

Ellenbarrie Industrial Gases Ltd

IPO Note





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Paving the path as the largest Indian industrial gas supplier

Ellenbarrie Industrial Gases Ltd (EIGL), established in 1973, specializes in industrial gases (oxygen, nitrogen, hydrogen, argon), medical gases (medical oxygen, nitrous oxide), and specialty gases (dry ice, synthetic air, LPG). Among these, argon offers the highest EBITDA margin.

The company serves bulk, package, and onsite customers across industries like steel, pharmaceuticals, healthcare, aviation, and defense, with major clients including Dr. Reddy's Laboratories, Eastern Naval Command & Hindustan Shipyard. As of Fiscal 2025, EIGL supplies to 1,829 customers and operates eight facilities across India.

Ownership Changes and COVID-19 Impact:

- 2013: 51% bought out by Air Water Inc. (Japan), and in 2021, EIGL bought back shares, returning to full Indian ownership.
- During the COVID-19 pandemic, the company swiftly shifted focus to supplying medical oxygen to meet increased demand

EIGL showed significant growth in EBITDA over the past few years. From ₹33.59 crore in FY23, EBITDA increased to ₹61.53 crore in FY24, marking a 83.3% growth, and reached ₹109.74 crore in FY25 (on an annualized basis), reflecting a 78.3% increase.

EIGL plans to utilize the funds raised from its ₹852.53 crore IPO for strategic growth initiatives. Approximately ₹210 crore will be allocated to reduce existing debt, enhancing the company's financial stability. Additionally, ₹104.5 crore is earmarked for establishing a 220 TPD air separation unit at the Uluberia-II plant in West Bengal, aimed at expanding production capacity and meeting increasing demand.

Industry	Chemicals/ Industrial Gases
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Scrip Details

Listing	BSE & NSE
Open Date	June 24, 2025
Close Date	June 26, 2025
Price Band	INR 380-400
Face Value	INR 2.0
Market Lot	37 Shares
Minimum Lot	1

Issue Structure

Issue Size (INR cr)	INR 853
Issue Size (Shares)	2,13,13,130
QIB Share (%)	≤ 50%
Non-Inst Share (%)	≥ 15%
Retail Share (%)	≥ 35%
Pre Issue sh. (cr)	13.1
Post Issue sh. (cr)	14.1
Post Issue Market Cap (INR cr)	INR 5637

Shareholding (%)	Pre (%)	Post (%)
Promoter	96.5	81.5
Public	3.5	18.5
TOTAL	100	100

Key Consolidated Financial Data (INR Cr, unless specified)

	Revenue (INR)	EBITDA (INR)	Net Profit (INR)	EBITDA Margin (%)	PAT Margin (%)	EPS (INR)	ROE(%)	ROCE (%)	P/BV (X)
FY22	244.6	80.6	67.2	28.2	27.5	3.2	19.8	15.6	25.0
FY23	205.1	33.7	28.1	10.9	13.7	1.3	7.8	3.6	23.3
FY24	269.5	61.6	45.3	19.1	16.8	2.1	11.0	6.2	20.6

Source: Ventura Research & Company update

Issue Structure and Offer Details

Ellenbarrie Industrial Gases IPO is a bookbuilding of ₹852.53 cr. The issue is a combination of fresh issue of 1.00 cr. shares aggregating to ₹400.00 cr. and offer for sale of 1.13 cr. shares aggregating to ₹452.53 cr.

Issue Structure	
Investor Category	Allocation
QIB	Not more than 50.00% of the Offer
NII (HNI)	Not less than 35.00% of the Offer
Retail	Not less than 15.00% of the Offer

Number of shares based on a higher price band of INR 400

Source: Company Reports

Objects of the Issue

The Company proposes utilizing Net Proceeds towards the following objects:

1. Repayment in full or in part, of certain outstanding borrowings availed by the company- INR 210.0 cr. (~24%)
2. For Setting up an Air separation unit at the Uluberia-II plant with a capacity of 220 TPD. – INR104.50 cr. (~12%)
3. General Corporate Purposes.

