

# LINDE INDIA LIMITED

Recorded Transcript of the 87th Annual General Meeting  
held through VC/OAVM on 17 August 2023 at 10:00 A.M.

Making our world  
more productive



PRESENT:

## BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

Mr. Michael James Devine – Non-Executive Chairman

Mr. Jyotin Mehta - Independent Director, Chairman of the Audit Committee of the Board

Mr. Arun Balakrishnan - Independent Director, Chairman of the Nomination and Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committee of the Board.

Dr. Shalini Sarin - Independent Director, Chairperson of the CSR Committee of the Board

Ms. Mannu Sangneria - Non-Executive Director

Mr. Abhijit Banerjee - Managing Director

Mr. Neeraj Kumar Jumrani - Chief Financial Officer

Mr. Amit Dhanuka - Company Secretary

## AUDITORS & SCRUTINIZERS

Mr. Prमित Agrawal – Partner, Price Waterhouse & Co. Chartered Accountants LLP, Statutory Auditors

Mr. P. K. Sarawagi - Proprietor, P. Sarawagi & Associates, Secretarial Auditors & Scrutinizer

Mr. S. M. Gupta - Proprietor, S. M. Gupta & Co., Alternate Scrutinizer

**Moderator:** Over to you Chairman sir.

**Michael Devine:** Good morning ladies and gentlemen. It is now 10 am and on behalf of the Board of Directors of the company, I am pleased to welcome you to this 87th Annual General Meeting of your company. This is my first AGM as your chairperson, and I am honored to be here and humbled by the trust that you have placed in me. You are aware that the COVID-19 related localized restrictions and the need for COVID appropriate behavior are still recommended at the precautionary measure.

As a result, this is another AGM of your company, which is being held with video conference and other audio visual means in compliance with the circulars issued by the Ministry of Corporate Affairs, the Government of India and the Securities and Exchange Board of India. Personally, I'm very disappointed that I'm missing the opportunity to be with all of you. Let's hope that will change for next year.

Today, I'm joining the meeting, excuse me, the meeting, from Linde India's office at Oxygen House in Kolkata. I have been informed that the requisite quorum is present and I therefore call the meeting to order. Participation of members through video conference is being reckoned for the purpose of quorum as per the circulars issued by the Ministry of Corporate Affairs and 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 means and are appearing on your screen along with 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 Bangalore. Mr. Balakrishnan is the Chairman of the Nomination and Remuneration Committee, the Stakeholders Relationship Committee, and the Risk Management Committee of the Board. Dr. Shalini Sarin, Independent Director, participating from New Delhi. Dr. Sarin is the Chairperson of the CSR Committee of the Board. Ms. Mannu Sanganageria, Non-Executive Director, participating from Singapore. Mr. Abhijit Banerjee, to my left, Managing Director, participating from the Corporate Office at Oxygen House, Kolkata. Mr. Neeraj Kumar Jumrani, Chief Financial Officer and

Mr. Amit Dhanuka, Company Secretary to my right, who are also participating from the Corporate Office at Oxygen House, Calcutta.

The members may note that since Mr. Neeraj Kumar Jumrani was appointed as the Chief Financial Officer of the company with effect from 9 August, 2022, and Mr. Amit Dhanuka was appointed as the Company Secretary of the company with effect from 1 March, 2023, this is all also their first AGM, so welcome. I am pleased to acknowledge the participation of the statutory auditor who is participating in New Delhi and the Secretarial Auditor who is also the Scrutinizer is participating from Kolkata. I now request Mr. Amit Dhanuka, company secretary to provide general instructions to the members regarding participation in this meeting.

**Amit Dhanuka:**

Thank you, Chairman. Good morning everyone. As you are aware that this is my first Annual General Meeting as the company secretary of Linde India, I take this opportunity to welcome you all at the 87th Annual General Meeting of the company. As mentioned by the Chairman, this AGM is being held through video conference, other audio-visual means in compliance with the circulars issued by the Ministry of Corporate Affairs and SEBI. The company has enabled the members to participate at the 87th Annual General Meeting through video conference and other audio visual means facility provided by NSDL in compliance with the applicable circulars issued by Ministry of Corporate Affairs and SEBI.

The proceedings of the AGM are also being webcast live for all the members. Members have been provided with the facility to exercise their right to vote by electronic means both through remote e-voting and e-voting during the AGM in accordance with the provisions of the Companies Act 2013 and SEBI listing regulations. The remote e-voting period commenced on Monday, 14th August 2023 at 9 a.m. and ended on Wednesday, 16th August 2023 at 5 p.m. The members joining the meeting through video conferencing and 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 as mentioned in the AGM notice in case they need any assistance. The company has received one

representation and power of attorney from the BOC Group Limited UK, the holding company under Section 113 of the Companies Act, 2013. In respect of 75% share capital held by the BOC Group Limited UK, the register of directors and key managerial personnel and the register of contracts or arrangements have been made available electronically for inspection by the members on the NSDL platform during the AGM.

In terms of the MCA circular, since the AGM is being held by way of video conference, other audiovisual means, the provisions for appointment of proxies and register of proxies are not applicable. Members are requested to refer to information provided in the notes to the AGM notice. Some shareholders have sent their questions in advance as per note 19 of the AGM notice and the questions will be responded during the AGM.

The company has received requests from some members to register themselves as speakers at the meeting. Accordingly, the floor will be open for these members to ask questions or express their views during the AGM. The moderator will facilitate this session once the Chairman opens the floor for questions and answers. Thank you very much, ladies and gentlemen. I now hand over to the Chairman to continue with the proceedings.

**Michael Devine:** Thank you, Amit. I hope the members will appreciate that the company has taken all necessary efforts to enable them to participate and vote at this meeting. So we are pleased to present a resilient business performance report to you, which gives us a proud feeling of remaining associated with a solid company. The company has delivered a double digit operating margin in the range of 15% to 20%, and ROCE from 11% to 19% for the past four years, coupled with 100% plus dividend payout in three of the last four years.

With the expanding footprint across the country, economic recovery, healthy PPP order book position, and the quality of our assets and of our people, we are optimistic of the future outlook of the company. The company has been operating with strong corporate governance, actively and responsibly supporting the ESG, CSR and D&I agendas, which is creating a visible difference in the markets. Safety, both in culture

and in practice, remains our top priority and goes hand in hand with our growth journey.

Let me now share a brief overview of the economic scenario that we are facing today. As we embark on a new financial year, it is essential to reflect on the global economic landscape in 2022 and the progress of the Indian economy in financial year 23-24. The year 2022 witnessed a global economy grappling with various challenges. One significant factor was the ongoing conflict between Russia and Ukraine, which began in February of 2022 and had far reaching implications.

Geopolitical tensions in several regions caused disruptions in supply chains, resulting in increased energy prices and inflation worldwide. These circumstances posed unique challenges to economies across the globe and India was not exempt from their impact. However, amidst these challenges, I am pleased to share that the Indian economy has made remarkable progress in financial year 2022-23. We have seen significant improvement in economic landscape marked by increased investments across sectors.

This positive trend reflects renewed confidence in the Indian market, paving the way for a promising future. India's GDP grew impressively by 7.2% in financial year 2022-23, surpassing market expectations and the RBI estimate of 7%. This positions India among the world's fastest growing major economies. The estimated real GDP for financial year 22-23 measured at a constant price is approximately INR 1,60,060 billion. These figures testify to the resilience and potential of the Indian economy. Despite challenges, we have witnessed robust growth, showcasing the strength of an emerging India.

Let me now briefly reflect on the financial performance of Linde India for the 15 month period ended 31 March, 2023. During this period, Linde India achieved remarkable results, demonstrating strong growth and financial resilience. Our total revenues from operations stood at INR31,355 million, marking a substantial increase compared to the previous financial year's figures of INR 21,120 million, reflecting an impressive growth rate of 48.5% compared to financial year 2021.

This growth was driven by both our gases and project engineering divisions. Gases revenues witnessed a significant surge, growing by 33.3% from INR16,611 million to INR22,144 million. This growth is attributed to higher demand for merchant liquid, increased gas consumption by the steel sector, and enhanced business in helium and special products. Our project engineering division delivered exceptional performance with revenues doubling from INR4,509 million to INR9,211 million during the 15-month period.

In terms of profitability, we achieved earnings before interest depreciation and amortization of INR8,729 million, indicating a growth rate of 45.2% compared to financial year 2021 figures of INR 6,013 million. Our focus on operational efficiency and effective cost management contributes to this positive outcome. Profit after tax or PAT for the period under review amounted to INR 5,358 million, slightly surpassing the previous year's figure of INR 5,139 million. It is worth mentioning that the PAT for financial year 2021 included a pre-tax exceptional profit of INR 2,944 million from the sale of land in Kolkata.

Your board is therefore recommended a dividend of 120% on equity shares for your approval, which includes a special dividend of 75%. You will appreciate the need to conserve some resources so the company can execute on its growth strategy. The strong financial performance of Linde India during this period underscores our commitment to a sustainable growth and delivering value to our shareholders.

We are confident that our robust order book, particularly in the steel, refineries, and electronic sectors, position us well for future success. Linde India is committed to environmental sustainability and has made significant progress in various areas. We have implemented energy intensity reduction initiatives, resulting in a remarkable 9% reduction in energy intensity compared to the previous year.

Additionally, we continue to monitor and reduce water intensity, achieving a commendable 12% reduction in water consumption intensity. In terms of greenhouse gas emissions, we've undertaken several initiatives aligned with our global decarbonization targets. This year, we achieved a notable 15% reduction in scope one and scope two greenhouse gas intensity compared to the previous year.

Waste management practices at all in the India sites comply with state and central pollution control norms. We segregate and store hazardous and non-hazardous materials separately and dispose them off through pollution control approved recyclers.

The company made a strategic investment in Avaada MHYavat Private Limited, FP Solar Shakti Private Limited, FPEL Surya Private Limited. The primary objective of these investments is to gain access to renewable power procurements under a captive mechanism.

By utilizing this mechanism, we aim to secure renewable power at lower tariffs, leading to significant cost savings for our operations. These investments align with our commitment to sustainable practices and optimizing our cost structures for the benefit of our shareholders. You must have also seen the financial results of your company for the first quarter of the current financial year, 23-24. The company earned revenue from operations of INR 7,210 million during Q1 of 2023-24, as compared to INR5,881 million for the same quarter in 2022.

On a sequential basis, the total revenues has also increased from INR 6,302 million blocked during the quarter ended March 2023. As you are aware, the steel sector continues to bring new opportunities for the gases business by setting up of new steel capacities by the steel majors, which will drive the long-term prospects of the gases business. Healthcare will continue to drive the volumes of medical gases on the back of consistent rises in 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, fabrication, and chemicals end-user segments among others. The application technology in the gases business offers enormous opportunities for growth, such as food and beverages, spice grinding, paper, cement decarbonization, and fuel savings in glass, steel, waste treatment, etcetera.

As on June 30th, 2023, the project engineering business had a strong quarter of over INR 14,000 million, and we see strong customer demand in this segment. The

government's aim on building new infrastructure in the country is another positive. As and when the concerns on inflation, higher commodity prices and supply chain disruption settle and a clearer picture emerges, I believe Linde India will see great opportunities and growth in the years ahead. I'm therefore cautiously optimistic of the future.

Before I conclude, I want to thank my fellow board members and senior management for their wise counsel, for which not only I, but your company has benefited. I also want to thank our employees for their outstanding efforts and contributions that make your company the success that it is. Lastly, I would like to express my sincere gratitude for your continued support and trust in Linde India.

As we navigate the uncertainties of the global economy, we remain steadfast in our commitment to create long-term value for our shareholders. Together, we will embrace the opportunities that lie ahead and forge a path of growth, resilience, and success. 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 years ahead. Stay safe and take care. So now I would like to invite Mr. Abhijit Banerjee, your Managing Director, to make a brief presentation about performance at various other initiatives at the company during the 15 month period from January 1, 2022 to 31 March, 2023, and brief update on the business scenarios and outlook of the company. Abhijit.

**Abhijit Banerjee:** Thank you, Mr. Chairman. Thank you. And good morning, ladies and gentlemen. It's an honor for me to be here to give you an update about the company's business and some of its goals. Next segment. So, I'll cover the presentation in three parts. One will be on business briefing, next will be on the financial performance and a bit on the priorities that we have set for us. Next slide please. The business briefing, the first part would be an introduction to Linde Plc and Linde India.

It will be a bit of a repetition of what I've covered in the previous AGM's, but it will be for the benefit of any new shareholders who will be joining this AGM. And then the next little summary and something on the microeconomics. Let me explain. So, Linde Plc was founded in 2018 with the combination of Linde AG, Praxair Inc, two world-



class companies with more than 140 years of shared history of successful achievements.

It is by far the largest industrial gas-related company in the world, with more than 65,000 employees operating in more than 100 countries. We pride ourselves on the technological advantage that we have coming from the Linde Group. It's got a huge number of patents applicable worldwide. The Linde Plc had clocked sales of over \$33 billion last year, and the present market cap is about \$180 billion. In India, Linde PLC has a very big footprint, more than 100 transgenic air separation plants and nitrogen plants have been built by Linde for the last 20 years, including the world's largest air separation unit, at Reliance Industries, Jamnagar.

There are more than 20 ASU's operating on BOO basis. There are engineering centers in Kolkata, Baroda and Bangalore and with more than 1,500 professionals. And Linde is definitely the preferred partner of choice for several industries including the iron & steel industry, refineries, petrochemicals, etcetera. Now coming to Linde India Limited, as you are aware, we have certain verticals.

First is the onsite vertical, which is where we have long-term contracts with customers like Tata Steel, Steel Authority of India, JSL, and many other players where we make big investments for supplying gases to them, long-term agreements, 15-year, 20-year contracts. Next comes the bulk segment, which is where we are supplying liquefied air gases, liquid oxygen, liquid nitrogen, liquid argon.

We have more than a thousand customers who are being served through the tankers which are flying over the roads of India. You can see several of our tankers. And this entire thing is supported by a very strong delivery function and a customer service function. The next segment is the packaged industrial products where we sell more than 2 million litre fuel-based compressed gases a month. We have more than 150,000 cylinders in circulation and we have coverage across India.

The only gas company, if I may say so, in India which has a pan-India coverage. Another package gas is also a special product segment which needs some special gases which you think products like helium, silane, ammonia, calibration gases, electronic gases. It is a very niche sort of segment and definitely a very high profitable

one and something that we are really looking forward to future growth as India progresses in its journey. And then of course the healthcare segment, relatively small volumes compared to the others, but a very, very important segment and very close to us.

