

Linde India Limited
Recorded Transcript of the 86th Annual General Meeting
held through VC/OAVM on 23 June 2022 at 10:00 A.M.

Making our world
more productive



PRESENT:

BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

MR. ROBERT J. HUGHES – NON-EXECUTIVE CHAIRMAN

MR. JYOTIN MEHTA – INDEPENDENT DIRECTOR, CHAIRMAN - AUDIT COMMITTEE

MR. ARUN BALAKRISHNAN – INDEPENDENT DIRECTOR, CHAIRMAN - NOMINATION & REMUNERATION
COMMITTEE, STAKEHOLDERS' RELATIONSHIP COMMITTEE & RISK MANAGEMENT COMMITTEE

DR. SHALINI SARIN – INDEPENDENT DIRECTOR, CHAIRPERSON - CSR COMMITTEE

MS. MANNU SANGANERIA – NON-EXECUTIVE DIRECTOR

MR. ABHIJIT BANERJEE – MANAGING DIRECTOR

MR. PAWAN MARDIA – DIRECTOR - CORPORATE AFFAIRS & COMPANY SECRETARY

AUDITORS & SCRUTINIZERS

MR. ABHIJIT BANDYOPADHYAY, PARTNER, DELOITTE HASKINS & SELLS LLP, STATUTORY AUDITORS

MR. S. M. GUPTA, PROPRIETOR, S.M. GUPTA & CO., SCRUTINIZER

MR. P. K. SARAWAGI, PROPRIETOR, P. SARAWAGI & ASSOCIATES, SECRETARIAL AUDITORS &
ALTERNATE SCRUTINIZER



Robert J. Hughes: Good morning, ladies and gentlemen. It is now 10:00 a.m. On behalf of myself, on behalf of the Board of Directors of the Company, I am pleased to welcome you to this 86th Annual General Meeting of your Company.

As you are aware that the COVID-19 related localized restrictions, and the need for COVID appropriate behavior still recommended that we take precautionary measures. As a result, this is another AGM of your Company which is being held through video conference and other audio/video means, in compliance with the circulars issued by the Ministry of Corporate Affairs, the Government of India and Securities and Exchange Board of India. Needless to say, I am somewhat disappointed for missing yet another opportunity to be with you in-person today.

Today I am joining the meeting from Linde India offices at Oxygen House in Kolkata. I have been informed that the requisite quorum is present and therefore I call this meeting to order.

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

Let me now introduce my colleagues on the Board who are also participating in this meeting by video conference and are appearing on your screens along with the Key Managerial Personnel of your Company.

First, Mr. Jyotin Mehta – Independent Director, participating from Oxygen House, Kolkata, Mr. Mehta is the Chairman of the Audit Committee of the Board.

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

Dr. Shalini Sarin – Independent Director participating from overseas. She is the Chairperson of the CSR Committee of the Board.



Ms. Mannu Sanganeria – Non-Executive Director participating from Singapore. Mannu joined the Board as an Additional Director on the 29th July, 2021. And this is her first AGM of Linde India, so welcome, Mannu.

I have Abhijit Banerjee, next to me, Managing Director, and Mr. Pawan Marda – Director of Corporate Affairs and Company Secretary. The three of us are participating from Oxygen House in Kolkata.

The members may Notice that Mr. Anupam Saraf, the CFO of the Company has left in May 2022, to pursue opportunities outside of Linde.

I am pleased to acknowledge the participation of the Statutory Auditors, the Secretarial Auditors and the Scrutinizer who are also participating from Kolkata.

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

Pawan Marda:

Good morning, everyone. As mentioned by the Chairman, this AGM is being held through VC in compliance with the circulars issued by the Ministry of Corporate Affairs and SEBI. The Company has enabled the members to participate at the 86th AGM through video conference facility which is provided by NSDL in compliance with the applicable circulars issued by the regulators. The proceedings of the AGM are also being webcast live for all the members.

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, 2013 and the SEBI listing regulations. The remote e-voting period commenced on Monday, 20th June, 2022 at 9 a.m. and ended on Wednesday, 22nd June, 2022 at 5 p.m.

The members joining the meeting through video conferencing who have not already cast their vote by means of remote e-voting, may cast their vote during the AGM through the e-voting facility provided by NSDL. Members may please reach out to NSDL helpline numbers in case they need any assistance.



The Company has received one representation at par vote from the BOC Group Limited, the holding Company under Section 113 of the Companies Act, in respect of the 75% share capital held by the BOC Group Limited, U.K.

The Register of Directors and Key Managerial Personnel and the Register of Contracts for arrangements have been made available electronically for inspection by the members on the NSDL platform during the AGM.

In terms of the MCA circulars, since the AGM is being held by way of video conferencing, the provisions for the appointment of proxies and register of proxies are not applicable. Members are requested to refer to the information provided in the AGM Notice. Some Shareholders who have sent their questions in advance as per Note 20 of the AGM Notice, and those questions will be answered by the Chairman during the AGM.

The Company has received request from some members to register themselves as speakers at the meeting. Accordingly, the floor will be opened for those members for questions or express their views during the AGM. The moderator will facilitate this 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.

Robert J. Hughes:

I hope the members all appreciate that the Company has taken all the necessary efforts to enable them to participate and vote at this meeting.

So, let me begin with a brief overview of the economic scenario we are facing today. The past two years as you all know have been difficult globally due to challenges posed by COVID-19. One of the major economies China had to very recently enforce fresh lockdown of about two months to contain further spread of the virus. I am pleased to say that COVID-19 infections have shown signs of easing. But India is currently going through a fourth COVID wave. And let's hope the impact is minimum.



Besides this, economies across the world have been seriously impacted due to rising crude and commodity prices and supply chain disruptions arising from ongoing conflict between Russia and Ukraine that started in late February 2022, and other geopolitical upheavals in several parts of the world.

The U.S. economy is facing high inflationary trends, which lead to the U.S. Fed Reserve, to increase the recently raised interest rates by 0.5% to 0.75%. And the Fed has signaled further increases to combat the threat of high inflation. This is the largest interest rate increase by the Fed since 1994.

The Central Banks of other global economies including India are also implementing similar measures, which are likely to adversely impact business sentiment, at least in the short term.

The current economic outlook does not look very encouraging. However, you may be pleased that India continues to remain the fastest growing major economy in the world. However, the rising inflation and slowing momentum have resulted in Moody cutting India's growth rate to 8.8% for till 2022 from 9.1% projected in March of 2022.

Let me now reflect on the financial performance of Linde India for the year 2021, during which your Company achieved 44% higher revenues from operations amounting to Rs. 21,120 million as against Rs. 14,711 million in 2020, an excellent performance.

The Gases revenues were up 38% and the revenue from PED rose by 66% over the 2020 year. This rebound was triggered amongst others by your company's resilient business model and market leadership across all businesses, in a year that bore the brunt of COVID-19 in the first half. The gases revenues during H1 of 2021 were mainly driven by medical oxygen sales and in the second half of the year a strong demand from industrial gases including helium and special gases.

The Project Engineering business also performed very well on the back of good execution of projects, in the oil & gas sectors, and the steel sector.



The operating profit of the Company for the year 2021 at Rs. 6,013 million was significantly higher against Rs. 4,075 million achieved during 2020.

Profit After Tax for the year 2021 was at Rs. 5,139 million, inclusive of exceptional profit of Rs. 2,944 million from the sale of closed factory land in Kolkata.

The Board has therefore recommended a dividend of 135% of the equity shares for your approval, which includes a special dividend of 100% from the exceptional profit, arising from the sale of the factory land at Kolkata. You will appreciate the need to conserve some resources, so that company can execute on its growth strategy going forward.

Your Company is focusing on improving the underlying performance of the business. Some of the initiatives underway are in the areas of sustainability, digitization and improving productivity in various areas of operation.

The Annual Report of this year has an increased focus on sustainability and the Company will continue to maintain this high level of oversight in this very important area.

You must have also seen the financial results of your Company for the 1st Quarter of the current financial year 2022. The Company earned revenues from operations of Rs. 5,343 million during Q1 of 2022 as compared to Rs. 4,414 million during the same quarter in 2021. However, on a sequential basis, the total revenues have showed a decline from Rs. 6,441 million clocked in Q4 of 2021. This decline is marginal in the gases business and it's due to lower liquid oxygen demand from onsite customers as well as liquid medical oxygen, which has now stabilized around pre-COVID levels.

The majority of decline in revenue during Q1 of 2022 is reflected in PED revenues, it's considered to be a phasing issue in the Project Engineering business.



As you are aware, the steel sector continues to create new opportunities for the gases business by setting up new steel capacities by the steel majors, which would drive the long term prospects of the gases business.

Healthcare will continue to drive the volumes of medical gases on the back of a consistent rise in the public expenditure in this area. The Prime Minister's Health Infrastructure Mission announced by the Government of India is expected to boost the Healthcare business in the years to come.

The Company is also optimistic of capturing growth from the manufacturing and fabrication and chemical and user segments amongst others.

The application technology in the gases business offers enormous opportunity for growth in such areas as food, beverage, spice grinding paper, cement, decarburization, and fuel savings in gas and waste management treatment.

As at the 31st of March 2022, the Project Engineering business had a strong order book of over Rs. 14,000 million. And we see strong customer demand in this segment.

The present higher commodity and crude prices will pose some degree of pressure on the margins in the short term, short to medium term.

The government's aim on building new infrastructure in the country is also another positive for our growth going forward. As and when the concerns on inflation, the higher commodity prices, supply chain disruptions settle and a clearer picture emerges. I believe, we will see great opportunities in growth in the years to come. I am therefore cautiously optimistic of the future.

Your company continues to have a strong balance sheet and is implementing its growth programs, which include building three air separation units, a 250 tonnes per day merchant plant at Dahej, 264 tonnes per day merchant plant at Ludhiana and a 900 tonnes per day plant at ESL Bokaro Steel Works, which are all expected to be commissioned in 2023, and will help your Company sustain its market leadership position.



Your Company has also invested in CAPEX for sourcing of renewable energy, solar or wind on a long term basis for some of its merchant ASUs. This would not only improve the carbon footprint, but also result in lower cost of power at our merchant plants. All these initiatives are expected to improve the profitability of your Company in the years ahead.

Finally, I would love to extend my sincere appreciation of the wise counsel of my fellow Board members, which enrich the function of the Board. I also wholeheartedly thank the Management team, and the employees of the Company at all levels for their commitment in these very challenging times and producing such an excellent performance.

I am also grateful to the support that we continue to get from our customers, business partners, suppliers and various government authorities in sustaining our operations so well.

Before I conclude, my most sincere thanks to you, our Shareholders for your unwavering support and encouragement, which will continue to drive us to improve our performance in the year ahead. Stay safe and take care. Thank you.

I would now like to invite Mr. Abhijit Banerjee, your Managing Director to make a brief presentation about the performance and various other initiatives of the Company during the year 2021, and a brief update on the business scenarios and outlook for the Company at present.

Abhijit Banerjee:

Good morning, dear Shareholders it's an honor for me to give a presentation at the 86th Annual General Meeting. This is a trend that we started three years back. The idea is to give you an overview of what the Company is, how it has performed and what are we planning for the future.

I will be covering as I said, business briefing, a very high-level update on the financial performance, and what are the key priorities of this Company going forward.



This is something which I had covered in the previous couple of Annual General Meetings also, but for the benefit of the newer Shareholders a very brief introduction to the Linde PLC, the promoter of this Company. Linde Plc was formed about four years back with the business combination of Linde AG and Praxair, two companies who had a shared history of more than 140 years. Linde Plc is by far the world's largest industrial gases and engineering company operating in more than a 100 countries with 74,000 employees. Takes pride itself on its technological superiority. It has hundreds of patents worldwide. Last year, it clocked in sales of \$31 billion, which is roughly around two lakh crore rupees, as well a market cap of \$170 billion, one of the largest companies in its segment.

In India, Linde Plc has been operating, it has three, four entities through which its operating. It has setup more than 100 cryogenic air separation plants and nitrogen plants over the last 20 years. The world's largest air separation plants were built by Linde Plc in India at Jamnagar, more than 20 air separation units on BOO basis operating in India. There are engineering centers at Baroda, Kolkata and Bangalore with more than 1500 highly skilled professionals. And overall, it is the preferred partner for industrial gas solutions for all the major steel companies as well as companies in the refining segment.

Linde India Limited sort of mirrors the overall business verticals or segments of Linde Plc. We have the onsite segment where we have long term agreements with customers like steel industry or the mechanical segment. It's very highly capital-intensive segment and we have long term contracts, 15 years, 20 year contracts where we setup plants on build own operate basis.

We have the Bulk segment for supplying Liquid Oxygen, Liquid Nitrogen, Liquid Argon to more than 1000 customers. It is supported by a very strong delivery team and a customer services team.

On the Packaged Gas segment, we have the industrial products where we supply more than 2 million cubic meters of compressed gases across, with more than 150,000 cylinders in circulation, we have a footprint across India. We have



a niche segment what we call the Special Gases and Chemicals Product which supplies rare gases, calibration gases, electronic gases. We are the undoubted leader in the segment. And it's definitely one of the most profitable segments that we have.

Your company's Healthcare segment is by far the country's largest healthcare let's say suppliers in terms of medical oxygen. We also have other products for the healthcare. More than 200 tonnes of liquid medical oxygen is directly delivered by us to hospitals across the country.

