

About Premier Cryogenics Limited Unlisted Shares

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(i) Premier Cryogenics was established in 1996 and is the largest industrial gas manufacturer in the North East region. We produce industrial gases such as Liquid Nitrogen, Liquid Oxygen, Industrial & Medical Oxygen, Industrial & High Purity Nitrogen, Dissolved Acetylene, Dry Compressed Air etc.

(ii) We also deal in speciality gases such as Helium, Hydrogen, Freon, Calibration Gases, Gas Blends and High Purity Gases.

(iii) We also deal in all kinds of spare parts and components like valves, cylinders, regulators, liquid containers etc. required for the gas industry.

(iv) Premier Cryogenics is a professionally managed company. The company is listed as a public limited company on the Calcutta Stock Exchange. The shareholders of the company include prominent institutions such as NEDFI (North Eastern Development Finance Corporation Ltd.) and AIDC (Assam Air Products Private Limited).

(v) Currently, the company is primarily focused on the North Eastern region and its adjoining states. However, the company intends to enter into more diversified new segments and expand its operations pan India in the coming years.

Industrial Gas Applications

The company's products are used by Indian Air Force, Indian Army, Oil Exploration Companies (ONGC and OIL), Refineries (IOCL, NRL, BRPL), leading hospitals, Railways, leading construction companies, reputed cement manufacturers etc.

Production Facilities

The company has two manufacturing facilities: 1. One is located in Guwahati in North East India. The state-of-the-art facility at Guwahati has been operational since 1996. 2. The second plant at Samagri has been operational since 2018. The new plant has more than doubled the company's total installed capacity of oxygen and nitrogen gas, which accounts for more than 50% of the company's sales. The new plant will enable the company to cater to the needs of a wide range of industrial gas users, focusing on core sectors such as the oil industry, research institutes, railways, food processing, infrastructure and healthcare.

Premier Cryogenics Subsidiaries

The company has a subsidiary called PCL Power Private Limited. It was incorporated in 2018. The purpose of establishing the subsidiary is to enter the power generation business by purchasing natural gas from oil-related companies and using it for self-consumption or for the self-consumption of organizations.



Future Plans of the Company

Gas Business – The Company has been expanding its production capacity over the years to cater to the growing demand for industrial gases in the future. To this end, the Company recently commissioned a new technology oxygen/nitrogen plant at Samaguri in Nagaon district of Assam.

Gas Construction Business – To diversify its business portfolio, the Company has also commenced construction projects in the gas sector in the North-East region and beyond. The Company expects an increase in the demand for gas plant construction in the coming years. The Company currently meets around 70% of the market demand in the North-East region, primarily from the above-mentioned consuming industries. The Company expects the demand for the industrial gas market to grow significantly over the next few years, given the overall economic situation, the improvement of the industrial environment, and upcoming projects in infrastructure, energy, and other core sectors.

Opportunities

- (i) Our core products, oxygen and nitrogen, are produced by atmospheric separation without any raw material cost.
- (ii) Our existing facility is located in Guwahati, the regional hub, while the new facility is located in the nearby Samaguri district in central Assam. It will benefit from relatively low transportation costs and a stable power supply.
- (iii) The new plant is a state-of-the-art energy-efficient plant, thus allowing the Company to benefit from relatively low electricity tariffs, reducing unit cost of production and providing a competitive advantage.

Risks and Threats

- (i) O₂/N₂ production is highly dependent on electricity. Any disruptions could impact our business. Further, whenever tariffs increase, our input costs also increase.
- (ii) We supply gas primarily through open bidding on a market-competitive basis.
- (iii) We benefit from tax benefits and other incentives under the government's industrial policy. Policy changes will affect our performance.

Fundamentals

Fundamentals			
Premier Cryogenics	325 Per Equity Share	Market Cap (in cr.)	159
Unlisted Shares Price		P/E Ratio	13.05
Lot Size	500 Shares	P/B Ratio	1.86
52 Week High	**	Debt to Equity	0.27
52 Week Low	**	ROE (%)	14.03
Depository	NSDL & CDSL	Book Value	176.71
PAN Number	AABCP6683N	Face Value	10
ISIN Number	N/A		
CIN Number	L24111AS1994PLC004051		
RTA	N/A		

Financials (Figures in cr)

P&L Statement			
P&L Statement	2021	2022	2023
Revenue	5681	9524	7748
Cost of Material Consumed	2312	3534	2213
Gross Margins	59.3	62.89	71.44
Change in Inventory	-241	160	228
Employee Benefit Expenses	487	559	599
Other Expenses	1603	2582	2426
EBITDA	1520	2689	2282
OPM	26.76	28.23	29.45
Other Income	214	197	55
Finance Cost	238	205	233
D&A	532	506	473
EBIT	988	2183	1809
EBIT Margins	17.39	22.92	23.35
PBT	964	2175	1616
PBT Margins	16.97	22.84	20.86
Tax	246	538	397
PAT	718	1637	1219
NPM	12.46	17.19	15.73
EPS	14.34	32.7	24.35
Financial Ratios	2021	2022	2023
Operating Profit Margin	26.76	28.23	29.45
Net Profit Margin	12.64	17.19	15.73
Earning Per Share (Diluted)	14.34	32.7	24.35

Balance Sheet			
Assets	2021	2022	2023
Fixed Assets	3750	3437	3131
CWIP	0	0	32
Investments	1026	148	3850
Trade Receivables	2346	3861	3269
Inventory	583	408	143
Other Assets	1938	2654	1546
Total Assets	9643	10508	11971
Liabilities	2021	2022	2023
Share Capital	500.6	500.6	500.6
FV	10	10	10
Reserves	5481.2	7062	8190.5
Borrowings	2277	1869	2352
Trade Payables	590	123	140
Other Liabilities	794.2	953.4	787.9
Total Liabilities	964.3	10508	11971

Cash-Flow Statement			
Cash- Flow Statement	2021	2022	2023
PBT	963	2175	1616
OPBWC	1302	2513	2050
Change in Receivables	-1321	-1515	592
Change in Inventories	0	0	0
Change in Payables	732	-274	-130
Other Changes	-615	414	253
Working Capital Change	-1204	-1375	715
Cash Generated From Operations	98	1138	2765
Tax	-235	-595	-442
Cash Flow From Operations	-137	543	2323
Purchase of PPE	-74	-208	-188
Sale of PPE	0	3	3
Cash Flow From Investment	340	1164	-3598
Borrowing	-688	-408	483
Divided	-59	-59	-74
Equity	0	0	0
Others From Financing	106	25	10
Cash Flow from Financing	-641	-442	419
Net Cash Generated	-438	1265	-856
Cash at the Start	509	71	1336
Cash at the End	71	1336	480