Energy Infrastructure Trust — May 2026 Quarterly Analysis

1. VERDICT & BUSINESS QUALITY SNAPSHOT

The punchline. Read this first — it frames everything below.

Result: Inline **One-line:** Thesis remains anchored by a significant regulatory tariff hike and stable floor payments from Reliance, though long-term growth hinges on speculative LNG terminals and East Coast connectivity.

Dimension	This Quarter	Signal / Evidence	Sentiment
Beat/Miss vs Guidance / Prior Quarter	Inline	Volume flat at 34.46 mmscmd; realized tariff rose 7.6% YoY.	□
Earnings Quality	High (Core driven)	Revenue driven by regulated tariff increases; Opex reduced 4%.	□
Guidance Confidence	Neutral	Volume guidance for next 2 years is "flat," relying on future LNG.	□
Management Credibility	Mixed	Backtracked on public listing; vague on Crown LNG's delisting impact.	□
Business Quality Signal	Stable	Irreplaceable asset with 20-year floor payment from AAA counterparty.	□
Key Q&A Exchange	Q#8 — Crown LNG viability	Mgmt admitted monitoring Crown LNG's NASDAQ delisting but kept projection.	□
The Street's Primary Anxiety	Refinancing & Asset Life	Concern over □1,000 Cr debt maturity in 2027 and zero terminal value.	□
Capital Cycle Stage	Harvesting	Trust is distributing 98.9% of cash; focusing on refinancing debt.	□
Margin / Return Ratio Trajectory	Improving	Realized tariff increased from □78.6 to □84.6/MMBTU in Q4.	□
Pricing Power	Stable (Regulated)	PNGRB granted 88% tariff increase over last 7 years.	□
FCF Conversion & Quality	Strong	99.8% of available cashflow returned to unitholders.	□
Competitive Moat Signals	Stable	Transports 89% of KG Basin gas; sole connectivity for RIL-BP/ONGC.	□
Balance Sheet Strength	Strong	AAA/Stable rating; Debt to AUM at 45.1% (limit is 49% internal).	□
Working Capital Efficiency	Stable	Protected by Letters of Credit and security deposits from customers.	□
Mgmt Guidance Track Record	Reliable	Consistent distribution of □15–16 per unit maintained.	□
Key Vulnerability / Red Flag	Finite Life / Concentration	Asset value goes to zero in 2039 unless new assets are acquired.	□
Management Tone	Professional & Defensive	Confident on operations but defensive on listing/future terminal delays.	□

Key Takeaways: * **Positives:** The Jan 2026 tariff hike (□74.67 levelized) provides a structural step-up in realization. The "downside protection" via Contracted Capacity Payments (CCP) from Reliance Industries (RIL)

ensures yield stability regardless of actual volumes. KG Basin production (RIL/BP/ONGC) remains a captive volume source due to limited alternative pipelines. * **Negatives:** Management has explicitly backtracked on converting to a public InvIT, limiting retail liquidity. The Crown LNG terminal projection remains a high-risk assumption given the counterparty's recent NASDAQ delisting. The InvIT faces a significant refinancing hurdle for □1,000 Cr (□10,000 Mn) in March 2027. * **Forward Watchpoint:** Monitoring the commissioning of the Ennore terminal connection and the drilling progress of ONGC's 50 new wells by 2028 is critical for volume growth beyond the current 41% utilization.

---

2. BUSINESS PERFORMANCE

2A. KEY METRICS DATA SOURCE: PPT figures are primary. Concall used for commentary and volume detail.

Metric	Current Qtr	YoY Change	QoQ Change	Trend	Mgmt Commentary
Volume (mmscmd)	34.32	↓ 2.8%	↓ 1.1%	→	Volume growth driven by fertilizer/power; offset by RIL maintenance.
Realized Tariff (□/MMBTU)	84.6	↑ 7.6%	↑ 6.7%	↑	Beneficiary of Jan 1, 2026 PNGRB revised tariff order.
Total Income (□Cr)	1,019.8	↑ 3.2%	↑ 2.5%	↑	Growth driven by higher realization per unit despite lower volume.
EBITDA (□Cr)	782.9	↑ 10.6%	↑ 9.5%	↑	Derived from Total Income - Operating Expenses. Efficiency in SUG.
EBITDA Margin %	76.8%	↑ 510 bps	↑ 490 bps	↑	Lower system use gas (SUG) costs and lower plant repair costs.
PAT (□Cr)	Not Disclosed	N/A	N/A	-	Mgmt focuses on Cashflow to EIT/NDCF for InvIT performance.
Cashflow to EIT (□Cr)	220.6	↑ 1.4%	↑ 1.8%	→	Robust conversion; supports consistent unit distributions.
Net Debt (□Cr)	6,452.0	↑ 2.5%	↑ 0.5%	→	Stable leverage; Debt to AUM at 45.1%.
Distribution (□/unit)	15.25 (FY26)	↓ 0.3%	N/A	→	Stable payout; □8 return of capital, □7.25 return on capital.
Utilization (%)	41%	↓ 100 bps	↓ 50 bps	→	Significant headroom available for incremental gas flows.

2B. SEGMENT BREAKDOWN *Note: The Trust operates as a single asset (PIL pipeline).*

Segment	Revenue (□Cr)	YoY Growth	Utilization	Trend	vs Co Avg	Key Development
PIL Pipeline	1,019.8	↑ 3.2%	41%	→	N/A	Tariff hike offset 2.8% volume dip.