And then last but not least, we have the Project Engineering division which is definitely the market leader in India in setting up plants. They set up plants both for Linde as well as for customers who want to own and operate their own plants. Major customers include in the steel segment, Steel Authority of India, Tata Steel, JSW, NMDC, RINL. In the oil & gas segment, IOCL HPCL, BPCL, ONGC, GAIL, the whole gamut of everyone is actually a customer for us and for our Project Engineering division.

This is a high level executive summary of 2021, first of all safety, very happy to inform dear Shareholders that your Company's incident rates that we measure, the total recordable incidents, the commercial vehicle incidents are lower than last year. We have a very strong focus on reporting and closing out near misses and Tier-3 Process Safety violations. More than 3000 such cases were dealt with last year. These all just go to help ensure that we don't have any major safety related issues. We had a strong focus on vaccination and reinforcement of COVID-19 guidelines.

Your company has got hundreds of tankers and trucks on the road, traveling millions of kilometers across roads, highways, country roads of India, getting the products to the customers. We ensure that we use the best possible technologies for improving the transport safety, which includes having driver simulation machines. We have mobile display video recording in all our vehicles. And we operate a state-of-the-art transport operating center right here in our head office in Kolkata where every aspect, every movement is



tracked, not just from a GPS perspective, but also the driver's behavior, his arriving patterns are being monitored 24/7 to ensure that we do our business safely.

On the revenue side, as the Chairman mentioned, last year was as compared to the previous year, we had a 44% increase in our top-line supported both from the gases segment of 38% and PED was about 66%. The gases growth, I will come to that a bit later was, the increase was supported to a large extent by the huge demand of medical oxygen that we saw in the country, especially in what we call Wave-II which happened in calendar Quarter 2, last year.

As a result, we have a robust cash flow of more than Rs. 600 crores from operations and on top of that we did the land sale at Kolkata last year. So, we closed last year's books with cash balance of more than around a Rs. 1,000 crores.

On PED as I mentioned earlier, Chairman has also mentioned 66% growth over last year. A very healthy order book which was at Rs. 11,000 million INR in December '21, Rs. 14,000 million INR in March '22, actually has gone up even further over the last two three months. And we are sitting on a substantially promising business segment over there.

Last year's performance of the company, the sales volumes were guided to a large extent by the way the pandemic sort of went through various phases over the year. But if I take Q4 2020, which was the last quarter of the previous year as a base of 100%, this graph shows how the volumes moved over the next four quarters for the full calendar year.

Q1 '21 the line on red is our onsite volumes, which is the pipeline gas supply that we do to the onsite customers. And the blue line is the total MPG volume as we say, which is merchant and packaged gases which has various segments including liquid oxygen, liquid nitrogen, liquid argon, medical oxygen, compressed medical oxygen and the argon family. So, as you see in Q1 '21, definitely that we had about 8% growth, which is sort of regular for this



business, because Q1 happens to be the last quarter of most of our customers and there is a substantial increase in the demand.

Q2 was when Wave-II happened, there was a slight dip in the onsite volumes going down to 106% from 108%. But there was a substantial increase, if you see in the liquid oxygen volumes, both which we sold directly to our customers in the Healthcare segment our contracted customers it showed a 170% increase, as well as the medical oxygen that we sold to other, let's say non-contracted customers.

Now these values that you see over there are based on quarterly average. So, the variations that we actually saw in Q2 have got of sort of straight lined. In reality, what happened was our total oxygen that we sold for the medical business, went up on certain weeks by as much as eight to 10 times over our normal average. On the other side because of government restrictions, our other sales for example our liquid nitrogen and liquid argon came down to less than 50% on those weeks for that period. But overall, if you see liquid nitrogen went down to 71%, liquid argon was around 98% and as I said, a steep jump in the oxygen volumes.

Q3 and Q4 showed that industrial volumes started picking up again with growth in liquid nitrogen, liquid oxygen, and a commensurate dip in the medical oxygen volumes.

That was just to give you an idea how it was a sort of a rollercoaster journey that we had last year. And we are happy to say that overall, on the average if you see, we did show substantial increase in our gases volumes.

These were just some thoughts about the macro economy and outlook. As the Chairman mentioned, there have been some predictions that the GDP forecasts will be pulled down. The government's target to reach to be a USD \$5 trillion economy by 2025 is expecting push backs. However, the self-reliance stimulus has been panting up the industrial activity as with increased the amount of vaccinations, the economy opening up, some of the segments to which we



cater to like the automotive, white goods, specialty steel, pharma, etc. are improving.

Healthcare spends have gone up and there is further let's say lot of promise in terms of increased public health spending. And infrastructure also has been promised, and we see definitely movements. And we also see a significant movement in the photovoltaic solar manufacturing in India.

So, what does it all mean for Linde in India? Notwithstanding what we are seeing for the last two, three months because of geopolitical situations including the lockdowns that were there in Shanghai, which affected the global business we still see the industrial gases market growing at around 9% year-on-year. There has been consolidation as well as expansion in the steel industry. Companies like SAIL, Tata Steel, Vedanta Group are investing which is of course leading to prospects for us. I mean, we as you know, some months back we have already signed a long term deal with the Vedanta Group for their Bokaro plant. We have opportunities in other steel industries also.

The Auto industry is expected to pickup from this year onwards. We are actually seeing an improvement. We are going back to say the pre-COVID volumes as we speak right now. And we expect a strong demand in our offerings for the automotive sector in terms of argon and special gases to those.

Healthcare definitely is continuing to be a focus point for us and we are looking at growth prospects over there. And in our special SPC products like ammonia, saline, nitrous oxide, which are required for PV solar manufacturing, we do expect significant growth in the Company's business volumes.

On the financial performance, you have gone through our Annual Report, the Chairman has already given some highlights of it so I won't take too much of time on this.

Just like to highlight 44% year-on-year growth on the top-line, 85% year-on-year growth on PBT without exceptional items, and 96% year-on-year growth on EPS excluding exceptional items.



This is a drilldown between the two divisions that we have the Gases and the PED division. I mean we have already talked about these numbers, 45% growth overall, 38% coming from the Gases side, 66% coming from PED. Overall an EBITDA level 48% growth year-on-year out of which substantial growth came out from the gases segment. And we actually have overall EBITDA margin of 28.5% for the Company which has shown an increasing trend over the years and augers very well for your Company's future.

Just to take you through the highlights of Q1 this year, the Chairman has already mentioned. So, again, on the balance sheet just wanted to highlight as I mentioned earlier, almost Rs. 1,000 crores of cash that we are having, which gives us a unique position to invest in the growth journey of the Company.

Now coming back to Q1, 2022 high level numbers, a 20% growth in the top-line, 9% growth in PBT, but sequentially definitely there has been a dip of almost Rs. 110 crores in the top-line and about Rs. 25 crores odd, in the bottom-line as compared to Q4 '21. As mentioned, it's primarily coming out of a significant fall in the PED sales volumes that we recorded in Q1 '22 as against Q4 '21 along with the profit margin that comes with it. But then as I mentioned, as Chairman also mentioned, PED is setting up a huge order backlog so there is absolutely no concern, this was just a phasing issue, so no concern from that perspective.

Yes, liquid oxygen volumes have dropped in Q4 '21 to Q1 '22. As of now, we are let's say the medical oxygen that we are selling is seems to have stabilized. We are definitely higher than pre-COVID levels because of the huge goodwill that we got from the nation as well as which we were able to convert into more opportunities. But now the liquid medical oxygen volumes seem to stabilize, we are of course praying that there won't be another future wave which will call for such additional volumes of oxygen.

Industrial segment has improved sequentially between Q4 '21 and Q1 '22. And we should be doing pretty okay this year.



So, what are our key priorities and what are we looking at going forward. This is something which I had shared with the Shareholders in the AGM last time. So, if you look at our business verticals or segments as we call it and try to split it up first, if we say the large related businesses where we setup plant either for ourselves on the onsite route or for customers of PED. That segment is basically the target market segments are metallurgy, chemistry, glass and paper. The Bulk, the liquid supplies again, the target market is the primary metals, chemistry including pharma, automotives, food & beverages. And then the packaged gas business strong focus on healthcare, manufacturing and electronics. The segment includes IP, Industrial Products Healthcare as well as the special gases.

So, what are we doing in these various segments, first of all, is optimizing the pace. For the onsite portion specifically, we are looking at low cost and more efficient power sourcing to improve our bottomline. And of course, leverage on the capabilities of PED for enhanced insourcing for all our projects, whether it be our own projects or third party projects..

On the Bulk part of it is focusing on pricing and margin, ensuring our contract implementation, execution, improving the density and reducing the fixed costs. On the packaged gas we have a campaign to increase the segment of what we call the MBC or the Mini or Micro Bulk Containers, where we supply packaged gases, liquid gases in cryogenic containers to the customers. Focus on high value products like argon and nitrogen and of course further improve our delivery efficiency.

The growth part of it for the onsite and PED segments will be coming based on the competitive technologies we have which will help us win a larger share of new projects. As mentioned, we have signed earlier this year in February, a large onsite contract. There are some more very exciting developments and we hope that we will be able to make appropriate announcements going forward. We are also looking at developing pipeline clusters there again some very exciting opportunities that we have and we are working on them.



On the Bulk segment, it is expanding the footprint that we have in strategic locations, and also supported by liquid oxygen, liquid nitrogen loading through our AGS technologies. So, as part of that, you are aware the Company is investing in two merchant plants one at Dahej in Gujarat, another one at Ludhiana in Punjab. We are looking at other opportunities also going forward. M&A is something that we are looking at, we are evaluating various options and definite as and when something comes up we will be informing you.

On the Healthcare segment, it is again as I mentioned, venturing in differentiated offering through the Microbulk or mini bulk containers. Our helium warm magnet filling is a very exciting project that we have started for the MRI machines. We are also looking at M&A opportunities, as you are aware, last year we took over the business of air entity in Baroda, Gujarat HPS. I am happy to inform the Shareholders, the integration of that went of very smoothly and it is showing the results that we had expected.

We have been talking about applications technologies on various programs, the Chairman had also mentioned on that and there have been some question from the Shareholders. So, I thought this would be an appropriate forum to just give you a very high-level view of what it is all about. Unfortunately, the time available would not be sufficient for me to go through each and every one of the details but what do we do with applications technology. This is how basically we are able to touch and influence various industry segments in ensuring that we are able to give them solutions for higher productivity, higher efficiency, enhanced production capabilities, helping them tackle environmental issues, helping them address quality related issues all through the gases that we manufacture and helping them with the special applications that the Linde Group has developed over the last 100 years of its business across the world.

The segments that we are very actively participating and are helping are Food & Beverage, the Oil refining tech band, metals, pharma and specialty chemicals, environmental treatment plants, electronics, and these are done with all our specialized gases like I mean nitrogen, oxygen, spec gases, argon, helium,



ozone. We have a full-figure applications team supported by our global experts and we are happy to inform you that a substantial chunk of the growth that we see in our MPC business comes at the back of these robust applications technologies that we have and which we are offering to our customers, existing customers as well as prospective customers in the country.

Some more application technologies, the segments that we do, apart from what I have mentioned earlier Healthcare, additive manufacturing which is coming on in a big way in India, plastic & rubber, glass, pulp & paper, aquaculture. So, with the technology we have, we are able to sort of cater to these segments which basically covers a very wide industry segment that we are –

You would have noted from this year's Annual Report that ESG is something that we would always been looking at, we have been constantly have but now we have decided that in line with statutory requirements, we will also be including the reporting of it.

So, what are we doing on this, the sustainability journey, one is of course waste Management, zero waste water, ensuring rain water harvesting, ensuring of handling of all the waste that are created from our business, be it be plastics or the tyres that are sort of being replaced from the hundreds of tankers and trucks that we have.

GHG emission reduction is something which is we are working on. The Chairman earlier mentioned we are going ahead with procurement of renewable energy for wherever it possible for us to source the power. Reducing the emission intensity at various operating sites, including as also our distribution fleet is something we are working on.

Productivity is one of the major let's say backbones of the Linde PLC across the globe where we continuously strive to improve our operations. And we have set ourselves a KPI that eco-friendly productivity should be at least 25% of the total productivity measures that we look at. These includes reduction in power



consumption, reduction of fossil fuels in our distribution process, setting up solar power panels, have extensive use of digital tools.

On the CSR front, we pride ourselves on our CSR work that we do. We have two flagship programs that we support. One is on driver training for safe driving, and other is on healthcare for reducing C-sections. So, those are the two major flagship programs that we are supporting. Apart from that, we actively look at supporting the communities where we work and operate. Impact assessment of our CSR activities are something we are really looking at to ensure that what we do delivers and sort of all the promises that we have. And I just also wanted to mention that we have formed a Linde Foundation. So, all our community engagement activities would be routed through the Linde Foundation.

The people agenda which is owned by the HR team, diversity and inclusion is very close to the heart of Linde PLC, which has set very strong targets for itself. And we are working on it. We are identifying diversity only roles, diversity recruitment through campus has been substantially increased, as well as encouraging the existing talent that we have within our Company to prepare them for leadership roles is also we are working on.

On a general level, talent development and optimization is key thing that our HR team has been entrusted with, which includes succession planning, learning interventions, job enrichment and job enhancements, improving the productivity through time and motion studies, leveraging artificial intelligence, having employee friendly policies, and the last but not the least having Employee Resource Groups to help people for personal development as well as bonding.

