPG business went to about 102% of what it was in Q4. Onsite business went over by about 12% which is not very surprising because it's a bit of a seasonal task that we have, especially because most of our customers in the steel industry, what is Q1 for us is Q4 for their financial year and definitely they have very high production targets. So, typically, Q1 onsite numbers are always higher than the year average. Then end of March, the lockdown hit us, more than the COVID infections per se, it was the impact of a lockdown. Q2, if you see all our volumes on overall basis dropped to almost 60%, industrial also 61%, liquid nitrogen was slightly higher than that, because primarily there are a lot of refineries had to go in for shutdown because of which they needed liquid nitrogen, so liquid nitrogen volume didn't drop so much. Even our medical volumes dropped primarily because most hospitals deferred all non-critical surgical procedures starting from the pandemic. The infection rates haven't really picked up. So, the COVID related supplies started rather late in that quarter. So, even our medical volumes getting down. And so total MPG was about 70%. And even Onsite several of our customers throttle their operation, some of them shut down for some



period, so on average it was 67% for the quarter. I'm highlighting the average because these numbers actually uncertain days in that quarter, certain weeks, some of the numbers went down to as low as 25%, 30%, it's just the overall average numbers were in the range of 60% to 70%.

Q3 saw the opening up of the lockdown, there was a lot of pent up demand in the market which came up. So, across the board, we had a decent amount of revenues compared to Q4 '19 industrial oxygen went up, nitrogen went up, of us, because of the unfortunate COVID incidences medical volumes also started growing up about 166% of liquid medical oxygen and about 148% are compressed. Again, because of pent up demand, the argon volumes went up about 180%. So, overall MPG was about 120%-odd. And Onsite was almost back on track at about 100% where we were at Q4 '19.

Q4 '20 showed continuation of the industrial rebound that we saw in India. And across the board, as the chairman mentioned, almost all our business segments in the gases showed numbers which were distinctly higher than what we had in Q4 '19.

Next slide, please. I would just like to give the shareholders overall year-on-year analysis of where our revenue and our EBITDA stood. The left hand box is on the revenue. As I mentioned, there was definitely an impact of the SRDB divestment which led to a dip in our reported revenues by 17%. If we take an underlying number, without the SRDB business, there was still a dip of 8%. When gases showed an increase of 3%, the PED revenues fell by almost 40% partly because 2019 was a good year for PED, 2020 there were a lot of projects got delayed, especially in Q2 and Q3. And as a result of the phasing of those revenues, we reported lower revenue number in 2020. But these are going to be made up in '21 and subsequent years.

On the right-hand side, it's the EBITDA movement between the two years. Again, on an overall basis, there was 6% drop in EBITDA. But if we strip off the SRDB business from 2019, the underlying EBITDA went up by 23%. The gases segment showed a jump of EBITDA by almost 30% and PED EBITDA went down with the revenues, but the EBITDA margins have definitely improved.

I would just like to remind the shareholders what we had mentioned in the last AGM, part of let's say the mitigation measures that we had taken last year included some very harsh ones on our employees, which included salary, that's across the range starting from 5%



to 30% of the salaries for several months, withdrawal of holidays, etc., So, special thanks to all our employees for having given their utmost in spite of challenging circumstances not just in the external world, but also arising out of some very, very difficult decisions that the management had to take last year.

Next slide, please. This is just a snapshot of the overall comparison of the P&L 2020 to 2019. I just highlighted three areas, which we believe is of any significance is that while the overall EBITDA dropped as I mentioned, because of the SRDB divestment, the EBITDA margin showed a strong 3% increase from 24.7 to 27.7%. The profit before tax showed a 31% increase from 1,722 to 2,252. Of course, that's without the exceptional income. And the earnings per share without exceptional income also showed a 27% increase from Rs.13.6 to Rs.17.9 per share.

Next slide please. This is an extract from a balance sheet. The shareholders only have seen the balance sheet. Just wanted to highlight what the chairman also mentioned that we are a debt-free Company and we have adequate cash to fund our growth aspirations. I'll come to that in a subsequent slide.

Next slide, please. While this relates to something which is beyond the financial year 2020, but I would like to take this opportunity of having this interaction with the shareholders to take them through perhaps the most challenging times your Company has ever faced since its inception.

Next slide please. The graph over there is something I would believe a lot of the audience in this presentation have seen before. The blue graph shows the COVID cases as the pandemic developed from let's say, late Q1 2020 till today. Pre-pandemic, the estimated total medical oxygen sales across India for all the players is estimated around 800 to 850 tons per day. Out of which, as I mentioned, your Company does about 200 plus tons per day. When the pandemic hit us last year and peaked in the months of September, October, the number of active cases was around 1 million. And the pan India medical oxygen demand was around 3,000 tons per day. So, around three and a half times what the normal was. Your Company had risen to that occasion and we were very successful in meeting all our obligations to all our customers at that point of time.

Then this year, starting from March when the wave 2 as we call it hit us, the number of cases went up far more than what we saw last year. We peaked up with the number of

active cases of around 3.7 million or 37 lakh people. The overall oxygen demand shot up to almost 10,000 tons per day, which is around 11 times what the normal was. A lot of our contracted medical customers saw demands going up by five eight, 10 times, and our teams both from a delivery perspective as well as a customer engineering perspective, the department which takes care of the tanks for the liquid oxygen is kept from where it's supplied to the hospitals. They rose to the occasion and we definitely were able to meet all the demands. But then we realized very soon into the wave 2, that was not just our contracted customers or contracted hospitals, the nation was struggling for oxygen. Overall, the estimated liquid oxygen production capacity in India was always estimated to be around 7,500 or so tons per day. And as I said, the demand went up to 9,500 plus tons per day.

We were in a unique situation because most of the demand when it's set in was in the western part of India and then it shifted to the northern parts of India, the NCR region, which everyone's aware of. We have a substantial liquid oxygen manufacturing capacity in the eastern part of India, traditionally, steel industry has always been open to the idea of outsourcing. So, we have a lot of our investments in the states of Jharkhand and Orissa. So, we have a substantial amount of liquid oxygen capacity. But the challenge was, typically, the conventional wisdom in the gas industry was that liquid oxygen, liquid nitrogen travel about 200 Kms, 250 Kms maximum from the source. But out here we had a unique incredible situation where liquid oxygen was needed more than 1,500 kilometers away from the source and not just small amounts of it, huge amounts of it. This was, as I said, the biggest challenge possibly the Company's ever faced since inception.

Next slide, please. So, while we have had some amount of preparation during the one last year, this was something which I was mentioning three times what we saw in wave 1. So, every one of our departments swung into action. On the top left hand side, you can see we started increasing our liquid medical oxygen production and availability, every plant was to maximize oxygen production capacity, we went up to more than 150% of the design capacities of these plants to reduce liquid nitrogen, liquid argon production. Government of India also stopped industrial sales of liquid oxygen, some of our customers, our pipeline customers reduce the ratios of oxygen consumption, so that we could produce more liquid oxygen. So, the Company was able to supply around 1,700 tons per day of liquid oxygen during those peak times. On the compressed oxygen side also,



on average, we had almost three and a half times multiplying factor on our productions that we saw. We put in more LMO facilities in the hospitals.

And we did some very pioneering work which you may have seen some media coverage on it in terms of using the railways, the first railway rake we use with tankers on RORO basis, and our tankers, the air force, pitched in by air freighting empty tankers from the northern part of India, the eastern part of India, so that filled up loads can go again on the road. But even those steps were not sufficient. So, we did something which is unique. We got the ISO containers, we tied up with industry partners like Tata Steel, ITC, Adani and others, airfreighted them, special thanks to the Indian Air Force, through IAF military grade air charters, Indian Navy also pitched in, and we got several layers of containers into India, got them certified for medical oxygen, then there's something which has never been done in India was, we tied up with Concor and Indian Railways, so these containers operates and this happens across country.

With that, we were able to ensure that the excess capacity that we had in eastern India was first deployed for meeting the requirements of the north, and subsequently when the pandemic sort of easing out in the north, then started in the south, then we've started sending products to south in Bangalore, Andhra Pradesh, Tamil Nadu, etc.,

So, just wanted to give the shareholders a bit of update. Apart from that, of course, we did help to channel assets from the various group companies across the world into India. We did help tie up of some liquid oxygen importation that took place from our sister companies outside India. There have has been a very close cooperation between our Company and the government agencies, including the Empowered Group 2 which was handling this. And as I said, I'm happy that the Company rose to the challenge and we were able to deliver not just what our contracted numbers were or our contracted commitments that were, but the nation really needed.

Next slide, please. These are some photographs you would have seen in the various media. It's the first one on the left shows the Indian Air Force taking empty tankers from Hindon Airport in NCR region to East India. If I go clockwise, this is AN-124 one of the largest military cargo aircrafts ever built, used to flying empty containers from China into Calcutta. Clockwise down below is the Indian Navy, which then we got in some containers from Singapore, they were unloaded in Vizag and then put into our circuit. Indian Air Force



helped bringing in empty containers from Singapore, from Thailand, and then of course, the RORO that was there putting our tankers on the Indian railway rakes.

Next slide please. Just like to give the shareholders a brief overview of what are going to be the growth drivers for Linde India forward.

Next slide please. For the purpose of convenience, we've split this up into three columns: The first one is Onsite & PED which is around building up of plants. The target market segments of course is the metallurgical segment, primarily the steel industry, as the chairman mentioned, the steel industry is going through boom, there are several of our customers who are looking at expansion plans and we are very keen to be associated with them.

Chemistry is definitely another segment, refineries, petrochemicals there are air gas opportunities which are coming up.

Glass & Paper, another two segments which we feel that we will be very well placed to be there with our portfolio.

On the base itself, we see lots of scope for optimization, definitely reducing our costs, going in for a low cost power, renewable energy power is something that we're looking at with enough those statutory requirements, state government mandates which are there.

We realize that there are a lot of capabilities of PED for enhanced insourcing, we are working on that.

Of course, new growth. We have some very good competitive technologies available with us from Linde Plc world. We would like to win a larger share of new projects, we see quite a few of them coming up and we have some pipeline clusters, we want to develop on them, build up some new pipeline clusters.

The middle segment is about segment which caters to the Primary Metals, where we have a lot of application technology space offerings for the steel, copper and aluminum industry, lead also.



Then Chemistry which includes pharmaceuticals, chemicals, paints. We have a lot of possibilities over there.

Automotive, definitely, right now because of wave 2 and lockdowns, it has gone down, but we expect it to rise again from H2 and we are one of the preferred suppliers of welding assets to the automotive industry and we believe there is a growth within.

Food and Beverages. While the segment India has not picked up to that extent, but we are very well placed, we have food lab, give lot of trends at the food lab, we have trials and our various customer drug devices. And we have seen a lot of opportunities over there.

And definitely, for our base business, the focus is on pricing, improving our margins and contract execution. We have a lot of robust contracts in place, execution is definitely a big priority out there and then definitely improving the density of the areas where we're operating so that we can reduce the portion of fixed costs on our products.

As the chairman mentioned, we are looking into expanding geographical footprint in strategically locations where we would like to go for enhanced liquid oxygen, liquid nitrogen loadings and we are also actively looking at possible M&A opportunities.

On the Packaged side, healthcare is a key area of growth given the government priorities, we are in discussions with central and various state government authorities on how we can increase our footprint and even more service to the nation.

Manufacturing. Make in India, we are very well pleased to sort of tag on to the success of Make in India.

Electronics is another segment, part of what I mentioned as a special gases segment earlier. There is definitely some good potential we see especially in areas like photovoltaic cells, where we are the leaders in India and of course in the world also.

And we have actively rolled out our mini bulk containers which are much better, let's say offering than compressing gases and cylinders. And we are seeing a good growth over there, of course, partly hit because of wave 1 and wave 2, but the prospects are definitely very good over there.

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And finally, of course, we are also looking at M&A opportunities in the PGP segment.

That's all from my side. Thank you very much, Mr. Chairman. Back to you.

Robert John Hughes: Okay, thank you, Abhijit. I think we all have to agree when we listen to the stories around all the work that the team have done to support the oxygen in India, makes me proud to be part of this Company, super work, Abhijit, thanks to the team.

We will now take up the agenda items as per the notice of the AGM. As the notice has already circulated to all the members, with your permission, I will take the notice of the meeting as read. As there are no qualifications or observations or comments in the independent auditors report, both standalone and consolidated and in secretarial audit report, which may have any adverse impact on the functioning of the Company, with your consent of the members, may I take the independent audit report and secretarial report as read.

As per the secretarial standards, I will request Mr. Pawan Marda, your Company Secretary, to briefly explain the background of the five resolutions proposed we passed at this AGM for the benefit of all your members present. Pawan?

Pawan Marda: Thank you, Mr. Chairman. Let me briefly talk about the resolutions which are being placed before the annual general meeting today. So, there are three items of Ordinary Business. First one is a routine item, adoption of audited standalone and consolidated financial statements for the year ended 31 December 2020, together with the Reports of the Directors and Auditors thereon.

Second is also a standard item, which is a Declaration of Dividend of Equity Shares for the financial year ended 31 December 2020.

Third one is about reappointment of Mr. Robert John Hughes, our chairman who is retiring my rotation and is eligible for appointment.