And my shareholders you are aware of what the segment did for the benefit of the country in 2021 when wave 2 hit us with such an impact. And then we have our project engineering division by far the market leader in setting up of cryogenic plants in India, not just India, even outside India, we have export orders also, and customers, blue chip customer like SAIL, Tata, JSW, BPSL, NMDC, RINL, HPCL, IOCL, ONGC, GAIL, HMEL, MRPL, CPCL. Next slide, please. This is an executive summary of 22-23.

First of all, as our chairman had mentioned to you, safety is of absolute paramount importance to us and there's a huge amount of emphasis given on ensuring safe processes, following the processes. So we have, we actively encourage reporting of near miss incidences so that it helps us to keep the high severity commercial vehicle incidences and process safety incidences. We depend a lot on technology and we have, in this journey we have now introduced automated hours of service recording, fatigue test for our product vehicle drivers, behavioral check programs for the site management, as well as the country leadership team, are very essential parts of our safety program.

We have a centralized ISO integrated management system, which is ensuring that the quality is as per requirements. And definitely we have continuous training programs for all people in the plant distribution functions. As the chairman highlighted, I'll come to the financials a bit later on. Revenue 48%, gases sales higher 33% and the project engineering sales by a whopping 104%. Very strong cash flow from operations amounting to INR 8200 million and a very healthy cash balance account. So, data and PED projects, INR920 crores, \$9.2 billion worth actually. And a very healthy order book of more than INR14,200 billion.

Next slide, please. So I'll give you a brief overview of the macroeconomy. India's GDP, 2022, was about INR200 trillion. The various forecasts about growth rates coming up, 5.9%, 6%, 5.5%, 6%, the various forecasts. The main key factors I'd like you to

consider upon is India has a target of reaching between the 5 trillion economy, 25 - 26 or so. Some of the key factors are of course, the net zero emission by 2070, with a huge focus on clean energy, solar sector, EV sector. There are PLI schemes for renewable energy segment.

A lot of infrastructure projects, 100 smart city projects, bulk drug parks, industrial corridors, modernizations, food processing units. Emphasis on healthcare, the plan for the healthcare is to increase the public health spending by 2.5% of the GDP. There's a government infrastructure budget to boost several mobility projects, Vande Bharat trains, more than 84,000 recognized startups. Emphasis on self-reliant India, indigenous defense manufacturing, space exploration, semiconductors, PV solar manufacturing.

What does all this mean for your company? Linde has a lovely tagline, Lindy is everywhere. Each of the segments I've mentioned means gases. So growth in each of the segments means growth for your company. We are expecting a robust growth of around 9% in the industrial gases segment. Typically, industrial gases in this sort of economy grows at about one and a half times the IP. Main emphasis in the growth would be now coming in the steel segment.

The steel sector, we have seen consolidation, there is productive improvement and there is also expansion. India has talked about 300 billion tons by 2030. The auto industry is expected to go up to INR24 trillion which will be substantial for our special gases and argon gas states. Staying back on special gases, there will be a strong demand in niche products like high purity ammonia, silane, high purity nitrous oxide and there will be onsite investments coming up because of the increase in the solar, the PV manufacturing.

Steady growth is also expected from the healthcare sector. So as you know the theme of this year's annual report is sustainable growth and I can assure you the company is very well poised to move forward on that side. Next slide please. Some highlights on the financial performance. Next slide. While we have compared the financials of the previous year versus the year ended 31st March, definitely one thing to note is they're not strictly comparable. The previous year was a 12 month year, starting from

January 21 to December 21, and the year right now is just close for the 15 month period, ending 31st March.

So effectively, most of the numbers have got a kick of one quarter, which is 25%. And this was the quarter of January to March, which is typically a good quarter for the gas industry, mainly because the steel companies, a lot of other companies, it being the last financial quarter, they do put a lot of emphasis on their production. So if we sort of knock off around 26 - 27% from the numbers that we see in the right hand column, you still see a very, very healthy growth. 48% revenue growth, 45% EBITDA growth, PBT before exceptional items going up by 47%,

EPS excluding exception going by 86%. So again, if I knock off 27% - 28% of all these variance numbers, this shows the company is on a very good track. Next slide. Now, if you just look at the two, let us say, segments that we have, which is the gases segment and the PED segment, the bars on the left-hand side show the revenue. The gases show the revenue increase of 33%. We need to keep in mind that the previous year, January to December, 2021, there was a huge upswing in the healthcare volumes because of the wave 2 of the COVID pandemic.

Luckily for us, luckily for the country, those volumes have gone down. We are at levels which are higher than pre-COVID but definitely not at those absolutely high figures of 2021. So, the healthcare business compared to the 15 month period compared to the last 12 month period, you only get 2%. But if you see the other segments, on-site, you get 30%. The bulk, this is like 42%. The PGP, helium and special gas is like 57%.

And PED, as I mentioned, 104%. On the bottom line also, the gas segment showed a 38% growth and PED showed a 130% growth. Again, knocking off 25% just goes on to show that we are on a good footing for the future. Next slide, please. The balance sheet, as you already have a copy of the Annual report, is not much to talk about. Just want to highlight what's encircled in green, INR 11,866 million of cash and cash-equivalent assets. So, you are aware that we have announced a lot of investments.

We are constantly looking for more investment opportunities and the very healthy balance sheet that we have, which surely can help us from this surge. New slide please. I'll just talk about some priorities. The first one is on the growth drivers. The

next one, some of the shareholders may remember in the last AGM, I had given you an oversight of the application technologies that we have from the Linde PLC portfolio, which we have in India.

This time, I would like to concentrate a bit on the sustainable development, people strategy that is something which is pretty close to our heart that is the digitization focus. Next slide please. So if you look at the segments, the vertical that we have onsite, bulk, PGP, is actually a slide which I had shown last year also. The story still remains the same. Target markets for the onsite and PED is metallurgy, chemistry, glass and paper. And what are we doing on that is to optimize the base and look at yield growth.

On the bulk segment, main target markets are primary metals, chemistry, automotive, food and beverage. And again, optimizing the base, new growth, we are looking at expansion in strategic geographies, improving density. As part of that, you are aware we are setting up plants, one in Gujarat, one in Punjab, one of them will be commissioned later this year, Punjab, one later this year or beginning of next year. So that would have linked to the density. We are actively pursuing liquid loading opportunities driven through our applications technologies and definitely we have a fair remedy opportunity also.

On the package segment, we have the healthcare segment. We are looking at manufacturing, make in India drive is definitely giving us a big boost, railways, pharma, defense. Electronics, I've talked about it. There's a lot of potential. We are very excited about the future, both in terms of semiconductor manufacturing, in terms of PV solar manufacturing. We see a substantial growth potential over there.

And we do offer a differential offering through micro bulk as compared to others, which gives our customers a substantial advantage in terms of the volumes that they can get. Helium-1 magnetic filling is something that we have newly introduced, first time in India and definitely there is a substantial focus on the growth potential in electronics and special gases, nitrous oxide, Apex fillings.

And here also we are looking at many opportunities as and when it comes up. Next slide, please. So, on sustainability. Linde Plc prides itself on its contribution to

sustainability, both in terms of what we do internally as a company and what we do to help our customers in their journey for sustainability. Linde Plc has been rated amongst the top 10% in the S&P Global Sustainability Index for the last 20 consecutive years.

And dear shareholders, I'm very proud to say that we in India also are on also that journey. Waste management, Chairman talked about it, zero waste management. We are getting our sites under zero water discharge, five more have come in 2022, rain water harvesting, plastic and tyre management. GHG emission reduction, procurement of renewable energy, something we are actively doing.

We have a lot of sites which are existing as well as the new ones which are coming up. Linde has a global target of reducing its absolute GHG emission reduction by 35% by the year 2025. And I assure you that your company will definitely be one of the companies of Linde globally, which will be meeting the targets. And intensity improvement, ASU, Energy and fleet optimization, productivity. Productivity is something which is very close to our hearts in terms of the benefit it gives to us for constantly improving our P&L.

And eco-productivity is something that we are tagging and I'm happy to inform that we have a target of that more than 30% of our productivity has to be eco-tagged and we are pretty well placed over there. What does this mean? Reduction in consumption of power, reduction in consumption of fossil fuel in our distribution processes, extensive use of digital tools. I'll come over to this a bit later.

Coming to CSR, we are very proud of our CSR journey. Recently, we set up Linde Foundation where all the CSR projects of Linde in India will be routed through that, which will give us a critical volume to ensure that the spread and impact of these programs are felt. Some of the flagship programs that we have launched are road safety, environment and wellness. And of course, there is definitely a big emphasis on impact assessment of all the measures that we do.

Next is the people agenda. To drive our agenda of sustainable growth, this is a very, very important segment. Diversity and inclusion. I'm afraid your company's agenda diversity numbers are not very good. And we have taken on a target of improving

that. We are constantly evaluating the diversity profiles, retaining them, giving the gender diversity a big boost in the organization.

We've actually hired an all-woman batch last year through campus hiring. There was some press releases issued on last year when we inaugurated the world's first women-operated cylinder building station. And we actively encourage our women employees by through networking, creating ERGs. And next, of course, is a very important segment which is talent development and optimization.

The search for the sustainable growth journey we need to ensure that our people that they can care of. And because we are the best gas company in the country, we are also the nursery for anyone who wants good resources in their segment. And so retaining our talent is very important, succession planning, having e-learning, job enrichment, digitalization of HR processes, employee-friendly policies to make them, to ensure that they have contemporary nature, active engagement with employees, these are some of the things that our HR is actively working on, and the NRC, of the Board is also constantly supporting us.

Next, I'll come to a subject which is very close to our heart, digitalization. We don't give much of publicity to this, but every aspect of our organization, we ensure that we try to incorporate digital tools to help improve the overall productivity, the efficiency of our systems. Whether it be people, where we are looking at training them in digital tools, having digital functions, functional champions across the business. Looking at cost efficiencies in terms of the supply chains, we have introduced the package, digital network optimization for package distribution. We have introducing MVCs and artificial intelligence for all our ASU models.

Lintrack, this is a new thing that we are coming out. First time in India, we are basically doing remote elementary unit for package units. We do it for our liquid, that's how we started with the micro package. It's a computer package. Liquid demand forecast, ASU/ enclave optimization. All these are things that we are working on, some of them have already been rolled out. Using of RPAs, box-distance work processes. We've talked about safety, we've talked about distribution.

We, every vehicle of ours is fitted with fatigue and distraction recording mechanisms to ensure that our drivers are fit for driving. And now we've introduced video analytics for all the feedback that is coming into the transport operating center. A lot of capex estimation, capex approvals are also on digital tools. Web presence, we also create a digital product catalog and we also ensuring that the digital tools for having statutory compliance across all the various sites that we have.

Growth and revenue, we eventually use it onsite. Billing digitalization is the first time in the Linde world that we have developed a system to take care of all the nuances of the various on-site contracts that we have. The margin quoting model, business traffic analytics, SIP digitalization, cost allocation, variable margin and PCR. All of these we have tools for this. Similarly for asset effectiveness, reliability.

And lastly, for customer experience, because we believe at the end of the day, everything's for the customer. So while your company has a very good customer experience program, we also now rolled out the digital model of that. And very soon all our customers will also have access to the specific platform that we've created for customers.

With that, I'd like to conclude my presentation. Thank you very much. Thank you, Mr Chairman.

**Michael Devine:** Thank you, Abhijit. I hope that the shareholders have found the presentation informative and interesting. I know Abhijit had updated me before I started and I found it quite interesting. We will now pick 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 the notice that the meeting as read.

As there are no qualifications or observations or comments in the independent auditor's report, both standalone and consolidated, and in the secretarial audit report. May I take the independent auditor's report and secretarial audit report as read. For the secretarial standards, I will request the company secretary to briefly explain the background of all of the six resolutions proposed to be passed at this AGM for the benefit of all the members present.



Linde India Limited  
17 August 2023

**Amit Dhanuka:** Thank you, Chairman. Ordinary business, ordinary resolution. There are three items of ordinary business. Agenda item number one, adoption of audited, standalone and consolidated financial statements for the 15 months period ended 31st March 2023, that is from 1st January 2022 to 31st March 2023 together with the reports of the Board of Directors and Auditors there. Agenda Item No. two Declaration of dividend of 120%, that is INR12 per equity share inclusive of a special dividend of 75%, that is INR7.5 per equity share on the equity shares of INR10 each of the company for the 15 months period ended 31st March 2023. Agenda Item Number three, Reappointment of Ms. Mannu Sanganeria, Director, retiring by rotation.

There are three special businesses, out of which two are of ordinary resolution and one is a special resolution. Special business, special resolution. Re-appointment of Dr Shalini Sarin as an Independent Director for a second term of five consecutive years effective from 10 July 2023 to 9 July 2028. Special business, ordinary resolution, ratification of remuneration payable to Mrs. Pricewaterhouse and Company Chartered Accountants.

The Board of Directors has revised the audit fees payable to statutory auditors of the company from INR58 lakhs to INR67 lakhs in view of the extension of its financial year from 12 months period to 15 months period, ended 31st March 2023. Hence, the resolution is recommended for your approval.

Agenda item number six, special business ordinary resolution. Ratification of remuneration payable to M/s Mani & Co., Cost Accountants as Cost Auditors. In view of extension of the financial year of the company from 12 months period to 15 months period ended on 31st March 2023, the Board of Directors has revised the remuneration payable to cost auditors from INR2,10,000 to INR2,25,000 for conducting cost audit for the said 15 months period from 1st January 2022 to 31st March 2023.

And the Board has also fixed a remuneration of INR2,10,000 payable to cost auditors for conducting the cost audit for the financial year ending on 31st March 2024. In terms of Section 148 of the Companies Act 2013, remuneration paid to 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 statements are provided in the AGM notice circulated to the members.

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

**Michael Devine:** Thank you, Amit. I now invite the shareholders who have registered themselves as speakers to ask questions pertaining to any item on the notice of the AGM. Members are requested to keep their questions brief and specific. In the interest of time, we'll appreciate if an individual. Member takes maximum time of up to 5 minutes for their questions.

The moderator, Mr. Vinay, 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 DP ID and Client ID before asking their questions and the location from where they are participating.

I would like to thank those members that have already sent their questions in advance as per Note 19 of the AGM Notice. I would first deal with the same after all the speaker shareholders are finished with their questions. The questions raised during the meeting would then be replied by me or the Managing Director at the end.

May I now please request the Moderator Mr. Vinay to give general instructions to the Speaker Shareholders who are present and who wish to ask questions seek clarifications one by one.