Finally, I would like to inform the Shareholders that we have a very strong digitalization focus. And it is our intent to ensure that this focus that just every aspect of our operations in this Company which includes people excellence, HR work processes, digital skills, training, learning, employee engagement platforms, those are very strong focus, which comes with commensurate rewards in looking at cost efficiencies having digital supply chains. We have



developed several programs for network optimization and a substantial chunk of the enhanced profitability that you see in our Company is coming from these digital tools that we have put in place. We have developed and put in place ourselves. Robotic processes, bots, digital work processes, having a digital platform for financial services, all these are partly done, partly work in progress.

A substantial chunk of our sales process is again driven by distance processes, where the lead generation, quotations, contracting, price management, all are done through digital platforms, which includes I mean we have tools for ensuring the cost allocation is done and revenue management, revenue as well as variable margin, visibility and analysis is done. And we run a host of analytics on these to ensure that we are able to maximize the profitability of the Company.

Customer experience is something that your Company has been working very closely on for several years. Our annual report has also covered part of it. And I am happy to inform you that one of the being digitalization programs that we have taken on board is for ensuring a seamless experience for our customers by means of some tools that we have developed and are going to rollout within some months

And of course, asset effectiveness, safety and reliability is another factor that we are looking at and have put in various digital tools, including of course remote operations control for some of the onsite installation that we have in India.

So, that ladies and gentlemen, it's an overview that I want to share with you This is it. Thank you very much. Thank you, Mr. Chairman.

Robert J. Hughes:

I hope the Shareholders found that informative and interesting. And we would like to showcase a little bit more about the Company and that was an excellent presentation, giving you some background on what sort of key things are happening within the organization.

We will now take up the agenda items as per the Notice of the AGM:



As the Notice has already been circulated to all the members, with your permission, I take Notice of the meeting as read.

As there are no qualifications or observations or comments in the independent audit report both standalone and consolidated and in the secretarial audit report may I take the independent audit report and secretary audit report as read.

As per the Secretarial Standards, I will request Mr. Pawan Marda, Director of Corporate Affairs and Company Secretary of the Company to briefly explain the background of all the seven resolutions proposed to be passed at this AGM for the benefit of the members present.

Pawan Marda:

So, ladies and gentlemen I will briefly talk through the items which are placed before this meeting which comprise of the Ordinary Resolutions and the Special Resolutions.

So, there are four items of Ordinary Business:

1) The first one is adoption of audited financial statements, standalone and consolidated for the year 2021, together with the Reports of the Board of Directors and the Auditors thereon.

2) The second item deals with declaration of dividend for the year 2021.

3) The third one is about reappointment of Mr. Robert John Hughes our Chairman who is retiring by rotation.

4) The next one is appointment of M/s Price Waterhouse & Co. Chartered Accountants LLP as the statutory auditors for a term of five years. The members may note that the earlier statutory auditors Deloitte, Haskins & Sells, they retire at the conclusion of the AGM, this AGM after the after we will complete their five year term.

Special Business includes three items. Two of them are ordinary resolutions and one is the special resolution.



1) The first item on the special business is appointment of Ms. Mannu Sanganeria as a Director who is proposed to be appointed as a Director retiring by rotation.

2) Second one is reappointment of Mr. Abhijit Banerjee as Managing Director. Mr. Abhijit Banerjee is being appointed as the MD for a second term of three years. You all know Mr. Banerjee.

3) The third one is the ratification of remuneration payable to M/s. Mani & Co. as the Cost Auditors. You are aware the Board had recommended and fixed a remuneration of Rs. 210,000 as fees payable to the Cost Auditors for conducting the Cost Audit for the financial year 2022. In terms of the provisions of Section 148 of the Companies Act, remuneration payable to the Cost Auditors is required to be ratified by the members hence the resolution is recommended for your approval. The text of the resolutions along with the explanatory statement are provided in the Notice which has been circulated to the members, which I am sure you must have gone through.

I now hand over back to the Chairman to continue with the proceedings.

Robert J. Hughes:

I now invite the Shareholders who have registered themselves as speakers to ask questions pertaining to any item on Notice at the AGM. Members are requested to keep their questions brief and specific. In the interest of time, I will appreciate if the individual members can use maximum time of up to five minutes for their questions.

The Moderator 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 and their folio number or DPID and Client ID before asking their question and the location from which they are participating.

I would like to thank many of the members who have sent questions in advance as per note 20 of the AGM Notice. I note also that many of these members are also requested as speakers today. In the interest of time, rather than read out



all their questions, again, if they could summarize or if there are additional ones I can take them, but I have all the questions and so that there is no need for you to read them all in this AGM. And as I have in previous years, I will answer all those questions in as much detail as I possibly can, giving me more time because you put them in advance.

Also, there will be questions that are raised during this meeting we will reply to them, either myself or by the Managing Director at the end.

May I now please request the Moderator to give general instructions to the speaker Shareholders who are present and who wish to ask questions, seek clarification, one by one.

Moderator: Thank you. We will now begin the Question and Answer session. The first question is from the line of Bimal Krishna Sarkar. We request you to unmute your audio and video and please proceed with your question.

Bimal Krishna Sarkar: I Bimal Krishna Sarkar, from Kolkata. Respected Chairman and other dignitaries, Company Secretary and Shareholders present at the AGM. At first, I thanks to Chairman Robert J. Hughes and Managing Director – Abhijit Banerjee for nice and valuable presentation. regarding Company affairs and performances. Thanks to the Secretary Department for sending AGM Notice and annualized report well in advance. Thanks to Company Secretary Pawan Marda for entertaining, keeping good relation with the Shareholders. He is an energetic and efficient, experienced and good manners and dedicated, hard work.

So, private sector are under stress due to the pandemic COVID-19, Ukraine and Russian war. The public sector are deeply impacted. Despite the economical challenges in India, Linde India Limited has been making profit year-after-year. Thanks to the Chairman and your team and employees at the Company for the performance.

Financial cost reduced, very good. General Reserve Fund 2605.74 crores it shows the strong health of our Company. A special dividend of Rs. 10 of equity share 100% in view of the exceptional income earned by the Company from



disposal of closed factory at Kolkata during the, what is the reason for closing the factory at Kolkata?

Thanks to the CSR committee for excellent performance. The committee has spent Rs. 32.58 million against the obligation Rs. 27 million as per Section 135 Para 5, excess amount spent Rs. 5.58 million. Soldiers keep their vigil at country's border day and night, even in 20 to 30 degree Celsius and sacrifice their life to protect the public of the country. My suggestion and request to standby helping the widow and their children of Jawans, who have died in harness at war field through CSR activities. Kindly look after the matter.

I fully support the Annual Report and voted in favor of all the resolution through e-Voting system. No more, god willing, I pray to God, God will keep you Chairman Robert J. Hughes and your Management team, Company Secretary, and employee of the Company and Shareholder present in the VC. Thanks for your patience regarding. Over to you sir. Thank you very much.

Moderator: Thank you. Our next speaker Shareholder is Mr. Manoj Kumar Gupta. May we request that you unmute your audio and video and please proceed with your question.

Manoj Kumar Gupta: Good morning respected Chairman, Board of Directors, fellow Shareholders. My name is Manoj Kumar Gupta I am equity Shareholder of Linde India Limited. First of all, I warm welcome you in Calcutta that after two years you have come to Calcutta to conduct the meeting through VC or physical, but we wish to God for your healthy and prosperous, safe long life. And I always thanks to your MD and his team for take the Company to new heights. And my special thanks to Mr. Marda that who has helped us to run our hospital smoothly in the second phase of COVID-19 during April 2021 to help us to get oxygen for our patients, by anyway. And thanks to Mr. Jyotin Mehta who had a vast experience in every sector who is in our Board.

And I will take your two to three minutes, I thank your secretarial department who has helped us to inspire to attend this meeting through VC. And thanks for



your dividend in your history of Linde you are paying the higher dividends this year.

Oxygen supply try to make some more of medical oxygen plants in the country. Because last year we have seen that how country is facing a lot of problems due to non-availability of oxygen for the sufferer of the victim of COVID 19 during the second phase of COVID.

And it will be our pleasure to meet you sir. Last year you assured us through VC when you were attending the meeting from Singapore that when I will be in Calcutta I will meet personally to all the speakers. So, try to get time tomorrow to meet us for five minutes.

And what's your future plans with CAPEX? And Calcutta because Company has started it's corporate journey from Calcutta do not close to your plant in Calcutta. Kolkata is a city of joy, which is called by our Late Chief Minister to Jyoti Basu that this is a city of joy. And Britishers has come to Calcutta, all big multinational companies in early 90s, all big multinational companies, corporate headquarter and registered office was in Calcutta and plants were in Calcutta. So, do not close Calcutta plant Calcutta should be in heart because east is the sunrise and west is the sunset. And bring some more investment in this region to boost the Company in future also.

And how you will reward Shareholder by the way of bonus, because bonus is long due demand. So, try to consider. And I strongly support your all the motions and I believe that next year we will meet physically in the AGM with higher result, higher return and bumper dividend to the Shareholder. Thank you sir.

Moderator: Thank you. We move on to the next speaker Shareholder that is Mr. Mohan Krishna Swami. May we request you to unmute your audio and video and ask your question.

Mohan Krishna Swami: Good morning, and thanks for allowing me to speak. I have sent you all the questions. So, I won't repeat as the Chairman said, but just to summarize, I just wanted to know post our integration with Praxair India Private Limited in March



2020 has there been a change in our bidding approach in tonnage customers, in the sense are we being more selective? And have we raised our threshold return when we bid for these projects, because I can see some of the projects we have let go. So, is there strategic rationale for that?

Second is this Annual Report we have been highlighting certain long-term upsides to our business, particularly in solar module manufacturing, semiconductors, we also mentioned carbon capture in cement. Now can you throw some light on, what could be the potential in each of these segments for us and the magnitude of investments, which we are looking at? And how do we leverage the technologies, which Linde PLC has?

And lastly, you did mention, Linde India is highly focused on ESG and so is your global parent which is highly respected for its ESG commitments. Now, one of the components of ESG is governance. We are following global best practices as far as safety manufacturing in India like we do there. But in terms of governance, I just wish to point out that we still have very high level of related party dealings, because of the structure we are following of integration in India, which is a joint venture.

In March 2020, we had close to 14% of our turnover from all related parties put together in that year. And in '21, it is close to 25%. Now, this is something which is not viewed very positively. In fact, your top two Shareholders in Linde PLC is Black Rock and Vanguard, they hold over 5% and also Capital Group. Now, they all are active in India. And in fact couple of them are already Shareholders in Linde India as well, because of the benchmark reasons.

Now, I wish to point out that this is going to be Noticed, such high level of dealings. So, at some point, you need to correct the structure, which the Shareholders have been pointing out in the past. So, it's a plea that you again, reevaluate this. The regulations in India for related parties are getting more stringent. As we know, from 1st of April, we need prior approval for dealing beyond materiality threshold. So, the Management should be highly aware of



these things, so that our business and the growth potential is not affected due to the statutory reasons.

So, that's mainly my submission and whatever questions I have submitted, I hope you will answer them, thanks.

Robert J. Hughes: Yes, I have got your questions in front of me, I will answer them in full at the end of this session. So, thank you very much for sending them in advance.

Moderator: Thank you. Our next speaker Shareholder is Mr. Asit Kumar Pathak. May we request that you unmute your audio and video and proceed with your question.

Asit Kumar Pathak: Very good morning, respected Chairman, Board of Directors and the CFO, Company Secretary, fellow members joining at 86th AGM of Linde India Limited. My name is Asit Kumar Pathak from Dum Dum, Kolkata.

At first, my esteemed gratitude to Director - Corporate Affairs and Company Secretary Mr. Pawan Marda for sending me the Notice of the 86th AGM and hardcopy of Annual Report very well in advance, also very cooperative to members. From my side, I am very helpful and I am very appreciating Mr. Marda for allowing me to speak at 86th AGM. Also my extreme gratitude to Secretarial Department, NSDL and event management Chorus Call. I have successfully casted by e-Voting for all the resolutions mentioned in the Notice. And most welcome Mrs. Mannu Sanganeria joining as an Additional Director in my Company, as on 29th July 2021. I expect her immense contribution for the welfare of my Company.

The excellent delivery from respected Chairman, RJ Hughes and respected MD Mr. Abhijit Banerjee for present business development, business stability and profitability and strategies and future roadmap. I have noted all the valuable points.