We then come to the Special Business. All the items are to be passed by ordinary resolution in the special business. There are two such items. First item is about ratification of remuneration payable to Messrs. Mani & Co., the cost auditors. The fees payable to

them is Rs.1,75,000. And as per the requirement of the Companies Act the resolution is placed before the shareholders for approval.

The last item on the special business, in fact, notice of the AGM is about approval of related party transactions whether existing or to be entered into by the Company with Praxair India Private Limited and Linde South Asia Services Private Limited in the ordinary course of business.

Pursuant to the amended provisions of Regulation 23 of the SEBI Listing Regulations, consent of the members is required for approval of the potential material related party transactions with these companies, whether existing or even that may be entered into by the Company from the financial year 2021 to the financial year 2023 for an aggregate limit of Rs.9,500 million per annum in every financial year with individual limits for each of the aforesaid related party which has been set out in the explanatory statement. The text of the resolutions along with the explanatory statement were applicable are provided in the notice circulated to the members. The members may note that the Company has also provided additional clarification on the resolution number five, relating to approval for related party transactions on the stock exchanges.

Thank you very much. I now hand over back to the chairman to continue with the proceedings.

Robert John Hughes: Thank you, Pawan. I now invite the shareholders who have registered themselves as speakers to ask questions pertaining to any item on the notice of the AGM. Members are requested to keep their questions brief and specific in the interest of time. And I would appreciate if the individual members may use time up to three minutes for their questions. The moderator, Ms. Janis Correia, will facilitate the questions on the video feature. Members may please also note that the Company reserves the right to limit the number of members asking questions depending on the availability of time. Members are requested to mention their name, their folio number or DP ID and client ID before asking their question and the location from which they are participating. Some members have sent their questions in advance as per Note 21 of the AGM notice. I will first deal with the same after all the speaker shareholders have finished their questions. The questions raised during the meeting will then be replied by the managing director at the end. May I

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now please request the moderator to give general Instruction to the speaker shareholders who are present and they wish to ask questions, seek clarification one-by-one.

Moderator: We will now begin with the question-answer session. We take the first question from the speaker shareholder, Sujan Modak. Please go ahead.

Sujan Modak: Respected Chairman, other Board of Directors and my fellow shareholders, I'm Sujan Modak. I am calling from Calcutta. Sir, nice to see you again. Yes, sir, no doubt that oxygen is life. In this pandemic situation, our Company has provided oxygen in almost every corner of our country by road, taking help from railways, and taking help from navy and Indian Airlines. Super job, super, very nice, very good job, sir, fantastic. I really feel proud to be a member of Linde family. I have gone through the annual report. I am satisfied with our annual report. Economy across the region is in a very difficult position. In this scenario, our result is really fine. Almost debt-free Company and very strong. Sir, in this pandemic, I prefer not to ask many questions and especially on accounts, you have already explained a lot of things, so I'm really happy. Sir, our CSR activity is really very, very good. I've gone through it. So, many million rupees spent on education, spent to more families and all, planted 2,500 trees and so on. Very good, superb sir. Sir, as the doctors and healthcare and experts are saying that, this pandemic situation is not going out very soon and it may continue quite long. My question is, what are the steps you are planning to take if the pandemic situation continues for long, is there any special thought you are giving, please explain if possible. Sir, what are the roadmaps for the next two to three years, if you can please brief us? I would like to take the opportunity to thank Mr. Pawan Marda **and** his team for his best services to the shareholders. Mr. Pawan Marda sir, you are the best in the industry at this moment I believe. I really salute you and sir, thank you. Mr. Chairman, like to inform you that I support all the agendas and have already done my e-voting. I have full faith and conviction on our strong and efficient management team. I hope we will meet next year with better result and better world. Sir, I want to place on record my sincere thanks to all our Linde family members, workers, managers, every person for their support to keep the operation continuous. I really salute them. Thank you, Mr. Chairman. Over to you. Please stay safe. Thank you.

Robert J Hughes: Thank you very much for your comments. Much appreciated. Thank you.

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Moderator: Thank you. We proceed to the next shareholder, Dinesh Amrutlal Kotecha. You may please go ahead. Mr. Kotecha, requesting you to please unmute your audio. We proceed to the next speaker shareholder, it's from the line of Manoj Kumar Gupta. Please go ahead.

Manoj Kumar Gupta: Good morning. Respected Chairman, Board of Directors, fellow shareholders, my name is Manoj Gupta. I am equity shareholder of Linde India Limited. Sir, first of all, I thank to Mr. Pawan Marda and his team and those who helped us to join this meeting through VC. And we are missing you from last two years, again we are meeting you through VC. We want to meet you physically, sir. When you will be in position to come to this great country of the world to meet your investors and the team of the Linde in the country? Because under your leadership, this is consecutive second AGM through VC, we are waiting to meet you physically. Because under your leadership, Linde has done a noble job, wonderful job to save the lives of COVID victims during the second wave of COVID in the country. Sir, I strongly support your all resolutions, especially Number #3 of our Chairman, who's going to seek reappointment in the Company. Sir, we feel proud to the investor of Linde who helped nation to serve the lives of sufferers of COVID in second wave by providing the oxygen. 1,710 tonnes production of liquid oxygen, have you any plan to increase the capacity of increasing the capacity of production of liquid oxygen? We also feel proud to see the Oxygen Express rakes were carrying our Company's oxygen tankers by railways across the country. What is your preparation for COVID-19 for the next two to three months as per the view of **(Inaudible)** on the theme of oxygen, theme of liquid oxygen, please convey our creation of those balance sheets. Sir, medical oxygen plant capacity should be increased to save the nation in any difficult time. And have you any plans to produce more tankers for future? Because this during the second week, we have electronic media, including under the leadership of NDA Government, the Prime Minister instructed Air Forces and other carrying oxygen tankers from Singapore, Malaysia. So, have you any plans to procure more oxygen tankers to supply that oxygen in any difficult time? And sir in April 2001, approximately 5 million active cases were in the country. Sir, I believe that you will be in position in the next few days to serve more pupils in any difficult time in the country. And last but not least, thanks to all your employees, workers for their hard work and efforts to save the pupils in this epidemic time. Thank you, sir.

Robert J Hughes: Thank you very much, Mr. Gupta. As to one of the questions you have asked to me, I didn't want to attempt that and say that next year's agenda would be in person, after what I said last year.

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Manoj Kumar Gupta: I believe that you will come to Calcutta.

Robert J Hughes: I will hopefully come as soon as I am allowed to. Yes.

Moderator: Thank you. We take the next question from Dhanraj Jain. Please go ahead.

Dhanraj Jain: I am Dhanraj Jain. My DPID is IN301151 and customer ID is 1287953. Good morning respected Chairman and other Board Members and fellow shareholders. I congratulate entire Linde team for their excellent example in fighting COVID-19 in India. I also congratulate you on good set of numbers in trying times, hope to see leaped growth in future. I request that Linde PLC should merge Linde India and Praxair India, because that will help in quick decision making and fuel the high growth path. I have certain questions which I had emailed already, but I will just read out the same.

First is, by when are we targeting to sell non-core assets? How much do you expect to unlock from these assets? Does Linde India have business opportunities to deploy the cash from sale of these non-core assets?

Second is, when will Tata Steel Kalinganagar expansion bidding for ASU conclude? What size of ASU will be required and what investment size would be for the Linde? In how much time that this particular project can be completed?

Third is, is Linde India exploring projects in coal gasification projects in India? If yes, what kind of CAPEX are we targeting for this segment in next three years? Which of your ASUs are likely to undergo shut down for maintenance in the year 2021 and the likely increase in cost in absolute number during the shutdown? There was a breakdown of an ASU at Jamshedpur for five months in 2018, can you share initiatives undertaken to avoid recurrence of unplanned breakdown?

Linde has started ecommerce sales initiative in 2019. What e-sale value was done in 2020, and first five months of 2021, what is the value of the e-sales? What are the key opportunity and challenges from use of mini bulb? I think that was discussed by our MD Abhijit during his presentation. What was sales value of specialty case in 2020 compared to 2019? Did Linde compete for CCUS project of IOC at Vadodara? And what has air liquid helped to make the project?

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All these are my questions. I hope you answer the same. And all the best in future for the growth of the Company. Thank you so much.

Moderator: Thank you, Mr. Jain. I've actually got the questions here, I will be doing my best to answer them after this session. Thank you so much.

Moderator: Thank you. We take the next question from Ashit Kumar Pathak.

Ashit Kumar Pathak: Very good. At first, my best wishes for good health, happiness and success to respected Chairman, Board of Directors, CFO, Company Secretary, staff, fellow members present at video conference of 85th AGM of Linde India Limited. My name is Ashit Kumar Pathak from Dum Dum, Kolkata. I would like to show my gratitude to Mr. Pawan Marda – Assistant Vice President and Company Secretary and department for mailing me the 83 pages AGM Annual Report financial year 2020 very well in advance. First of all, representation of a very nice informative annual report for the year 2020. I would like to thank Mr. Tarun for enhanced cooperation to members **(Inaudible)** Also, thanks to Chorus Call for nicely conducting site verification to speaker members and NSDL for timely reminding members for e-vote.

Sir, I have already casted my vote in favor, contains five resolutions. And I have also very nice representation from our respected Chairman and MD for his delivery message for the benefit of our Company. Many, many thanks, sir. I just had some few views which I would like to share. By the wake of first wave, our Company successfully supported uninterrupted medical oxygen supply up to the most mentioned by our Chairman's message. But sir **(Inaudible)** which is moved domestically and for the high rise demands of medical costs, which are beyond our capacity in our control and many casualties happen and also lack of monitoring oxygen supplies in the country deadly incidents happened.

Sir, my first question on the future strategies and roadmap financing supply chain in every zones, distribution networks by the help of digital platforms and the expansion of capacities with CAPEX programs **(Inaudible)** where oxygen plant is in the hospital. Because till at this moment, there is remains shortage of medical oxygen cylinders and large cylinder in market and COVID victims are facing or purchasing cylinders in high premium prices and most requirement of oxygen refilling densely in Tier-2 and Tier-3 cities and rural, and metro as well. I think medical oxygen will **(Inaudible)** project

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engineering divisions department (**Inaudible**) update on Belloxy Divestment extension of gas supply agreement. November 14, 2021, binding of our JSW Steel. Sir, present status of this pending approval.

Sir, does BOC Group Limited continuing open offer 25% voting for the capital of Linde and ultimately it is essential for delisting and project engineering mentioned order book position as mentioned 11,000 million rupees mentioned in the annual report for third-party project. Present execution state order and the current financial order position and number of new clients in our project engineering pipelines? Thank to Company management for this (**Inaudible**), it may be utilized for our distributing supplies and other storage facilities above (**Inaudible**). CSR activities why 5.3 million remain unspent, and foreign exchange also higher than incoming. And why (**Inaudible**) not incurred in financial year 2020. And page 78, the balance sheet inventories is mentioned in previous year, (**Inaudible**) please throw some highlights and (**Inaudible**) please explain about these contingent liabilities. (**Inaudible**) Also request for factory visit which is already impending. Thanking you sir.

Robert J Hughes: Thank you very much.

Moderator: Thank you. We proceed to the next question from Kewal Kumar Vohra. Please go ahead. Ladies and gentlemen, while we check the connection for Mr. Vohra, we proceed to the next question from Manish Jain. Please go ahead.

Manish Jain: Good morning, Chairman sir, other members of the board. I would congratulate the entire management team for playing an outstanding role during the COVID crisis that the nation faced and really playing a pioneering role in getting the nation out of this crisis with flying colors. I have a few questions which in addition to what I have submitted. My DPID is IN30126 and client ID is 10167711. I am calling from Mumbai.

My first question is, you have kept HYCO, that is SIN gas and CO₂ in Praxair India. Since hydrogen is an independent molecule, what are your growth plans for hydrogen in Linde India? Over the past decade, Linde India has consistently shared its bullishness on hydrogen through its various annual reports over the last decade. Similarly, for Linde PLC, hydrogen has been the fastest growing molecule in the past decade.



Question two, can you share the likely margin that Linde India PED will make on the projects with Praxair India? Are these margins higher or lower compared to other projects being taken by the PED team? Next, what happens to Praxair India projects if your related party resolution is not approved at this AGM?

The other questions which I have already submitted, will just quickly read them out. Between Linde India and LSAS, how many application development sales engineers do you have? Does Linde India have a plan to aggressively increase this team to ramp up application-led marketing of its gases portfolio? Next, compared to Linde PLC portfolio of 20,000 gas mixtures, how many mixtures are marketed in India? In what time can this number be doubled in India?

Next, please provide customer-wise sales for your top five customers the way you had provided last year. On page 187 of 2020 annual report, you have shared sales of Tata Steel and SAIL as Rs. 345 crores for 2020 and Rs. 247 crores for 2019. At AGM in 2020, you had shared sales of Tata Steel at Rs. 191 crores and SAIL at Rs. 171 crores, both these combined is Rs. 363 crores. Can you share the reason for this discrepancy? Is it that sale revenue has been made net of our cost? If yes, since when has this changed implemented?

What products are made using LNG as a feed stock at the Company's plant at Aurangabad? Exports of Rs. 50 crores of gases or from PED business, what is the base sales per annum we can assume in exports for the next one to five years? On 2020 base of EBITDA of Rs. 407 crores, how much synergy benefits are likely to be derived from the Praxair joint venture? In how much time can these be achieved? What role is Linde India likely to play in energy transition of India through its global technologies such as carbon capture, gasification and hydrogen?