**Moderator:** Thank you very much, sir. Ladies and gentlemen, we'll now begin the question and answer session. Request everyone to please remain connected while the speaker shareholders assemble. We now invite our first speaker member, Mr. Manoj Kumar Gupta. Please accept the prompt on your screen, unmute your audio and video and you may proceed with your question.

**Manoj Kumar Gupta:** Good morning, respected Chairman, Board of Directors, fellow shareholders. My name is Manoj Kumar Gupta. I am an Equity shareholder of Linde India Limited. First of all, I want to welcome you as our Chairman. And I wish to God to give you more success to

take the company on new heights with the help of management and all the employees.

And welcome to the city of joy. And that you have come to Calcutta as a chairman after four years and you are the first time you are holding the AGM as chairman. And thanks to the MD for a nice presentation and several questions he has covered in his presentation that people should not rise. The question does not arise to ask any question on the accounts to see the presentation, a slide presentation, slide by slide of the accounts on the accounts by our MD.

And I thank to the company secretary. This is also his first AGM in the MNC company. I wish to God to give him success and I request him to follow the legacy of previous successors like Mr. Tapas Roy and Mr. Marda who have served the small investors like me in a well manner so he will also do that.

We can't forget the contribution of Mr. Roy and Mr. Marda in the company. And sir, what's your future plan for the company for next two to three years with capex? And is there any plan to plot the greenfield or brownfield project? Now that India is growing, geographically India is growing fastly, the districts are growing and the states are increasing.

So, what is your plan because new industries are coming steel and other industries and they require the oxygen. So, what is your plan in that regard in north, south and northeast the new industries are coming every industries need the oxygen. So, what is your plan?

And is medical oxygen supply came down due to the oxygen plant set up by the 85% hospitals in their own premises after the COVID-19 second wave. The 85% hospitals have set their own oxygen plant with the help of government or on their own expenditure. So is there any sales come down of the medical oxygen?

You are the world leader in the oxygen, of the medical oxygen supply. I have seen in a pandemic COVID-19 time and I always thanks to our global CEO, Mr. Lamba, who has helped us to get to the MD to get the oxygen for our patients in our hospitals during the epidemic COVID when the oxygen crisis was there. But thanks to the Linde, that

oxygen crisis was not there due to Linde in the Bengal. Everything was available. So we should thank the leadership of Linde India and the entire management team and executives who have helped the peoples to get oxygen on time at that time when peoples were suffering due to non-supply of oxygen.

But we thank to the Linde. And we have seen the trains where they have Linde oxygen throughout the country at that time when the country was so have you any plan to split the shares either 5:1 or 10:1 to increase the liquidity and the market capitalization now your share price is more than 5 near about approximately 5000 so how you will reward to the investors that's the best way to reward the investor.

I will not ask you to issue the bonus share. I suggest you to split the share that will give a big reward to the investors. The capital, the market capital increase and the share price will increase and liquidity will increase. A shareholder will get either five share or 10 share after a split.

And I thank, once again, thank you Mr. Jyotin Mehta in our board, he is a vast experience in the finance. So he will give you good advice for the company to invest in further. And Linde, how much amount is expended under the Linde Foundation for the CSR this year? And have you any plan to install the solar power to save your power cost?

And sir, what step are you taking to inspire the women empowerment in the company? As per balance sheet, the number of women employees are very less. So what steps will you take to inspire the women empowerment? Last but not the least, I thank to the company secretary and his team for help us to join this meeting and I wish to god to give you more success. Thank you, sir.

**Moderator:** Thank you. We now invite our next speaker member. Mr. Amit Kumar Banerjee. Please accept the prompt on your screen. Unmute your audio and video and you may proceed with your question. We will wait for a moment while Mr. Banerjee accepts the prompt and unmute his audio and video connection.

**Amit Kumar Banerjee:** Good morning to everyone. Respected chairman of the meeting, other board members present, myself Amit Kumar Banerjee from city of Kolkata. Thank you for

getting me connected and opportunity to speak such a wonderful meeting today organized by our company, Linde India Limited. It is our 87th annual general meeting of the company. Though of course it is the 15th month ending 31st March year 2023.

Thank you for welcoming address by our Chairman, respected Mr. M.J. Devine and our Managing Director, Mr. Abhijit Banerjee. Good presentation. It is very appreciable. As regards the performance is concerned, yes, it is very nice. Good growth, strong financial presentation. A remarkable result during this year on the review as visible in the balance sheet. Total revenue improved. Profit after tax stood with a tune around 5,358 million.

EPS gone up to 62.82 in comparison with last year 33.78. Dividend is also there minimum/normal is 45 and special is 75% altogether 120%. CSR activity is also good, also there, about 45.16 million spent for CSR under review. It is very good for welfare measures. Sir, what is the future roadmap for next two years? Kindly, share your view. What is your key challenges now at present? What is the research and development cost of the company as far as hydrogen sector is concerned? Who is your technical partner in hydrogen related sector?

Any plan for self-qualified institutional placement to raise capital for growth of the company? Your performance is very good. Please share your views about steps for issuing ADR and GDR issue to financial institution investors at New York Stock Exchanges.

Consider plant visits Sir and get together with lunch for attending members. Years together we are getting an assurance, should do consider. And also necessary arrangement for splitting of shares and that would be treated to the investors concern, also a reward, consider. I hope under your leadership, our company will definitely maintain necessary transparency at all levels, necessary infrastructure, relevant technology to lead our company with new high year ahead.

Keeping definitely in mind shareholders rewarding policy, I thank all these members for smooth conducting such a wonderful meeting today organized by your company, Linde India Limited. Myself, Amit Kumar Banerjee, over to you for further proceedings. Thank you.

Linde India Limited  
17 August 2023

**Moderator:** Thank you, Mr. Banerjee. We now invite our next speaker member, Bimal Krishna Sarkar. Please accept the prompt on your screen, I now invite our next speaker member, Bimal Krishna Sarkar. Please accept the prompt on your screen, unmute your audio and video and you may proceed with your question. We will wait for a moment while Mr. Sarkar unmutes his audio and video connection.

**Bimal Krishna Sarkar:** Sir, good afternoon, sir, very good morning. Sir, I, Bimal Krishna Sarkar, equity shareholder of the company, joining from my residence, Kolkata. At first, I thank you, thanks and warm welcome to the Chairman, Michael James Devine, for excellent, valuable presentation regarding performance of the company. So, does not arise any question regarding performance of the company. Thanks to Company Secretary Amit Dhanuka and Secretarial Department for sending notice and annual report and link for joining AGM.

Amitji is an experienced and good manner and keeping good relation with the shareholder. Thanks for choosing Veza event. Veza event team does excellent cooperation for joining AGM to the shareholders. So, despite of geopolitical tensions, pandemic situation, economical challenges and company, our country, Linde India has been making profit year after year.

Sir, during the year, 15 months, such significant result achieved. Our chairman said, our team, revenue from operation increased by 48.46%. This year, INR 31,355.20 million. Last year it was INR 21,119.58 Million. Sir, significant result. Sir, EBITDA, increased, profit after tax gone up. Sir, directors recommended normal dividend 4.50 per equity share and special dividend 7.50 per equity share.

So total INR12 per equity share, that means 120%. So thanks to the management for this. Thanks to CSR committee for excellent activities. As per section 135, sub-para 5 of the Company Act, our company obligation 50.07 million but our director approved 51.24 lakhs, above a million sir.

Ongoing project and other than ongoing project, spent INR45.11 million on un-spent of INR6.08 million transferred to CSR un-spent account 135 sub section six as per rules. Sir, CSR committee thanks to – two ambulance donated to the King George's Medical University, Lucknow, 3.46 million. Sir, renovation of school premises, along with

safety and maintenance equipment, and a scholarship to the visually disabled meritorious students.

Sir, I pray, I request a suggestion to stand by the helping the specially abled person through CSR activities. Sir, I have full confidence on you and your management team for improving our company performance. Sir I pray to god for good health you chairman and management team, company secretary, secretarial department in place of the company, shareholder present in the meeting.

Sir, thanking you for patient hearing over to you sir. Thank you very much chairman sir. Thank you, thank you very much.

**Moderator:** Thank you. We now invite our next speaker member, Sujan Modak. Please accept the prompt on your screen, unmute your audio, and you can ask your question.

**Sujan Modak:** Yeah, respected chairman, other board of directors, I am Sujan Modak. I am attending this meeting from my residence in Kolkata. Sir, if you see the performance of our company, this is very good, nice set of numbers you have given. So, that is a very good sir.

For gases division, the revenue is really up, that is more than 33 percent and for the project engineering division, revenue is also almost double sir, very good, very nice set of numbers, 120% dividend also sir. I have got a few questions to ask you sir. What is the roadmap for next 5 years, if you can please explain this to us, sir? And what steps you are taking to keep this momentum, this nice growth, this momentum to keep it continuous? What are the steps you are going to take and what are the main challenges our company is facing at this particular moment?

And sir, as we all know that we are facing a huge amount of supply chain disruption due to Ukraine-Russia war, inflation is also there, Western economy is giving us signal for slowing it down and China has gone on deflation it seems. So in this particular scenario, what is the guidance you give, particularly for this year for our company? This is very important I believe as an investor, so your guidance is very important to me, sir. And nothing to ask more, sir.

Linde India Limited  
17 August 2023

Before I finish, I would like to definitely ask, congratulate our company's secretary, Mr. Amit Dhanuka. And welcome, Mr. Amitji. Thank you very much. You and your team are doing a very good job for the investors community. So, for that, I really thank you, sir. Nothing to add more, sir, over to you for further proceedings. Thank you.

**Moderator:** Thank you. We now invite our next speaker member, Rahul Modi. Please accept the prompt on your screen, unmute your audio and video, and you may proceed with your question.

**Rahul Modi:** I would like to thank the entire board and the management for giving us the opportunity. I'm Rahul Modi from Nippon India Asset Management. We've been long-term shareholders of the company. I would like to firstly congratulate the entire board and the management for excellent set of results. And again, they've been delivering good results. So thanks for that.

Just, some questions that I had more from understanding, you know, some questions that I had more from understanding, you know, some segments of the business a little better. Going forward, so you know, India has opened up PV cell manufacturing in a big way. Now we are looking at the semiconductor manufacturing and the other electronics that you mentioned in your opening remarks, being, you big businesses going forward.

So you know already there is you know the PV manufacturing which is already there in India in a much smaller scale, so what is our market share there, which are the gases that we are using you know for the manufacturing of that and you know what do you see the opportunity size going forward in that segment?

Secondly, if you can, you know, share some thoughts on the, you know, decarbonizing specific applications that we are looking at, anything specific that you want to cater to and the opportunity there. Thirdly, on the hydrogen ecosystem now, you know, there are many players, enlarged players that have announced, you know, manufacturing of green hydrogen. So where do we see ourselves in the entire value chain going forward? So that would be there.



Linde India Limited  
17 August 2023

The next question that I have is, you know, can you give us some numbers on the specialty gases sold in FY '23 versus FY '22 and, you know, some of the key applications that were there. Also you know you had mentioned in your annual report that you have seen good opportunities coming up in the US and in Europe.

So any specifics in terms of which sectors, what can be the total addressable market there? If that would be my last question would be, any progress on the merger between Linde India and Praxair, if you could throw some light. Thank you and all the best.

**Moderator:** Thank you. We now invite our next speaker member, Mohan Krishnaswamy. Please accept the prompt on your screen, unmute your audio and video and you may proceed with the question.

**Mohan Krishnaswamy:** Yeah. Thanks a lot for the opportunity and a warm welcome to Mr. Devine, a person of your caliber and stature coming to India is a great honor to us. Now, I have sent my questions, so I will not repeat the entire questions here in the interest of time, but just briefly touching upon the first clarification I wanted as regards the HyCO and CO2 business, which on the 25th of March, 2020 release we said is unique to Praxair India Private Limited and hence that will be pursued only by Praxair for the future business.

Now I had sent some queries to Linde India and the National Stock Exchange for which I got responses on 12th of September, 2022 and 2nd of November, 2022. Now I have got slightly different statements in that from the company. In fact, in the 2nd of November, we state that the word unique used in relation to HyCO and CO2 business is to denote the insignificance of the contribution of these two products to the revenue of Linde India. This to me suggests that there's a pre-existing business in Linde India, and I have scanned through the annual reports of the company in the past 10 years. And there are mentions of these two businesses in particular in those reports as being an important for the future of the company.

So can you just clarify the stand of the company on what basis was the future business being allocated exclusively to Praxair India, because there's been no approval for the same from the minority shareholders, nor any consideration given, given the fact that it has been done for related parties and there are laws protecting minorities there.

So clarification will be very useful. My second question is regarding the memorandum of association of Linde, which was named much differently earlier of 24th of January, 1935. Has there been any amendment to the objects clause of the company in the last few years in particular because we have in the objects clause specific mention of our involvement in the hydrogen business in fact in the entire value chain from manufacturing, liquefaction, storing, solidifying, etcetera.

So, I just want an update because there seem to be no mention of the future hydrogen potential in our annual report. So, a clarification is required. And third is as the company secretary and the company may be aware, there has been amendments to the SEBI LODR regulations, particularly on regulation 30 A2, which calls for disclosures of important agreements between the company binding agreements. And one of the important agreements for Linde India is the joint venture agreement with Praxair India Private Limited. These need to be disclosed as per the regulation.

And given that this has put restrictions on the geographical markets of Linde India, I thought you would be disclosing it in the annual report. So I just want to know when these will be made public. And the last question is regarding air separation unit in Sri City in Andhra Pradesh.

Now, there has been a mention of this particular ASU being under construction on the press release on 16th of December 2021 in Linde India. But I recall a newspaper clipping in 2016 which states that Linde India has got clearance from the state government for this particular ASU. Now what has been the update or status of this ASU because I read somewhere on 9th of August that this ASU has been commissioned, but there has been no release in the BSE to that regard.

And how will this particular air separation unit impact Linde India, given the fact that southern region is allocated to Praxair India private limited on 25th of March 2020, but it has been done at a later date compared to when we got this land or this clearance from the state government. Now, those are all my questions and I really thank the company for excellent performance and the excellent disclosures in the AGM so far. Thanks a lot.

Linde India Limited  
17 August 2023

**Moderator:** Thank you. We now invite our next speaker member, Asit Kumar Pathak. Please accept the prompt on your screen. Unmute your audio and video and you may proceed with your question. We will wait for a moment while Mr. Pathak unmutes his audio and video connection.