I have some previews which I would like to share. Many thanks to Company's Management team for achieving an excellent financial performance as on 31st December 2021 where revenue for operation 44% growth also EBITDA 6012.51



million, lower finance cost 30.54 million against 62.83 million and also gas revenue also 38% growth. Project Engineering division also 66% growth. And EPS high at Rs. 33.78 against Rs. 17.23. Excellent financial performance. I thank the company's management team for achieving. But in respect to dividend, sir, original we are getting Rs. 3.50 per share and my company is providing special dividend of Rs. 10 per share by earning from disposal of Kolkata factory, considering Rs. 2,944.26 million. Sir, no other reward to members. May we consider bonus share. Mr. Bimal Krishna Sarkar also mentioned because reserve is huge, Rs. 26,057.4 million while equity share capital is Rs. 852.44 million. It is mentioned in the annual report my company entered into business transfer agreement with HPS Gases and CAPEX program also Rs. 275 million. Also, Linde India is presently setting up a 250 tons per day merchant air separation unit at Dahej, CAPEX program Rs. 1,386 million. Also my company is presently setting up 264 tons per day air separation unit at Ludhiana with CAPEX program Rs. 1,521 million. Also my company is presently setting up 900 tons per day onsite air separation unit at ESL Bokaro Steel Works. It's mentioned in the annual report. But sir, why my company sold the Kolkata factory DH Road and the activities transferred to Uluberia, that possible gas production unit. So, West Bengal has only 2 production units, one is Uluberia and one is Khardah, onsite plants. Also it mentioned Rs. 8,872 million parked at bank term deposit. So, my view is any capacity expansion plan in West Bengal other than Uluberia and Khardah because the registered office is at Calcutta and also West Bengal government is taking various initiatives for the industrialization. So, any future plans as Greenfield or Brownfield for capacity expansion. Please throw some highlight about this matter. And at present, we have 33 operational plants. Please throw some highlight on the capacity of utilization of those plants? Next, sir, present status of Belloxy divestment status where CCI on its order dated 1 February 2022 took note of the closure report. If possible throw some highlights. The vital point which I'd like to share, BOC Group holds 75% of share capital of Linde India Limited. Previously offered to minority members with handsome offer for purchase of shares. And the share price also near about Rs. 2,000 - Rs. 3000. And any chance in future Linde India Limited will be delisted from the organized stock exchange because previously Reckitt Benckiser



compulsorily delisted from stock exchange but paid some consideration. But now at present, Dewan Housing, Rohit Ferro, Binani Cement delisted from the stock exchange and no reordering policy of the members where members are totally disappointed by this offer. I noticed in a media report that Linde has no limit for investing in India. Talked about another gas hydrogen where Linde already key products portfolios, oxygen, nitrogen, argon, helium, carbon dioxide, xenon and krypton. The world is betting on hydrogen as the fuel of the future. In the last year budget session, respected Finance Minister mentioned about the long-term budget for hydrogen generation project and Linde has \$2.5 billion hydrogen business and 1,000 miles pipelines and 200 major hydrogen plants in the world. Linde has ability to participate in entire value chain of hydrogen. Hydrogen using is a steam methane reformer and auto thermal reformer. It works was unique and obviously green hydrogen using electrolysis. Linde has stake in ITM Power, one of the leading players on the electrolysis. Linde has industrial application take on the best hydrogen refueling status in the world. Hydrogen is most commonly used in petroleum refining and fertilizer production, can be used in fuel sales to generate electricity or power and heat. India is looking at kickstarting the hydrogen ecosystem development. Respected Petroleum Minister is committed to augment the hydrogen supply chain infra in the country. Hydrogen economy includes pilot project, Blue Hydrogen, HCNG, and Green Hydrogen versus applying within blended hydrogen and CNG. Addressing roundtable Hydrogen economy, New Delhi Dialogue 2021, throw some highlights and CAPEX program of my company in India on account of hydrogen gas production, either Brownfield or Greenfield exploration, if possible throw some highlights. In 10 years financial data, it mentioned number of employees gradually came down from 2019 and 2021. As of 31 December 2021, number of employee is only 242 and investment Rs. 20.7 million in financial year 2021. Export also came down to Rs. 190.4 million against Rs. 498 million. Fixed assets also dropped. Sir, in future strategies and roadmap and CAPEX program, especially in India, a growing economy you also mentioned and also India is 144 crore people in population and good in business with medical oxygen, industrial oxygen. Very industrialization is happening, many startups are coming and FDI investment also is growing. So, I



think that major business can be done in India by the management of my company. Sir, finally, I think I noticed that inventories also had their previous year. And regarding cost controlling, your support service cost is very higher, Rs. 1308.88 million against Rs. 512.15 million and technical support fees also near about double than previous year. And sir, as on 31 December '21, I mentioned the matter excise duty and service tax involving demand, Rs. 304.62 million, for last year also same figure. So, what step my company has taken to solve it? And also as on 31 December 2021, total service tax demand aggregating Rs. 650.82 million, that are being contested by my company and please throw some highlight the present status. And there also another pending Rs. 508.84 million. So, what my company is taking the steps to dilute this demand? And other claims also Rs. 6.60 million as a contingent liability. Before I conclude, financial year '22 is the most tough for the business. The Chairman also mentioned about geopolitical situation, inflationary pressure, and also US Federal Reserve up by 75 basis points. Also global economy is in also volatile position and huge inflation was pressured. So, throw some concrete highlights, the business prospects of my company and the good dividend paying strategies, also capital markets. Appreciation. I pray to God everybody associated with Linde India Limited with sound health and mind and business prospects by the leadership of our company's management team. Thanking you sir.

Robert J. Hughes: Thank you very much.

Moderator: We'll move on to our next speaker shareholder, that is Mr. Sujan Modak. May we request that you unmute your audio and video and please proceed with your question. Mr. Modak, may we request you to unmute your audio and video and proceed with your question? Mr. Modak? Mr. Sujan Modak? We'll move on to the next question. In the meanwhile, our technical team will be checking on Mr. Sujan Modak. The next question from the line of Mr. Manish Jain. Please proceed, sir.

Manish Jain: Respected Chairman, all the Directors present and the secretarial team, first of all wanted to congratulate the outstanding work that the secretarial team has



done in preparation of the annual report and organizing the speakers very, very seamlessly. So, well done to the team on that. Since I have already shared all the questions in advance with you all, I just had one additional question that is on the PED business that Abhijit mentioned about Rs. 1,400 crores as of March 31 '22. If you can highlight by when do you expect this order book to get completed and what time frame? And this Rs. 1,400 crore is entirely third party or does it include any in-house orders? Because we are keen to look at the third-party orders primarily. And typically, in Linde, all your cost inflations are passed through. So, in this Rs. 1,400 crore order book, do you ensure that your margins are protected, even when there is an input side inflation whilst you're executing these orders? So, that's the only additional question. And I keenly look forward to the Chairman responding to the questions that we had shared in advance.

Robert J. Hughes: Okay. Thank you. Yes, I've got your questions and I'll answer them in full at the end of the session along with this one as well. Thank you very much for your questions.

Moderator: Our next question is an audio question from the line of Jaydeep Bakshi. Please proceed with your question, sir.

Jaydeep Bakshi: Good morning, Chairman, Managing Director, CFO and Board of Directors. Myself Jaydeep Bakshi connecting from the city of Kolkata. Thanks to our Company Secretary, Mr. Pawan Marda for giving me an opportunity to express my views and maintaining a cordial relation with the shareholder. Sir, our company performance is well explained by our Chairman and MD and also a good visual display showing our end views. Sir, the annual report rightly captioned Rebound as our world is passing through a volatile complex situation, but with support of the entire team and the leadership, we are able to bring out new solutions. Sir, the revenue from the Gas division grew by 38%, and Project Engineering division by 66%, a remarkable achievement from our side. Sir, regarding the Project Engineering division recorded robust growth, what is the present order book position? Sir, amount of revenue generated for industrial gases. Sir, what is the impact on business on account of this geopolitical tension going on? And also, for the energy price escalation, inflation and the supply



chain disruption, how are we thinking about this? Sir, regarding the setting up the new AS unit at Dahej of 250 tons per day and Ludhiana 264 tons per day, why are we not setting up in Bengal as the present industrial scenario is on the positive side and the government is inviting different industries to come out and put up their units. Sir, acquisition of the Packaged Gas business and distribution, I think there has been expansion in the western market. Kindly tell us about the current status regarding this. Thanks for the normal dividend of 35% and also for the special 100% pass down for the disposal of land. And regarding the CSR activities, you have done a great job under the tree plantation, digital literacy, mother and childcare education to the underprivileged and many more, has been good as earlier also. Sir, any upgradation of transport operations with safety as a major cause of concern? Sir, regarding any pilferage of pipeline gas applied for an industrial customer, what are we thinking of? Sir, are we into the oxygen can manufacturing for the mountaineers because as these activity is picking up, and can we help out to them or reach out to them? Are we to benefit from the government production linked incentive schemes? Sir, overall, a great work done regarding the seamless supply of oxygen to the needy during the pandemic. And nothing to add more. Sir, requesting for a plant visit if possible, because the situation has now opened up and hope under your leadership, and our entire team management and the technical staff and the workforce will come out with more positive results in the coming days and expecting a bonus in the coming year. Thank you, sir. And all stay safe.

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

Moderator: We'll move on to our next speaker shareholder, that's from the line of Mr. Sanjay Doshi. Sir, may we request you to unmute your audio and video and please proceed with your question.

Sanjay Doshi on behalf of

Nippon Life India AMC: Very good morning to the Chairman, to the Board and all the attendees at the AGM. Many thanks for this opportunity. We strongly believe in the growth



potential for Linde India as highlighted by our Chairman and our MD in the opening remarks in the presentation, and we are equally excited about the opportunities in cleaner energy and hydrogen as a space, which is going to be the next leg of big growth across energy transition. So, we have already given our questions. I'd like to highlight just 2 or 3 important parts of that. And we request the Board and the Chairman to kindly throw more light on these areas. The first one is with respect to our operations as a whole including Praxair India, we appreciate the formation of a new company and how we are looking to integrate. But there are a lot of overlaps still there in terms of our production solutions that we cater across both the entities. And as highlighted by previous shareholders also, related party transaction has already gone up in the last one year by more than 10%, which clearly highlights these. I think the Board would be very helpful if we can throw more light on the possible full-scale merger between the two entities and the synergies which can come in as a result of that. Second is on the opportunities in hydrogen and clean energy. We have a very detailed description from our parent in these areas. And we would like to hear from you about the opportunities and the areas of operation of Linde India in the same space. And lastly, we had a request even during the last AGM, and we make a sincere request again sir, that we could have more investor communication maybe every quarter, a conference call where investors can interact with the management for around 1 hour, which will provide us more regular updates on the happening of the company and the ability to appreciate what's going on in the strategy part of the company. Thank you very much. And these were our questions. We look forward to your reply, sir.

Robert J. Hughes: Thank you very much for your questions. I've got them, I'll answer them for the end. Thank you.

Moderator: Our next question is an audio question from the line of Taraknath Chakraborty. Please proceed with your question, sir.

Taraknath Chakraborty: Good afternoon, Mr. Chairman, Board of Directors and the present joining the video conferencing fellow shareholders, attending member of all the connected visual arrange the WebEx company of the 86th Annual General



Meeting of Linde India Limited. Secondly, I thank to our company, most valuable since you are able and efficient person. Old is gold, Mr. Pawan Marda, and really very proper time delivered in your copy and website and I conduct to the AGM. Chairman sir, my point is that 2022 is all our danger period is curtailed. And already Kolkata is the most safest state in India. And already started the AGM, 17 June, our company 103 years. Oldest company, Kesoram Industries Limited, the meeting has arranged visual and physical meeting at Kala-Kunj. 18 June is same company Birla Tyre has arranged the physical and visual meeting, we are connected and already I was present in this meeting. Sir, not a problem. It is a very fantastic meeting organized by this company. So, my query is sir, why not our company, Linde is an 86-year-old company, nothing to more, so why not arrange the physical and virtual meeting. Second thing, I observed your annual report 2021, 1 to 145 pages company annual report. I know briefly discussion and another part. I'm just coming to our portfolio in the annual report. Sir, Page 3, there is mentioned actually our company is always totally through the year main business is oxygen. So, there is mentioned 250 ton per day merchant air separation unit at Dahej and 264 ton per day merchant separation in Ludhiana, 900 ton per day onsite the separation unit, ESL Bokaro Steel Works. Sir, my point is that our company, the oldest major unit is Jamshedpur, 2000-ton oxygen plant. What is the present scenario? You have not mentioned. And what is the present status and scenario of this plant? Number 1. Number 2, what is the position, present status of Taloja 1200-ton company old plant? What is the scenario and what is the present position? Number third, what is position, present status at Raebareli 800-ton TPD plant? Three plants, no designation is mentioned in the annual report. And what is the present scenario in this company plant position? And page number, you have come back to 17, Director reports and management discussion and analysis. Sir, there is Company's Rs. 14,711.24 million turnover in '20, and '21 exhibited in the annual report Rs. 21,119.50 tons. It is a really very good sign in our company turnover. Profit margin is much higher. This is a special dividend you're adding. One plant is sold off, our company Mominpur, Khirdirpur old plant and 135%, this is the first time in company history you have paid dividend within both side accumulated paid Rs. 10 per share and really we are very hopeful our present scenario status the



company paid that dividend. And not only that, sir, I discussed your significant account, but our company did not follow through the cost control and cost reduction. Sir, Page 89, schedule other asset, last year, 2019, your asset value, Rs. 1,914.96 million, increment of Rs. 3,506.52 million. Sir, there is too much higher increment of the other assets and there is no brief discussion and spend of the money, lot of funding figure. And Page 94, provision. Sir, last year, 2019, the provision figure, Rs. 388.56 million to turnaround Rs. 406.01 million. And Page 95, income of expenses. Sir, this year, income and expenses. Last year, 2020, you had spent money, Rs. 808.55 million to last year 2021, Rs. 1,973.12 million. This is too much higher than the last year figure. Page 96, the reconciliation of income and expenses, there is figure Rs. 808 million, same figure is we have maintained. And other liability last year Rs. 21,577.90 million to increase, that is too much higher. And debt payable, 23 schedule, sir, last year you have paid Rs. 24,515.75 million to increase Rs. 5,877.38 million. Page 97, almost same cases, sir, schedule. Page 98, cost of material consumption, sir, last year you have spent Rs. 21,712.64 million to increase Rs. 3,931.64 million, purchase of stock Rs. 1,785.90 million to turnaround Rs. 2,911.97 million. Page 99, sir, almost same cases. Depreciation and amortization '20 to '21, you have spent the money Rs. 1,813.67 million. Schedule 32, page 99, other expenses, there is mentioned support of service cost. Sir, last year, 2021, you spend the money Rs. 512.15 million to Rs. 1,308.08 million, you have spent too much higher. You have not mentioned the cost control and cost reduction. My point is that at present our global scenario is not so far in good position in the world and all the countries financial stability is not so far good and depreciation too much higher. And this time, our company, you have not controlled the cost and cost reduction. Then after future this company status is not too much depreciation and too much, very tough position schedule you have maintained. Sir, in your briefly discussion and balance sheet, you're really very true and fair. I request one thing, Pawan Marda, our minority shareholder always to be supported in our company. There will be annual report. Various type of photo is attached in the annual report. But our company, the last AGM not a single photography attached in our annual report. It is my point of view and I request, sir, coming here, already we provide at least AGM photograph mentioned in our annual



report. In fact, the annual report dignity so far is very good and status of view and minority shareholders relation to our company is too much vital. It is mentioned. Sir, one thing while I request to you, balance sheet pattern, mission, vision, all is very nice. But I request to you, sir, we are the most senior shareholder. Whereas your color matching, printing is annual report too much deeply printing, but other thing all our subject maintained for Director report, annexe report, other thing, all pages is too much haze, there is no link in it, it is deeply printed. Sir, I request at least by color matching you print the annual report, at least give figure and bold figure you maintain. That's my brief discussion. Thanks to all members and all present, valuable shareholders, management team. Last, I thank our valuable company secretary, MD, all our other Board of Directors, all our members and I request to management team, coming year at least you arrange a physical meeting, sir. Thank you, sir.