Next, what is the share of electronic gases in 2020 by value? Where do you see this in the next three, five and 10 years? Next, what percent of your sales of value is to customers who buy all the three gases, that is oxygen, nitrogen and argon? In your CCI report, you had stated that this percentage was 10%, what is the increase in distribution capacity that you achieve during April to June 2021? What kind of benefits that it will provide to Linde India in the near, medium and long-term? And lastly, what is the value of stake sale of Belloxy which has been determined to be sold to JSW steel? And when do you expect to get the NOC from INOX? Thank you so much.



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Robert J Hughes: Thank you.

Moderator: Thank you. We take the next audio question from Tarak Nath Chakraborty. Please go ahead.

Tarak Nath Chakraborty: Good morning Mr. Chairman. Honorable Board of Directors and with Company, valuable old is gold secretary and Vice President Mr. Pawan Marda. The 85th Annual General Meeting started now over to VC. I am an old shareholder in your Company for decades. I joined the physical and last two years joining the virtual meeting. Now at present scenario during 85 virtual Annual General Meeting virtual is a critical condition in worldwide, now 2019-2020 COVID vaccine and after that passed the COVID, on that this first time is COVID increase world-wide, people are panic and on that pandemic stage. But on this time, we are clearly saved in safety of home. Now, 2019-2020 has past and 2021 we are expected this year all the cases are passed and really there is a normal worldwide situated of man to man or this meeting is not physical. But in present in 2021 is a pandemic name of COVID-21 is too much danger than 2019 and 2020. This stage are COVID the second stage implement and describe his lifestyle, not only in India but worldwide the pandemic situation, this disease has totally destroyed our all Indian and world lifestyle destroy the finance, destroy the industrialists, destroy this relationship to human life, we are not keep save at the present time, but our Company Linde completes at proper time its 85th annual general meeting at proper time.

I am 63-year-old Tarak Nath Chakraborty, totally 2019-2020 to 2021 June is completely one and a half month keep safe at homes. So, I am extremely not outside in danger of the COVID-19 situation. So, naturally my mind is opening this time our Company, all our person, management, Chairman, Secretary, staff, all our participants are life line of the Company running, it is a not a matter of joke. But our Company minority shareholder keep say proper Company business segment, good profitability, good turnover and good pay dividend. Our management in 2021 has arranged Rs. 2 per share dividend is a really wonderful. And not only that, parallel to secondary market are running Rs. 10 equity share complete the standing near about 2000 touch is not a matter of joke. I know the Company business before many speakers I already seven speaker I speak, lots of queries I asked to the chairman and management board. It is my opinion, in this time no harassing, no fight, no nothing has the Company management seen. In fact, our support to Company the lifestyle, my lifestyle and this person lifestyle almost same and always we are want

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parallel situation lives in the world. So, I will pray to god that total persons are keep safe, health is wealth, enjoy the lifestyle.

And last one thing omitted, the discussion of this situation and virtual Chorus arranged world-wide this meeting, I thanks to Company's management, Chorus VCs group, Aditi, Diksha and all these person are joining and all lining every side I am Belgharia to Calcutta, Taratala head office, and all our persons are in India for this meeting. Very nice, congratulations. I thank our Company chairman. Thanks management board, thanks Company secretary and thanks all of them back side arrange and joining this meeting. Thank you sir Chairman, thank you.

Robert J Hughes: Thank you very much, sir.

Moderator: Thank you. We proceed to the next question from Kewal Kumar Vohra. Please go ahead.

Kewal Kumar Vohra: Chairman sir, MD sir, other office bearers, Namaste. Actually, it is proud to have a lots of shares of Linde India and I saw the truck Linde throughout the country in this difficult time, I appreciate that. On my behalf, my grandson will continue.

Good morning, sir. Thanks for this opportunity. And like as Indians and our shareholders, we are proud of our Company. And during these COVID times how we have supported the country as a whole. I just wanted to put in two or three observations and a couple of questions. And I just want to tell you that my grandfather has been shareholder for the last 20 years, and we are three generations in the family that hold shares of Linde India for some time now. So, the two observations that I had was, just a small little thing I think a lot of other investors have also put it forward is regarding the merger agreement that we have had with the Praxair. So, as a core definition of merger, it means when two companies come together, and we also had sale of Company assets under Linde India for getting approval for the merger. While as investors of Linde India, what we actually benefit is some synergy benefits in terms of cost, while the technology and the process remains same. So, it's a humble request to the management if we can do some consideration on that matter, we brought that to you last year also.

Second suggestion request is, we are a \$2 billion market cap Company in India. And there will be very less companies at this scale that do not do investor meets or do not do con-calls post results or even once a year. So, it's a humble request, if we can have more con-

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calls or have more management discussions where management, to us, minority shareholders can give some guidance on how things are moving and where we are seeing our growth in terms of a Company.

Now, just three specific questions. One is, if I analyze Linde PLC numbers, our parent Company, or some of the other Southeast Asian peers that are there, for Linde PLC, the asset turns are much higher than what we make at Linde India, ranging from 0.8 to 0.9 times, while for us we are still ranging between 0.6, 0.7 times. So, there is some scope of improvement, almost 10%, 15% there, any thoughts on that?

And second on margins also, Linde PLC makes almost 500 to 800 basis points better margins than are listed Company Linde India. So, any guidance on how we can achieve that? Or what are the challenges in achieving that?

And third is, we have a lot of cash on our balance sheet and we have kept that cash on balance sheet. So, what are our plans for CAPEX? What new gases, especially pharma is an upcoming sector in India, so any new expansions we have on the pharma side?

These are the three broad questions, expansion being one. And I just want to thank the management, Mr. Marda, the Chairman sir, and the MD sir, for giving me this time and for stellar performance in the last couple of years. Thank you.

Robert J Hughes: Thank you very much. Thank you for your comments.

Moderator: Thank you. We proceed to the next question from Mohan Krishna Swami. Please go ahead.

Mohan Krishna Swami: My DPID is 301549, Client ID is 30957423. I have sent most of my questions earlier, but I will just run through briefly. Now, first question is as regards the joint venture agreement with Praxair India Private Limited for allocation of new business. Can you share how the incumbency will be respected in a situation where we have common clients like Steel Authority of India, which is also a client of Praxair, and Indian Oil Corporation? Second is, we have mentioned that the country has been split into regions, can you be more specific as to which regions and which states belong to Linde India for new business, which will come from a client which is not an incumbent client? And also clarify on the allocation of merchant and bulk business in these regions? So, that's the first question.

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Second is a continuation of what most shareholders have been asking in the last AGM and currently. If you see the business combination agreement which was signed globally on 31st of October, 2018, it clearly mentions this deal, the foundation of this deal is to enhance synergies, the strong balance sheet cash flow with the financial flexibility to invest in the future. Now, we have adopted a joint venture route in India, even though we have filed a document in Competition Commission of India for a business combination and have sold assets of Linde India Limited to fulfill merger literally. So, we still feel that the merger is the best route because the financial synergies which we aim to achieve will be very difficult in the current structure, we will be having enormous amount of related party transactions, I believe there is a new SEBI guidelines which is coming, which is going to reduce the related party transaction limit from 10%, which is there currently of the annual turnover to about 5%, which will require constant approvals from minority shareholders. So, our plea remains, you should merge these two companies, there are various options the board can look at.

Thirdly, in process industries which are trying to decarbonize as we move closer to the deadlines, what role does industrial gases play? I believe the intensity of gas consumption can go up, can you share some insights on that for us?

Fourth is, as regards argon gas, I believe argon gas production requires ASUs of very large size, so is that a correct conclusion? And how many ASUs are there in this country which have a capacity of over 300 or 400 tonnes per day and how much does Linde India own? So, these are my broad questions.

And lastly on hydrogen, which was again mentioned by one of the shareholders. I wish to point out that on 9th of November 2018, Linde actually received a major order from Praxair to build a hydrogen plant in the U.S. in western Louisiana. And this means that Linde has been a pioneer in hydrogen technology, which is the original owner of Linde India. So, I presume Linde India is going to be the place where most of the hydrogen business for Linde PLC will be done in India. Thanks a lot for giving me the time.

Moderator: Thank you. We take the next question from Sarbananda Gattani. Please go ahead.

Sarbananda Gattani: Good morning, sir. I CA, Sarbananda Gattani from Calcutta. And I am a very old shareholder and I have been attending the AGM, almost all the physical AGMs I have attended at Kalamandir. But a very good Company sir, we are one of the largest oxygen manufacturer,

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but still I do have some query. My first query goes, we had a plot at oxygen center at New Alipore which we have sold to Phoenix Mills and Phoenix Mills is making a mall there. So, that Rs. 310 crores approximately, so how are you going to use that? And are we shareholder going to be benefited from that immense fund that you have got? Your staff has done an excellent job, that I have to admit sir, but there was a shortage of oxygen in Delhi. I would like to know how couldn't help. I have many relatives living in Delhi, they felt oxygen shortage, that was my second query.

My third query goes sir, last year our CSR was Rs. 1.41 crores, but you didn't use Rs. 55 lakhs last year, why you didn't use it? When Narendra Modi said on to spend more money, but we kept Rs. 55 lakhs as reserve, we couldn't use it in the pandemic, there were thousands of purpose which we could have used. I am doing it for my own self, so companies like you should have doubled the thing. In your Chairman speech I am hearing the entire thing, you told we are taking pay cut, you are not marking salaried staff as absent, they are on emergency duty. These are all very good things. In the pandemic a lot of doctors and others are doing it. And ours is a very renowned Company, that is why it is good.

Chairman and MD sir, I have got a very humble request. If you had been in the Kalamandir AGM, I would have taken your visiting card and also of MD as well. So, MD sir and Chairman sir, my email id and my WhatsApp number is with Company Secretary Mr. Pawan Marda, you can ask him and I humbly request both of you to send your visiting card to me sir. I have got the hobby of collecting the visiting cards, sir. And nothing much, I support almost all the resolution. And being a very old shareholder, I do have the right to ask for your visiting card. And all the best sir. In this pandemic time, you are making a lot of oxygen, you are saving a lot of lives, you are doing a very good job. And this NEW ALIPORE plant that you sold you had taken that plant Uluberia. If you are planning to sell any more things from Calcutta, please let us know sir. I am from Calcutta, there is not much development there, but Mamta di is here for another five years, so I humbly request you to setup something in Calcutta. Thank you very much, sir. I support all the resolutions.

Robert J Hughes: Thank you very much.

Moderator: Thank you. The next question is from Shailesh Bhan on behalf of Nippon Life India Asset Management. Over to you, sir.



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Shailesh Bhan on behalf
of Nippon Life India

Asset Management: A very good morning to you all and thank you for the opportunity. I would just want to start off by first deeply appreciating the effort done by Linde India, Linde AG, the parent Company, as also the management team and the employees in these difficult times. And I think that is commendable. It does reflect the capabilities, the commitment of the Company towards society, which we as shareholders deeply appreciate. I have a few questions which I would want to request detailed answers to, which will enable better decision making on my part as a representative of Nippon Mutual Fund unit holders who have investments in Linde. And I would just want to highlight that some of these questions have been asked in the last two AGM as well, and we would really require greater clarity, because I think these are very, very important from our lakhs of shareholders and unit holders and the minority investors at large.

So, let me just take you through those few important questions relating to that, the first one clearly relates to the merger of Linde India and Praxair India. The Linde is a listed entity and Praxair, as you all know, are in exactly similar products, you cannot distinguish the products of these two companies, right, oxygen, argon, nitrogen, these are exactly similar products. Which in a manner of speaking, create complexity in terms of allocating business across companies. I would just want to highlight that this kind of similar overlapping business in two separate legal entities, one 100% owned and one 75% owned, remains an area of concern and a possibility of conflict of interest, not just today, for the next 10, 15, 20 years. And we have seen companies which have continued to have this kind of a conflict of interest have not been well regarded in the stock markets.

We have seen businesses which have resorted to a far better structure like a simple merger and consolidation which we have seen in the case of Schaeffler India, we have seen several other multinationals also attempting to consolidate into one single entity, create enormous value for both the parent holding Company, because anyhow they have 75%, as also the longer term wealth creation for minority shareholders. So, this is one point which I just want to highlight that will benefit millions of shareholders in India. And I think whatever the cost, I think we are building a business and a brand for the next 10, 20 years, right, I mean, in India you are not going to be there for next 5, 10 years. And having a market share of 50% in important products which will be basic use products for

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the next few decades, I think the cost of doing a merger or a consolidation which is simpler, is actually hardly an impact, I guess, from a Company point of view. And the value it creates in terms of simplifying management to work towards getting the best synergies, the management to work towards handling it without even thinking of the conflict of interest which might arise as we get along. So, this is one important area where I just want to highlight our point of view, which I think is in the interest of millions of shareholders, which we have unit holders of our Nippon Asset Management.

Coming to the area, this point also gets very, very highlighted in the resolution you have requested this time around, where you have nearly asked for an approval for close to 40% of the turnover of the Company to be allowed for related party transactions. Now, I appreciate that it's a unique situation, but we have not come across companies asking for such a large related party transaction. This only also brings to attention the fact that these two companies are completely intertwined, because they are in the similar product. And you cannot get complete synergies without having a single entity under operation. Putting a corporate governance framework and working with two different entities over it will be an option, but I think it will not lead to the optimal effort because it will have challenges, both from management point of view, it will have challenges from shareholder point of view. And normally we have seen that the simpler the structure, the greater the reward for all investors, including asset holders, including promoters and the parent Company. So, this is one point which is there.