**Asit Kumar Pathak:** Good morning, respected chairman. As our newly appointed respected chairman, Mr. Michael J. Divine, I as a minority member at first pray to God for his good health and also enhance contribution to my company as well as Indian business as well as global business. Thanking you sir and next to my thanks to respected MD for excellent his representations and many point is clear to me. Also my esteemed gratitude to our new company secretary Mr. Amit Dhanuka for sending me the notice of the AGM and annual report by email and allow me to speak.

Also, thanks to event management, Veza for excellent conducted the site verifications and also enhanced contributions to the speaker members. Coming to the financial performance, financial year 20 for the month of 15 months. Excellent financial performance, profit after tax achieved 5358 million. Also two business verticals, Gas and Project Engineering Department Division is nicely achieved in revenue as well as profitability. And also, cash generated by Operation mentioned INR6,291.84 million and EBIDTA also achieved INR8,729 million, also nicely shareholders fund achieved INR31,139 million as mentioned in the annual report.

Now coming to my brief point, sir, it mentioned that our depreciation is highly, which is mentioned is INR2,529 million against INR715 million financially '21. Mentioned longer period impact, progressive capitalization and impairment of idle asset. So, my view is that, the what steps my company management team has taken for reducing this depreciation.

Also as well as finance cost is very higher, which is mentioned INR56.56 million against 30.54 million, it to be noticed that. And throw some highlights, our entire cost optimization in respect to power and fuel and lowering the GHG emission, where we have been investment in Avaada Mhyavat Private Limited with investment 114 million and also FPEL Surya Private Limited INR76.95 million. Where last year power and fuel cost is very high at INR5,139.16 million against INR4,028.45 million.

Also first cost optimizations, what my company's management team taken that the cost of materials is very in higher inflation measure mentioned INR8,246.42 million against INR3,931.64 million and also miscellaneous expenditure is also INR414.37 million against INR232.15 million. This is my view of cost optimization. Also inventories also higher than previous year. If possible please throw some highlights.

My previous speaker Mr. Manoj Gupta also mentioned, BOC also 75% promoting holdings at present and the stock price also achieved near about INR5,000 today. Also, throw some highlights, what the future plan as well as the investor, as well as the business propagation. If possible, throw some highlights also by capex programs, any plan to buy-back of shares or also split of the shares, also any plan for delist the share from the capital market.

In a media report, I noticed that Linde Plc also invests \$1 billion over the next two years, three years to five years. My view is that, government provide the incentive in green hydrogen and any expansion for this green hydrogen, but also our respective, MD also mentions, also semiconductor business and other vertical businesses are rising. If any plant of field business diversification from achieved in this new business verticals, if possible throw some highlights.

And Sir present capacity of utilization of 14 national plant and any plan for future expansion of capacity. And sir, also throw some highlights our present status high purity nitrous oxide, existing plant at Hyderabad. Also it mentioned healthcare business revenue 22% lower than the financial year '21. Sir the key reason behind it, if possible show some light because the healthcare sector our in Indian market is very very highly high in demand. So, this business will be future in prospective business in our business verticals.

This is my view which I would like to share. Sir, why we not investing any in our research and development in India operation. Because it mentioned that Linde Plc, R&D is only managed. So, separately, R&D also very essential in our business, India business operation. This is my view, which I like to share you, sir. And also why foreign exchange earning is very lower than used.

Linde India Limited  
17 August 2023

What steps my company management team taken for Linde's international business. Because we have also the promoter in international market. So the Indian business also be future in prospective with Linde's international business. Also, finally sir, Mr. Bimal Sarkar also mentioned, that CSR budget, financial year 2022- '23 mentioned INR51.24 million and utilized INR45.16 million and present status of unutilized mentioned provision towards ongoing process. If possible throw some highlights about this.

My view is that, my company management is excellent in operation. I as an Indian and also the member of this very good company, I always expect our India business will be enhanced by the leadership of the Linde. And finally, total revenue in my India business by the Linde Plc is financial year '24. Throw some highlights about it, nothing to say more. I pray to God everybody, with good health and every year prospective of my company. Thanking you, sir.

**Moderator:** Thank you. We now invite our next speaker member, Alok Kumar Pal. Please accept the prompt on your screen. Unmute your audio and video and you may proceed with your question.

**Alok Pal:** Good morning everybody, myself A.K. Pal. I have some specific question. How are you continuously directing yourself from the vagaries of the market while continuing your growth? Second, the world was faced with unprecedented disruption during Russia-Ukraine war. How did it impact our company? How important is your human capital in aspiration to take the company to greater heights? Do you think the company is capital efficient?

What is the next phase of organizational development for the company, what are the strategic steps to achieve the targeted growth. And last question, how would you define the future that our company builds? Sir, last but not least, I request for a hard copy annual report, but till date, I have not received it. Please arrange to send me a hard copy annual report. Thank you for patient hearing.

**Moderator:** Thank you. We now invite our next speaker member, Manish Jain. Please accept the prompt on your screen. Unmute your audio and video and you may proceed with your question.

Linde India Limited  
17 August 2023

**Manish Jain:**

Congratulations to the Linde India team on an outstanding performance. And welcome aboard to Mr. Michael Devine. And a special thanks to the company secretary, Amit Dhanuka, for his super prompt responses. And more importantly, on creating an annual report, which gives very good and deep insights on the power of the business. And of course, to Abhijit, to enlighten us every year on the performance and the plans, especially the future outlook of Linde India.

With that, I will now go over to my questions. Number one, this question is for the three Independent Directors of Linde India. Can you confirm that, you have adequately protected the interest of minority investors, especially on two issues? First is related party transactions. Is Linde India following RPT as per the SEBI LODR norms as well as in spirit of these norms? And second, HyCO also known as Syngas Carbon Dioxide and Gasification Business of Linde India has been given away to Praxair India as per the joint venture agreements of 25, March, 2020.

These were existing businesses of Linde India. Please share your rationale, which demonstrates that, this action to be fair to Linde India minority investors. Question two, Indian government along with many large industrial groups have significant focus on hydrogen including green hydrogen. Please share Linde India's order book for all types of hydrogen projects, especially blue and green hydrogen. Also, please share the value of hydrogen projects for which RFQs as well as RFPs have been filed by Linde India.

Next, there is a large decapitivation opportunity, which even Abhijit alluded to in his presentation, especially emerging in India, especially from refineries such as IOC, BPCL, HPCL amongst others. How many such decap opportunity has Linde India bid for, especially since all refineries in India are located in Linde India's operating zones? Next, Linde India has won the Decap of Tata Steel, two ASUs of 1,800 tons per day in Feb 2023. By when will these two ASUs be operational and when is the payment to be made to acquire these two ASUs?

Next, keen to get an outlook for gases from different sectors. What is the current sale of gases to the solar sector and the electronic sector? What is the potential for Linde India from semiconductor manufacturing? Has Linde India bid for any projects already?

As India moved towards a developed nation, what is the demand potential for nitrogen in India? And especially potential of Oxyfuel Linde tech in cement industry in India.

Next question, who are the top five customers and what is the contribution to sales from top five customers to consolidated sales. Next, who are Linde India's key partners for carbon capture and storage business? What is the value of bids applied by Linde India for CCUS? Next, conjoined reading of newly inserted clause 5A with regulation 30A of SEBI LODR rules provides that Linde India is now required to provide the copies of the joint venture agreement entered with Praxair India on 25, March, 2020, along with details of its salient features to the shareholders by making it available on the company website.

When will Linde India provide a copy of the JV agreement to the minority shareholders? Next, Sanjiv Lamba, global CEO of Linde Plc, shared in an interview with Economic Times that share of Linde India's business will rise from 3% to 5% in the next three years to five years. What kind of sales will that mean for Linde India in next three years to five years by taking March 2023 as the base? And my last question is, what is the net cash position as of 15, August 2023 of Linde India? Thank you so much.

**Moderator:** Thank you. We now invite our next speaker member Rajesh K. Chainani. Please accept the prompt on your screen, unmute your audio and video and proceed with your question.

**Rajesh Chainani:** Yes, Respected Chairman, Mr. Michael Devine, Executive Director, Mr. Abhijit Banerjee and a very highly distinguished eminent Board of Directors, my fellow shareholders, my name is Rajesh Chainani, I am speaking from Mumbai. Sir, first of all I thank our Company Secretary, Mr. Amit Dhanuka for sending the email notice very well on time, sir. It is full of knowledge with facts and figures in place, sir.

And I went through your speech also, sir, about the Chairman's speech which is a very, very, very encouraging, sir. So, sir, the price of our share is just the higher INR5,189 and, sir, today also it is trending at something INR5,000, sir. Sir, I just want to know, we have an EPS of 51.24. but the dividend has been declared quite low compared to the EPS, sir. So I just want to request you, sir, please at least increase the dividend, sir,

it should be in the range of INR30, INR35 to INR40 because we are looking at the price of our share, sir.

And sir, the promoter holding I just want to know is very good sir 75% we are holding as a promoter and public holding is 14.3%, which is very good. So people have made money in your company, sir, because I just see the public holding in most of the companies is 4% to 5%, so it is very nice that we shareholders have really made it, sir. And sir under your leadership sir I hope, we will touch the sky, sir. Sir, but what is the plan plans for the future, sir?

What about the rewarding the shareholders you were saying sir, because the share capital is 85 and our reserve are INR3,053 crores. So, I just want to know, so why not we go for the stock split, not for the bonus, stock split at the rate of INR5 from INR10 to INR5. So, it would be like a mini bonus and the quantity of our share will also be double and sir, under your leadership, the race will not be fast if we touch the figures of 5 figures sir, so that is really great.

Sir and I have few words to say, regarding the Board of Directors sir, I would like to say, whatever our relations be like, it should be like a diamond, though it may look small, but it should be costly and precious, sir. So, our relations should be like that, sir. Sir, with this I support all your resolutions, sir. Thank you very much, sir.

**Moderator:** Thank you. We now invite our next speaker member, Jaydip Bakshi. Please accept the prompt on your screen, unmute your audio and video, and you may proceed with your question.

**Jaydip Bakshi:** Yes, very good morning, Chairman, MD, and Board of Directors. Myself Jaydip Bakshi, connecting from the city of Kolkata. Thanks to our Company Secretary, Mr. Amit Dhanukaji, for giving me an opportunity to express my views and presenting a detailed annual report. And also to Veza Events for conducting this video conference in a smooth manner and keeping in touch with us and helping us for attending this video conference.

Sir, your initial presentation shared the business landscape, both present and the days to come. And also the video presentation, portrays the Linde is present in every



corner. Sir, congrats for the good performance and the remarkable results and the growth and also for the dividends you have passed on to us and also for the Q1 results which you shared with us.

Sir, the global industrial gas provider we are and how much has been the percentage of revenue increased to the post-COVID era. With our mission in making our world more productive and covering more industries, how we are we seeing ourselves in this present political turmoil going around? Sir, regarding the special gases, we are going to kindly throw some light on this. What is our present status on filling stations? We are in the supplying of more through the pipeline, through liquefied gas and also through say cylinders.

What are the safety status in main thing and control through desegregation because that is the main way, we can keep in touch with our product movement. What is our order book positions for project engineering and in any government orders in hand and renewal of existing contracts? Technical upgradation for end users to be more successful in their field, kindly throw some light on this also.

So, are we adding value to our business in providing IT service to our end users? Sir, our decarbonation movement and protecting our planet is a good achievement, kindly keep it up. And what is our plans for future green energy program? CSR activities has been good, nothing to add on this. So our inventory position is a bit high, kindly throw some light. And sir, if possible, may arrange for a visit to our air separation unit at Jamshedpur or a get-together.

This will help us to get more information about our real activities in our organizations and wish to our company future growth and continue our growth momentum with our expertise and guidance on all the members on the Board and with that trust of all the stakeholders. I hope, sir, and thank you, sir, giving me an opportunity and request for a hard copy of an annual report. Thank you, sir.

**Moderator:** Thank you. We now invite our next speaker member Dilip Kumar Das. Please accept the prompt on your screen. Unmute your audio and video and you may proceed with your question.

Linde India Limited  
17 August 2023

**Dilip Das:** Good morning gentlemen, all other Directors and officials and fellow members, shareholders who are connected with the AGM of Linde India today. Sir, I'm Dilip Kumar Das, shareholder and member of our, joining my residence at Calcutta. Sir, I am honored that company has given me chance as a speaker in this meeting, thanks to your entire team.

Performance of the company overall, very good. And I hope I have full trust of our management team and hope your direction, our company position will be in the sky. Sir, I have not, those questions are done already. Speaker number one and two asked the questions for splitting up of share. Sir, only appeal to you, that once in a year, we can celebrate our organized, Linde India Day like Teacher's Day, Father's Day, Mother's Day, etcetera and the company's birthday will be the right choice. Please think about it.

I have full trust of our management team and have cast vote in favor of you along with my family. Lastly, I hope every success of the company in years to come. No other matters sir, thanking you, giving the opportunity to speak. Good day, sir.

**Moderator:** Thank you. We now invite our next speaker member, Amit Gadgil, please accept the prompt on your screen, unmute your audio and video and you may proceed with your question.

**Amit Gadgil:** Yes, good morning everyone. My name is Amit Gadgil, I'm joining this meeting from city of Pune. First of all, I would like to welcome Mr. Divine, Mr. Jumrani and Mr. Dhanuka to Linde India. Also, I would like to thank Mr. Divine as well as Mr. Banerjee for a wonderful presentation. It's good to see a fantastic financial performance from Linde India.

As a long-term shareholder, I hope that, we will continue to see excellent results over next couple of decades. I am happy to see several points that both Mr. Banerjee and Mr. Devine touched upon, especially confidence in the Indian markets, the decarbonation efforts that India is taking and companies taking as well. Company keeping resources for several investments and also strategic initiatives that company is taking. So, I have few questions, which I have already shared with Mr. Dhanuka and IR Team, but I would elaborate on some of these questions.

So, my first question is relating to three businesses that also some other shareholders mentioned, HyCO, CO<sub>2</sub> and gasification. Sir, my question is that, since these businesses, the exclusivity has been given to Praxair India, how will Linde India shareholders benefit from various opportunities in these businesses? Because the entire earnings and profits from these businesses will now accrue to Praxair India.

The other related question is, when these businesses, the exclusivity was given, no minority shareholder approval was taken for giving away these businesses. Also no consideration was received by Linde India for giving up opportunities in perpetuity from these businesses. So my first question is, what is the rationale for these actions? Are these actions not detrimental to the shareholders of Linde India? And how will Linde India be compensated or minority shareholders will be compensated for loss of profits from these three businesses?