Robert J. Hughes: Thank you.

Moderator: We'll proceed to the next question. It's an audio question from the line of Sujan Modak. Please go ahead

Sujan Modak: Good morning, Mr. Hughes. Good morning, to other dignitaries on the Board and our Company Secretary, Mr. Marda. Good morning to all of you. I'm getting connected from my residence in Kolkata. Sir, first of all, company's performance if we really see, it's a fantastic performance, it's spot on, it's very nice. Revenue has gone up, earnings per share, cash generated, everything has gone up, fantastic. CSR activities is very good. Sir, we got dividend also. So, it's very nice. From the point of view of shareholders and for every person, this performance of the company is very good. I support all your agendas and voting in supporting that. Our management is seeing our performance, it says that our company is very strong. Our management team is really very strong. And they have really done a very good job. Sir, I have a few observations. So, I just wanted to discuss with you. Sir, in this economic scenario, when all over the world, all the country's economy is under severe pressure, what is the roadmap for our company for next 2 to 3 years? And second is what is the guidance you want to give to the investors community? Please tell us that. Sir, one thing I have noted



that our company is very strong, being very nice business, but our number of employees have really gone down. Sir, number of employees in a factory, in an organization, this says a lot of things sir. So, why our number of employees have gone down? If you please take the pain to tell us, it will be very nice, sir. And another thing I want to know is there any accident or any near misses happened in our factory. And for that, is there any man hour lost in the last 1 year, if at all it happened? So, please tell us that. And before I finish, I'd like to definitely say that our Company Secretary, Mr. Pawan Marda, 25 years of experience, he is an ocean of experience. He and his team really does very nice job towards shareholders welfare, towards the shareholders connectivity, and also for everything. So, I really thank Mr. Marda for his effort. Thank you very much, sir. This is all I can tell you. Thank you.

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

Moderator: We'll move on to the next question that is from the line of Bina Patel. Ma'am, may we request you to unmute your audio and video and please proceed with your question.

Veena Patel: Good morning, everyone. Well, I just have a few questions. First of all, can you just provide for the last financial year, what was the revenue breakup end user industry wise, like healthcare and steel and auto? Out of the targeted synergy benefits that we had mentioned in the last AGM of around Rs. 350 crore, how much of that has been realized currently? And what could be the sustainable operating profit margins that can be achieved in the near future? With the recent CAPEX that has got announced, what would be the incremental revenue that would be generated? And for the next two years, if you can just highlight the CAPEX outlay? And coming on to the business of hydrogen, as and when the opportunity opens up in India, so what kind of solutions would be provided by the listed entity? If you can just highlight on that? And finally, what is the current view of the Board with regard to the long pending shareholders demand for the merger of Linde India and Praxair India Private Limited? It would be great if you can just provide clarification on the above queries. Thank you.



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

Moderator: We'll move on to the next speaker shareholder that is on the line of Amit Gadgil. Sir, may we request you to unmute your audio and video and please proceed with your question.

Amit Gadgil: So, first of all, good morning, everyone. And thank you for this opportunity to allow me to ask questions and express my opinions. Now, I've already shared several questions with the management. But I'm going to repeat some of those because I will not get opportunity to speak till next June I believe. So, I think I'm going to repeat some of those questions unless management decides to have quarterly calls as suggested by one of the shareholders. So, my first question is relating to related party transactions. It has already been mentioned by some of the speakers. But if I look at Page 116 of annual report, total RPT with fellow subsidiaries was Rs. 5,519 million with Praxair Rs. 4,106 million. And if you compare it with the annual turnover of Rs. 21,119 million, the RPT with fellow subsidiaries percentage is 26.1% which is significantly higher than the 10% materiality threshold of SEBI. Similarly, RPT with Praxair India is 19.4% of annual consolidated turnover. Again this number is extremely high. And similarly, if you do the numbers given in the audited statements or financial statements, you will find that these numbers were 16.9% and 11% respectively in 2020. So, my first question is based on these numbers, Linde India has breached the materiality threshold limit when it comes to RPT. I would like to know the reason for the same? The second question is the RPT with fellow subsidiaries has increased by 122%, year-on-year in 2021. And if you look at the same number with Praxair, the RPT with Praxair have gone up by 153% in 2021, year-on-year. So, I would also like to understand the reason for such a significant increase in RPT. Now I'll refer to my second question which I've shared in the document which are given in my document that I have shared. The Directors Responsibility Statement on page 27 of the annual report mentions the following: No material related party transactions, that is transactions exceeding 10% of annual consolidated turnover as per the last audited financial statements were entered during the year by the company. My third question is what is the reason and basis for Directors making this statement in the Directors Responsibility



Statement that we did not cross 10% of turnover when it comes to RPT or related party transactions? The fourth question is, I find this statement factually incorrect based on the numbers given in the annual report. So, I would like to know what are the calculations that Board has relied on while making the statement on Page 27. I may be doing calculations in a different way. I have simply taken numbers given on 116 and 117 page of annual report for related party transactions and the annual consolidated turnover on page 129. So, if there is a different calculation, I would like to understand that. I hope that management is not looking at these contracts on individual basis and not and not aggregating these contracts. So, ideally, I think these contracts should be aggregated to arrive at the related party transactions. Now I request you to refer to question three in my document. In the 85th AGM of Linde India that was held last year, you will recall that Resolution number 5 seeking approval for materials related party transactions was defeated with 93.94% votes, which were cast against the resolution. So, my next three questions are related to this resolution. My questions is, Linde not only continued entering into material RPT during the last year, but also breached the limit with a big margin, despite shareholders defeating resolution number 5. So, I would like to know reason for the same. Also, since Resolution 5 was defeated, I would like to know why is there no resolution proposed in the current AGM for ratification of RPT transactions entered in 2021? And the last question related to this is in the current AGM, why has Board not proposed a resolution seeking approval of related party transactions which have been entered so far, and will be entered in the remaining of calendar year 2022. So, these are the three questions related to RPT. I'll quickly move on. I will request you to refer to my question 4 in the document. This is about hydrogen opportunity in India. What I found very surprising was that Linde India's 2021 annual report does not mention the word hydrogen even once. I mean, when everyone is talking about hydrogen, even your customers like Tata Steel are talking about hydrogen, there is no mention of the word. I checked the Linde PLC 2021 annual report and that annual report mentions the word hydrogen 45 times. That report mentions that hydrogen has a key role to play in the energy transition. And Linde has technology expertise and reach to unlock its potential. Similarly, Mr. Sanjiv Lamba, CEO of Linde PLC,



gave interview to Economic times on 21st April 2022. So, probably this was the time when the management discussion analysis was being finalized for Linde India's annual report. And he made many, many comments, but I'll just highlight two of those or maybe one of those in the interest of time. What he said was that my willingness to invest in India in hydrogen in good green projects is without limit. So, out of the \$5 billion, if potentially I have to invest \$5 billion in India to grow the business because opportunities are here, I would be more than happy to do that. So, given these statements, given the talk about hydrogen as the very important gas for reducing greenhouse emissions, I find it very surprising that Directors have not made even a single reference to the hydrogen opportunity in India. So, my question is, please, could you explain why there is no commentary on hydrogen? What is the opportunity and outlook for hydrogen for Linde India's business particularly? And how do you see various types of hydrogen opportunities evolving for Linde India? Also, you're already supplying hydrogen to some customers. Could you explain the outlook for how many clients can you add in the next few years? The last two questions quickly in the interest of time. Please refer to question #5 that I had submitted. And some of these questions or observations are to respected Independent Directors as well. So, first of all, if you see the several events, the sale of Linde South India business happened to facilitate global merger, but no merger of Linde India and Praxair India has happened. So, I'm trying to understand why Independent Directors have not pushed for this merger. Then joint venture with Praxair was announced in March 2020 by the Board. No shareholder approval was sought for this joint venture. And also during this announcement on 25th of March 2020, exclusivity of CO₂ and HyCo business to Praxair was announced. I'm also trying to understand why no objection was raised for these arrangements. Also, there have been several breaches of related party transaction limits, I've already pointed out that. I've also pointed out the discrepancy in the Directors responsibility statement about RPT transactions and also talked about no approval, no resolution proposed in the current AGM for approval of RPT transactions. So, I would like to really urge Independent Directors to take a look at these lapses. If there are any, I may be wrong in my interpretation, but if there are I would request independent Directors to take a



look at those. I also want to bring the following points to the attention of respected Independent Directors. Now what has happened is because of all these actions, Linde India is a regional player with no access to South India business, no access to CO₂, no access to HyCo. I'm extremely worried that what if Board decides that the hydrogen will be granted exclusively to Praxair similar to CO₂ and HyCo? What can Independent Directors do to stop something like this happening? If you see, if the global merger had not happened, Linde India would have continued with South India business, CO₂ business, HyCo business, and all the new growth opportunities. If the merger of Linde India and Praxair India had happened, again combined entity would have exploited all the opportunities. Now it has been three years since global merger. But in India, no merger has happened. And I think that is and will deprive minority shareholders of lot of opportunities. So, I think all these issues are happening because Linde PLC owns 75% in Linde India and 100% in Praxair India, which is resulting in conflict of interest. And these corporate governance issues can easily be sorted out if the merger of these two companies happen. So, I'm requesting Independent Directors and the Board to strongly push for the merger of Linde India and Praxair India so all this conflict of interest, all these worries that minority shareholders have can be nipped in the bud and company can focus purely on the great opportunity that we have. Last two questions from my side. Also would like to understand why there has been substantial increase in the remuneration of Independent Directors. So, in CY '15, the average remuneration of continuing Independent Directors was Rs. 0.29 million, and the same was Rs. 2.63 million in CY '21. So, this increase is very sharp. So, if you can throw some light that would be very helpful. And now last question on Page 68 of annual report, the statutory auditors, Deloitte, Haskins & Sells have issued independent auditors certificate on corporate governance. On point number 8, their opinion mentions the following. We certify that company has complied with the conditions of corporate governance as stipulated in regulation and listing regulations for the year ended December 31, 2021. What I'm trying to understand is based on the audited numbers, the RPT limits have been breached, and still statutory auditors have mentioned that there is no breach. So, I'm trying to understand why auditors have overlooked this breach and have



not qualified their opinion. So, I hope all my questions will be noted and answered, and also gives some food for thought for all the shareholders as well. I think Linde India has a great opportunity. Management is doing a great job. I'm just worried about any potential adverse regulatory actions or any sensational media reporting, which is very common these days. So, I think I request the Board to make the best use of this opportunity that we have for next decade, eliminate all unnecessary distractions, and create a great company. Lastly, on Page 27 of annual report under the corporate governance section, the following comments are made. Your company remains committed to business integrity, high ethical standards and professionalism in it's all activities same as ever. As an essential part of this commitment, the Board of Directors of Linde India supports high standards of corporate governance. So, some of the questions that I have raised are related to corporate governance. And I would love to see Linde India Board taking appropriate actions to improve corporate governance significantly to top notch levels. So, that's it from my side. Thank you so much for giving me the opportunity. And we'll wait for the answers. Thank you.

Robert J. Hughes: Thank you very much.

Moderator: We'll proceed to the next question, that is from the line of the Dhanraj Jain. Sir, may we request you to unmute your audio and video and please proceed with your question.

Dhanraj Jain: I'm Dhanraj Jain from Mumbai. Good morning, respected Chairman and other Board members.

Robert J. Hughes: Good morning.

Dhanraj Jain: I thank management to allow me to speak at AGM and put my thoughts I have already forwarded my questions. So, I hope it will be answered, okay. I'll just highlight one or two things like should your investment opportunity rise disproportionately, how much debt equity ratio you will be fine with? And next question is, what are pending non-core assets which you propose to sell to



monetize it? Thank you very much for giving me this opportunity to speak at AGM. I hope you will answer my questions which I have forwarded to you. Thank you so much.