The second area is that you would acknowledge that when you say 40% of your turnover possibly can be a related party transaction with another entity in the similar business, I think this is clearly, I would say an indication that these two are basically virtually same businesses, in the sense they have a significant overlay to it. And I would want this point to be focused upon as a fact that one of the critical reasons for why a single entity will be the best choice forward.

The second area is that last time also in the AGM and the previous two AGMs where we have detailed transcripts of that which the Company has made available, this request of merger was put across. We appreciate some steps which have been taken, but I think a complete merger is, in our opinion, an important step forward for the next 10, 20 years in India. So, just not talking about one year or two years in terms of doing it.



Thirdly, we had a global merger when the global merger was done, and Linde India had to sell out some assets to facilitate the global merger. And we would appreciate a full acknowledgement of that fact. And that is one leading to the fact that we should have access to full technologies of Linde globally in the listed entity as well, and not segregation of technologies with some being limited to Praxair India and some being related to this. The shareholding difference between these two entities of the parent is also not very large, one is 100%, other is 75%. And the value creation will be for every single shareholder in the Company, not just minority shareholders. So, I think it's a win, win thing, which I would just want you to closely evaluate and keep it at the top of our thought process in terms of trying to get a better solution to the current problem.

Some examples, could you take us through the fact that what will happen to future technologies which come from, because this is one point I just want to understand as to, say, five years later you have developed a very good technology which is there, which will come to which business, listed entity or the unlisted entity? What problems you might face because of that? Some people talked about hydrogen as an important opportunity which may not be or which we are not certain as to where it will really go and maybe that could be an opportunity for the next 10, 20 years for the business. So, just wanting clarity on these areas.

The second important point which somewhat also was mentioned in the last and I think the board had taken note of it and they said they would do some attempts to do investor communication to this, at least on a quarterly or a regular basis with investment presentations and details. I think Linde, in our opinion, is a world-class business with a leader of this kind of scale, and globally also the presentations which the Company makes are actually very, very useful from understanding how the growth of the business will look like. And this will allow a lot more shareholders to participate, understand, evaluate, appreciate your effort. So, we really appreciate that spending an hour every quarter, I think interacting with minority shareholders, which is done a very common practice by virtually every single Company in India, and by the parent for global shareholders. We would appreciate similar kind of disclosures and quarterly conference calls with investors to allow us to appreciate the business, understand the business and not being caught on surprises if there are some business shifts, which we are unable to fathom or capture.



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A few operational questions in addition to these two areas which I highlighted, the first one relates to the integration benefits which were mentioned last time around, and that we mentioned to the extent of about Rs. 350 crores for the listed entity. So, we would just want to understand from the management as to how much of that has been achieved already, how much of it has come in calendar 2020? Calendar 2021 what we have achieved till now in the reported numbers and what are the benefits which will be visible on an annual basis in calendar 2021? Because this was supposedly two, three year kind of journey which is there. And structurally, our margins, though they have improved in the last few quarters, would want to get a sense on directionally how would the margin structure for business look like, given that international businesses competitive Indian businesses also have higher margins and profitability in our business? So, what are steps taken there and where are we in terms of reaching industry level profitability on a sustainable basis.

Other interesting opportunity which has come about is the project engineering business of Linde which has been positively talked about in the AGM. We would just request a directional outlook because of what has happened in the last one to two years and the need for people to go in for oxygen infrastructure. We just want your understanding as to how large this business can become, what are our execution capabilities in this and the scale we can achieve, and what is the profitability of this business on a larger scale, because this being more of a project business cum product business, wanting to understand the profitability of this business on a much higher scale, given the demand conditions which are there.

I look forward to specific action points on some of the questions and areas which I have requested the Board and the Chairman to answer on behalf of the minority shareholders as also the unit holders of the Nippon Indian Mutual Fund. And once again, before closing, deep thanks for all the effort which the Company has done, which the parent Company has done, which the associate companies of the group has done, as also the employees and the management in the trying circumstances of the last few months in India. So, thank you very much.

Robert J Hughes: Thank you very much.

Moderator: Thank you. The next question is from the line of Jaishree Deepak Modi. Please go ahead.

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Deepak Modi:

So, good morning, Chairman sir, and other members of the board. I am Deepak Modi, speaking on behalf of Jaishree Modi. And thank you for the detailed presentation. I have some questions, I have submitted also through email, but I would like to highlight some of them. So, first question is, with respect to the synergy benefits with Praxair, was estimated at about Rs. 3.5 billion to be achieved over the next three years. So, if you could highlight, during CY 2020 how much of that was achieved and elaborate rate line item? Also, are you expecting any deviation in the total synergy benefits from earlier expected and how much will that be?

Secondly, could you please outline like what market trends have been fast tracking as a result of pandemic and are sustainable from a point of view of network optimization, supply chain economics and infrastructure in the industrial gasses business? How will this impact Linde India and the competition going ahead? And do you also believe that transport through railways is economically viable post COVID and can extend our reach and can be a game changer?

Next question, in the on-site business, what is the revenue split between sales at contracted price and spot price? How has been the pricing trend in the last 10 years in the on-site business and some output if you could share? Are there any contracts coming up for renewal in next three years?

Next is, Linde we believe is likely to achieve a very strong cash position by the year end, considering the sale of land at Kolkata and the internal accruals. So, how do you plan to allocate the same and if you could highlight the CAPEX plans? Can you also throw some light on sustainable price improvement that can be achieved over next three years in the merchant package and healthcare business in comparison to the pre-COVID levels?

Next is, as we know that we are in the midst of a sharp commodity rally, can you please explain how does the industrial gas business respond to such inflationary periods in terms of opportunity and pricing? Next is, we believe that the asset turnover is quite low at 0.6x for CY 2020 and 0.7x for FY 2020, this is including the PED business. How much maximum asset turnover is achievable with the same base and whether you will be able to achieve higher asset terms for new CAPEX and new contracts? And what is the ROE that management targets to achieve over the next three years?

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Next, I think carbon neutrality has been an important topic worldwide and has been under active discussion. If you could highlight like what is the role Linde India can play in helping its client achieve carbon emission targets? Are any of your clients under active discussion with you on the same? And what is the size of opportunity you expect over next three to five year period? Also, if you could share the revenue split for CY 2020 between steel, healthcare, auto and other segments? And outlook on each of these segments, how much volume growth was achieved during FY 2020?

As highlighted in your annual report, there has been significant improvement in the healthcare business through new tie-ups and contract extensions. What is the kind of revenue contribution and growth expected from the segment over next three years? And last question is, if you could highlight the global and the local level of opportunity in the PED business.

So, I have these questions. Just one suggestion, if management can consider to arrange regular con-calls with the investor community, maybe on a quarterly or a half yearly basis. I think that would be very, very appreciated. So, that's it from my end. And thank you and all the best.

Robert J Hughes: Thank you very much for your questions.

Moderator: Thank you. We proceed to the next question from Akansha Advisors LLP. Please go ahead.

Participant on behalf of

Akansha Advisors LLP: I have already sent the questions; I will just read out the key aspects because many aspects have already been covered up. First of all, let me congratulate the Company and its team for the laudable efforts and standing by urgent requirement of the nation during this fight against COVID. What I would like to know is that, how much incremental revenue and CAPEX cost we have incurred in fulfilling that obligation, which was cast upon us, like two to three aspects that we have procured imported cryogenic containers etc. And second thing, we have diverted a good amount of capacities to generate medical grade liquid oxygen, rather than utilizing these capacities for catering to normal industrial requirement of steel and other. And we have used the tankers meant to carry other gases for carrying oxygen. So, my question is, did we lose out on per ton contribution? Because I believe the medical oxygen price was capped by the government.



My next question is, how you think the situation will get back to normal so that we can resume pursuing our normal business activities? Then coming to quarter one of 2021, results show really good improvement in the gases business, but project engineering business is still in slower lane. So, I would just like to know, about Rs. 1,100 crores worth of orders, you can just tell us what is the current position, the flow of new orders and inquiries? And how this will be executed?

Now, Q2, that is April to June for our Company, how has been? I don't know the numbers but was our operations affected by the lockdown across the country. Another question is, now going ahead we have got certain customer onsite, bulk, healthcare etc., which ones are going to drive the demand? Another question which some of the earlier shareholders have asked that how much consideration we are getting from Belloxy divestment?

Now, another important thing is about this 50:50 JV, which some of my friends have already asked. The question is, what will be the exact role of that JV? Will it undertake sale and several activities which are indicated in your press release, does it imply that Linde India and Praxair India, both will be reduced only to the manufacturing operations, and they will transfer the entire to this JV Company, which in turn will do the marketing? If that be the case, then there are two to three things which we need to know and one thing is already given in the Q1 results that our manpower cost has come down, that means we have transferred certain people to the joint venture. So, in that event, on what model we will be working, like how much margin we will get? Can we continue to get 30% EBITDA margin as we have achieved in Q1?

My third question is that it's a 50:50 JV between Linde and Praxair, so what does it imply that irrespective of the business that might get transferred, the profit earned by the JV will be shared equally between the two partners. So, is that understanding correct? Now, you did speak about in your I wish that the presentation would have made available earlier so it would have been very useful, that which are the major industrial segments which look promising, steel, healthcare, pharma, chemicals, food processing, oil refineries, etc.?

My Another question is one of the previous person has asked that question that we have certain legacy contracts with a large customers and I believe that you don't have any clause in these agreements to adjust the surprises at higher cost of inputs. Now, when major projects are going to be renewed, and when that happens, how the pricing will



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happen? Project engineering, I have said about Rs. 1,100 crores worth of orders are there, and in that business we are earning EBIT level, Earnings Before Interest Margin of around 11%, 12%, 13% only. So, what it would be going ahead?

We do not know how much is the capacity of the Company in 2019 from some report of the brokerage, it was estimated at 11,176 TPD, can you tell us what is the current capacity? Now, this question about asset turn has already been asked I will just repeat it, that we had a gross fixed asset block of Rs. 2,024 crores, and we had a total revenue of Rs. 1,471 crores, so it is about 0.52%. If I eliminate the project engineer site, it could be 0.6%. Going ahead, what will be the sales to fix assets behavior? Now, you have got some aspiring growth projects, how much capital expenditure you will be incurring every year, including in FY 2021 and next few years? In calendar year 2020 we incurred only Rs. 60 crores worth of CAPEX.

Can you just tell your outlook for CY 2021 and next few years as to what kind of revenue growth you are looking at? And what kind of EBITDA margin we can look at. Like in Q1 CY 2021 we have earned 30% margin. And we know with what our parent Company at consolidated level has been earning, we have already sent our these questions in writing and there we have given which we had worked out and would like to know if you can achieve for overachieve those?

Whether our Company has effective to tax rate of **25%** because effective tax rate in calendar year was pretty high at 34%. 50% JV, I think some clarification is really required because if that clarification is not there, we will be always in dark as to what kind of financials to expect. And possibility of any merger between Linde and Praxair, what could be the outlook? And I also joined some of my friends who were asked that you should have a quarterly conference for the presentation to just understand the business because this is highly technology oriented business, very difficult to understand. And as there is not much of our listed entities and unlisted, so we really do not know what's really happening in this business. I hope that you will clarify the situation. I wish all the best to the management and the Company. Thank you.

Moderator: Thank you. We take the next question from Bimal Krishna Sarkar. Please go ahead.

Bimal Krishna Sarkar: Respected Chairman, all the directors, and shareholders, a lot of questions were there but I don't want to repeat all those questions. I would like to thank the company secretary,

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Mr. Marda because he has sent the annual report and the notice way before time. I am very proud as a shareholder of the Company as this Company has played a great role in this COVID-19 pandemic situation. It has played a great role in saving our nation because of that I am very proud. It has made medical oxygen and supplied the oxygen; this company has saved our people and our country. I would not say much, many people have asked questions and I am not going to repeat those questions I would just like to say our CSR's expense money we could not spend so I would request that we had planted 2500 trees in Sundarban that was very good. I would like to thank our CSR Committee for saving our environment and our surrounding planting 2500 trees in Sundarban. Next time if such kind of program our company undertakes then we as a shareholders would like to be a part of that, and we would feel blessed to be a part of this. So, this is my request if it is possible so please let us be a part of this I am requesting you for that. And sir our minority shareholders, I had near about 80 shares and in 2000 I have sold maximum, but I made a lot of profit. I have benefitted a lot from the Company, but I want that the face value of Rs. 10 please split by Rs. 5, Rs. 2, to Rs. 1 so minority shareholders can be benefitted when we will do trading. Please think about it and see if it can be considered. Company's employees have given the kind of production in such a difficult times, I thank them and I would not say much but I wish my Chairman sir a good health and not only chairman but all other directors and management and employee of the company I wish good health and all of you should take vaccination and stay safe. I have already done e-voting to all the resolutions. Thank you for giving me an opportunity to express myself. Thank you.

Moderator: Thank you. We proceed to the next question from the line of Shantilal Ramji Gada. Pleased Go ahead.