The second related question is, is Linde India looking at taking any remedial actions, such as giving back these businesses or getting back these businesses in Linde India and both Linde and Praxair India being allowed to carry on these businesses in future because the opportunity is huge and we have multi-decade and multi-billion opportunity in front of us.

The third related question is, if I understand the hydrogen value chain correctly, these three businesses, the gasification, thin gas and carbon dioxide, all these three businesses are extremely important for doing grey hydrogen and blue hydrogen business. So, my question is if these businesses are not with Linde India, how will Linde India be able to participate in grey and blue hydrogen opportunity going forward? Because if you look at the India's hydrogen mission or even if you look at the Indo-German green hydrogen task force that was set up or if you look at several NITI Aayog reports, which talks about the opportunities in carbon capture, decarbonization and hydrogen.

If we do not have these basic businesses or which are the foundation of hydrogen business, how will Linde India be able to pursue these businesses? And is it the reason why there is absolutely no mention of hydrogen in the annual report as well as mention of hydrogen in your presentation today? So, I would like to understand, how

will Linde India shareholders be able to pursue and benefit from the multi-billion dollar opportunities in hydrogen decarbonization and carbon capture.

Then I will come to question on new business opportunities. So recently Oil India on 30, June announced on Twitter that it has signed MOU with Linde GmbH for couple of businesses. First carbon capture and second utilization of carbon dioxide in Oil India's abundant wells. Now, as we understand from your explanation in the last three AGMs, that the business allocation and decisions will be based on the incumbency and geographical location.

So, since Oil India is in the eastern part of India predominantly, I believe Linde India will be entitled to business from Oil India. That is my understanding. Please correct me if I'm wrong. Secondly, any new technology that may be required for this business will be again given to Linde India because the business is in the eastern part of India. So I'm trying to understand, whether Linde India will be able to do this business or this business will be solely done by Linde GmbH.

Also I am trying to, if you can explain, what is the rationale for bringing in 100% promoter owned foreign entity for signing MOUs with clients in India. That is something I am trying to understand that. And how will Linde India benefit from Oil India business. Because I saw on Twitter that, Mr. Banerjee was present for the signing of those agreements. So, I was hoping that Linde India will be getting this business. But so far, Linde India has not made any announcement.

So, if you can throw some light that would be very, very helpful. Then IOCL last year announced that they are going to sell seven of their captive hydrogen plants starting with the first plant in Gujarat. So again since western geography is with Linde India as per the JV agreement, I would like to know, if Linde India has bid for these plants. Also I would like to know, if Linde India will be able to bid for all such plants which will come for decaptivation opportunity in the West, North India and East India.

So I would like to know, if Linde India has not bid for this plant, who will be bidding for this business for Linde Group and what's the rationale for the sale? Lastly, I would come to the related party transactions. For the last four quarters, five quarters, in fact, since 2021, 2022 and in 2023, all three years, Linde India has applied the materiality

threshold to value for each RPT with Praxair India and not to the aggregate value of RPTs, which is required as per regulation 22 of SEBI LODR Regulations. Because if you see the regulations, those clearly use the words transactions. So in plural and also mentions entered into individually or taken together.

So I'm trying to understand, why has Linde India completely missed out on taking transactions together. Because if you look at the aggregate RPTs of Linde India with Praxair India, they were 27.9% of turnover in calendar year '21. And if you look at 15 months ended March '23, they are whopping 34.6% of turnover. So I would like to understand, how Linde India has applied materiality threshold to value of individual transaction and not aggregate transactions with Praxair? That is the first question.

Secondly, if you look at regulation 23-4, you should have taken shareholder approval in 2021, then prior approval as required from 1, April, 2022, and again prior approval for 2023. So as a reader of regulations, my interpretation is that Linde India has violated regulation in 23-4, thrice now, first in 2021, second in 2022 and third in 2023. So I would like to ask Linde India, have you looked at the practices followed by other Indian corporates? So I'll give you a few examples. HDFC Bank, which is the biggest bank in India and who has a very, very prominent ex-executive Director of SEBI.

They have been taking shareholder approval and they have been applying materiality threshold to aggregate value of transactions for last three years now. The period which I'm talking about. In 2021, they took shareholder approval AGM, on in February 2022, they took prior approval for FY '23 and again in February '23, they have taken prior approval. If you look at Tata Steel, your biggest customer, they have been aggregate, applying material threshold to aggregate value of transactions.

If I look at all the Independent Directors, the companies in which they are Independent Directors. So Mr. Mehta is Director of JSW Ispat. He's also on Chairman of the audit committee of Suryoday Small Finance Bank. And I would like to bring to your attention that both these companies are applying materiality threshold to aggregate value of transactions. In fact, JSW Ispat had material RPT and they have been taking shareholder approval under 23-4 every year. Dr. Shalini Sarin is Independent Director on Kirloskar Oil Engines and ISMT. Now, they do not have any material RPT, but if you

look at their RPT policy dated 9, March 2022 for Kirloskar Oil Engines and ISMT dated 14, Feb, 2022.

Both policies clearly mentioned that, you have to apply materiality threshold to aggregate value of transactions. And lastly, Dr. Mr. Arun Balakrishnan is not Independent Director of other companies, but he was ID of MGL for 10 years. And MGL was taking shareholder approvals for material RPT transactions by applying materiality threshold to aggregate value of transactions.

So I would like to ask Independent Directors as to why they have adopted these dual standards or why they have adopted contrary approach, when it comes to Linde India and a different approach when it comes to other companies. So I would like to hear from them. Also, I would like to ask secretarial auditors, if they have taken into these aspects, taken into consideration these aspects before giving unqualified opinion on corporate governance certificate.

Now, the last couple of questions, if you look at the corporate governance certificate of Linde India, every year since 2007, since when, the annual reports are available on your website since 2007. And for every year, the statutory auditors were signing the corporate governance certificate. For the first time in your history, secretarial auditors have signed this corporate governance report and not PwC, the statutory auditors have signed this report.

I would love to understand why has PwC not signed this report? Why have you deviated from this practice of a statutory auditor signing this report? A related question which I would like to ask Mr. Pramit Agrawal of PwC is that why have you not signed the corporate governance report? And in your opinion, in your independent auditor report, point number four, you mentioned that, you have highlighted the fact that there are serious, significant regulatory uncertainty. So why have you not modified your opinion regarding this?

Lastly, I have, I would like to appeal to the Independent Directors that even in the last AGM as a shareholder, I had requested protecting my interest of the minority shareholders. The still there has been no word of merger of Linde India and Praxair

India. The exclusivity of three businesses has been given to Praxair India for free. There have been geographical restrictions which have been put on Linde India.

The new businesses like the Oil India businesses as I mentioned is signed by Linde GmbH. Linde India has violated repeatedly the heavy LODR regulations. So I would like to really urge you and ask you what are Independent Directors doing to protect the interest of minority shareholders. I would like to also highlight to Mr. Devine that, a leading proxy advisory firm IIAS in India gave a very, very low score of only 17 on a scale of 100 to the Independence Board of Linde India in their recent recommendation.

In fact, they had recommended voting against appointment of Mr. Devine. And the reason that they gave was that, the Board has not addressed minority investors concern for an extended period with respect to conflict between Linde India and Praxair India pursuing similar businesses. So, I would like to really highlight this aspect that the leading proxy advisory firm which has almost 75% to 80% market share, which advises almost every mutual fund in India has these comments. I would like you to ponder on these comments.

Lastly, I would like to clearly request Mr. Devine, I would like to appeal to Mr. Devine that you are Associate General Counsel for Linde Plc. You're also heading the M&A Legal Department for Linde Plc. So, given your strong credential, I'm sure there is no other person in Linde India who would understand legal implications and legal regulations as good as you will.

So, I would really, really appeal to you that I am really concerned to about these aspects that I have mentioned, about the businesses being given away, regulatory risk that Linde is taking and relying on one legal opinion and not interpreting the legal regulations in a -- with a true spirit of the law. So, I would really like to appeal to you, sir, that you have talked about strong governance practices. I would like to see some action on this front.

I'm extremely happy about the financial performance, but I see scope for improvement in this specific area. I wish you all the best and Mr. Banerjee and the entire team for continuing success and to explore and benefit from the significant

Linde India Limited  
17 August 2023

opportunities I've talked about. So I'll stop here and I would like to hear from all of you. Thank you.

**Moderator:** Thank you. Our next speaker member, Prakash Venkatraman, who has joined, however left the meeting due to some other work. Hence, we will invite our next speaker member, Dhanraj Jain. Please accept the prompt on your screen, unmute your audio and video, and you may proceed with your question. We will wait for a moment while Mr. Jain unmute his audio and video connection.

**Dhanraj Jain:** Hi, good morning everyone. Good morning everyone. Respected Chairman, Michael Devine sir. Welcome to Linde, India. I am an investor in your company and my DPID number is IN30115112879583 and I am from Mumbai Maharashtra. Sir, I have sent my questions, but I will just go through them quickly.

There is no mention in Annual Report regarding Tata Steel ASU to be board with long-term contract of 20 years which was announced on 13th Feb, 2023. Can you please share by what time it will start contributing to our revenue. Also what kind of increase in volume of xenon and krypton gases will this new plant provide over March 23.

Your PED is constructing 1,850 TPD at Jamshedpur, is it possible that you may be to acquire this ASU from Tata Steel? Then I need some details on financials. First one, what is the likely capex for nitrous oxide facility in Hyderabad and what kind of peak annual sales it can provide?

Second, you had stated your average cost per unit of electricity at 6.75 per unit in 2021 Annual Report. How much was it during the year ended March 23? By what percent can you reduce this cost in next 3 years taking March 23 as base?

As per annexure to Directors report, it has been reported that total forex used for 15 months period was 3529.49 million besides import of special gases for which other purpose the forex was used. The same was only 2035.82 million in the year 2021. Gases sales outside India is about INR18 crores as shown on page 193 of Annual Report. What kind of gases are you exporting and to what kind of customers? Can you provide outlook for export of this gas business in future years?



And trade receivable from contact with customer billed, already you have billed INR309.21 million, which is shown as non-current asset, meaning that these receivables are due after business cycle of one year. Why so much credit is given despite billing being done? The interest segment revenue of PED stated on page 126 of Annual Report is 125 crores. Why has this risen so sharply compared to hardly INR7 crores in 2021? What is the order book of PED as on 31st July 2023? How much of it is from Praxair India and how much is the export component?

As compared to 33 plants in year 2021, there are 35 plants operating in the year 2023. Please let us know the two plants operated in financial year 2022-23 with capex capitalized. And final question is impairment of idle fixed assets whether completed in entire TTA as one time exercise or it is regular exercise every year. Please give the amount of idle assets impaired during the financial year 2022-23. Thank you so much. This was my final question. Thank you so much.

**Moderator:** Thank you. We now invite our next speaker member Manas Banerjee. Please accept the prompt on your screen, unmute your audio and video and you may proceed with your question. We will wait for a moment while Mr. Banerjee unmutes his audio and video connection. Mr. Banerjee you are on mute.

**Manas Banerjee:** Mute.

**Moderator:** Please go ahead with your question.

**Manas Banerjee:** Okay. Good morning, everybody. Respected Chairman, present Board members and my fellow online shareholders. I am Manas Banerjee, an equity shareholder of Linde India Limited, joining the AGM from Kolkata. Sir, in all respect, financial year 2022-2023 during 15 months period was a remarkable year. Our company reported best ever financial performance and demonstrated significant progress. Congratulations to the Board members for that.

Year-on-year revenue growth of 48.5% and year-on-year EBITDA 45.2% driven by higher volume, pricing action and productivity benefits. Our company maintaining a healthy dividend payout INR12 per share. Now I have some queries. Sir, what is the

opportunity for a company like Linde India that has been a pretty good last year and what is the outlook for FY'24?

And my second question sir, gas related product has a strong EBITDA, but project engineering division has a flat EBITDA margin. I would like to know what are the main reasons and what are your PED EBITDA margin for FY24?

Next question sir, a new fabrication shop being constructed in Jamshedpur for PED, this will be operational during financial year 2023-2024. Sir, how do you see the growth in this segment? Sir, if you can throw some light on green hydrogen business and finally, as stated on Annual Report that a lot of overseas player willing to compromise on margins for newer market.

Sir, can you share in details on how you minimize these challenges? Congratulations to the Board members for investment in renewable energy space and on CSR policy, specially restoring mangrove plantation of trees at Sundarbans. This will save us from cyclone. Sir, I hope this project will continue in coming years also. I already supported all the resolutions by remote e-Voting.

Before I conclude, I repose my full confidence on the functionary of this Board of Directors of this company. Thank you, sir.

**Moderator:** Thank you. We now invite our next speaker member, Parikshit Kabra. Please accept the prompt on your screen and unmute your audio and video and you may proceed with your question.

**Parikshit Kabra:** Hi everyone. Thank you so much for this opportunity to ask the questions and talk to the management. In accordance to your request, I have also already submitted these questions beforehand. I'm just going take this opportunity to voice them out again. My questions touch upon topics that have been covered by other shareholders previously in this conversation, but you will observe that my question is slightly more specific onto the process and the positions taken by the board members at various points in the process. So I would really appreciate specific responses to those specific questions. With that I will just jump in.

Number one, does the board of directors of Linde India consider the decisions to assign exclusive rights of HyCO and CO2 business to Praxair India as something made in normal course of business? Number two, did the Board of Directors conduct a formal valuation exercise for HyCO and CO2 businesses before promising Praxair India exclusivity to these segments?

Number three, are there other self-imposed restrictions the Board of Directors have agreed to and placed on Linde India to create the JV between Praxair India and to facilitate the global merger of Linde PLC and Praxair India. For example, I believe there are some restrictions on some gases that we can sell nationally. Was there a valuation exercise done for each of these restrictions that were placed on us?

Number four, if the answer to the questions two or three is a yes, then was the valuation of the business or businesses being given up to Praxair India less than 10% of the turnover of Linde India in that relevant financial year?

Number five, does the Board of Directors regard the contract between Praxair India and Linde India regarding the assigning of exclusive rights of HyCO and CO2 businesses as a related party transaction under the Companies Act or SEBI LODR 2015.

Number six, do the Auditors of the company concur with the Board of Directors view from the other questions one to five above.

Number seven, now this is a multi-part question, so bear with me. It is my understanding that the General Council of Linde Plc communicated directly with some shareholders through an email dated 13 December 2021. Now basis that A is the Board of Directors of Linde India aware of this email and did they authorize it B what is the locus standi of the general counsel of Linde Plc in a matter concerning Linde India and its shareholders.