Robert J. Hughes: Thank you, Mr. Jain for being concise, and I will answer your questions at the end of this meeting. Thank you.

Moderator: We'll move on to our next question, that is an audio question from the line of Aspi Bhesania. Please proceed with your question.

Aspi Bhesania: Sir, I'm a shareholder from Bombay, and I'm happy to talk in your meeting. This is the first time I'm attending your AGM through video conferencing. Chairman sir, you mentioned in your speech on Page 1, the Gases revenue grew by 38% and Project Engineering division grew by 66%. Sir, are we likely to have the same growth rate in future also at least in the current year? If you can report that. Sir, again, you mentioned your company achieved pre-exceptional earnings before interest, depreciation of Rs. 6 billion as against Rs. 4 billion. So, if you can report that also, whether we are likely to have the same growth rate. Sir, and coming to your Page 3, acquisition of Packaged Gas which was in western market, sir, you acquired it for Rs. 275 million. Sir, if you can inform what is the income, what is the net profit, and is it EPS accretive? Sir, then Page 26 of the annual report, you've written that change of registrar and transfer agent. Sir, what is the reason for changing the register and transfer agent? Now there are only two, you don't have much option between the two and both are equally set up for no comment. They don't want to improve their service. And they just want to milk their companies and their shareholders. Sir, again on the same page, I read that you appointed Ms. Mannu Sanganeria as an Additional Director. Sir, I welcome her and I hope she takes care of the retail shareholders. Sir, some people have been commenting that the Secretary calls them and all that, but he never calls the Bombay shareholders probably because I never got any call from him. And today when the choruscall called me, I asked them what is my number, and they said 18. So, I said then you call me later on because I can't be waiting for 18 shareholders to talk. Sir, next year also if the physical AGM starts, please have videoconferencing and ask the Secretary to inform the



speaker number and to call the shareholders when the speaker number is approaching. Sir, Reliance Industries, the biggest company in India is going for hydrogen. So, what are our plans for hydrogen? Sir, MD's presentation was very small, it's very difficult to see that on the mobile. If you can open the full screen next time. Sir, agree with one of the predecessors that parent should have only one listed company in India like Hindustan Unilever. Sir, fourth quarter year-on-year Project Engineering segment, income has doubled whereas segment profit has not doubled. Reasons for that. Okay. And Chairman sir, when you are in Bombay you should also meet the Bombay shareholders as you meet the Kolkata shareholders. Sir, thank you very much and all the best. And another thing I forget was about the unpaid dividend. You have not mentioned anywhere about the unpaid dividend. Next years onwards I would like you to mention year wise, how much dividend is unpaid. Like for 2017-18, how much was unpaid in '17-'18? How much was unpaid in 18-19? How much was unpaid in 19-20, all that. sir, we can see the efficiency of the RTA and also of the share department. And how much effort they are putting into give the dividend back to their shareholders. Otherwise, they just send a reminder and say my job is over. Thank you very much and all the best for the future.

Robert J. Hughes: Thank you.

Moderator: We'll proceed with the next speaker shareholder that is from the line of Amit Kumar Banerjee. Sir, may we request you to unmute your audio and video and please proceed with your question.

Amit Banerjee: Good afternoon, sir. Good afternoon to everyone. Respected Chairman of the meeting, Board members present, I am Amit Kumar Banerjee from the city of Kolkata. Thank you for getting me connected, an opportunity to speak in such a wonderful meeting today organized by the company, Linde India Limited. Yes, it is our 86th AGM of the company meeting. First of all, I thank to the team management for presenting us such a wonderful performance during the year under review as visible in the balance sheet. As far as performance is concerned, is a very nice good growth, strong financial performance, strong rebound. Total revenue in standalone comes about Rs. 21,661 million. It is a



growth of about 44% in the previous year. Operating profit increased. Profit after tax also stood with a tune around Rs. 5,139.44 million in comparison with the last year, Rs. 1,555.35 million. EPS, yes, is a very good 96% higher than previous year, 60.26 in comparison with the last year 18.24. In segment wise, it is also very happy to note that Project Engineering revenue grew up about 66%, a robust jump, about Rs. 4,509 million in comparison with the last year Rs. 2,710 million. Gases revenue also grew about 35% with a tune about Rs. 16,611 million. Sir, the dividend is concerned, last year we got 30%, this year we are getting only 35% with a special dividend 10 in addition totaling 13.50 per share. It is also good. CSR activity also made by our company, spent Rs. 32.58 million during the year including carry forward from this financial year. Sir, kindly share your visions about what is your key challenges now at present? Capital expenditure plan for next 2 years, consider, sir, plant visit. Sir, I would request you to consider try to organize the AGM meeting by physical as well as video conferencing simultaneously as recently enlightened, it is a great success, much appreciable to shareholders also. Finally, I'd say I hope our company will perform much better profitability in near future will able to maintain relevant technologies, sustainability of the operational performance will expand our company to a new high, keeping in mind definitely the benefit of minority shareholders of wealth creation policy. I thank to the company secretary and his secretarial team members, having well experience, maintaining cordial relations and also thank to all team members who are conducting such a beautiful meeting today through this videoconferencing. Thank you, Mr. Chairman, myself, Amit Kumar Banerjee. for further proceedings. Thank you, sir.

Robert J. Hughes: Thank you, Mr. Banerjee for your questions. Thank you.

Moderator: Our next speaker shareholder is Mr. Rahul Kumar Paliwal. So, may we request you to unmute your audio and video and please proceed with your question. Mr. Rahul Kumar Paliwal, may we request that you unmute your audio and video and please proceed with your question. As we are unable to hear and see Mr. Paliwal, we will move on to the next speaker shareholder while our team checks the connection of Mr. Paliwal. Our next speaker shareholder for today is



Mr. Manoj Desai. Sir, may we request you to unmute your audio and video and please proceed with your question. Mr. Manoj Desai, we would request that you unmute your audio and video and please proceed with your question. We are unable to connect with Mr. Manoj Desai. We will be checking with his connection. We'll move on to our next speaker shareholder for today, that is on the line of Lily Pradhan. Ma'am, we would request you to unmute your video and audio and please proceed with your question

Lily Pradhan: Okay, very good morning respected chairperson and all humans. I am very happy to know that the company is developing a lot in the last 2 years of COVID situation. The only one question is in present situation is what is the aim and object of the future development and what is the byproduct planning? Thank you.

Robert J. Hughes: Thank you very much for your time and your question

Moderator: We'll proceed with our next speaker shareholder that is from the line of Santosh Kumar Saraf. Sir, may we request that you unmute your audio and video, and please proceed with your question.

Santosh K. Saraf: (Spoken in Hindi)

Robert J. Hughes: Thank you.

Moderator: We will proceed to our next question, that is from the line of Rahul Kumar Paliwal. Sir, may we request you to unmute your audio and video and please proceed with your question.

Rahul K. Paliwal: So, Linde PLC actually updating about lot of innovations on their website, LinkedIn pages right from consumer to brewing to food to hydrogen refueling to air separation units and n number of use cases. These are very exciting prospects, sir. So, can you please share your thought process on introducing these lines of businesses in India through the distinct entity? That's question number one, sir. Hydrogen refueling as I was also searching for annual report to figure out your call on hydrogen, but there is absolutely blank, I mean, there



is nothing outside there. So, any reason for the same. And how do you look at the opportunities in India and across for the hydrogen refueling? This looks a very big opportunity to participate in entire value chain, considering Linde has specialization being a producer, transporter, storage, retailer. So, what kind of opportunity we are seeing in hydrogen space? Can you please talk about it? Can you talk about last 2, 3 initiatives taken in last couple of years? Second question. So, we have our 2 verticals, EPC and Gas. Any other like hydrogen retail refueling or anything on the radar? Question 4 is delisting completely ruled out? Can you please throw light on the same? Then I can see export traction in the last financial year at least to this financial year. How do we see the exports opportunities? That's another question. And when we talk about gases, we talk about Linde, it's synonymous, right? So, can you talk about China plus One opportunity in India and considering the industrialization, which is going to happen and we being the proxy of the same, what are your capabilities, competence and how do you want to participate in the same? Then I see most of the CAPEX is lined up for '23. What is in pipeline for 22 and your focus area for this year? And as again, raised a lot of corporate governance side concerns by the shareholders may not be true. But can you focus because Linde is such an opportunity and such an innovative company that either it can create a history or it can go down like a couple of other MNC and can work further as unlisted entity and destroy the value for the minority shareholder. So, I would say I would propose a merger with the Praxair and routing all the new initiative, including hydrogen to the listed entity that will be a win-win across stakeholders. So, thank you so much for listening me out.

Robert J. Hughes: Thank you very much for your questions. And I have your questions in front of me now, which I'll answer in a while.

Moderator: We'll proceed to our next question, that is from the line of Mr. Manoj Desai. Sir, may we request you to unmute your audio and video and please proceed with your question.

Manoj Desai: Hi, good afternoon. So, a couple of questions. Firstly, could you outline the current capacities and the installed capacity? And what is the utilization levels



as of now? And just a request, if you could report quarterly volume numbers as well, sales volume? Secondly, coming to a capacity expansion. So, while for Ludhiana and Dahej, you've given a timeline and CAPEX value, Could you could you just tell us what the expected CAPEX from Bokaro is and what is the timeline of completion? And what all three expansions add to our top line? Next, could you highlight how much revenue the steel industry contribute to our gases business as a percentage? And could you give us a guidance in terms of revenue and margin? Do we see margins improving from here and what would be the reason for that improvement? And coming to the project engineering division, the current order book, is it new projects or ongoing plants? And what is the execution period of the order book? And just a request if we could have a quarterly earnings call, that'd be of great help. Thanks. That's it from me.

Moderator: Thank you. That was the last question. I now hand the floor over to the Chairman.

Robert J. Hughes: Okay. Thank you. Thank you very much. Thank you to all the shareholders for asking their questions either before the meeting and during this meeting today. I will answer the questions that as I said, which were sent in and then myself or Abhijit will respond to the ones that came through today. I just want to say a few things before I go through the questions because I think it's evident from the call today that the range of questions this year are significantly narrower than they were in my previous years, anyway in the last 2 years. So, there are some very specific topics, which many of you have asked. And what I'm proposing to do is, I will try to answer those questions as detailed as I possibly can. But I won't repeat that time after time as the same question comes through. So, the list of questions are in front of me. So, if you're at the front of the list, I will answer your question directly. But when I get to the back of the list, I'm afraid to say questions. So, I apologize beforehand, but I will highlight the question that you raised. And I will say that we've already answered it. And where there are some differences, I will try and take the differences. So, the people have got their question in first, I believe, is Rahul Paliwal, so one of the last speakers today and I will answer your questions first. I think you've got your questions in first.



So, your first question was about all these interesting things that were being put onto LinkedIn and the website from the Linde PLC. Many things nothing new, they've been doing this for years, and they're trying to create new opportunities in different areas all the time and the company has benefited from that. So, the company is continuously evaluating various business prospects, depending on its profitability, the availability of suitable technology and other important aspects. And that we'll take the appropriate steps as deemed fit, as per the business allocation protocol agreed between your company and Praxair India Pvt Ltd.

The second question was about the report. And I have to acknowledge that one or two things in the report has been highlighted in this meeting, one there, we'll have to look at that going forward.

The next question and again, this is a question that many of you have asked and I want to spend a little bit of time on this question because I don't intend in repeating it. It's around the whole energy, the whole clean energy, hydrogen, hydrogen fuel, etc. Obviously, from reading press reports, I'm aware that there is a lot of talk at this moment in time around this topic, and a lot of interest and obviously a lot of interest amongst the shareholders. So, that's great and, thank you for that support and for your questions in that area. I think one of the things that I would say personally, is that, at this moment in time, I think the management team here are finalizing their thoughts and their strategy around this area. And that's probably why at this stage, you haven't seen an awful lot of it in the annual report. So, that strategy is being looked at and is being finalized. But until that happens, the Board and the management of the company will execute potential clean energy opportunities, such as hydrogen fueling on a case-by-case basis, depending on various factors like our ability to undertake the opportunity in a safe manner, the accessibility of cost effective and reliable technology, obviously the returns as we do with all other projects of this nature. So, that is the response in this area. We are looking at these opportunities as and when they are available. And then we will apply a matrix of requirements to see whether we will carry them out or not.



Which other two to three initiatives started or were introduced in India in the last 2 to 3 years. One of the things that have already been mentioned is the M&A work and there is more M&A work going on. It's a good opportunity and a good area where we could potentially grow and build density. So, that will be looked at and obviously the merchant ASUs which have already been mentioned.

The next question was about there is probably 2 divisions, are there plan to be any more? And at this moment in time, there is no plans for any further divisions in the organization.

Delisting. Delisting is a subject that the Board can consider. However, the promoter is not considering the same at present.

Another topic, another interesting question here, which was around the China plus One, how does it play out in India? It's fair that the team are hearing about new investment plans in India, especially around electronics and the automobile sector, which we are well placed to win. The company is keeping tabs on these potential business opportunity arising from them. Your company, as demonstrated in the past, has the ability to capitalize on such opportunities.

Can we see exports having big traction. I think one needs to remember that a lot of our products are not products that can actually economically travel long distances, but we are exporting products to Bangladesh. If any other export opportunities come up and it makes financial sense, then we will look at them on an individual basis.