---

3. MANAGEMENT OUTLOOK & EXECUTION TRACKER

Dimension	Category	Management Target / Claim	Required Run-Rate / Mathematical Feasibility	Historical Delivery	Risk Flag
Guidance	Volume	Flat for next 2 years	34-35 mmscmd run-rate	Delivered FY26	Low
Guidance	Tariff	₹74.67/MMBTU (Levelized)	Realized ₹84.6 in Q4 due to distance mix	Delivered Jan-26	Low
Guidance	Debt Refinancing	Refinance ₹1,000 Cr by Mar-27	Needs firm terms by Nov 2026	N/A	High
Strategy	Asset Life Extension	Add new value-accretive assets	Opportunistic; none in near-term	No assets added	Medium
Strategy	Connectivity	Ennore pipeline by FY30	4-year construction cycle	On track	Medium
Strategy	Connectivity	Crown LNG Terminal (Kakinada)	3.5 years from July 2025	Questionable	High
Macro	Domestic Supply	ONGC to drill 50 wells by 2028	High capex commitment by PSUs needed	Ongoing	Medium
Balance	Debt-to-AUM	Maintain < 49%	Current 45.1%; fits regulatory limits	Consistently met	Low

4. ANALYST Q&A

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
1	4.0	Somaiah V / Avendus Spark	Geopolitics	Business Overview	"Any impact seen because of the current West Asia conflict and gas offtake?"	Management stated they saw a 7% volume benefit recently as fertilizer plants shifted to domestic/spot gas to offset war-related shortages. Short-term volume surge from spot LNG and fertilizer provides an earnings cushion but is likely unsustainable.	None	4.0	Clear/ Quantifie
2	4.5	Somaiah V / Avendus Spark	Volume Growth	Outlook	"How do we see volume growth trajectory evolve for RIL, ONGC, and RLNG?"	Management guided for flat volumes over the next 2 years, with RIL infill wells maintaining levels and ONGC providing slight increases. This confirms that significant earnings growth in the near-term will rely solely on the recent tariff hike, not volume expansion.	Specific ramp-up timelines for ONGC Cluster 1/3	3.5	Direction
3	4.0	Amit Maheshwari / Family Office	Project Timeline	Capex	"What is the expected commissioning date for the Crown LNG project?"	Management remains committed to the 3.5-year timeline from July 2025 but will review for delays in the next 6 months. Any	Impact of NASDAQ delisting on funding	2.5	Hedged

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
						delay in this terminal removes a key 25 mmscmd growth driver from the medium-term valuation.			
4	3.5	Amit Maheshwari / Family Office	Debt	Financials	"Will the March 2027 debt be refinanced as bullet or amortized?"	Management prefers bullet refinancing to maintain cash flow for distributions and will monitor the volatile market until November. A bullet refinance preserves the dividend yield but maintains a "cliff" risk every 5 years for unitholders.	Specific target interest rate	3.0	Vague
6	4.5	Rajesh Bansal / Individual	Listing Status	Governance	"Any timeline for conversion to public listed infrastructure trust?"	Management explicitly stated they no longer plan to convert to a public trust as liquidity has already increased 260% since September. This is a backtrack from prior intent and limits the trust's appeal to retail investors, keeping it a "sophisticated" product.	None	4.0	Clear Backtrac
8	4.5			Governance				2.0	Deflecte

Q#	Relevance	Analyst / Firm	Theme Cluster	Category	Underlying Concern	Management Response & Investment Implication	Evaded / Not Addressed	Credibility	Verdict
		Tushaar Talwar / Unitholder	Counterparty Risk		"Crown LNG has been delisted from NASDAQ; what is the basis for including them?"	Management defended the projection based on "one-to-one interaction" with owners who are still spending money on the project. Relying on personal interactions over public market signals (delisting) introduces significant execution risk for the RLNG volume upside.	Financial solvency of Crown LNG		
10	5.0	Nishant Shah / Cartex Exports	Asset Life	Strategy	"What happens in 2039 when RIL has the option to buy back? Does value become zero?"	Management confirmed the asset life is finite and if no new assets are added, the unit value effectively goes to zero in 2039. This reinforces that the InvIT is a "yield plus capital return" play, not a perpetual growth vehicle.	Plan for asset replacement	4.0	Specific

PATTERN FLAGS & SENTIMENT Analysts are pivoting from operational performance (which is stable) to long-term "terminal" anxieties. Multiple questions on the Crown LNG delisting and the finite asset life (2039) suggest the market is skeptical of the terminal value. Management's posture was confident regarding current cash flows but notably defensive and vague when questioned on the financial health of future growth partners (Crown LNG).

Analyst Sentiment Verdict: Skeptical on Growth, Confident on Yield. Analysts were largely satisfied with the tariff-led earnings stability but remain hostile regarding the lack of a public listing and the credibility of the

"growth avenues" like Crown LNG. The greatest unresolved risk is the ₹1,000 Cr refinancing in a potentially higher-rate environment by March 2027.

GUIDANCE GAPS REVEALED IN Q&A | Topic | What Mgmt Claimed (Opening) | What Q&A Revealed | Gap / Walk-back | Risk to Thesis | |-------|----------------------------|-------------------|-----------------|----------------| | Listing Status | "Registered... listed on BSE" | No plans to convert to Public Trust | Reversal of previous EGM approval intent. | Lowers liquidity premium/valuation. | | Crown LNG | "MOU signed... expected growth" | Counterparty delisted from NASDAQ | Reliance on private talks vs market reality. | Medium risk to FY30 volume targets. |

---

5. WHAT CHANGED vs PRIOR QUARTER

First entry — no prior quarter to compare.

What Changed	Prior Quarter	This Quarter	Direction
Realized Tariff	First Entry	₹84.6/MMBTU	↑
Volume Guidance	First Entry	Flat for 2 years	→
Trust Status	First Entry	Staying Private	↓
Regulatory Environment	First Entry	New Order Jan-26	↑
Debt Profile	First Entry	Refinance Nov-26 prep	→