Shantilal Ramji Gada: Good morning Chairman and Linde's team. I have already sent my question by mail, I am reading them out. If existing customers such as Tata Steel and SAIL use 100 units of oxygen or tonnes still produced by, will the 100 unit oxygen usage rises when they try to decarbonize its operation? If yes, at what percent? Second one, India electronic manufacturing has increased rapidly from \$25 billion to \$70 billion in past four years, what kind of sale potential does Linde India will have in next one, three and five years from the electronic sectors? And last one, who will own the 40 cryogenic tanks procured by Tata Steel in May 2021? And what will the recurring cost of operating these tanks for Linde India? Thank you for giving me the time.

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Robert J Hughes: Thank you very much for your comments.

Moderator: Thank you. We proceed to the next question from the line of Jaideep Bakshi. Please go ahead.

Jaideep Bakshi: Good noon, Chairman and board of directors and also our MD, Mr. Banerjee, CFO, and also to our Company Secretary, Mr. Pawan Marda. Thanks for giving me an opportunity to express my views in this video conference. Myself Jaideep Bakshi, connecting from the city of Kolkata. Long much has been said because I am much down the line, but I am proud to be part of the Company, which is a global saviour. Congrats for supplying medical oxygen to hospitals during difficult times and different measures adopted to continue supply in spite of the over demand. I salute to the heroes and all concerned who stood out during the tough times of COVID.

Healthcare is the fastest growing sector, what is our Company's future plan and CAPEX program for the coming years? What are our plans regarding the people's health and safety? Regarding CSR, we have spent a lot, but much has been unspent, can we spend something for the next of the kin or the orphan children who have passed away during the COVID times?

What are the cost control measures are we taking up and our R&D expenditure for the coming years? Sir, are we into, I do not know if we have one, are we having some handy or pocket oxygen cylinders, which can be of much use in the times of emergency? Regarding our project engineering division, what is our status and the projects in hands? And how much has been the business affected due to this COVID? And regarding the carbon footprint, what steps we are taking?

Sir, there was a news about the freeze on oxygen supply to industry on the humanitarian ground due to the COVID crisis, a call from the government. How much has been affected on the business in this industrial sector? Congrats for putting up in 128 square foot oxygen booth at our newly opened MR Bangur hospital at Kolkata. This was a good project and any further project like such one in the coming years? What steps are we taking for the next wave which is in the news, which can come up?

Nothing to add more, I have full faith in the Company. And I hope it will turn up to a greater height in the coming years. Sir I have one request, next year if we have another virtual

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meeting, kindly restrict the speaker limit. Because people who are down the line have trouble waiting for such a long time, just a humble request. Thank you so much. Thank you, sir.

Robert J Hughes: Thank you. Thank you very much for your comments and questions.

Moderator: Thank you. The next question is from the line of Amit Kumar Banerjee. Please go ahead. As we check the connection for Mr. Banerjee, we proceed to the next question from the line of Santosh Kumar Saraf. Please go ahead.

Santosh Kumar Saraf: Namaskar. Respected Chairman, Board Members, and my fellow shareholder, my name is Santosh Kumar Saraf, I am from Calcutta. Hope all directors and your family, all our management staff at Linde and all our employees and their family, and all shareholders who are attending today's meeting and their family are safe and healthy. Sir, I already sent my questions and view to Mr. Marda in a letter, hope and Mr. Marda confirm that it has been received. I will not go to so long, because meeting is running more than two hours.

I want to only one or two things. This year you reduced employment by 70, what is the reason? 70 employment reduced, including 24 women. Last year 373 employees, this year only 263 employee. Next I want to know, why Company no disabled employee? Disable employee is very good and they are doing very good job if they get a chance. If they get a chance, they win Olympic gold medal, if they get a chance, they win Everest. Mr. Hughes, I request you, please see the position and give them chance.

Sir, have you any planning to make a buyback for minority shareholders? Because your open offer is failed, so if you give a buyback offer to minority shareholder then your holding must reach over 90%, and you can be delisted at your choice. I request to management to make a buyback at good price for minority shareholders. Sir, all things I have written in the letter, please take the letter and read.

One thing I want to know sir, I request you to send me full speaker registration details of all the speaker shareholder along with timestamp, who registered through email or NSDL Proton. Hope you will provide honest reply to clean your site for non-discrimination basis speaker shareholder. Sir, I sent email on the 31st of May and I get a confirmation near about 15th May, again, when I read the annual report I again registered on the 21st June

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at exact 9.1 second sir, please provide so I can be assured they are not making any discrimination with shareholders. My number is 18, I sent always earlier and my number was 1 to 5 earlier. So, please provide me to clean your site all full list provide me. When the speaker shareholders registered with you and get the chance. Thank you sir.

I also requesting sir, next time exclusive speakers like Nippon, Jaishree Modi, to give the chance earlier because they are exclusive speakers, representing so many minority shareholder. So, if you give them a chance and they take 5 to 10 minute more, I have no bothering. But in the meantime, in the between they get long time, we are waiting and waiting because there is so many meetings at one time, when my number is coming I have nothing to know, sir. It is better I request Mr. Marda, please at the time of sending the link you must send the speaker number. My speaker number is 18, I am waiting from 10, 15 minutes, I am unable to attend my meeting of Bank of Maharashtra due to this reason. Sir, please provide full registration list, I request with hand kindly give the full detail of the list with the stamp when you received the email from the speaker shareholder, when they registered through NSDL portal to clean honestly that you have not made any discrimination with shareholder. Thank you. Hope the year 2021 will be prosperous and healthy and safe for all our director, employee and stakeholder. Thank you, sir, for giving the opportunity. And hope you will send the full list to me. Thank you.

Moderator: Thank you, Mr. Saraf.

Santosh Kumar Saraf: 120678. 5018019. Madam, I one thing I request you, you never ask any shareholder to give the ID in virtual meeting. My ID is with Secretarial team. If every shareholder listens to the ID number, that can be misused. When I registration same day, you already registered after verifying my email ID or my ID. I request, in the future never ask for email id on the virtual meeting. Thank you.

Moderator: Thank you, sir. This is noted. We proceed to the next question from the line of Ashish Rungta. Please go ahead.

Ashish Rungta: Good afternoon, Mr. Chairman. I am logging in from Bangalore and my name is Ashish Rungta. My DPID is 1208160000216196. I have a very specific question with regards to Linde India. As we are all aware that the Government of India has announced a National Hydrogen Policy, I just want to know how is Linde India aligned to that policy with regards

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to creating a hydrogen ecosystem in India as you are doing that abroad in a lot of European countries?

Also, from what I can understand from a limited understanding is that, a lot of industries going forward will be forced to convert to green energy, and specifically hydrogen being a very efficient carrier of energy, especially steel and petrochemicals will start, the government will probably enforce them to start using hydrogen. So, I just want to know how well prepared is Linde India with regards to the hydrogen? And whenever Linde India does get a tech transfer from Linde PLC, will that go to Linde India or will that go to Praxair? So, that is a very specific question. And thank you very much.

Moderator:

Thank you. The next question is from the line of Dinesh Amrutlal Kotecha. Please go ahead.

Dinesh Kotecha:

Sir, Good morning. Since morning, I was waiting to talk to you. And you have a PM next to you sir, Pawan Marda is the PM for the Company, he is prime minister. So, first of all, I would appreciate the annual report theme, that is Oxygen is life and making our world more productive. You have proved worthy of it in the current year. Sir, I would say that we are a very good Company in trying times and we have done a fabulous job in this providing oxygen to the country, via the appeal of the state governments and the central governments. And so many avenues we have exploited for the benefit of the public at large, thank you very much.

Sir, I have got some very specific questions, first of all is that we are victims of a nationwide lockdown and restrictions because of COVID-19, 40% down our project engineering division. How do we stand for the project division now and how are we looking at it? Sir secondly, our BOC open offer which you made for 21,321,056 shares, and got only 25,276 shares, that is 0.012% of the shares. Sir, what was the cost of the issue of the flop show for the buyback that you did? It was a flop show sir, you got only 0.12% of the shares. And please, I mean, even if you want to make a buyback, as some of the earlier speakers have said today, you must make it at a price which is much more, at least 40% more than the current market price. Follow the SEBI rules, then only you will get the shares otherwise nobody will give you shares, at 50% discount nobody will give you shares. And I am very sorry for the people who gave you the shares, 25,276 shares.



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Sir, I would like to know the progress of the two JVs. Secondly, the annual report was signed within 60 days of the year end on 1st March, and you are holding the AGM after 110 days after signing the balance sheet date. Sir, I think there's a very big disconnect, within 60 days you sign the balance sheet and the AGM is kept 110 days, twice the time taken for holding the AGM, it is not proper sir. We have to hold the AGM by 30th of June, so far end of the June you are holding AGM, you can hold it earlier. Sir, I think the annual report which you have sent is two sided on the computer, moving left to right, right to left, and 120 pages, so 360 times we have to move left to right, right to left in the computer. I mean, I am not happy about this, how many directors must have seen the entire this balance sheet on the net which you sent, the virtual balance sheet. How many directors must have seen the entire balance sheet I would like to know.

Sir again, I am very happy about the presentation which was made up to date by the Abhijit Banerjee. Sir lastly, so many things, on insurance Company, mutual funds, alternate investment funds on Page 15, they have sold the shares, they have reduced the shares by 2.09% corporate bodies, they don't have the confidence in the Company, why have they sold it? And individual directors, no directors hold a single share of the Company, at least some shares must be held by every director, according to me. On Page 40, 260,438 shares lying in the Investors Education and Protection Fund, how many shareholders are involved in that, and the total number of shareholders are 22,679.

Sir, two more things. Sale of packaged glass plant which was closed was sold for Rs. 300 crores on 9/2/2021 after this particular year ended. Nothing was shared, you don't want to share it with a shareholders, some special dividend? And sir one suggestion I would like to give you now, what Colgate did several years ago, they converted the Rs. 10 face value share to Rs. 1, they paid Rs. 9 back, and then they started giving dividends of Rs. 10, Rs. 15, Rs. 20 on Rs. 1. Similarly, you can do that now, with the funds that you have got, give us Rs. 9 back so our equity which is of Rs. 85.28 crores will come down to Rs. 8 crores, and after that you can start giving minimum Rs. 20 dividend on Rs. 1. So, what will happen is, your market cap will go up by 10x to 15x and you will be a super wealth creator for the shareholders in India. One Rs. 1 face value will then be quoted at Rs. 1,500 plus, and all our future repairs will remain constant at 25, 30, on Rs. 1 face value. Sir, this particular point I think Mr. Mehta, Mr. Balakrishnan, the independent directors must consider it very seriously and pursue the matter with the board in the board meetings.

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Sir, again, one last questions. In Q1 our turnover was Rs. 441.45 crores, profit before interest, depreciation and tax was Rs. 903.92 crores, including the extraordinary income of Rs. 300 crores. Sir, without that extraordinary income, whatever profits has come, the profits have gone up by 40% and the turnover has gone up by 30%. Now, what I would like to ask is a simple question, will this be replicated in the next three quarters? Thank you very much. I think this was the best AGM I have attended, because so many earlier questioners have asked so many probing questions about the Company's past, present and future. And I will also join them. I really appreciate. I would like Mr. Marda to send me the entire minutes of the meeting with the questions asked by all the shareholders. I will be very happy about it. And Mr. Marda, thank you very much for cooperating this time. Today also three times my connection was out, my WiFi was gone out so I could not speak, I was the second speaker, I could not speak at the time. But you allowed me to speak, and I appreciate everything.

And sir lastly, Silne Danke sir in Germany they say thank you.

Robert J Hughes: I am actually English, but never mind.

Dinesh Kotecha: Thank you very much sir, thank you very much. I am with the convey and I have been coming from Bombay to attend the AGM in Calcutta, and I am a very old shareholder of the Company. I appreciate everything what the Company is doing, you are wise counsel on the board, is doing everything nice. Now, we are out of debts, our interests are less, we have got lot of funds, but see to it the shareholders benefit tremendously along with the Praxair and whatever the two JVs are doing. The shareholders reward must be the prime concern of the management. And as I told you, convert your share face value of Rs. 10 to Rs. 1, and then see, the price of our Company will go to Rs. 2,000 of Rs. 1 face value. Thank you very much.

Robert J Hughes: Thank you very much.

Moderator: Thank you. We proceed to the next question from the line of Amit Kumar Banerjee. Please go ahead.

Amit Kumar Banerjee: Good noon to everyone. My name is Amit Kumar Banerjee folio number is DPIN300327 – ID 88402, thank you for giving me an opportunity to discuss, on our Company Linde India Limited. It is the 85th AGM of the Company ending 31st December 2020 yes, more than

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two and half hours have already gone. Speakers made so many questions, so, many views still being a shareholder, I have a feeling to something on the occasion of this AGM. Sir, as regards our Company is concerned basically for the liquefied industrial or medical gases we are manufacturing, construction of utility project, distribution of liquid oxygen due to this challenging times amid the supply of oxygen demand maybe is good. As regards the performance is concerned year ending 31st December it appears, that the turnover and profitability are lower in comparison with that of last year. Gases revenue declined by 9.2% from 13,221.04 million to Rs.2,710.45. Project engineering divisions are also, it was found declined by 38%. Another you see the CSR activity still having unspent about Rs.5.53 million for the welfare measures in spite of that, due to COVID situations.