When you think of gases, you think of Linde, so what are the opportunities? Some of the areas that we're looking at is improving, geographical coverage into Tier-2, Tier-3 cities, focusing investment on investing in reliant market sectors. Actively scout for the de-captive opportunities. The de-captive opportunity is where a company customer of ours might already own a plant, and we have the opportunity to buy back and then sell molecule back to them, where we can get business synergies and sales. And then operational



distribution, cost optimization, digitalization as Abhijit has mentioned in his speech today.

There's a bit about capabilities and competencies. Long list here prepared by the management team, but I'll pick out the main ones. Strong support from the parent, I think in terms of knowledge, technology, investment capability. Some of the best talented people in the industry are currently working in your company. As mentioned, the very strong balance sheet gives us and allows us to be able to invest in the right projects and derive some of very diverse product portfolio into many markets, and a very strong diverse customer base. And we talked about technology expertise. And operationally your company is very strong, both around distribution and around plant operations. And finally, the last one which Abhijit went on through in some detail today is around applications, which is a very important growth driver, etc. CAPEX for '23. We've already talked about it. What about 22? Well, there has been some investments and we are looking for whatever investments we can make and if we can we can have some impact from the investments in 2022, if it makes financial sense, we will do so. So, these are the questions that that came from that shareholder.

Second one is from Manish Jain who also asked the questions on the video today. The first question is the role of the energy transition in India. Again same question as we've had already. And the company will look at opportunities around the hydrogen technology, etc., etc. on a case by case basis. One thing I would want to clarify, slightly different in this question, about the gasification opportunities are part of the HyCo business and all new opportunities will be carried out by Praxair India Pvt. Limited as per the provisions within the JV. So, I just wanted to make sure that people understood that.

Question here about application development, about enough application engineers. The number of application engineers is commensurate with the size of the business and the number of new application technology being explored by customers in various industries. So, it's very, very clear and has been happening now for 3 years since I was chairman and previously. If we need



more application engineers the team are permitted to put them in, as we see this as a key area for growth, especially in the MPG business.

The other question was about Linde PLC having 20,000 gas mixtures. There are a much shorter range in India maybe into manufacturing. There are some around eye surgery and some rare gases of automotive requirements. The answer to this question is that there is capacity there. If we have opportunities to supply these mixtures into those opportunities, then the company will take that opportunity.

The next question was around customer wise sales, the top five. We are not in a position to share this information on the top five as it is business confidential. We've had this question in the past. So, I think that people should understand that.

Next one is all customers paying revenue net of power. So, some of our contracts are on power pass through basis, and some of them are treated as pass through in our accounts as per IndAS. We're not able to share any more details on this as requested.

Another one is around exports, again, the base sales. Export sales numbers are not fixed and vary based on the number of overseas projects executed by PED during the year. So, when we have sales, when we have projects, the numbers will be high. And when we don't, obviously, the numbers would be low. Even our gases exports and the gases business exports, the numbers vary depending on demand from the customer.

The next question, I think one of the other shareholders asked this on the video today was about the synergy benefits derived from the Praxair integration. For the financial year 2021, Linde India saved Rs. 779 million from operational efficiencies, distribution, optimization and fixed cost reduction arising out of the synergies around productivity. The total productivity and synergy benefits based on these ongoing efficiencies in Linde India was around Rs. 1790 million in the last three years. And I know most of the shareholders speaking today



have extremely good memories. So, just to help, the target that I set for synergy savings around the integration 2 years ago is Rs. 1,750 million. So, congratulations to the team. Over that 3-year period, they have maximized the benefit of the situation. And then there are sustainable projects going forward, which will provide even further efficiency savings for the future.

Next question was around the share of electronics in 2021. This is electronic specifically, so we'll answer it specifically in this area that we don't see strong potential from electronic gases in the future. I have to say that the thing electronics is quite broad. I mean, if you mean solar or you mean similar areas, then the answer might be different. But pure semiconductor electronics, that is the current response for that.

And then another question about what is your sales in value to customers who buy all 3 gases. We have several customers who are consuming all 3 gases. But we're not in a position to divulge the requested information as it is again business confidential.

So, those are the questions. I think there's a few more later on. I think Mr. Jain asked a few more, which I'll come to in a minute.

Our next shareholder, Mr. Krishna Swamy. First question is about the post integration. And around whether the bidding process since March 2020 for tonnage businesses has changed? I mean, the answer is there's no significant change in the bidding process for tonnage business. It's very much on a project-by-project basis. They all seem to be quite different depending on the customer and the market segment, but we don't see any significant changes in that process.

The second question was around is because I guess there's been announcements around merchant ASU as they've been more focused on merchant than other sectors. And the answer is **(Inaudible)** appropriate focus has been given to all business segments like tonnage, like merchant. The investment decisions are being guided by the opportunity available at the time.



So, in the last year, we made announcements around merchant ASUs. Hopefully going forward, as Abhijit said, that might be in other sectors.

In terms of do we consult with other Linde PLC entities in India around CAPEX projects. The company investment decisions are taken independent without reference to other entities.

The next question is again, and this one is going to come out quite a lot in the in the next few pages, but this is around the current structure and around related party dealings. And again, we've had many shareholders today, at somewhat length giving their views on this from this topic. What I'd like to say about this is that the company is in due compliance with all legal requirements governing related party transactions as per the Company Act 2013 and all the extant SEBI regulations. So, again, I think that that is clear the position of the company. And there are many questions on this, so I will not be answering them all as we go through.

There's a question around HyCo. I've made it very clear that the HyCo business has been allocated in the agreement exclusive to Praxair. So, I've already answered that question.

One question was around the logic on HyCO and CO2 going to Praxair, obviously, the PED business coming to Linde India. So, I need to read this out because it's important. The business allocation protocol agreed to between our company and PIPL was based on an aligned approach towards customers across India based on criteria like proximity to existing plants of both the companies, incumbency, availability of technology, availability of plant configurations or suitable product lines, ability to offer cheap solutions and the compliance with the competition law. Based on this, the Project Engineering business was allocated or allotted solely to your company and the CO2 and HyCo business was allotted solely to PIPL.

Next question is about the Linde PLC. And around expanded its power zones, and how that's going to be done in India. And especially with the fact that



there's the 2 entities here. But this is something that is also important to get to listen to, and also working. So, the JV agreement between the company and Praxair a India Private Limited appropriately provides for a good mechanism for expansion of both business footprints of both entities without any conflict.

The next question was that being that and I mentioned this in my speech a little bit about, there will be opportunities coming from steel as the steel industry continues to invest in India. The question was that, does the management expect lumpy large contracts? Well, we do expect some opportunities here. We've mentioned that before. And as we always done, we'll review these large tonnage opportunities based on their merit, returns, risks, as we have done in the past.

The next one is about new growth segments, solar, I mentioned before and what is the plans of the company is keeping a keen watch for any business opportunity that may come up from the solar and electronic segments and the company will evaluate and take up the projects as and when they come up assuming that they meet the return criteria of the business.

So, the last AGM, the Chairman, so me has specifically mentioned that whole new technology including hydrogen will be available to India. So, in response to that Linde PLC provides appropriate technology available with it to all its subsidiaries across the world, to enable them to carry out their respective businesses in their respective jurisdictions, as per approved terms and conditions. So, that's the answers to those bunch of questions.

The next one is Indira Jain. First one was about the order book and PED, which we've already mentioned. The next one was about how many industrial customers from sectors such as steel are exploring the use of carbon capture and hydrogen in their operations. From our point of view, we are glad that some of our customers are evaluating carbon capture and hydrogen in their operations. This could provide good growth opportunities to our company in the future. And again, we will evaluate these opportunities on an as and when basis.



The next question is, what are the key structural changes in India that has impacted your business positive and negatively with some examples? Again, this is nothing new, and we are constantly monitoring the business environment for such changes so that we will be in a position to capitalize on opportunities, as well as being able to mitigate against any risks. And that is something we have a risk management team. And we look at these opportunities and these risks and opportunities on a regular basis. The next question was, does the intensity of Linde's offered gas consumption go up with decarbonization. What are the sectors of the top 5 customers in the next 5 to 10 years? We're not in a position at this moment in time to disclose this.

Quite a few questions asked about employees 242, you've got to cover that as well later, and Abhijit will cover this one later. So, because many questions on the line of side as well.

One was about the remote operating center in Jamshedpur. Who owns it? Who runs it? The ROC provide the strategic support and monitoring of plants remotely. It is set up by LSAS under the O&M agreement as with the company.

The other question was around the current number of tankers and drivers, do we have enough or too many or whatever? We have enough tankers and trained drivers to take care of the business requirements of the company. Obviously, the distribution team do an excellent job in this area. And I congratulate them for that.

And the last one and I can understand why this got asked because it was a discussion last year about are we now using rail. As you remember, we used rail to get some oxygen around the country during the shortage in COVID. But at this moment in time, we do not have any regular options regarding rail transport.

So, that's the next set of questions from the next shareholder. We've now got another Mr. Jain whose first question talks about the Linde group invest in opportunities in all sorts of clean energy, let's call it. I've answered this question, but I'll just want to make sure I'll do it once more. The Board and the



management will evaluate all potential clean hydrogen opportunities, if any, on a case-by-case basis depending on various factors by ability to undertake the opportunity in a safe manner, accessibility to cost effective and reliable technology and other parameters.

The next one is around related party limits and I've answered that question. So, I will not do that again. Question about what's the likely CAPEX in 2022 ,2023 and what returns? That is business confidential information, so I cannot disclose.

The next one was a little bit around the same, I mean if you start to invest in opportunities, what sort of debt to equity ratio would you be comfortable with? And again, this is business confidential, and I cannot disclose.

The next one and I can't understand this question because we benefitted in 2021. But are there any non-core assets like real estate which we can monetize. And at the moment the company has currently no such plans to monetize any of its assets.

Next question. Interesting question was around a lot of the tonnage contracts at old rates and how many years can we expect the old rates to be revised closer to prevailing rates? The contract rates will undergo revision on a periodic basis. And this is done in the terms and the provisions which are in the respective contracts. So, basically these contracts are renewed on a regular basis and we have rights within those contracts to make changes to the Ts and Cs.

The next one is, what is the likely growth in volumes and price? The trade price and volume information depends on the market conditions. So, let's take **(Inaudible)**.

The last one again interesting question was around our current power costs. So, the cost of power varies from state to state and also on the source of power which cost of power is in the range of Rs. 6 to Rs. 6.75 kilowatt hour and several measures have been taken, and I think some we've already mentioned to



reduce the power costs. The percentage of renewable energy used in 2021 is very small. However, several measures are being taken to enhance the use of renewable energy in the future.

So, next range of questions are from Ratan Jain. The first one was what is the likely margins in Linde India PED are made from projects with Praxair India. Obviously, this information is business confidential, so, I can't disclose.

Another one is about the related party transfers and any penalties being penalized by SEBI. So, as already mentioned, all RPTS are in compliance with the applicable legal requirements.

The next question was about the impact of inflation which we mentioned earlier. So, the company is appropriately recovering the inflationary cost increases as per contractual entitlements and market conditions.

Next question is a good question which is around customers who are also facing challenges especially around supply chain. I think from the impact on Linde India, I mean, I'm pleased to say the company has a diverse customer portfolio. And hence, we are fairly insulated from such impacts and you can see that from the results of 2021.

Next question is about imports. And basically looking for a split of imports. The company is not able to share this information as this is business confidential.

The next one is around the Net Promoter Score. So, this is a measurement on our service to our customers. The Net Promoter Score for the company was plus 39 in the year 2019 and plus 41 in the year 2021. Besides the NPS, we track Customer Effort Score and Customer Satisfaction Score.

And there is a next question around the sales value of special gases in 2021. Again, not able to share as this is business confidential.

So, the next set of questions and this has another few questions that Manish Jain has asked, but most of those have already been responded. So, the first one



again is around opportunities in hydrogen, and we said we will look at that on a case-by-case basis.

The next one is the fact that we have some hydrogen with one or two customers and then please share new clients? So, the answer is no new hydrogen clients were added by the company in the last 3 years. And remember that the HyCo business allocated exclusively to Praxair India Private Limited as per the JV agreement signed between your company and Praxair.

And the last question from him was again around like I call it clean energy with different colors, I mean hydrogen. And again, I've mentioned that we will evaluate these on a case by case basis.

The next shareholder is Mr. Gadgil. Thank you for his questions. He's gone into a massive amount of detail and provided a lot of support information for his questions. So, thank you for that. But again, I apologize not for this, but many of his questions have already been asked and I've answered them, but I will go through them. If there's any changes then or anything slight different, I will likely answer them. The first one, he made a lot of information again around RPT. And again, I made it very clear that all related party transactions entered into by the company are in due compliance with requirements of Law.

Question two was around the same thing. So, again, I'm afraid the same answer. He asked the question of whether the statements in the report are factually incorrect. And the answer is that the statements in the annual report is factually correct. He asked and talked a bit about the calculation and about information on this. And I think he already has the information. So, the details have already been provided.

Question 3, again, it's around the RPT. So, again, I've answered that particular question. And he did ask a question was, why isn't there a resolution in today's meeting around this particular topic? The company does not envisage any material RPT in 2022.



His next set of questions on the whole topic of hydrogen and clean energy? So, again, apologize to him, but I think I've answered the position of the company on this particular topic, and that we will be looking at these on a case by case basis. And the same with his second part question.

