

August 10, 2023

BSE Limited Department of Corporate Services Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001 Scrip Code: 532684	National Stock Exchange of India Limited Listing Department Exchange Plaza Bandra-Kurla Complex Bandra (East), Mumbai 400 051 NSE Symbol: EKC NSE Series: EQ
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**EVEREST
KANTO
CYLINDER
LIMITED**

**Manufacturers
of high pressure
Seamless
Gas Cylinders**

Registered Office
204, Raheja Centre,
Free Press Journal Marg,
214, Nariman Point,
Mumbai 400 021.

CIN L29200MH1978PLC020434

Tel. : +91-22-3026 8300 / 01

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Website : www.everestkanto.com

Dear Sir,

Sub: Board Meeting for consideration of Unaudited Financial Results for the quarter ended June 30, 2023.

The Board of Directors of the Company have at its Meeting held today, inter alia:

- (iii) Approved the Unaudited Financial Results (Standalone and Consolidated) for the year quarter ended June 30, 2023, as recommended by the Audit Committee; and
- (iv) Decided to convene the 44th Annual General Meeting on Friday, September 22, 2023 through Video Conference/Other Audio Visual Means.

The Meeting of the Board of Directors commenced at 3:00 p.m. and concluded at 5:20 p.m.

3. Pursuant to Regulation 33 of the Listing Regulations, we enclose the Unaudited Financial Results (Standalone and Consolidated) for the quarter ended June 30, 2023 along with the Limited Review Report of our Statutory Auditors Walker Chandiook & Company LLP on Standalone and Consolidated Financial Results.

4. The aforesaid Financial Results (Standalone and Consolidated) would be uploaded on Company's website www.everestkanto.com.

Encl.

Thanking you,

Yours faithfully,
For Everest Kanto Cylinder Limited

Vishal Totla
Company Secretary and Compliance Officer



Walker Chandiook & Co LLP

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One International Center,
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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of Everest Kanto Cylinder Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Everest Kanto Cylinder Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results of **Everest Kanto Cylinder Limited** ('the Company') for the quarter ended **30 June 2023** ('the Statement'), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Everest Kanto Cylinder Limited

Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of Everest Kanto Cylinder Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Murad D. Daruwalla

Partner

Membership No. 043334

UDIN: 23043334BGSEM1409

Place: Mumbai

Date: 10 August 2023

EVEREST KANTO CYLINDER LIMITED

Registered Office: 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point, Mumbai 400 021

CIN: L29200MH1978PLC020434; Email: investors@ekc.in;

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A. STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2023

(₹ in lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Year ended
		30.06.2023 (Unaudited)	31.03.2023 Refer note 3	30.06.2022 (Unaudited)	31.03.2023 (Audited)
I	Revenue from operations	16,569	18,032	27,043	78,965
II	Other income	287	102	69	387
III	Total Income (I + II)	16,856	18,134	27,112	79,352
IV	Expenses				
	(a) Cost of materials consumed	8,779	11,229	17,199	48,793
	(b) Purchases of stock-in-trade	81	140	1,571	2,372
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	1,200	(688)	(2,595)	(3,374)
	(d) Employee benefits expense	762	818	823	3,210
	(e) Finance costs	95	222	155	820
	(f) Depreciation and amortisation	544	678	494	2,229
	(g) Other expenses				
	- Power and fuel	906	1,044	1,554	4,733
	- Others	3,023	3,331	3,524	12,471
	Total Expenses	15,390	16,774	22,725	71,254
V	Profit before foreign exchange variation gain, exceptional items and tax (III - IV)	1,466	1,360	4,387	8,098
VI	Foreign exchange variation gain	128	61	211	746
VII	Profit before exceptional items and tax (V + VI)	1,594	1,421	4,598	8,844
VIII	Exceptional item gain/(loss) (Refer note 4)	-	(185)	-	240
IX	Profit before tax (VII + VIII)	1,594	1,236	4,598	9,084
X	Tax (expense) / credit				
	Current tax	(456)	(380)	(1,195)	(2,458)
	Deferred tax	(177)	264	101	579
XI	Profit after tax (IX + X)	961	1,120	3,504	7,205
XII	Other comprehensive income / (loss)				
	Items that will be reclassified to profit or loss (net of tax)	-	9	-	9
	Items that will not be reclassified to profit or loss (net of tax)	5	28	(3)	19
	Total other comprehensive income / (loss) (net of tax)	5	37	(3)	28
XIII	Total comprehensive income (net of tax) (XI+XII)	966	1,157	3,501	7,233
XIV	Paid-up equity share capital (Face Value - ₹ 2 per share)	2,244	2,244	2,244	2,244
XV	Other equity excluding revaluation reserve				63,637
XVI	Basic and diluted earnings per equity share (face value of ₹ 2 each) (not annualised, except for year end) (in ₹)	0.86	1.00	3.12	6.42



Notes :

