

Company Business

Ellenbarrie Industrial Gases Limited is primarily involved in the **manufacturing and supply of industrial gases**, serving a wide array of end-use industries. The company has a rich legacy of over 50 years in the industrial gases industry in India. The company's business encompasses:

✦ **Comprehensive Product Portfolio** : They manufacture and supply a wide variety of industrial and medical gases, including:

- Oxygen (compressed and liquid)
 - Nitrogen (compressed gas and liquid)
 - Argon
 - Hydrogen
 - Carbon dioxide
 - Nitrous oxide
 - Helium
 - Welding mixture
 - Acetylene
 - Dry ice
 - Synthetic air
 - Fire-fighting gases
 - Liquid petroleum gas
 - Speciality gases
- Their products are offered through various supply mechanisms, including **pipelines connected to customers, cryogenic tankers, and cylinders**.

✦ **Project Engineering Services** : Beyond gas supply, Ellenbarrie Industrial Gases Limited also offers project engineering services. These include:

- Assistance with the design, engineering, supply, installation, and commissioning of tonnage Air Separation Units (ASUs) and related projects.
- Providing support for Vacuum Pressure Swing Absorption (VPSA) and Pressure Swing Absorption (PSA) plants.
- Solutions for mixed gas requirements tailored to various industrial applications.
- Operations and maintenance services for existing ASUs.
- Turnkey solutions for medical gas pipeline systems.
- Supply of products and medical equipment to healthcare facilities.

✦ **Diverse End-use Industries** : The company's portfolio of industrial and medical gases caters to a wide range of public and private entities across various industries, including:

- Steel
- Pharmaceuticals and Chemicals
- Healthcare
- Engineering and Infrastructure
- Railways, Aviation, Aerospace, and Space
- Defence
- Ship building
- Petrochemicals (including oil and gas)
- Glass manufacturing
- Welding and fabrication

✦ **Operational Footprint and Customer Relationships** : As of March 31, 2025, the company operates nine facilities, with five located in West Bengal, two in Andhra Pradesh, one in Telangana, and one in Chhattisgarh. Four of these facilities are situated at customer sites, operating under long-term lease-cum-operation and maintenance agreements or work orders, which contribute to stable and contracted cash flows. The company serves a diversified customer base, having sold products to 1,829 customers in Fiscal 2025, with long-standing relationships with its key customers.

Short Summary of the Indian Real Estate Industry

Ellenbarrie Industrial Gases Limited operates in the **industrial gases industry**. The **Indian market (TAM)** was **US\$ 1.31 billion in 2024** and is expected to grow to **US\$ 1.75 billion by 2028** at a **CAGR of 7.5%**.

IPO Details

- ✦ Total Issue Size : **2,13,13,130 Shares (Rs. 852.53 Cr.)**
- ✦ Fresh issue : **1,00,00,000 shares**
- ✦ OFS : **1,13,13,130 Shares**.
- ✦ Issue Price Band : **₹380 to 400 per share**
- ✦ Lot Size : **37 shares**
- ✦ IPO Date : **June 24–26, 2025**
- ✦ Pre IPO Promoters Holding : **96.47%**
- ✦ Post IPO Promoters Holding : **81.59%**

Objects of the issue

- ✦ Repayment/prepayment, in full or in part, of certain outstanding borrowings availed by Company : **Rs.210 Cr.**
- ✦ Setting up of an air separation unit at our Uluberia-II plant with a capacity of 220 TPD : **Rs. 104.50 Cr.**

Here's an overview of the pros and cons of Ellenbarrie Industrial Gases Limited, based on the provided sources and our conversation history.

Key growth drivers in India include:

- ✦ Robust economic growth
- ✦ Significant expansion in **end-use industries** like steel (CAGR 5.0%), chemicals (CAGR 6.0%), pharmaceuticals (CAGR 13.9%), and electronics (CAGR 16.6%) [previous conversation].
- ✦ **Government initiatives** such as 'Make in India' and PLI schemes boosting manufacturing [previous conversation].
- ✦ Increasing **outsourcing of industrial gas production** by steel manufacturers.

Ellenbarrie, with **over 50 years of experience**, is a **market leader in installed capacity in West Bengal, Andhra Pradesh, and Telangana**, offering a wide range of industrial and medical gases and project engineering services. They have **diversified, long-standing customer relationships** and strategic **on-site operations** that provide stable cash flows.

Financials of the company

(Fig. in Cr)

Particulars	March 31, 2025	March 31, 2024	March 31, 2023
Revenue from Operations	312.48	269.47	205.10
Growth in Revenue	15.96%	31.38%	-
EBITDA	109.73	61.53	33.58
EBITDA Margins	35.12%	22.83%	16.38%
PAT	83.28	45.28	28.14
PAT Margins	23.90%	15.61%	12.58%
ROCE	13.71%	10.93%	6.07%
Debt to Equity Ratio	0.32	0.15	0.01
Operating Cash Flows	4.27	43.74	38.74

Comparison with Peers

Companies	Revenue	EBITDA Margin	PAT Margin	D/ERatio	ROCE	MCap	P/E
Ellenbarrie Industrial Gases (FY 2025)	312.48 Cr.	35.12%	23.90%	0.32	13.71%	5,637 .42 Cr.	67.69
Linde India (FY 2025)	2,485 Cr.	31%	18%	0.01	17%	56,590 Cr.	126

Pros and Cons

Pros (Strengths & Opportunities)

- ✦ Established Market Position and Extensive Experience
- ✦ Diverse Product Portfolio and Comprehensive Service Offerings
- ✦ Favorable Industry Growth and End-Use Demand
- ✦ Strategic Expansion Plans
- ✦ Strong Customer Relationships and Stable Revenue Model
- ✦ Benefiting from Government Initiatives and Outsourcing Trends
- ✦ Positive Recent Financial Performance

Cons (Weaknesses & Threats & Risks)

- ✦ Historical Delisting and Potential Impact on Investor Confidence.
- ✦ Operational Risks Due to Hazardous Products.
- ✦ Challenges with Government Contracts and Payment Delays
 - A significant portion of Ellenbarrie's revenue (27.33% in Fiscal 2025) is derived from contracts with government entities and public sector undertakings obtained through **competitive bidding**. There is **no guarantee of securing future contracts** in this competitive environment.
 - The company may also face **delays in receiving payments** from such entities, impacting its cash flows.
- ✦ Regulatory Compliance Burden and Approvals.
- ✦ Promoter Selling Shareholders.
- ✦ No Proceeds to Company from Offer for Sale.



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