The next set of questions were asked of the Independent Directors. I had reviewed with Independent Directors and I've reviewed the responses that I have here and they have approved them. But I will actually respond to them in this meeting.

So, the first question was about the facts. So, please refer to supporting facts of question 5 below. What actions will the Independent Directors take to give confidence to the minority shareholders? And we have responses given to such questions within below, we are of the view that the Independent Directors have and are duly discharging their obligations cast upon them under the law.

The next question that he asked was about the Independent Directors not pushing for a merger despite the sale of the South business. The answer is this is a matter reserved for the shareholders of both the company and Praxair India Pvt. Limited to take. The Independent Directors have conveyed the request from a few minority shareholders for a merger of the company and Praxair India Private Limited to Linde PLC for appropriate decisions in this regard.

The next question was around the divestment -- again still, these are questions still to the Independent Directors, the reasons of why we sold the south India business. So, I need to read this out, it is quite long but it gives you hopefully more understanding. The divestment of the South Regional divestment business by the company was carried out pursuant to the order dated the 6th of September 2018 of the honorable Competition Commission of India, the CCI. There was no stipulation for merger of the company with the PIPL by the CCI in the aforementioned order. The companies carried on its business and so is PIPL and neither have lost their customers to the other. All actions in relation to the above divestment were taken by the company pursuant to the directions in the aforementioned order of the CCI and were duly approved by the Board of



Directors of the company at the meeting held on the 12th of August 2019, as well as the shareholders of the company on the 2nd of October 2019 in due compliance with requirements of the Companies Act 2013 and the SEBI's listing obligations and disclosure requirements, Regulations of 2015. All necessary disclosures have been made in sufficient detail and in a timely manner. Thus, all actions by the company were put forward in accordance with the applicable laws.

The next question was about RPT. So, there's no material RPT being entered into by the company and the Independent Directors have taken professional advice in this regard. The next question is the same. So, the answer is the same, so I will not repeat it.

The final question in this area and it is question 4 and 5, but they're all-around hydrogen. And again, I've answered these questions. So, I don't intend to go through that again. I mentioned these two or three times already.

The next question was one around the remuneration of the Independent Directors. The question was about the level CAGR of 45% from the years 2015 and '21. The average remuneration of the Independent Directors is linked with the profits generated by the company, which shows a 40 fold increase during the same period.

And the last question here was actually asked of the statutory auditor, and again it was around the whole area of RPT and the shareholder, I mean on the call explained his view on this. The answer is though, that the auditor's report, Deloitte deals with the matter appropriately.

So, we're now coming to the last set of questions. Mr. Sailesh Bhan from Nippon. Yes, and I think Sanjay was the one asking the questions today to that gentleman as well. The first one was about the merger. Let's say we've covered that one before. The second one was around the areas of new technologies, hydrogen, clean energy. And again, we've gone through that in most detail in this report.



And the next question, I'm afraid is the same. It's around the awarding of business. And again, I made it clear around the hydrogen area what our position is.

The next question is around related party transaction. So, again, the answer is the same on all those questions, so I'll not repeat it. His next question is about investor calls. A couple of people have mentioned that. And the company has been robust and transparent in its communications with the investors. And as evidenced in the proceedings of the AGM, hopefully, we have provided you with more feedback and the presentation by Abhijit, more information so you can make your own judgments.

The last question was around challenges we face since the merger where the two companies operated in India. The business allocation protocol between the company and PIPL clearly eliminates any conflict between the business interests of both companies. The company has a strong corporate governance standard. So, I thank you all for taking time and listening to our responses. I will now hand you over to Abhijit. He will take you through the answers, I mean the questions the shareholders asked to date. And again on the same basis if the question is the same that I have already answered, we will not go through and repeat it.

Abhijit Banerjee:

Thanks, Mr. Chairman. Definitely questions that have been asked earlier and have been responded to you, we'll just eliminate those for making this more effective. I have a list of the questions and responses. Unfortunately, the order may have got shuffled a bit, apologies for that.

The question from Mr. Bimal Krishna Sarkar on the reason for closing the factory in Kolkata. Response is, the operations at the Kolkata factory was closed several years back when we shifted to a new state of the art plant at Uluberia for getting far better operational efficiencies. So, this was an idle factory premise.

Question from Mr. Manoj Gupta. What is the future CAPEX plan? We already announced 2 merchant plants and an onsite plant at ESL Bokaro. There are some



more in the pipeline. As and when they fructify, definitely we will be informing you. And these CAPEX will definitely add on to the fixed assets of the company.

Some questions from Mr. Ashit Kumar Pathak. No other rewards for shareholders, bonus shares, etc. I mean, we have definitely a dividend policy and in line with that, we increased the dividend coming out of the normal business, which was a 30% in 2020 and increased it to 35% this year, and there are no plans for any rights or bonus issue as of now. And they will be considered by the Board as and when felt necessary.

Any new investment plans in West Bengal. Your company is always evaluating all possible business opportunities in terms of profitability, in terms of whether we have the suitable technology, the sustainability of operations, various things, and when we come across something like that, we will definitely be taking appropriate steps.

What steps are taken by the company to reduce the excise and service tax liability? This is an ongoing effort from our side and we have been taking benefits of schemes launched by the various governments from time to time. Over the last two years because of COVID related restrictions, there has not been much of a development, but definitely our taxation team is constantly working on this.

Mr. Manish Jain had asked some additional question in terms of the PED Orderbook of around Rs. 1,400 odd crore in 31st March. Discussion was whether it's the total order value that they're handling or it's only third party and the answer is only third party. In house projects are not recognized as sales of PED. The time taken to complete that, actually the Rs. 1,400 odd crore has got some element of contracts which are going to get commissioned even for example one that will get commissioned next month itself, whereas the new orders could go up to almost 30 months. So, it's very difficult to say when this will close and in any case, there are furthermore orders coming in. So, this pipeline will continue, so there's never end day to it.



There is also a question on inflation protection in those contracts. The contracts that we have from government sector companies do have let's say adequate indexation provisions, but some of the private companies may not have it. So, it's a constant, let's say, measure from our side to ensure that we build suitable checks and balances in terms of contingency and all that to take care of ups and downs. Luckily for us right now, steel prices have started going down. So, we should be okay with the overall perspective.

There is a question from Mr. Jaydeep Bakshi, impact of business because of the geopolitical tension. Definitely, there has been substantial impact on our project work. There has been an increase in metal markets and more importantly, I would say there's been a lot of disruption in shipping schedules as a result of which some of the overall projects and yields are getting affected. And the team is constantly working on it and we are looking at other mitigating measures like sometimes air freighting components which become very critical. At the end of the day, we are reasonably confident that we will be able to overcome these challenges.

There is a question on ASU commissioned in Dahej and Ludhiana, not in Bengal. I have already mentioned this. We would be very keen to evaluate any opportunities that we have. Any upgradation of transport operation, you may have noticed in my presentation, I talked about how we are using technology to ensure we get the highest possible safety, let's say, standards in our transport operations.

Are we into the oxygen tank manufacturing? Yes, the PMW works under PED is setting up a unit at Jamshedpur which will undertake such manufacturing along with other activities.

Are we taking the benefit of PLI? Not really. As of now it's not applicable to us.

Question from Mr. Sujan Modak. What is the roadmap for our company for next 2 to 3 years guidance? I mean, we don't really give such forward looking



statements, in terms of numbers, etc. Already in my presentation, I've sort of indicated to you what we are doing, what steps we are taking.

Number of employees has gone down. And that's primarily because we as part of the integration work, which you were informed about initiated in 2020 March, which sort of continued till 2020 August or September, a lot of our people shifted to the joint venture company called LSAS, so that's why on a standalone Linde India basis, we are quoting on it

Any incident or near misses or man hour losses in last one year? Yes, unfortunately, there have been some and as I mentioned, '21 was better than '20, and '22 first quarter was pretty okay, second quarter still ongoing. We will be reporting any important safety statistics.

Pawan Marda: Which are covered in the ESG snapshot.

Abhijit Banerjee: As Pawan mentioned, the ESG snapshot will also be covered again.

There is a question from Ms. Veena Patel, industry wise revenue breakup. I'm sorry, this is business confidential, we'll not be able to give you. Incremental revenue from the new CAPEX announcement, again this is business confidential, but I can definitely assure the shareholders that whatever we do will be accretive to the base business. Current feel of Board on the demand of merger, I think the Chairman has already covered that.

Synergy benefits, the Chairman has already talked about, 1750 target, we are slightly ahead of that. Sustainable profit margin. It's difficult to give a number and we would always like to have the goalpost that we are seeking, those are increasing all the time. So, as I mentioned in my presentation, we are presently around 28.5%, 29% EBITDA margin, and we would like to strive to increase that.

Question from Taraknath Chakraborty. Why no physical AGM? I mean, again, the number of cases have started increasing and we don't want to give additional exposure to our shareholders or our employees stakeholders. It's not that is the best means of communication. I think all the shareholders have mentioned to



us they would prefer a sort of hybrid mode. We will look at hybrid mode options, but we also need to be comfortable that we are not giving undue exposure to anyone.

What's the present status of the plants in Jamshedpur and Taloja? Well, these plants are fully functional, running as per full capacity and definitely helping the company reach the financial numbers if you've seen.

Next set of questions from Ms. Lily Pradhan. Aim and object of future development and byproduct. I mean I'm sorry, ma'am we could not really understand this query. I mean, the future part of it is business confidential in nature, I have given you already some guidelines on what we are looking at going ahead. And byproducts, we don't really have any byproducts. Most of our plants take in air and produce the product straightaway.

Question from Mr. Santosh Kumar Saraf in terms of women empowerment. Mr. Saraf, you may have noticed from my presentation, we did talk about the D&I, the diversity and inclusivity agenda of Linde India. And we have taken concrete steps and including the newest Director on our Board is from the female gender, Mannu.

Any new products planned in future? Well, I mean, whatever portfolio is available with Linde PLC and is available to us, we do constantly try to see whether we can find a suitable commercially viable home for it. Any steps for rain water harvesting. I think I've covered it. Any steps taken by company for second dose? Yes, I mean, we've always been encouraging our employees and our staff, everyone to sort of and we're tracking it on a regular basis when most critical.

Costs saved by conducting virtual AGM. I don't think cost savings is a factor for conducting a virtual AGM. But roughly, yes, I mean, we do spend Rs. 10 lakhs, Rs. 12 lakhs or so per annum for full-fledged physical AGM. Obviously, there is spending some money over here or so.



Question from Aspi Bhesania. Same growth rate of sales in '22 also. No, the growth rate I doubt would be the same growth rate because the '20 base was a very poor base. And so definitely we would be very happy if the '22 performance is better than 21. We should be doing that but not the same growth rate. I'm sorry, that would not happen possibly.

Income from HPS business acquisition, is it EPS accretive? Well, unfortunately, this information is business confidential, but I assure you, Mr. Bhesania, we will not be taking any such investment decisions unless they are EPS accretive. Providing aging of unpaid dividend, I have a responsible secretarial department. Every year due dates of unpaid dividends are given in the notice of shareholders. We also send reminders and public notices. And we will look at your suggestion in terms of coming up in the annual report every year. We'll have a look at that.

Question from Mr. Amit Kumar Banerjee in terms of vision on key challenges. I mean nothing really and we don't really see any major challenges and there's a vision going forward. I will share that with you.

What's the CAPEX plan for 2 years. As I mentioned, we are sitting on a substantial amount of cash and our business is generating cash on a daily basis and we would be planning some more investments provided those investments are sustainable, profitable and within our core business of thing.

Question from Manoj Desai. Share the Bokaro CAPEX value and timeline for completion. Unfortunately, we do not share information in terms of CAPEX since it's from a competitive bidding process. This went through a full-fledged competitive bidding process. We were selected by the customer. We will not be able to share the CAPEX value. Timelines for completion? It's already been mentioned, it should be completed next year.

How much is steel's contribution in Gases business? I mean, we would not likely to give a number, it's business confidential. But as you can see from our portfolio, iron and steel is a substantial chunk of our portfolio.



Current order book, is it new? We have already covered that in Mr. Manish Jain's question.

That brings to an end the set of questions that I had from -- all the questions we had today from the shareholders.

Robert J. Hughes:

Okay. Thank you, Abhijit. Hopefully, we've done our best to answer the questions that you've brought forward today and thank you for your support in that area.

With the completion of the Q&A session, we now come to e-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, members who have not cast their vote are requested to do so.

The Board of Directors has appointed Mr. S. M. Gupta, practicing Company Secretary, Mr. P Sarawagi as the scrutinizer to scrutinize the e-voting process for the 86th Annual General Meeting in a fair and transparent manner and submit the report to the Chairman or a person authorized by him in this regard. I hereby authorize Mr. Abhijit Banerjee, Managing Director and Mr. Pawan Marda, Director-Corporate Affairs & Company Secretary of the company to receive the scrutinizer report and declare the results of the voting and place the results on the website of the company, the Stock Exchanges and NSDL.

The resolutions as set forth in the notice shall be deemed to be passed today subject to receipt of the requisite number of votes. We are grateful to all our shareholders for attending the meeting. And I hereby declare proceedings of this 86th Annual General Meeting as closed. Thank you very much, ladies and gentlemen. I look forward to seeing you in the next year. Thank you.

Moderator:

Thank you. The e-voting window is now open for 30 minutes, and the Board members may now leave. The proceedings of the AGM will close after the 30 minutes time for voting is over. Thank you.