Promoters holdings remain unchanged about 75%, current market price is about 1600, the dividend is only three. During this year, whereas our Company like HPCL the market price is only Rs.270.22, BPCL has paid Rs.58 the market price is around Rs.460 only. No bonus, last 32 years even no factory visit, no right in spite we are getting the assurance that the factories, our get together will be organized. Should try to keep attentions for the minority shareholders, try to create some value. Kindly share about whatever the previous speakers have already asked the capital expenditures. The research and development cost, kindly share your views about these things. Finally, I would say I hope our management team will maintain definitely the necessary infrastructure, upgrade relevant technology, will look after the development and prosperity giving a strategic move for the growth of the Company and particularly keeping in mind reward to minority shareholders. Thank you, Mr. Chairman and all present at this wonderful meeting today. My name is Amit Kumar Banerjee. Now, I am handing over to Mr. Chairman sir for the proceeding.

Moderator: Thank you sir. Well, that was the last question. I hand it back to you sir.

Robert John Hughes: Okay. As been mentioned by a few of the latest shareholders we've been now on this call for some time. We've had many, many questions over 130 questions have been asked before the meeting, and then there's obviously been questions asked during the meeting. I'll do my best to go through these as quickly as I can, as you would expect, and as you've seen from the questions that we've just heard, there are many questions that are repetitive. So, what I'll try and do is, when we have a question that is repetitive, I will try and highlight it to you to say, look many people asked this question so it's important to



listen at that time, because I will not be repeating the answer to that question that's been asked by numerous shareholders. So, it will be difficult to finish this meeting in any sort of reasonable time.

So, I'll start with the shareholders that have sent their questions in. So, I'll start with Pulkit Sakseria. His questions are revenue breakup for 2020 and 2019 based on end users. As you know, we don't provide specific information of breakup of market sectors. The fact is that Linde has a very good position in all the key market sectors in Linde, so we have any exposure in that area. The next question is about the percentage of income from O&M, because we have mainly tonnage contracts and all gas supply contracts, then we don't generate, it was an insignificant amount of revenue that we get through O&M in the business.

The question that's been asked quite a lot is, what is this COVID situation opened up for us, obviously the healthcare segment we've seen substantial improvement in actual volumes, but as I will mention later on in the questions, many more opportunities in terms of pipelines, in terms of putting new tanks in. So, again, this is a good area for us for future development. Traditional industries, apart from that we still see growth in healthcare, obviously pharmaceuticals, food and beverage, refining and electronics.

Capacity utilization for the next two years now, many, many people have asked this and especially the second part of this which is CAPEX spend for the next two years. So, in terms of the utilization, as you can hear from what Abhijit says today, Linde India ensures that its production assets are consonant with the needs of the present and of the future businesses. So, we can have a wide portfolio of plants, we can flex the plants to be able to meet the required volumes at that time. And you have seen this highlighted very clearly through the April changes in terms of delivery of oxygen into the country.

The second would be about CAPEX and again, many, many shareholders have asked this. So, the CAPEX spends in 2021, 2022 is expected to be higher than that in 2020, in-line with the revival of the economy. CAPEX was spend and needed in the safety and maintenance areas when required. So, we will not cut CAPEX or reduce CAPEX in those particular areas. So, again, make it very clear, we are looking for good projects, and the good projects can align long which actually improves the profitability of the Company and



sustainable projects in many, many areas as we'll discuss in a while, then we will make CAPEX available.

Next question quite a few people about hydrogen, future hydrogen potential and we continue to as we have for many years, looked for business opportunities. And if we can make a good business case, we will look to invest in certain hydrogen projects going forward. Applications from the Linde Group which are many and quite well publicized, as a few that's been mentioned here by the team, flow jets, cryogenic freezing and chilling and we've got the lab to support that, low tox which is another technology that's been around for a while, which we're looking at using in India.

The next question is about price. It's called price hike. I'd rather say price increase or price movement. So, what is it undertaken, well it's undertaken at appropriate times. It's based on multiple factors, like contractual entitlement, market dynamics, increase in various input costs. There's no fixed frequency of moving prices in the business.

The next question, it has been asked by 20% or 30% of the shareholders. So, for those of you who have asked this question is, here is the answer. And this is about the synergy benefits that was connected as part of the JV. So, against the estimated synergy benefits of Rs.3.5 billion that was connected, 50% of the savings, which is Rs.1.75 billion is supposed to accrue to Linde India, over a three year period which one or two of you are aware of so, 2019 to 2021. For the fiscal year 2020, Linde India saved, and in my speech I said about 780, the actual number is Rs.776 million from operational efficiencies, distribution efficiencies, cost reductions. Here's the important question in terms of the future, based on the ongoing efficiency drive, the Company strongly believes that Linde India will be able to achieve synergy benefits of more than the 1.75 billion it has estimated earlier. I hope that's clear, in terms of the synergies that have come from the JV, there's many questions on this and I won't be answering it again.

Next question is ready assets that we could monetize, we have no plans for such monetization of assets. The next one has been asked by a few people, possibly delisting. You're all aware, but that's a question for the promoter not for me and the Company. So, those were the questions from the shareholder.

Again, the first question is about the merger of Linde India and Praxair India. So, it's very important this question, because many, many of the shareholders actually asked this



question. And it's close to many of your hearts I believe so. Your board evaluated various options and plans available to Linde India and Praxair India for the best possible potential integration between the two companies. After evaluation of the appropriate integration plans for realizing synergies between the competing and synergetic business of Linde India and Praxair India, the board approved a JV with Praxair India Private Limited and both Linde India Limited and Praxair Private Limited have 50% of the total issued paid up share capital of the joint venture. And the joint venture Company has been incorporated and in the same is providing O&M services to both of the entities.

There's another question that comes up later, I'll answer it now. Which is, does this Company serve any other entities? No, this is set up solely for the Linde and Praxair in India. Final comment on this, there are no additional plans for merger of both of the companies. I made that very clear last year, and nothing in the last 12 months has changed that.

The next question was about new products and what percentage. So, most of the new products are launched through our applications technology team in the MPG business and typically about 30% of our new business comes from this applications team.

The next question was about food applications and the lab and the development center in Pune. So, basically innovating for customers is a core part of the Linde and we spoke about it earlier. We do not have any of the locations as in the Vizag location in India. The early technology center actually was closed down more than a year ago. We have a strong pan Indian application team which is focused on innovative customers in various industries. And one other parts of this Abhijit mentioned earlier, application technology and development of application technology often generally occurs on customer sites. So, again, we benefit from working with customers and developing technologies with them.

The next one is about the cost of power. The cost of power varies from state-to-state. An average at the moment is between Rs.6 to Rs.6.75 per kilo watt hour. The next part of it was actually, can we reduce the costs? I'm pretty sure that the operations team in India, as they have for many years spend a lot of their time trying to improve the efficiency of the plants and reduce the power costs. The question was, can we see a reduction of 25% in the foreseeable future? And the answer is at this stage, we don't see a 25% reduction in power costs in the foreseeable future.



How many Hydrogen electrolysis-plants in India? The answer to this is, we only have one. No new plants at presently being looked at. However, there are some projects on the development. We need to note PED does not have its own electrolysis technology. It acts as an aggregator for small electrolysis projects.

Next question was with the CAPEX question which I've already answered. The next question is about working capital in the business. Linde India have optimized working capital for its gases and PED business to ensure effective liquidity utilization. However, we can't divulge the details of that information.

The next one was about PED and cost escalation. So, when we're doing projects, can we pass the cost of the projects on if the raw material cost increase during the project? So, for short term projects, it's not possible but for projects over 12 months, we are able to be able to pass on any cost increase to the customer.

The next question, can you share the total employees of Linde Group and then one of Linde India, I can't do Linde Group. But I can tell you as at the 31st of December 2020. The headcount of Line India was 265 and then the JV is adequately staffed to keep the business running as required.

There was a question about number of contracts staff doubling from 373 in 2019 to 748 in 2020. What led to this change? The information is incorrect the number of contractual employees as at December 2018 in Linde India was 108, now this date it's 113. So, these are questions from our shareholder.

The next shareholder Mr. Jain. So, as long as it's about the JV or the merger between Linde and Praxair which I have answered that question. The second few questions were mainly around the COVID, given the scale and speed at which Linde responded, and we've talked a lot about that, does it have an impact on our ability to gain future business in the tonnage area? Tonnage is a bidding process; the fact is over our reputation as a supplier has definitely been enhanced during this period. So, it could translate into new business.

And the second part of this question was about the confidence in Linde, as a supplier. It's fair to say with what we've seen today and what's been in the press and the comments we've had from the shareholders, it's obvious that the confidence of our customers must have improved due to what we've done in Q2 during the second wave of this year.

The next question was about distribution assets between Linde and Praxair number of tankers. Basically, we ensure that the distribution assets are needed to supply both the present business and the future business are available. And again, you can see when things are dramatic like a significant change in volumes seen in oxygen, we're able to find ways of getting around those solutions, very innovative ways in actually getting around those solutions.

The next question was, did we see a structural change in the medical oxygen business because of COVID? It's fair to say yes, we are already seeing several states trying to put concrete measures together to be able to supply or produce oxygen for their hospital. So, it gives us opportunities. Central and state governments also are looking to ensure the preparedness of liquid oxygen, delivery assets, infrastructure, et cetera.

Another question was along the same lines about hospitals taking the opportunity to supply oxygen by plants by PSA plant. It is fair to say that many hospitals are looking at this, along with liquid tanks or other cylinder supply options. There's a lot of emphasis by the government to make sure that hospitals that are not self-reliant, and if they can produce themselves, then that is a possibility. And it's important to note that PSA plants cannot take care of any surges in demand beyond their rated capacity. They need times off for maintenance. So, we believe that customers need to do their due diligence, look at the capacities that they require. And what sort of maintenance, how they manage peaks, you still need to back up a PSA. So, there's a lot of decisions a customer needs to make before investing in that technology. Obviously, Linde will work with customers and hospitals to put more tanks in and supply pipelines that also help them, as many shareholders said, be more prepared for an instant like we've had in recent times. And that was all about oxygen and purity and can be price for purity, higher purity, high purity oxygen production is crucial for many industries. Customers are getting it by different methods they can generate it by their own plants, or they take LOX This supply mode is dependent on how that product is priced. Someone has already mentioned that just the note, the price of the medical oxygen is controlled by the NPPA.

The next question was what are Linde's technologies with oxygen to reduce energy emissions. Again, quite a lot of questions around this have come out, many technologies Linde have many technologies around reducing emissions, REBOX, Oxyfuel, you've heard



many of these but into different types of applications. So, again, using the parent group gives us options to grow our business in India.

The next question is, also I have been mentioned do we expect oxygen consumption to rise by stringent norms on pollution and what do you think of the next 5,10 years? It's fair to say that pollution control will lead to wider adoption of various Linde application technologies to reduce emissions. At this stage, though we're still working on what does that mean for us as a Company, but we are familiar with the areas that actually can be used to help.

Question around coal gasification. Sort of a thumb rule, the estimate oxygen required to produce 24 tonnes of coal gasification is around 30 tonnes of oxygen. And again, another question is highlighted the intensity of the gas consumption in the industry to decarbonize. Again, the Company's keeping abreast of the game changers in the business, looking for opportunities and we keep ourselves updated with what's happened in areas like this. And with key customers, because we believe over the 5 to 10 years, there will be opportunities come out through these particular initiatives.

So, that was a question from the next shareholder Dhanraj Jain. So, again this was about targeting to sell off non-core assets and basically what would we do with this. And basically, if we had non-core assets that we could monetize, we would obviously use that money for the growth of the business going forward. What about Tata Steel, expansion with ASUs. As part of its expansion, Tata Steel have placed an order for two times 1800 tonnes per day ASUs on the captive route in 2018 answering that question.

Coal gasification, what do we think is the opportunity here for Linde? Your Company has no plans currently for such projects coal gasification actually emits a high amount of CO₂ and does not support our overall goal of de-carbonization. We also see challenging economics of coal gasification investments for fuel production. What about, what ASUs are planting should be there in 2021 this moment in time there was no planned outages planned for this year.

One, I remember it well, because I was around at the time, the ASU at Jamshedpur had a five-month outage in 2018. How can we stop that happening again? The Company has world class standards for operations and maintenance plant and developed sound



protocol to ensure high reliability plants and ensure we have the necessary assets spares, et cetera, they also support plant reliability go forward.

The next one was an interesting question about e-commerce. So, again, the team did embark on e-commerce sales before the pandemic. Unfortunately, after the pandemic there was no spare molecules around to offer to that platform. However, I'm assuming that this will come back on the agenda again when we're back to normal.

And then one around mini bulk. Again, a very good PSO, interesting opportunity for growth. We look at the size of the customer, his location, his handling requirements, whether it's a competitive customer or not. It is an opportunity for homes and care homes, nursing homes to provide products so yes is a key area for us. It is a bit of a winning strategy as it's certainly safer than handling high pressure cylinders.

What was about the value of specialty gases in 2020 compared with 2019. Specialty gases 2020 was about 90 crores versus 77 in 2019. And less than 5% goes through the non-cylinder route. And then the last question from this, did Linde compete for CCUS projects in IOCL? We are currently very much competed and has strong technology portfolio with CCUS, the current work at IOCL is to study economic viability of using CO2 enhanced oil recovery. If this is viable, and we can put a successful project together then we will embark on that with the customer.