Financial Summary

Fig in INR Cr (unless specified)	FY22	FY23	FY24	Fig in INR Cr (unless specified)	FY22	FY23	FY24
Income Statement				Per share data & Yields			
Revenue	244.6	205.1	269.5	Adjusted EPS (INR)	4.8	2.0	3.2
YoY Growth (%)	39.6	(16.1)	31.4	Adjusted Cash EPS (INR)	5.6	2.8	3.9
Raw Material Cost	34.8	25.9	54.9	Adjusted BVPS (INR)	24.0	25.7	29.1
RM Cost to Sales (%)	14.2	12.6	20.4	Adjusted CFO per share (INR)	2.2	2.7	3.1
Employee Cost	13.0	14.4	16.1	CFO Yield (%)	0.6	0.7	0.8
Employee Cost to Sales (%)	5.3	7.0	6.0	Adjusted FCF per share (INR)	1.4	(3.8)	(2.6)
Other Expenses	116.2	131.2	136.9	FCF Yield (%)	0.3	(0.9)	(0.6)
Other Exp to Sales (%)	47.5	64.0	50.8	Solvency Ratio (X)			
EBITDA	80.6	33.7	61.6	Total Debt to Equity	0.0	0.3	0.4
Margin (%)	32.9	16.4	22.9	Net Debt to Equity	(0.3)	(0.1)	0.0
YoY Growth (%)	74.5	(58.2)	83.1	Net Debt to EBITDA	(1.1)	(0.6)	0.2
Depreciation & Amortization	11.5	11.4	10.0	Return Ratios (%)			
EBIT	69.0	22.3	51.6	Return on Equity	19.8	7.8	11.0
Margin (%)	28.2	10.9	19.1	Return on Capital Employed	15.6	3.6	6.2
YoY Growth (%)	107.4	(67.7)	131.6	Return on Invested Capital	27.7	6.5	12.2
Other Income	11.3	18.6	20.7	Working Capital Ratios			
Bill discounting & other charges	4.6	3.6	8.1	Payable Days (Nos)	24	31	24
Fin Charges Coverage (X)	14.9	6.2	6.4	Inventory Days (Nos)	13	15	15
Exceptional Item	9.2	0.0	0.0	Receivable Days (Nos)	54	70	61
PBT	84.9	37.3	64.2	Net Working Capital Days (Nos)	43	54	52
Margin (%)	34.7	18.2	23.8	Net Working Capital to Sales (%)	11.8	14.7	14.3
YoY Growth (%)	209.1	(56.1)	72.3	Valuation (X)			
Tax Expense	17.8	9.1	18.9	P/E	84.0	200.4	124.5
Tax Rate (%)	20.9	24.5	29.5	P/BV	16.7	15.5	13.8
PAT	67.2	28.1	45.3	EV/EBITDA	68.9	167.0	91.7
Margin (%)	27.5	13.7	16.8	EV/Sales	22.7	27.4	21.0
YoY Growth (%)	179.2	(58.1)	60.9	Cash Flow Statement			
Min Int/Sh of Assoc	0.0	0.0	0.0	PBT	84.9	37.3	64.2
Net Profit	67.2	28.1	45.3	Adjustments	(13.7)	13.4	6.9
Margin (%)	27.5	13.7	16.8	Change in Working Capital	(22.0)	(2.8)	(8.4)
YoY Growth (%)	179.2	(58.1)	60.9	Less: Tax Paid	(17.8)	(9.1)	(18.9)
Balance Sheet				Cash Flow from Operations	31.4	38.7	43.7
Share Capital	6.5	6.5	6.5	Net Capital Expenditure	(15.4)	(94.5)	(86.0)
Total Reserves	331.8	356.5	403.3	Change in Investments	(26.0)	(19.7)	(35.7)
Shareholders Fund	338.3	363.1	409.9	Cash Flow from Investing	(41.4)	(114.2)	(121.7)
Long Term Borrowings	0.0	56.1	95.0	Change in Borrowings	14.1	90.2	75.6
Deferred Tax Assets / Liabilities	21.6	18.8	26.1	Less: Finance Cost	(4.6)	(3.6)	(8.1)
Other Long Term Liabilities	2.0	1.5	0.7	Proceeds from Equity	0.0	0.0	0.0
Long Term Trade Payables	0.0	0.0	0.0	Buyback of Shares	0.0	0.0	0.0
Long Term Provisions	32.0	46.2	29.7	Dividend Paid	0.0	0.0	0.0
Total Liabilities	394.0	485.8	561.4	Cash flow from Financing	9.5	86.6	67.5
Net Block	187.5	184.0	330.8	Net Cash Flow	(0.4)	11.1	(10.5)
Capital Work in Progress	0.0	71.4	0.4	Forex Effect	0.0	0.0	0.0
Intangible assets under developmer	0.0	0.0	0.0	Opening Balance of Cash	61.9	61.4	72.5
Non Current Investments	0.0	5.0	8.2	Closing Balance of Cash	61.4	72.5	62.0
Long Term Loans & Advances	51.4	81.6	68.0				
Other Non Current Assets	40.9	38.4	35.7				
Net Current Assets	114.3	105.4	118.2				
Total Assets	394.0	485.8	561.4				

Source: Company Reports

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