Number C, has this information been published in the public domain and filed with the stock exchange?

The next question, eight, which is again a multi-part question. The Linde Plc General Council letter dated -- letter that I just stated reportedly states that green energy, which I assume also includes green hydrogen, will be done exclusively by Praxair

India. So, again A, does the Linde India Board of Directors agree with this and B, if they do then does this stance not contradict disclosures made by Linde India and various past AGMs?

Question nine, does Linde India intend to put the full text of the JV agreement between them and Praxair India into the public domain given the changes in the SEBI regulations. Thank you so much for hearing my questions and hopefully getting some specific answers. And of course, thank you for the team for our fantastic results. Thank you.

**Moderator:** Thank you. Our next speaker member Hitesh K, who has registered however did not join the meeting. Hence, we will invite our next speaker member Bhushan Laxmandas Wadhvani. Please accept the prompt on your screen. Unmute your audio and video and you may proceed with your question. Mr. Wadhvani please accept the prompt on your screen. We have sent a prompt to unmute your audio. Please accept that. Mr. Wadhvani may we request you to unmute your microphone and ask your question. As there is no response, we will invite our next speaker member, Pramod Kabra. Please accept the prompt on your screen. Unmute your audio and video and you may proceed with your question.

**Pramod Kabra:** Thank you, Chairman and the Board of Directors to give me the opportunity to speak here. And as many of the other speakers have said, Chairman said that Linde India has put a very good financial performance. So, compliments to everyone on that. I will be again very direct on the questions to save everybody's time. My question number one is, what is the evolution of relative market share of Linde India vis-a-vis Praxair India and INOX Air Products in the gas business, in the gas segment? So basically that how good is our relative performance and in absolute sense we have done well.

The second question is, again for my interest, what is the total market size of the gas business in India? I was glad to see that we are talking about 1.5 times the industrial product growth will be the estimated growth rate, but it will be good to know what is the total size of the gas business in India.

My question number 3 is that Mr. Lamba has mentioned about one bill, in the Economic Times interview he did mention that about one billion dollar of investment

Linde India Limited  
17 August 2023

being made by Linde in India. I wasn't sure whether he meant in that whether it was Linde Group that is including both Linde India and Praxair India, or it was only for Linde India. And assuming it was for both, in case it was the case, then what is the expected share of Linde India out of that?

My fourth question is about pipeline clusters. Very nicely mentioned about in the future opportunities that we will create competitive advantage by creating pipeline clusters in the bulk gas business. Wanted to just, if the management could share with us that what has been the progress on this so far and what are the immediate plans?

My fifth question is regarding the June quarter and although it in the AGM for the financial year ended 23, but in case management wishes to share some insight into June quarter 23 results, where the gas segment business margins have been lower quarter-on-quarter, not Y-on-Y, but on quarter-on-quarter and they have been significantly lower. So would have been interested to know what happened in that.

And my last question is, would the Board of Directors of Linde consider holding a quarterly shareholder interaction? And I know that that may not be of the interest, I'm conscious that in the past that you're trying to delist the company, but my suggestion and request is that as long as it is listed, it is best to hold the shareholders meeting for fostering the greater transparency and also to avoid rumor mongering, which can lead to in some cases insider trading. That's the request. That's it. Thank you very much.

**Moderator:** Thank you. We now invite our next speaker member, Vinay Bhide. Please accept the prompt on your screen, unmute your audio and video and you may proceed with your question. We wait for a moment while Mr. Bhide unmutes his audio and video connection. Mr. Bhide, may we request you to unmute your microphone and ask your question?

**Vinay Bhide:** Hello.

**Moderator:** Yes, sir. We can hear you.

**Vinay Bhide:** Fine. But let me start my video.

**Moderator:** Okay, you may ask your question, we can hear you.

Linde India Limited  
17 August 2023

**Vinay Bhide:**

Fine, fine. Let's check the video. Linde India Chairman, Mr. Michael Devine, Executive Director of Abhijit Banerjee, other Directors present at today's AGM, Company executives, shareholders. My name is Vinay Bhide, and I'm a long time shareholder speaking from Mumbai. It is indeed with a sense of pride and privilege that I participate in today's AGM. The shares have come as an inheritance from my parents. All of you will be pleased to note, our family continues to hold these shares for 68 years. Yes, you heard it right, 68 years. You will agree that loyalty and patronage are few, particularly in holding of shares.

My father first became a shareholder and later my mother, the shares they continued to hold till their end. While my father was a Staunch company supporter, he did not live to see the capital appreciation when he expired. The share price at that time was barely 3 digits about 20 years ago. These points are little variation from the routine financial questions that we have been hearing.

So, just something for sharing. I have been reading our Annual Reports since my school days. While my academics were outside of finance, I later appreciated companies and finances when they became part of my advanced academic studies. Indian Oxygen as it was well known, later became BOC India and then transformed to Linde India. It was first a British company and later we became a part of Linde India when the trend of transnational buys commenced rather transatlantic buys commenced.

I remember also the service provided some of my -- some of our old executives like Mr. P.R. Roy who was a Company Secretary for a long time and who later became a company Director. Now I have intently listened to all the queries you know that the shareholders have asked. I just have a couple of points to ask of you. We are a market leader in the medical oxygen sector among the other sectors. Can you please give us what is our market share in the medical oxygen services sector or provision of medical oxygen services in India that is question number one.

And question number two is that what are the plans that we have for green hydrogen as a line of business in the future years. Few other points I would like to just mention here, I did hear some of you know the earlier shareholders speak about the concerns

of the Audit Reports and other thing I am extremely concerned about that. I understand more about corporate strategy, business and finances than I do about the law.

But like all other long standing shareholders, I will also be keen to know as to what the company's views are and more so what the company plans to do in the coming days to overcome as I suppose the unintended situations. I must also mention here that it is a tradition of all professional companies to share speaker shareholder links with speaker serial numbers. This has been progressively happened since 2020. Our company has not done that. Though, I still continue to believe that we are a professional managed company. I would request Mr. Amit as well as the Board to strongly consider sharing the speaker sequence number of the names well in advance of the meeting.

As also, I will also mention that our events team, Veza Events took a lot of pain to ensure our participation. And as I can see that you have done a good job despite the intervening holidays that came in between. Well, you know, this is for what I have for now I have one final request to make to you. Considering the patronage and the loyalty that me and my family have been given over these years, I would also like to request you to consider sending physical copies and notices to us at our postal address and also to other loyal shareholders in order to update them regularly and keep them comforted on the present and the future of the company. I have no further too common time to take and I will close with best wishes to you Directors, to Chairman, all the employees, all shareholders. Thank you for giving opportunity to speak sir. Thank you so much. Jai Hind, Namaste.

**Moderator:** Thank you. We now invite our next speaker member, Arun Shinde. Please accept the prompt on your screen, unmute your audio and you may ask your question.

**Arun Shinde:** Yeah, I would like to apologize as my camera is not working. Respected Chairman and other dignitaries, Company Secretary, shareholders present at the AGM. I thank the management for nice and valuable presentation regarding company affairs and performances. I have submitted the questions earlier to the IR team, but I would like to read it here and would keep it brief.

First question, considering the recent shortage of argon gas in India and related price spike, can you please provide some details like demand and supply of argon gas in India? How much argon capacity does Linde India have currently and will it be able to fill the gap and how?

Question two, can you please share how many total number of cylinders does Linde India have pan India and specifically available in the eastern region? Also, which gases are transported in this cylinder and a broad breakup of the same?

Question three, can you highlight some India specific applications and products offered by Linde India? For example, Linde derives about 40% of its revenue from dairy sector in New Zealand. Similarly, if you can please help understand that such kind of opportunity could be any specific applications, is there in India and the potential size and current sales from it?

Question four, as per the Annual Report, the total import of gases during the year grew 73% to INR353 crores in FY23 versus December 21 as derived from forex data. In this respect, can you let us know which are the key gases imported in the country and at what stage Linde India can become manufacturing hub for these gases. In this light, what is your stance for electronic gases?

Question five, additionally what is the size of helium market in India, it's price change like recent versus previous year. What is the rate of growth and how will Linde India cater to?

Question six, also the new capex announced for steel companies like ESL, Bokaro, JSL and Tata Steel. Can you tell us how these projects are different in terms of technology, usage of gases, economics compared to legacy projects.

The next question would be SAIL which is also a customer of Linde India has been seeing a sharp increase in debt. Are you looking to decap opportunity in this case and besides this, which are the other decap opportunities you expect.

My last question would be can you talk about the opportunity in cement decarbonization? Thank you and all the best.



Linde India Limited  
17 August 2023

**Moderator:** Thank you. We now invite our next speaker member Rushabh Sharedalal. Please accept the prompt on your screen, unmute your audio and video and you may proceed with your question. We will wait for a moment while Mr. Sharedalal. unmutes his audio and video connection. So may we request you to unmute your microphone.

**Rushabh Sharedalal:** Yeah, thanks for the opportunity and congratulations on a great set of financial performance. I will also get into some specific questions. Most of them have been taken up by the esteemed shareholders that were before me.

So, question number one, the company has in the results for Q1 FY'24, that is June 23, why a note number three obtained a legal opinion, whereby it is mentioned that the company is not required to take the requisite permission for shareholders for entering into any related party transactions. So, my previous shareholders have actually talked about this, but I would urge the company, you have taken a legal opinion, so I would urge the company to provide us with a copy of that legal opinion that is sought by the company.

One specific question on the order intakes also, so the order intakes in the PED division was INR1,216 crores for FY'23. So what is the status of the order book today? Which are the main orders? How long does it take for orders to convert into revenue, for the order book, does it only include the external orders or does it include internal orders as well? If there are internal orders, how are they accounted for in our books? And do we book profits in this business when it is for our own gases business also? Some questions on the operations also.

The first question is regarding the ASU, the air separation units. So what is the status of the new ASU that is being built in Dahej for 250 tons per day and Ludhiana that is 264 tons per day, when it will get commercialized and what is the revenue and the margin expected from that ASU.

One question on the orders also, so we have one orders for 900 TPD ASU at Bokaro and 1,450 TPD for Jindal Stainless at Kalinganagar. So, would you please provide an expected timeline to complete the project? Also our Annual Report mentions a lot of opportunities that we see in automotive segment, in application technologies, in electronic sector. But what I could read from the Annual Report was that we only

talked about the macros and we never talked about what exactly the opportunity is there for Linde India.

And if you can just quantify those opportunities for us, that is very important as a shareholder. Also, one mention about the hydrogen opportunities that most of my previous esteemed shareholders have talked about. It's very surprising that the word hydrogen is mentioned just one time in the Annual Report and we have not talked about a single opportunity, how are we going to capitalize on it, what will be the impact on the revenues, the EBITDA, the PAT.

So, I would humbly request the members of the Board and the management to talk something about the hydrogen opportunity also. With this I conclude my remarks. I once again thank you for giving me this opportunity and wish Linde India the best in the future. Thank you.

**Moderator:** Thank you. Our next speaker member is Mahesh Kumar Bubna, who has registered, however, did not join the meeting. Hence, we will invite our next speaker member, Lily Pradhan. Please accept the prompt on your screen. Am I audible?

**Lily Pradhan:** Okay. Very good afternoon, respected all chairperson and all viewers. First of all, warm regards to Chairman, Mr. Devine. So many thanks to Secretary and Secretarial with the Secretarial team, always coordinate with me, even all shareholders. I am very happy to know that the company's performance is developing a lot, which is sustainable growth. But I have put some specific question in present situation and also specific request. What is the revolution of future development in all over world, international level, like as globally?

What is the CSR activities on challenging persons? Please micro-analysis of CSR activities. Please always consider the plant visit at Jamshedpur and all new projects. Please, as a woman requested, women's, please as a woman requested, women please support a woman empowerment. Please always send the hard copy of Annual Report before meeting, especially speaker shareholder. What is the by-product planning in the future? Thank you, thank you so much. All the best, nothing more.

Linde India Limited  
17 August 2023

**Moderator:** Thank you. We now invite our next speaker member, Veena Patel. Please accept the prompt on your screen. Unmute your audio and video, and you may proceed with your question. We will wait for a moment while Ms. Patel accepts the prompt and unmutes her audio and video connection.

**Veena Patel:** Good afternoon, everyone. I have already sent a list of questions. I just want to add on those already sent list. Sir, just wanted the company to provide the revenue breakup end-user industry-wise for the last financial year for steel, auto, and healthcare. The last AGM, it was mentioned that the company would be spelling out a strategy on hydrogen for the Indian market. So, it would be great if you can provide some detailed information about how are we going to go about on the hydrogen and the decarbonization.

Also, it would be great if you can provide the details of the product offerings that Linde India would provide for the semiconductor segment and electronics manufacturing. So, the capex plans that have been announced till date and what would have been planned for the coming financial year, if you can provide the quantum of that capex and what kind of incremental revenue we can expect from it.

The kind of the cost initiatives that we have been taking and the launch of various application technology related products, is there a further scope for improvement in the EBITDA margins? Sir, it would be great if you can help us understand the product offerings that are currently provided by Praxair India and going ahead, will there be an overlap of those product offerings, especially into the segments like green hydrogen?

And sir finally, we already have a joint venture, LAS for managing the critical functions for both the entities, Linde India and Praxair India. In this context, I want to know the reason for keeping still Praxair as a separate entity and why not merge it with the listed company, if you can provide a specific explanation for this. Thank you.

**Moderator:** Thank you. Our last speaker member is Bhushan Wadhwani. Please accept the prompt on your screen, unmute your audio and you may proceed with your question.

Linde India Limited  
17 August 2023

**Bhushan Wadhvani:** Yeah, very good afternoon to everyone and many congratulations to Mr. Michael Devine for being the Chairman of Linde India. I guess everybody has, my previous speakers have covered all the topics. My main request was for this elaborate on decarbonization for opportunities for Linde India and the protection of the minority shareholders in the interparty related transactions with Praxair. Thank you.

**Moderator:** Thank you. That was the last question. I now hand over the meeting to the Chairman for further proceedings. Over to you, sir.

**Michael Devine:** Thank you. And thank you everyone for their questions. So, thank you for all the shareholders for asking questions even before our meeting today. We will try to answer all the questions that were sent in advance by me, then myself or Abhijit will respond to the ones that came through over the conference today.

There are many very specific topics, which many of you asked the same question or a variation. So what I'm proposing to do is I'll try to answer those questions as detailed as I possibly can. I won't repeat the answer time and time again, in the interest of the time. And so the list of questions are in front of me. So, the question has been asked and answered once. I will skip it and won't take up the question again from the next shareholder. So with that...