Next shareholder, Mr. S. Jain. First question was about the merger so I've answered that. Next question was a very, very interesting question about what have we learned in the two months of April and May this year, so that we can build that learning into the future. The key area was about ensuring how distribution assets and the capability to be able to cope with such a massive surge in oxygen use. And that's something that we will take away from those two months. The next three questions I'm sorry, but I can't answer because it's basically looking for information on EBITDA, CAPEX and debtors for the April to June period. We haven't obviously completed that yet. So, we can't disclose information on those topics.

The next one again is about COVID. How many hospitals have long term contracts and how many we signed up? Linde India have numerous contracts with hospital pre COVID and we will continue to do so as people get more confident in the fact that we are the best supplier in this areas in the country, but I can't supply the number of contracts at this



stage. And then interesting question was around how are we going to launch Lincare in India? For those of you who don't know, Lincare is a business model which is based on homecare services, and is successful in geographies where there are insurance policy for covering the costs. So, at this moment in time, we're not looking to launch Lincare, we are looking at other PSOs using our LIV cylinders, which is small oxygen lightweight cylinders with integral valves and to be able to offer oxygen in a homecare environment.

So, how much increase in cryogenic transportation, this question has been asked by a few so it will be repeat again. On top of our tankers we've added 62 ISO containers close to 1200 tonnes of tankage to manage the surge. So, again well done to the team on that. And the drivers, basically we've managed the drivers as we've needed so, no issue in terms of making drivers available to deliver that.

The next one on Taloja plant require replacement of Rs.55,000 in 2021. Can we do something to prevent that problem and the Company has a strong spare holding philosophy and we'll cover all critical spares for our plants. The formation failure was account to the freakish incident which can be foreseen. The next one is about the Oxygen Express, who paid for it, it was paid for by Linde and then recovered from customers as a transport and handling charge. So, that is the question from that shareholder.

Next shareholder is Bimal Krishna Sarkar, he has just one question, what are the future programs and plans to improve our Company. We are continuing to evaluate various opportunities to leverage our very strong balance sheet and set ourselves on a profitable sustainable growth. Possibilities and as I mentioned in my speech earlier for both organic growth, merchant opportunities, and on sites or even M&As have been explored and will be continued to be explored going forward.

The next shareholder, Dhanraj Jain, first question again is about merger which I've answered. The next few questions are different, it's more about the argon business, what is the top sectors for argon today and in the future, general fabrication, ferrous and nonferrous metal furnaces, automotive and heavy industries. We expect general fabrication automotive metals to continue to drive the demand in the next 5 to 10 years. What sort of growth for the market, double digit. What is the minimum capacity for ASU to be viable for argon, minimum capacity is around about 100 tonnes a day of oxygen.



This question is about, the value or the cost of oxygen in our customer processes. I would have to say that varies considerably depending on whether you're a steel mill or whether you're a welder. But we could be between 2% and 3%, but that will depend on the industry. Based on the new PLI scheme in India, how do we see it for Linde India and new CAPEX? The Company is keeping evaluating business expansions both organically and inorganically, as I've said before, so again, I'm repeating myself a little bit in there, but we are evaluating the PLI scheme announced by the government and explore how we can utilize Linde's benefits.

What gas is used in drug manufacturing, mainly nitrogen and oxygen. What about the last 10 years split of oxygen, nitrogen, argon in Linde India, this is very dynamic depending on the different market sectors, so I'm not able to supply that information.

The next question is a couple of people asked this about imports and could have impact on us? There has been, as we've said earlier imports of oxygen into the country to support the COVID-19 situation. But we don't expect that to be something of the future because of the duty import cost, logistics, delivery time actually the high landed cost of oxygen makes it not possible. Can rail transport be a regular option? Yes, it can, rail transport could be a regular option. Is it commercially viable, there's work to be done on that going forward, subject to the approval of statutory bodies. Interestingly, we don't move liquid tankers during the night for safety reasons. Whereas we could move product on trains, this is an area which relatively new again to the team. It's learning from the COVID experience, and we can work on that as what options we might get going forward.

That's the final shareholder, Ashish Rungta. Asked about CAPEX going forward and I've answered that question. But again, depends on the available investment opportunities. It's fair to say with the strong balance sheet, if there are good investment opportunities out there, the business will be looking to win them.

The next question is about revenues of Linde India, mainly from steel manufacturing. And what do we think is happening in this area, I have mentioned this during my speech, we do see an uptick in the steel business in India and likely to continue. And that will offer opportunities, and I'm sure investment in that particular industry.

Next question is about the JV, and I've answered that question. What new revenue areas are being explored to generate new revenue streams? We've answered that, we've



looked at many different opportunities to be able to look at building our revenue. And then the next one is around hydrogen ecosystem. And the announcements by the government and again, this is early days again I know that the Company is looking at different options, opportunities and again the key is finding good investment opportunities to do in this particular area.

The next shareholder Manish Jain. First question is around applications. Number of applications engineers. Basically, we will, if there is opportunity and this has been the case for many years now it is opportunity, we will increase the numbers of application engineers to match the business size and the opportunities that are out there with customers.

Next question is around gas mixtures. As you are aware the Linde Group make a big play about offering many, many different gas mixtures. Linde India also supply gas mixtures into manufacturing, high surgery, automotive, labs, et cetera. So, there is some, it's quite a good business in India. But it's still relatively small in terms of we're only supplied several 100, but if there's opportunity then Linde India would be in a position to be able to supply.

The next question is about sales of the top five customers we are not able to share that information and as a second part that Mr. Jain mentioned was about page #187 on the annual report about some numbers there. That's been a bit misleading, the 2020 report provides details of related party transactions, not sales data for Tata Steel and sale. So, if you consider that then that will answer your question.

Last question was, has been sales revenues be made net of power costs? Answer, though sale revenue is not related to power cost, power is supplied by WESCO. The next one is about the use of L&G it's a feedstock obviously hydrogen uses that as a feedstock. That was about exports as 50 crores of export. How's that split, a small amount of 10 crore which is gases, and the majority is the rest is PED.

The next question is about synergies and about what synergies have been developed by the JV, I made a statement earlier on that. So, I've answered that question. What role Linde play in the energy transition of India, for global technologies such as carbon capture, gasification, et cetera? I've answered many of this on an earlier question. But in the end again, it's all about finding a good project. We have a good project we'll invest in it.



Next question is about electronics. Where do you see in the next 5, 10 years? Fair to say that electronics industry in India is small. Solar is one of the areas where people have invested in India and we have a very, very good market share and about 90%. It looks like there will be more solar projects coming up in the next two to three years and obviously Linde India with our experience and technology are well placed to be able win that business.

Next question is about the value of customers who buy all three gases. So, that information is confidential. I can't give that. The next one about the CAPEX of distribution. Again, I mentioned this, about the increase in terms of ISOs, et cetera. So, I've answered that question. There is a question about Belloxy. Again, a couple of people have asked this. So, I will answer this one with more info. Based on the draft binding of the firm JSW, the Company expect to receive more than book value of its investments in Belloxy divestment business. The exact consideration would be obtained when the JSW offer is accepted by our JV partner. So, we will keep you up to date on that.

The next shareholder, Mohan Krishna Swami, a few questions about the JV and I'd like to take a little bit time on this. First one is about companies like SAIL or Indian Oil who are customers for both companies Praxair and Linde India. How did we allocate projects very clearly it's about the incumbency at the location that, that projects at very clear in what we do, the second one is about the merchant business how is it split between the two companies, Linde India, they supply the East, the North and the West other than the Maharashtra for industrial gases, and Praxair India supply South, Central and West only Maharashtra for industrial products. And we keep to that demarcation and that's very important.

Next question is obviously the Linde group, offer many technologies. If an incumbent client like Tata Steel needed some technology, will the parent provide full access to these technologies? Access to technologies and this has been no different for many years will be enabled by Linde Plc or other group companies as required by entities across the world. So, yes, we will support.

The next question, the long question but basically, it is really all about the merger between Linde and Praxair. And again, I've given you the current situation on that. The next question is around process industries, who tried to decarbonize our operations, what



role industrial gases? As, I mentioned before oxygen is substitute to air in the combustion process. This helps emissions especially NOx and CO2. So, there is a position again, it's a financial consideration, and whether customers will want to go that route or not.

Next question was about argon, which I've answered. Next question is about how many ASUs are there in India with over 400 tpd capacity, I am unable to provide that's confidential information. The next question is about synergy. Again, I've made a clear statement about synergies, and about how well the team are in delivering the promises that they made when we formed the JV.

Next shareholder, Jayshree Deepak Modi. First question was about synergies, and I've answered that. Next question, again, is coming back to the pandemic. And how our industry is responding and what's his impact? It's fair to say, I've mentioned this already that all industries are fast tracking back after the pandemic, and we will continue to do so, as we get back to some degree of normality. Obviously, healthcare related industries are a hot air at the moment for obvious reasons. So, give us opportunity for pipeline extensions, put in a more liquid tanks as they had beds, new buildings, et cetera. The transport through rail was a necessity. But as I've mentioned already, there is some work to be done whether that is an economic way of delivering product around the country.

Next question is about on-site business. What is a revenue split between sales at contracted and spot prices, and basically what contracts are coming up and the basic prices and escalation there are fixed in the onsite contracts. So, you wouldn't have a spot price tonnage business and we're not in position to share confidential information on when the renewals of these contracts are due

The next question was, again, a different way of asking the same thing. But basically, we've generated good cash from the sale of the land, as we all know and what are we going to do about allocating the same or what are we going to do, and again in the end, it's the same as I've said everywhere, we are looking at opportunities to grow the business profitably. So, again, based on finding good business opportunities there will be more around in the coming years. As things settle down after the after the pandemic, we're in a position to be able to aggressively chase down these opportunities and when these businesses.



The next one is about how do we sustain price improvement over the next three years in the merchant, packaged and healthcare? Yes, this has always been a challenge. Linde India expected to be price leader we tried to create value. And no more so has been seen in recent months through the delivery of oxygen and find solutions which will give value to our customers. So, we can share in some of that benefit. So, we will continue to look for areas of extracting value and ensuring that we maximize pricing wherever possible.

The next one again, is more around commodity prices in for tonnage business, how do we capture? Again, very clear, we have robust contracts, which allows us to pass the inflationary movement on to our customers. And it's a key deliverable of our sales team to make sure that happens. And again, we're also looking at application technology to work with our customers, to find opportunities for them to make efficiency savings, and at the same time are sufficient to provide gases.

The next one has been asked a couple of times in terms of the asset turn of the Company, and in recent years and others have compared it with the Linde Group. You can see that in the last couple of years, the financial performance of the Company has significantly improved. And we continue to want to do that. And the next part of this is making sure that we can find and win good profitable projects, which will help improve the overall asset turnover and margins going forward.

Again, there's a question around being carbon neutral. And again, there will be opportunities in this area. And the team will keep address of them. And if we can find an opportunity which we can make money out of, then we will invest in it.

Next question is about revenue split in 2020, in steel, healthcare, auto, et cetera. I am not in a position to supply that as it's confidential. But we have seen positive outlook on all these segments due to the budget driven stimulus of the government. And obviously the focus on healthcare and there's no reason to consider or even consider why that shouldn't be the same going forward. The next one is about health care again, and about COVID I've answered that question. So, we will move on.

Next question from Mr Shah on behalf of Akanksha Advisor LLP. Again, very happy with the performance of the Company, especially through COVID times. He asked questions around revenue and CAPEX. Unfortunately, we're not in position to share that information, due to confidentiality reasons. He asked the question about the fact that we have diverted

assets from industries other than steel, et cetera. so that we can support the oxygen into COVID, that's true and you've seen all the information supplied by Abhijit earlier. The true impact on that, we don't know. And we can't disclose because that's obviously will be seen in Q2 in the April, June figures.

Next question is a good one, is when we'll be back to normal. It's a question that the team has been asking for many months and weeks now. The view of the team is, the business onsite and MPG business, we expect to be back to some sort of normality in June, July of this year. My only caveat on that is that, if there is a third wave then that could have an impact on that prediction.

The next question is about Q1 of this year, marked improvement, as we've already mentioned, but project engineering it seems a little bit slow, Abhijit has gone through this a little bit, but I'll just cover this one after the phase lockdown, impact in business in Q2 and Q3 of last year, both the gases and engineering division saw a strong rebound in Q4, especially PED and then it could book a lot of backlog cost and projects. So, realize profit, against this comparison PED post for Q1 might look a bit lower. However, as the lockdown measures are lifted, that business will go back to normal. So, no issue with that.

The next question is about Q2. Gases and project engineering, given a fresh bout of lockdowns, I said in my speech that this we don't see a significant, impact of these lockdowns. And we won't know the full extent of them till we see the figures coming out in Q2. What we have seen is an unprecedented demand in oxygen. As you've seen, and we have seen that there isn't some impact on projects being delayed for PED.

The next question is about demand, and I've answered this question. And the next question is about Belloxy and again, I've actually mentioned that situation on Belloxy for previous shareholder. The next question is about the JV and again, I've answered that question in the past. The next question is about people, I think an individual mentioned that people costs have changed. So, basically, the pursuit or the formation of the JV most of the people in the gases division of the business resigned and were offered employment contracts in Linde South Asia Services Private Limited. That's the reason for the lower employment costs in Q1, versus that of the previous year.

The next question is about markup. The markup of the cost from the joint venture is allocated back to Linde India and Praxair, based on a benchmark which is used by other



similar companies to bid similar services. The next one is whether there'll be a transfer of business to the JV and there's no transfer of volumes or business to JV. What's industrial segments look promising, and we've gone through that but again, most of the same looks promising at the moment as the government support and as the pandemic obviously gets back to normality.