**Amit Dhanuka:** First shareholder's response. Questions are sent by Mr. Dhanraj Jain. I'll request the Chairman's side, please.

**Michael Devine:** Yes, sure. So Mr. Jain asked about the announcement of the Tata Steel ASU in February, 2013, sorry, 2023. And when that was going to start and when we're going have revenues from there. So our plant is still under construction. It's going stay under construction probably till early to mid, mid-2024 and so I think from that point on, we'll be able to give you more update on revenues. You also asked whether there's going be any rare gases off that. There is no rare gas column on that plant, so no, there won't be any rare gases from that.

You also asked whether or not there was going be an opportunity for us to bid on an ASU from Tata Steel on the Jamshedpur and what I can say to that is, it's very possible like, I think we take every opportunity we can -- to look at every opportunity and

decide on a case-by-case basis. You've asked some very specific questions. I think this is -- this will go to a lot of questions that were asked today about specific products and market shares and annual sales in those products.

And what I can say is that we don't want to provide a roadmap to competitors or customers or whoever have you. So, that kind of information, I'm going just have to say is this is confidential and competitively sensitive and I'm not going be able to share that.

Finally, next question you had asked is, as on the forex, right? And so I think that is just, you know, it just captures other imports, including the equipment for announced projects. You asked what kind of gases we've been exporting and when and how. The typical gases we export are oxygen, argon, nitrous oxide, etcetera. It all depends on the cycle demands, and which can vary from customer, can vary from season, things like that.

So it's a very, very, very varied export. You asked about our trade receivables with customers, specifically a non-current asset during one business cycle. So why is there so much credit despite the billing being done? So, there's a INR309 million reflected as a non-current trade receivable. It belongs to the PED retention amount. And that's just based on the various contracts and the contract terms and how that's collected.

So that's what that is, the non-current trade receivable. You asked a specific question about the PED on page 126 of the Annual Report, sorry, why it has risen so sharply and what is the order book? I think it's risen because the investments we've made in this company for its gases business, which are expected to be executed by PED. I discussed in my speech the value of the order book. The next one you had asked was, what is the idle fixed assets, whether completed entry is a one-time exercise or a regular exercise.

So our company regular reviews all the assets and makes assessment of triggering events and indicators as required under the IndAS 36. The asset that you're specifically talking about represented an old plant, which we didn't have any future use for. Thank you.

Linde India Limited  
17 August 2023

**Amit Dhanuka:** So, Chairman sir will take the next question from Bhavna Desai. I will take the questions and I'll request the Chairman sir to answer to the respective question. The next question was from Ms. Bhavna was regarding PED fabrication expansion, it refers to how much will it increase the annual execution typically capability of the company?

**Michael Devine:** So, yeah we are setting up a manufacturing facility for PED, but unfortunately we're not going to be able to share them confidential details.

**Amit Dhanuka:** So the next question was regarding the order book of PED division.

**Michael Devine:** Yeah, I think in my speech it's over 14,000 million.

**Amit Dhanuka:** Next question from Ms. Bhavna was regarding export order highlighted in Annual Report was one against competition from Chinese entity of Linde. What is the size of the order? More importantly, what kind of venturing advantage does this provide to the PED?

**Michael Devine:** Yeah, again, this is information that I think that'll be something confidential and business sensitive information.

**Amit Dhanuka:** Next question, which most of the shareholders asked was regarding decapitation. It's a large emerging opportunity, especially from the refinery and the petrochemical sector. Is Linde group, bidding for these D-CAP opportunities coming from IOC, Oil India amongst others. On successfully winning this D-CAP assets, how will the business allocation between Linde India and Praxair India take place?

**Michael Devine:** So, like I said, we look at every opportunity. We decide it on a case by case basis, but allocation for D-CAP opportunities will be done through the business allocation protocols.

**Amit Dhanuka:** The next question from Ms. Bhavna was regarding Linde India has many customers in steel sector. What are the growth opportunities from existing customers in terms of value in India? What are the growth opportunities for new customers in steel?

**Michael Devine:** They have happened -- many reports of the steel industry growing by 300 MTPA capacity by 2030. Your company is continuously tracking those opportunities in the

Linde India Limited  
17 August 2023

segment over the last couple of years, we've already announced 3 investments with steel industry. We expect there will be more investment opportunities coming up.

**Amit Dhanuka:** Next question from Ms. Desai was regarding what kind of new applications has the company commercialized in past three years? What kind of sales contribution is from applications launched in past years? How big is your applications development team and which are the key focus sectors?

**Michael Devine:** Yes, so again this is business confidential.

**Amit Dhanuka:** Next question from Ms. Bhavna was in helium, which sectors are major consumer today? What kind of growth opportunities are available from existing customers and what kind of opportunity is available from new sectors?

**Michael Devine:** I think Abhijit pointed some of that out in his presentation, optical fiber, semiconductor industry, MRIs, use helium, but there are other opportunities that we're exploring, but I think that's at this point is confidential.

**Amit Dhanuka:** Next question from Ms. Bhavna was Taloja was a big power amongst merchant industrial users for Linde India like Taloja which are the other emerging pow house for Linde India?

**Michael Devine:** So, we're definitely tracking our growth opportunities in the geographies that are allocated to us, into the company or during the BAP.

**Amit Dhanuka:** The next set of questions were received from Mr. Manish Jain. We'll take up the questions. So the first question was directed to three Independent Directors of Linde India. And requested, if they could confirm that they have adequately protected the interest of minority investors, especially on two issues, first related party transactions in Linde India, following RTP as per SEBI, LODR norms, as well as in spirit of these norms.

**Michael Devine:** So, I'm not going have a debate, I don't think this is the proper form for a debate on SEBI and our interpretation of our RPTs versus your interpretation of RPTs, we have had correspondence back and forth, we've shared a lot of correspondence with each of the separate portals. I know that we've had great debates internally with the

Linde India Limited  
17 August 2023

Independent Directors, and I can say confidently on behalf of them that yes, we are in the spirit and in the law.

**Amit Dhanuka:** The second question, which is again related to three Independent Directors, was with regard to hydrogen business, also known as Sygnas, CO2 and gasification business of Linde India?

**Michael Devine:** Yeah, I think again, the business rationale hasn't been disclosed. You spend a lot of time on this. So I'm back and read transcripts of prior AGMs. The disclosure of SEBI, one of the shareholders pointed out that I am a lawyer. One of the reasons I'm on the board is to help with this issue and I am confident, with the confidence of independent Directors that the rationale behind the business allocation protocol that has been explained is good.

**Amit Dhanuka:** The next question from Mr. Jain was regarding Indian government. Along with many large industrial groups have significant focus on hydrogen including green hydrogen. Please share Linde India order book for all types of hydrogen projects especially blue and green. Also share the value of hydrogen projects for which RFQ, REF have been filed by Linde India.

**Michael Devine:** Yes, someone take this question in the next one about DCAP or IOC or HPCL together and it's basically -- it's business confidential. It is competitively sensitive, we are not just going to comment on our plans or what we are doing on specific projects at this time.

**Amit Dhanuka:** Next question refers to Linde India has won the DCAP of Tata Steel 1,800 TPD by two ASU in February 2023. By when all this two ASU be operation and when is the payment to be made to acquire these ASU?

**Michael Devine:** Like I said the plants are presently under constructions, and it will be complete by the half of next year.

**Amit Dhanuka:** Next question from Mr. Jain was he was keen to get outlook for gases from different sectors, what is the current sales of gases to solar sector and the electronic sector. Potential from oxy fuel Linde take in Cement industry.



Linde India Limited  
17 August 2023

- Michael Devine:** So, I think you pointed out Mr. Jain that there is a bunch of opportunities, here is bunch of sectors they were excited about the details of that, the details of our five top customers those are the things, the details about the CCUs, those are things that I am not just prepared to comment or discuss.
- Amit Dhanuka:** The next question was conjoint reading of newly inserted Clause 5A with regulation 30 of SEBI LODR Regulations when will Linde India provide the copy of JV agreement with the minority shareholders?
- Michael Devine:** Well we do not believe that the JV agreement comes under the requirement of Regulation 30A-2 of SEBI-LODR Regulations.
- Amit Dhanuka:** Next specific refers to Mr. Sanjeev Lamba shared in an interview with Economic Times, that share of Linde India's business will rise from 3% to 5% in next three years to five years. What kind of sales will that make for Lindi India?
- Michael Devine:** Yeah, I talked to Sanjeev after that. I think Sanjeev was referring to Linde in India, not Linde India. I think those numbers are not specific to Linde India.
- Amit Dhanuka:** So, these were the set of questions received from Mr. Manish Jain. The next set of questions were received from Mr. Mohan Krishnaswamy. In his first question, he requested for a clarification on hydrogen and CO2 business of Linde, India, the rationale behind the business allocation?
- Michael Devine:** Yeah, again, I think we put out our rationale with SEBI, that's available for review. And I'm not going to debate it.
- Amit Dhanuka:** So this follow up question on the same was, did the Board of Linde India make an evaluation of the future potential of the business before giving the right to future business?
- Michael Devine:** Yeah, there was an appropriate evaluation carried out.
- Amit Dhanuka:** Again, on the same question, why was this done without any approval of minority shareholders as it has been given to a related party?

Linde India Limited  
17 August 2023

**Michael Devine:** So, the JV agreement doesn't require the approval of the shareholders. It's not a material related party transaction and the board has invested power to execute.

**Amit Dhanuka:** His next question refers to MoU, Memorandum of Association of Linde India which has an object of hydrogen in it.

**Michael Devine:** Yeah, so here again, I don't think that the hydrogen ecosystem is in India. There's a sharing of potential that arises given the allocation protocols in the JV.

**Amit Dhanuka:** His next question is also a repeat question which refers to the disclosure of joint venture agreement as per newly inserted regulation 30 A of SEBI LODR regulations.

**Michael Devine:** Yes, I think we've already answered that.

**Amit Dhanuka:** His next question was with regard to air separation unit at Sri City Andhra Pradesh if you can just throw some light? There is a mention of this air separation unit being under construction in Linde's India press release dated 16, December 2021 in BSE and also a press release in 2016, which states that Linde India has got clearance from the state government for setting up this ASU. This clearance was received well before the global merger of Linde AG and Praxair.

Can the company update shareholders on the status of this ASU and how it will impact revenues of Linde India? Since the Southern region later on 25, March, 2020 was allocated to Praxair India Limited under the JV agreement, but this was done in March, 2020, but Linde India got clearance for the ASU in 2016?

**Michael Devine:** Yes, I'll go slowly. They reminded me to speak more slowly, so I'll do that here. And this is a long answer, so bear with me. APIIC allocated nine acres and nine cents of land in Sri City to the Linde India through a lease sale agreement dated the 5th of October, 2018. The company paid for the nine acres and nine cents and only seven acres and 35 cents were handed over to them.

The company was pursuing with APIIC for handling over of the balance portion. And even today, it has not been allocated. That apart, there were issues with the local villagers and farmers trying to enter the land for cultivation. They're trying to obstruct the commencement of construction activity, which resulted in delay in the company

commencing construction. Despite several requests to the local police and district electorate, there was no local help. Thereafter, the JV agreement got signed in March, 2020, and Praxair India was in need to set up on a standalone merchant plant in the South.

Since the land was readily available to the company, Praxair entered into a contract manufacturing agreement with the company. And in the terms thereof, Praxair India got the company to set up the merchant plant in the said land at Praxair India's cost, and the company will manufacture liquid products for Praxair on an exclusive basis. And the company also uses some of these products for its existing customers in South India. The contract manufacturing agreement was entered into on 31st of March, 2021, and the consent to establish was received on the 17th of May, 2021.

**Amit Dhanuka:** Thank you, sir. The next set of questions was received from Mr. Parikshit Kabra representing Pkeday Advisors LLP. His first question was regarding the decision of Linde India Boards to assign exclusive rights of hydrogen and carbon business to Praxair India?

**Michael Devine:** Yeah, I think I have answered that. The proper evaluation was made at the time and so that is part of it.

**Amit Dhanuka:** His next question was again did the Board of Directors conduct a formal evaluation exercise for hydrogen and carbon dioxide business before promising Praxair India exclusivity in these segments?

**Michael Devine:** Again, we have discussed this numerous times during last AGM and move to the next one.

**Amit Dhanuka:** His next question was, are there other self-imposed restrictions the Board of Directors has agreed to place on Linde India to create a JV with Praxair India and to facilitate the global merger of Linde Plc and Praxair?

**Michael Devine:** Yes, this is the return theme. I think it's been a return theme for a while now. I just think, we have answered this one and move on.

Linde India Limited  
17 August 2023

**Amit Dhanuka:** His next question was, is it my understanding that the general counsel of Linde India Plc communicated directly with some shareholders through an email dated 13, December, 2021. Is the Board of Directors of Linde India aware of this email and did they authorize it? What is the locus standi of the general counsel of Linde Plc in a matter concerning Linde India and its shareholders? Has this information been published in the public domain and filed with the stock exchanges?

**Michael Devine:** So, we cannot comment on any contents of the letter written by a shareholder, in this case, Linde Plc, the promoter of the company. Linde India has no role to play in the communications of shareholders amongst themselves.

**Amit Dhanuka:** His next question was, does Linde India intend to put the full stakes of the JV agreement, it's again relates to the newly inserted regulation 30 A SEBI regulations?

**Michael Devine:** Yes, again. We have answered that question.

**Amit Dhanuka:** The next set of questions were received from Mr. Amit Ashok Gadgil. Why is Linde India applying materiality threshold to the value of each transaction between Linde India and PIPL? It's regarding the regulation 23 of SEBI LODR regulations?

**Michael Devine:** So I think, again, we share this rationale SEBI, I think it's available on the portal that we explore.

**Amit Dhanuka:** So again, the next question refers to the existing business of Linde India, which hydrogen carbon and gasification business to PIPL, a 100% promoter owned entity in March, 2020?

**Michael Devine:** Yes, again, we made a proper evaluation at the time and we've already answered this.

**Amit Dhanuka:** Three businesses given to Praxair India are essentially for doing hydrogen carbon capture business etcetera. Hence, Linde India will not be able to do any business in green hydrogen, blue hydrogen, carbon capture and local and coal gasification. Is my understanding correct?

**Michael Devine:** I think we have answered this already.

*Linde India Limited*  
*17 August 2023*

**Amit Dhanuka:** The next question from Mr. Gadgil is, Linde India management has guided in every AGM since 2020. AGM that hydrogen business will be pursued by Linde India on a case to case basis. What is the roadmap for the hydrogen business and decarbonization business in Linde India?