Another question around the pandemic about the fact that certain areas that are lock downs, and how has that disrupted us, in 2021 COVID did not have any significant impact on production activities at our factories related to supply of gas. Wherever impact we have resuming activities in-line with opening up restrictions.

The next one is around cost movements in tonnage business. And again, I've already answered that in terms of the contracts cover that. The next question is around PED order book, when will it be executed? 2021 to 2022. The major customers who ordered I'm sorry, but I'm not in position to actually share that's confidential information. What is the trend in new orders in 2021, Abhijit has mentioned it earlier that there has been some delays in project. But we expect that to return to normal.

What is the scope to increase EBIT levels from the range of 11 to 13, and again we've mentioned we are looking to improve our margins, we have improved our margins and we're looking at new investments to continue to do so. How much capacity do we currently have? Estimated by this shareholder of 11,176 tonnes per day, we're talking about oxygen, and our oxygen capacity is approximately 9,235 tonnes per day. The next question is around synergies. A massive turn and CAPEX so I'm sorry, your last shareholders on here. So, in the end, most of the questions that you have asked have already been asked.

Next question is around an outlook in 2021 in terms of sales and growth EBIT? Despite the second COVID in lockdown, we maintain I said this in my speech still maintain a positive view for this year, especially if we get back to normality by the middle of this year, I've already said and as long as there is this successful vaccination program, and a very well managed move out of lockdown. And again, along with there's no third phase of COVID. This shareholder gave me a long list of forecasts of all the key financial indicators. I'm unable to be able to make a statement on these at this stage.

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The next one is around effective rate of 25% on tax. Going forward MAT credit utilization is not allowed if someone opts for lower tax rate 25%. Hence, the Company has decided to utilize the brought forward unutilized MAT credit first, once it is exhausted your Company will adopt the lower tax rate, that was clear. The Company started utilizing the MAT credit from 2020.

The next question is around the JV again. So, I've answered that question and I've answered the cost savings that this JV has successfully delivered. And the next question was about headwinds, other than the normal headwinds you would get in the gases industry. And possible phase three, you said the same we don't see anything at this stage that's worth highlighting. The final question from this shareholder was again about Linde and Praxair merger.

So, thank you very much for bearing with me a lot of questions. Hopefully I've answered them as thoroughly as I possibly can. I know many of those questions, I've been asked today by the shareholders on the meeting. So, there should only be a few questions left for Abhijit to answer, so Abhijit over to you.

Abhijit Banerjee:

Thank you, Mr. Chairman. Ladies and gentlemen, dear shareholders, I have a list of responses to the queries given by the shareholders during today's session. Of course, some of them have already been covered in the written questions that we have received earlier, which the Chairman has already clarified just now. So, in the interest of time, I'll skip through those. I hope the rest I have was sequentially based on the questions we've received.

So, question from Mr. Sujan Modak, what are the steps the Company is planning to take if this pandemic situation continues for long? I assume it's with respect to our commitment to supply medical oxygen, the ISO containers that we have brought in from outside on lease basis we are extending this for some time, keeping in mind that there could be a third wave, we are also working on a potential of opening a further railheads in various parts of the country if required, not that there will be operational now but because the planning part of it is going on, including proper road surveys. So, we are not just resting on what we've done and all the teams are constantly looking for avenues of what is to be done in case wave three happens and definitely something which is very much on top of



our program is to complete the vaccination efforts within our setup so that everyone, not just the frontline people, but everyone is covered under vaccination at the earliest.

Next question is from Mr. Manoj Gupta. Similar question around what happens if the pandemic continues, I have answered that. There's also a question about, are there any plans of increasing our liquid oxygen production capabilities keeping in view the potential to say? Yes, definitely we are always on the lookout for expansion as the Chairman has mentioned, with our balance sheet we are definitely evaluating all possible opportunities and we hope that there will be increase in production capacities.

Next question is from Mr. Ashit Kumar Pathak, asking about the update on Belloxy divestment. I have clarified in my presentation the Chairman has also done, subsequent to a very high level basis. Towards the end of last year, the prospective buyer regretted its inability to go ahead with the deal. We went back to the CCI and asked for a consideration of the whole separate arrangement, the CCI has managed to complete the divestment of the plant at the earliest, there has been an offer from JSW for buying all the asset at the end of the gas supply agreement period in November '21 which we have accepted. Our joint venture partner is in discussion so, it is status quo as of now. From a CCI front, they have asked us to keep them updated next month in the beginning, which we will be doing.

There was a question on the order position, that's already been clarified new customers in pipelines. There are several possible customers including in the steel and the oil and refining sector. There was a question which is related, again why was Rs.5 million towards CSR unspent last year. Now what we wanted to do is that CSR from our side would not be an ad hoc measure. It is governed through a structured process and careful supervision of a CSR committee that we run internally, which again takes advice from the CSR committee of the board, which does the final approval of these spends. We had identified some themes which are close to the Company's heart, and we wanted to spend. Unfortunately, because of the COVID related lockdown, some of those projects got a bit delayed. But definitely, I've left the reason why we couldn't spend it but we are on track and see, we have carried forward that amount. We are committed to spending that amount and we are sure CSR is something very close to our heart. And the CSR committee of the board is also constantly monitoring the Company's progress in this front.



Next question is from Mr. Manish Jain. The prospects of hydrogen in India, the Chairman has already clarified, we are continuously evaluating the various opportunities and we will be planning based on how things develop. There was a question on the margin of PED and what is the likely margin Linde India does on projects and carries those for Praxair India. So, we believe it makes a pretty healthy margin, which is at par and in our opinion better than what the industry norm is for the type of business we are in, the projects that PED undertakes for Praxair is done at prevailing market prices on an arm's length basis. They are at the course of ordinary business, so there are no concerns around any preferential pricing and as it has been verified by us, as related party transactions are reviewed by the audit committee then before such an omnibus approval has been granted. And then as a part of added governance all RPTs are certified on a quarterly basis.

What will happen if the resolution for related party transactions with Praxair is not approved? Well, one outcome would of course be that PEDs project business prospects with Praxair would not come to the extent which we would have decided to. So, Praxair of course is independent with sourcing the plans from other potential suppliers also.

Next question, Mr. Kewal Kumar Vohra. What is the asset turnaround ratio and margins for Linde India, as compared to Linde plc. To which the answer is, you have been tracking our performance over the last several years, our performance has been improving. We do evaluate every investment proposal carefully and it is our task to ensure that we do execute those projects to improve the asset turnover and the enhancement of the margin that we expect. Improving of operational efficiency, distribution optimization, fixed cost reduction is intrinsic in the way we look at the operations of our Company.

One of the plants for utilization of surplus cash coming out of Kolkata land sale. For sure, as mentioned by Chairman, we have always been looking out for investment opportunities. There was a specific question for do we have any plans for CAPEX in Kolkata? Yes, definitely. This is definitely one of the opportunities we are looking at.

Next question is from Sarbananda Gattani. Again, the question about utilization of cash from Kolkata lands and I've covered that. Oxygen demand in New Delhi was very high, how did you manage the oxygen crises? So, as I mentioned we had to go far beyond what our normal business commitments are. And because of the surplus capacity we had in the Eastern part of India, we took immediate steps, the moment we realized that there was a



problem we stepped in, discussed with the government authorities, mobilized as much as possible, the Chairman has already mentioned that we added 62 ISO containers which is about 1200 tonnes of tankage. But it's more important with the tankage but needs to factor in the, the transit time by using the Indian Railways is actually a multiplying factor of three to four. So, that 62 ISO containers that we put in is actually equivalent to putting more than 200 tankers on the ground, in the roads of India. Next question was of course the CSR amount unspent; I have covered that.

Next we come to questions from Mr. Bhan from Nippon. What will happen to future technologies and such opportunities which go to which entity? The responses access to newer technologies will be enabled by Linde PLC or our Group companies as required, by its entities across the world. The business allocation protocol has already been defined for both Linde and Praxair India was announced last year, explained in the last AGM, the document is also available in the public domain. Integration benefits till now, expected in '21, the Chairman has already clarified that, we are on track and we expect to be better than 175 crores that was targeted.

What is the margin structure of Linde India, what are the steps taken to achieve industry level margin? Again, as mentioned just now, our operating philosophy is to drive efficiencies, optimizations, cost reductions and we have in our humble opinion progressed a bit on that front, there's more to be done and definitely we are on the job.

How large can be PED business become, what is the profitability of PED business on a higher scale. So, as was mentioned we closed last year with a pretty healthy order book of more than a 1000 crore. The prospects for this year of course, to some extent have got a bit delayed because of the ongoing lockdown related issues. But very frankly, with the upturn in the steel sector and other sectors, there is a substantial potential for PED to grow much more than what we have had seen.

Next question was from Mr. Ashish Rungta. Technology transfer from Linde PLC will go to Linde India or Praxair India. Access to new technologies will be enabled by the parent Company in the PLC or the Group companies as required by the various entities.

Question from Mr. Jaideep Bakshi, what is the CAPEX plan, any plans for investment in healthcare sector? Definitely as the Chairman mentioned, the CAPEX spent in 2021 is expected to be more than 2020 with the way the economy's opened up, healthcare sector



definitely it is something which is very close to us. We are one of the bigger players in this sector and we will be investing. P&L impact of COVID that has been clarified by the Chairman.

What is the carbon footprint impact of Linde India operation? Over here we would just like to mention that globally, you would be aware that Linde Group has taken on board a very strong target towards reduction of its carbon footprint. There is a target of 35% intensity reduction in its greenhouse gas emissions versus EBITDA ratio. And we believe that in India, we would be in a position to contribute more than our fair share towards this. But, however having said that, power, it's been covered by the Chairman earlier, but I am just trying to repeat, we do sometimes face regulatory hurdles in terms of sourcing of renewable power, because some of the geographies which we operate in have some sort of restrictive practices in terms of free sourcing of renewable power. We are constantly tracking these developments so, it goes from a profitability perspective as well as a sustainability perspective, this is something the Company is very keen on pursuing. Question on unspent CSR in 2020 has already been covered.

The question from Shantilal Ramji Gada, who will own the cryogenic container, so it's been clarified that those containers are not owned by us. They have all been leased from companies who own them, from across the world primarily the Pacific region, and the costs towards the air freight and the rental has been borne by our partner companies like Tata Steel, ITC as have already mentioned.

There's a question from Mr. Dinesh Kotecha. Where do we stand with 40% lower revenue in PED, we've already clarified PED is more of a phasing issue and the problems of the lockdown last year and this year, but we don't see any doubt on the PED business. The order books are good, the opportunity pipeline is also pretty good. There was a question on who took care of the cost incurred in this buyback process. So, this was actually a process that was initiated, controlled and coordinated by the Linde Group. The Company had no role to play in it. So, all the cost towards this was borne by the Linde Group and not by Linde India. Also, the funds lying in the investor education and protection fund. So, we have about 2090 shareholders, their shares are lying in the investor education and protection fund. This could be a dividend and shares both.

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More important dividends also for these shareholders not just a shares per se. Last, I have in my list is some questions from Mr. Santosh Saraf. There is a question, why was the reduction and employment in 2020 by 70. So, that's part of the synergy program that was passed by us coming out of the global merger. Any plan for buyback of shares for minority shareholders, unfortunately that is for the promoters to decide. Mr. Saraf you raised a point about discrimination against single or say individual shareholders, we would like to assure you the Company has no intentions of discriminating against anyone. You have been our valued shareholder for several years, there's been no such intention, we will give every shareholder who's keen to join us in this AGM we will give them equal opportunity, which we believe we gave. I can assure you there is absolutely no intention of any discrimination.

With this, all the queries to the best of my knowledge have been addressed between this and what the Chairman had. So, Mr. Chairman, over to you sir.

Rob J Hughes:

Okay. Thank you Abhijit. And thank you to all the shareholders for either sending their questions or raising their questions today. A wide range of questions, and hopefully we've done our best in tried to reply to them. Thank you again, for your obviously great interest in this Company. So, thanks Abhijit.

With the completion of the Q&A session, we now come to the voting. Which is the last part of the proceedings. Members may note that the voting on the NSDL platform will continue to be available for the next 30 minutes. Therefore, eligible members who have not cast their vote yet are requested to do so. The Board of Directors have appointed Mr. S. M. Gupta practicing Company Secretary, whom failing Mr. P Sarawagi as the scrutinizer, to scrutinize e-voting process for the 85th annual general meeting in a fair and transparent manner and submit a report to the Chairman or a person authorized by him in this regard. I hereby authorize Mr. Abhijit Banerjee, Managing Director, Mr. Pawan Marda, Company Secretary to receive the scrutinizer's report, and declare the results of the voting and place the results on the website of the Company, Stock Exchange, and NSDL.

The resolutions as set forth in the notice shall be deemed to be passed today, subject to receipt of requisite number of votes. I'm pleased to say we have had between 65 and 70 shareholders participate in the meeting today. So, again, thank you very much for your time. We are grateful to all our shareholders for attending the meeting, and hereby



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declare the proceedings of this 85th AGM as closed. Thank you very much, ladies and gentlemen, and look forward to seeing you in the next year. Thank you.

Moderator: Thank you. The E-voting window is now open for 30 minutes.