**Michael Devine:** So, again looking at all opportunities that we can. We'll pursue all business opportunities as per the business allocation protocol in the JV Agreement.

**Amit Dhanuka:** This is again a repetitive question. Oil India recently announced on Twitter on 30, June '23, that it has signed two MOUs with Linde GmbH for carbon capture, transportation and distribution, utilization of carbon dioxide injection for EOR and storage of carbon dioxide for sequestration at OIL's abandoned wells. Please could you explain why Linde India did not sign these MOU since the business will be in the eastern part of India?

**Michael Devine:** So again, Linde India pursues all opportunities based on BAP as per JV Agreement.

**Amit Dhanuka:** The next question is the certificate on corporate governance for financial year 2023 was signed by company secretary, P Sarawgi & associates. As per the annual reports available on Linde India website, the corporate governance certificate was signed by statutory auditors from 2007 to 2021. What is the reason for the departure from the long established practice of statutory auditors signing a certificate? Why has PwC not signed the corporate governance? Why has Linde India not included it in the scope of work of PwC?

**Michael Devine:** It is so a different take on the same sort of question, but the global standards, as I understand in the Pricewaterhouse, they cannot provide the non-audit service or certify any other document company in which they are appointed as the statutory auditors. Further, pursuant to clause E of Schedule 5 of SEBI, the listing obligations and disclosure requirements, regulations 2015, compliance certificate can be obtained from either the auditors or practicing company secretaries regarding compliance of conditions of corporate governance. It's our moment, our right to do so.

**Amit Dhanuka:** So, the next set of questions was from Veena Chandrakanth Patel. With your permission, I will skip the questions, which has already been asked?

Linde India Limited  
17 August 2023

**Michael Devine:** That would be fine, thank you.

**Amit Dhanuka:** So, the first question is, revenue break-up end-user industry wise steel, auto, health healthcare?

**Michael Devine:** Yes, we are just not prepared to break it down that specifically.

**Amit Dhanuka:** Her next question was details of our products offering for electronic, manufacturing and semiconductor segment?

**Michael Devine:** So, I think we offer pretty much all the industrial gases and special gases.

**Amit Dhanuka:** Her next question was, what product offerings are provided by Praxair India? Going ahead, will there be overlap of product offering in segments like green hydrogen?

**Michael Devine:** Yes, again this does not pertain to Linde India at this time and its not applicable.

**Amit Dhanuka:** So, these were the questions we received from our shareholders.

**Michael Devine:** So, at this time, I'd like to turn it over to Abhijit to help respond to the questions raised by the speaker shareholders.

**Abhijit Banerjee:** Sure. Thanks, Mr Chairman. So, first set of questions which were taken today were from Mr Manoj Gupta. What is your future plan for the company in the three years' capex, including the green field projects as India is growing rapidly? Of course, I mean, we have been growing over the last several years and as mentioned during my presentation, plans have to grow further. Plan in north, south, east.

There was a specific reference by Mr. Gupta in north, east, we are definitely exploring business opportunities over there. And as and when we come across something which is good for a sustainable growth, we will definitely invest in. Any plans to split the shares, 1:10? I'm sorry, there is no plans right now for the near future. How much CSR spend we are doing? So the CSR spend allocated for the present financial year 23-24 is about INR8 crores, INR 80.2 million. As I highlighted in my presentation, we have chosen some specific themes for Linde India. One is road safety, another is environment and the third is health and wellness.

Apart from that, we have funds allocated for any disaster relief as and when the statutory requirements are there. Specific projects on road safety is, for example, training of heavy vehicle drivers. In terms of environment is mangrove deforestation and for health and wellness is promoting natural childbirth in partnership with some agencies. And these are all covered in the Annual report also.

There was a question on, yeah, the government had sort of supported or insisted the hospitals and 85% of the capacity of their own oxygen plants, so has that. Is that the dip in medical oxygen supply because of that? Not much. The dip I mentioned in my presentation was basically as compared to what we saw in 2021, specifically the months of April, May, and June when we wave2 had hit us.

But if you just look at our overall medical oxygen volumes, which is pre-pandemic to now, the volumes are definitely higher than what they were. How do you reward the shareholders? I think we have a policy of distributing the profit in terms of dividend and we have been, let's say, the dividend payout has been pretty good for the last three-four years.

Any plan for solar sourcing? I think that's, we've already covered that. We are always looking out for greener sourcing. Next set of questions was from Mr. Amit Kumar Banerjee. What's the future roadmap for next two years? I think you've already come across announcements we've made about two merchant plants coming up in the next some months, some onsite investments in the steel industry.

So, we are expecting over the next few years, these projects will come under, they will get operational, we will commercialize them, and at the same time, we will continue to improve our the base businesses. What are the key challenges that present for the company? Well, competition for sure is a challenge. We are ready to face up to it.

R&D cost of the company, I think, see, out here in India we are basically representing the Linde Plc. Most of the R&D within the group is done centrally. We definitely get the benefits of that R&D spent. The questions on hydrogen, I think the chairman has already answered these questions. Any plan to tie up with any JV plant? JV is of course depends upon the opportunity. There was a request for a plant visit, I think it's been,

by other shareholders also specifically, the Jamshedpur ASU. I don't think it will be conducive for us to take our shareholders to a Trygenic air separation plant for safety requirements.

I mean, you can just be able to see it from outside, you could not be allowed inside. So, there was another question on splitting of shares, I already covered that. Next question, set of questions was from Mr. Sujan Modak, roadmap for growth, I think I have already covered that in my presentation. Steps to maintain this momentum as we are facing supply chain disruption, inflation, western downside, China, inflation. Absolutely right. So definitely we are sort of, and the supply chain disruption, we faced that last year, quite a lot. Inflation is there, we have to know. So we are facing the effects of all this. And now the team, I can assure you, is always agile in sort of come up with mitigating plans for all.

Next set of questions was from Mr. Rahul Modi. There's a question on PV cell manufacturing semiconductors. I think I already covered that in my presentation. I really wanted to know market share, I'm sorry there's no confidential, but definitely we are a major player, that's it, I can assure you. What gases are used? I mean, it's a combination of various gases. We have air gases, we have special gases, all kinds of gases are used.

Hydrogen, I think I need not answer. Chairman's already covered that. There's some specific requirements for speciality gas sales year on year comparison. I'm afraid I can't be sharing any numbers, but as I mentioned in the presentation, it's more than a double digit growth that we are seeing in that segment.

There's a question on merger of Linde India and Praxair India. I'm sorry, the management of this company is not in a position to answer that. I think either I can answer that. The set of questions from Mr. Mohan Krishnaswamy were already answered by the Chairman just now, so I will not get into that.

Then questions from Mr. Ashit Kumar Pathak. Higher depreciation, I mean, that's already been clarified was because of the progress of capitalization of the new plants. You're constantly buying new operational and distribution assets and there has been some impairment also. Steps for reducing the depreciation. I don't think the



shareholders have any concern from that because all investment that you do you will ensure that the profit from that will be more than enough to cover any additional depreciation.

Questions on the finance, finance cost increase. That was primarily because of the accounting standards in terms of asset restoration and lease value, in line with Ind AS 16 and Ind AS 116. So the question of miscellaneous expenses of 414 million, that's mainly retailer services, consultancy services, etcetera.

Present set of nitrous oxide plant in Hyderabad. It's been operating for several years. What we're doing right now is setting up a purification unit. That's what's under way. LMO growth season, that's been one, I think, one is the spend in the healthcare sector has gone up. Our coverage has also gone up, partly because of the recognition of the great work that the team has done during the pandemic.

FX earning is lower, companies view on international business. Basically, we are a local company. Yeah, admittedly we do a bit of exports, some exports to the regional, our neighboring countries, PED is looking at other exports, but primarily we are a local company for local business. Unspent CSR reason, it's already clarified in the annual report that out of the total budget of 51.24 million, 45.16 was spent, 6.08 was allocated for identified projects, but was not spent, and then subsequently the next couple of months it's already been spent.

Next set of questions from Mr. Alok Kumar Pal, faced any unprecedented disruption during the Russia-Ukraine war? Yeah, definitely. I mean, supply chain disruptions, problems in rear gas sourcing, higher input costs, higher ocean freights. I mean, I think every industry across the world faced this problem.

Next phase of development for our company, we have covered it, strategic steps already covered. How important is human resource? This one definitely, we do believe human resources are exceedingly important. I've talked and I have covered that in my presentation.

Hard copy of the report? Definitely, sir. Amit definitely be sending that across to you. Mr. Manish Jain's questions have already been answered by the Chairman, so I will go

over the next set of questions asked by Mr. Rajesh Janani. Low dividend versus EPS increase for the dividend I mean it been more than 100% dividend continuously for the last four years, three years we have given 100%. We also need to sort of, you know, preserve cash for the huge amount of investments that we are hoping to make in the next coming years, which is again, for the benefit of the company itself.

Plan for increasing the value of shares, share prices, I don't want to comment on the share prices. Future plans of the company, already answered. Next set of questions, Mr. Jaydip. Bakshi, PED the order book position that's been covered by the chairman and in my presentation also, about INR1,400 crores. Are we adding value to business by providing IT service to the customers? Not exactly, I mean, that's not our core business.

We depend on IT to sort of make ourselves more efficient and more productive. You asked for the hard copy, there's surely Mr. Bakshi, we will send over. Reason for the higher inventory, that's because the business volumes went up, that's why. Visit to the Jamshedpur ASU. I'm sorry, safety issues, come into picture.

Manas Banerjee opportunities in 2023, and outlook for 2024. I mean, as part of our growth story, we definitely aspire to get what we call more than our fair share of the business. And so far it's been that way. PED has flat EBITDA margin. Yeah, EBITDA margin for a project company. And I would say PED margins are better than most of its peers in hardcore EPC world. PED fabrication shop, I think that Chairman has covered that. Bangalore project continues on the CSR Yes surely Mr. Banerjee something we would like – our themes for CSR is when we take up a subject, we just don't want to do it for 1 or 2 years, we want to be there along with that theme for some time.

Green Hydrogen I think is already answered. Medical oxygen market share, I'm sorry, this question from Mr. Vinay Bhide, I'll not be able to answer that, it's business confidential, but I can assure you your company is one of the largest in the market. Green Hydrogen, the Chairman has already shared that. Mr. Arun Shinde, you referred to the demand supply gap of Argon. Yes, there is a market situation, Linde India capacity. Linde India is by far the largest Argon player. Can we fill the gap? Definitely,

there are some more plants coming up in our portfolio operation, which will start coming.

How many cylinders LI have, how much we sell? I think I've already covered that in my presentation, Mr Shinde. India specific applications offered by future opportunities. I mean, applications are developed by Linde Globally. And then whenever we see something which can be tweaked to meet specific requirements of our customers, we take that it in and of course supported by the Linde Plc also in that tweaking. What gases are exported out of India in cylinders? There's not much of export happening in cylinders. What are the gases imported into the country?

Yeah, we do import special gases which are not manufactured in India or available for trade. Plan for electronic gases, I think I have covered it. We have a lot of expectations to put in the electronic industry. Size of helium market in India, helium price increase. Yeah, we have a substantial market share and the prices in helium have gone up because of the overall global supply and demand balance. There was a question on the new ASUs at electrosteel, ESL steel Bokaro, JSL, how they are different versus legacy projects.

As we said all of these Projects were standard trygenic ASUs of capacities of 900 to 850 TPDs, so not really different from the investment perspective. Question from Mr. Pramod Kabra was about Mr. Lamba's announcement to invest 1 billion in India. So I think the Chairman has already clarified that was Linde in India. As far as Linde India is concerned, you've seen some investment announcement. There'll be more coming. I'm quite hopeful of that. Pipeline clusters progress. So far we already have a couple of existing pipelines and we've been successful in getting new orders for these clusters.

We're also planning to develop some more clusters. That's interesting. Gas segment margin lower quarter and quarter. That's definitely a very relevant point, Mr. Kabra. That's primarily because in the last quarter of last calendar year, the first quarter of this calendar year, there was substantially a lot of opportunity business, which went down and that's why quarter on quarter, the numbers don't look good at eye level, but the base business has definitely been growing and as you highlighted year on

year it's been a great story. There was about an investor call, right now there are no such plans for it.

Questions from Mr. Rushabh Shredalal, Order intake. Okay. You want to understand the order intake. I think it's already, the PED order books have already been disclosed and that is not internal, that's all external orders. And there was a question on profit on internal orders, I mean how can Linde India make profit on Linde India business. I don't understand this question. ASU, Dahej, Ludhiana, I think I already covered it, coming up in the next some months. ESL, JSL, their pro-work is going on.

We' can see them getting commissioned next year. Opportunity in auto and electronic, please quantify. Unfortunately, as of now, we can't really quantify, the opportunities, anything that comes up, we will be following up on it. Questions from Ms. Lily Pradhan who was about plant visit and supply of hard copy of annual report. Every shareholder who has asked for a hard copy, definitely we will be sending that across. From Ms. Veena Patel, hydrogen market outflow, how we progressing, I've covered that, capex plans, yeah, I mean, already covered. AT growth will it support EBITDA margin? Yes, of course, that is, that's the reason why we have such a big emphasis on it. LSAS JV. So there's a question of merging of Praxair and Linde India. I think that's already been covered. There are no such things right now. With that Mr Chairman, we have addressed all the question that were raised today.

**Michael Devine:** So, I hope that I along with the Managing Director, have answered most of the pertinent questions raised by the members, in addition to the details earlier covered by the Managing Director in his presentation and in my address. With the completion of the Q&A session, we now come to the 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 yet cast their vote are requested to do so.

The Board of Directors has appointed Mr. P.K. Sarawagi, whom failing Mr. S.M. Gupta, practicing company secretary, as a scrutinizer to scrutinize the e-voting process for the 87th Annual General Meeting in a fair and transparent manner and submit a report to the chairman or a person authorized by him in this regard. I hereby separately

*Linde India Limited*  
*17 August 2023*

authorize Mr. Abhijit Banerjee, managing director and Mr. Amit Dhanuka, company secretary to receive the scrutinized report and declare the results of the voting and place the results on the website of the company, the stock exchanges, and the NSDL.

The resolutions as set forth in the AGM notice shall be deemed to be passed today subject to the receipt of a requisite number of votes. We are grateful to all the shareholders for attending this meeting, and I hereby declare the proceedings of the 87th AGM as closed. Thank you very much, ladies and gentlemen. I look forward to seeing you in person in the next year.

\*\*\*\*\*