- 1 The above statement was reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 10 August 2023. The standalone financial results for the quarter ended 30 June 2023 were subjected to limited review by the statutory auditors of the Company. The report thereon is unmodified.
- 2 This statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), as prescribed under Section 133 of the Companies Act, 2013.
- 3 The figures for the quarter ended 31 March 2023 represent the balancing figures between audited figures in respect of the full financial year and those published till the third quarter of the financial year 2022-23, which were subjected to limited review by statutory auditors.
- 4 Exceptional item gain/loss represent:
 - a. Plant and equipment and capital work-in-progress as at 31 March 2023 included certain plant and equipment which had remained idle for a considerable period of time. Accordingly, management had performed an impairment test on these assets and had recorded an impairment provision of ₹ 289 lakhs during the year and quarter ended 31 March 2023.
 - b. The Company had registered the dissolution of its wholly owned subsidiary (WOS), EKC Industries (Thailand) Co., Limited, with the Ministry of Commerce, Thailand on 20 August 2021. Subsequently, the liquidation process was completed on 20 December 2022 following which the WOS stands dissolved. Accordingly, during the year ended 31 March 2023, the Company had recognised gain of ₹ 425 lakhs on aforementioned dissolution which is presented as exceptional item.
 - c. During the year ended 31 March 2020, pursuant to sale of investment in EKC Industries (Tianjin) Co., Ltd, the Company had created provision towards consideration retained by the buyer for contingencies and open litigations amounting to RMB 2.95 million (equivalent to ₹ 353 lakhs). Subsequently, during the year ended 31 March 2023, based on the outcome of the litigation, Company was liable to pay liquidated damages and compensation of RMB 2.08 million (equivalent to ₹ 249 lakhs) and accordingly excess provision of RMB 0.87 million (equivalent to ₹ 104 lakhs) was written back and presented as exceptional item during the year and quarter ended 31 March 2023.
- 5 In accordance with Ind AS 108, 'Operating Segments', segment information has been disclosed in the consolidated financial results of the Company, and therefore, no separate disclosure on segment information is given in the standalone financial results.
- 6 Figures of previous period / year have been regrouped / rearranged, wherever considered necessary.

Place : Mumbai
Date : 10 August 2023



For and on behalf of the Board of Directors

Puneet Khurana
Managing Director
DIN:- 00004074



Walker Chandiook & Co LLP

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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of Everest Kanto Cylinder Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of Everest Kanto Cylinder Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of **Everest Kanto Cylinder Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), (refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended **30 June 2023** ('the Statement'), being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) ('Listing Regulations').
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the Listing Regulations. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the Listing Regulation, to the extent applicable.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, and upon consideration of the review reports of the other auditors referred to in paragraph 5 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.



Everest Kanto Cylinder Limited

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of Everest Kanto Cylinder Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

5. We did not review the interim financial results of three subsidiaries included in the Statement, whose financial information (before eliminating intercompany transactions) reflects total revenues of ₹ 10,430 lakhs, total net profit after tax of ₹ 1,389 lakhs, and total comprehensive income of ₹ 1,476 lakhs for the quarter ended 30 June 2023, as considered in the Statement. These interim financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.

Further, of these subsidiaries, two subsidiaries are located outside India, whose interim financial results have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been reviewed by other auditors under generally accepted auditing standards applicable in their respective countries. The Holding Company's management has converted the financial results of such subsidiaries from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have reviewed these conversion adjustments made by the Holding Company's management. Our conclusion, in so far as it relates to the balances and affairs of these subsidiaries is based on the review report of other auditors and the conversion adjustments prepared by the management of the Holding Company and reviewed by us.

Our conclusion is not modified in respect of these matters with respect to our reliance on the work done by and the reports of the other auditors.

6. The Statement includes the interim financial results of two subsidiaries, which have not been reviewed by their auditors, whose interim financial results (before eliminating intercompany transactions) reflects total revenues of ₹ Nil, net loss after tax of ₹ 2 lakhs and total comprehensive loss of ₹ 1 lakhs for the quarter ended 30 June 2023 as considered in the Statement and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, are based solely on such unreviewed interim financial results. According to the information and explanations given to us by the management, these interim financial results are not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the financial results certified by the Board of Directors.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Murad D. Daruwalla

Partner

Membership No.: 043334

UDIN: 23043334BGSEMY5035

Place: Mumbai

Date: 10 August 2023

Everest Kanto Cylinder Limited

Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of Everest Kanto Cylinder Limited pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

Annexure 1

List of entities included in the Statement

Subsidiary Companies

- EKC International FZE
- Calcutta Compressions and Liquefaction Engineering Limited
- EKC Hungary Kft.
- CP Industries Holdings, Inc.
- Next Gen Cylinder Private Limited
- EKC Europe GmbH
- EKC Europe Zrt.
- EKC for Pressure Vessels manufacturing (EKC Egypt) "S.A.E" (incorporated w.e.f 23 November 2022)



A. STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2023

(₹ in lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter ended		Year ended	
		30.06.2023 (Unaudited)	31.03.2023 Refer note 3	30.06.2022 (Unaudited)	31.03.2023 (Audited)
I	Revenue from operations	26,838	29,789	38,053	127,449
II	Other income	288	224	73	546
III	Total Income (I + II)	27,126	30,013	38,126	127,995
IV	Expenses				
(a)	Cost of materials consumed	13,321	15,989	23,626	75,591
(b)	Purchases of stock-in-trade	265	270	1,581	2,453
(c)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	480	(1,641)	(3,487)	(4,960)
(d)	Employee benefits expense	2,717	2,929	2,394	11,002
(e)	Finance costs	183	318	211	1,112
(f)	Depreciation and amortisation	945	1,123	909	3,955
(g)	Other expenses				
-	Power and fuel	1,410	1,603	2,176	6,922
-	Others	4,956	5,633	5,713	20,341
	Total Expenses	24,277	26,224	33,123	116,416
V	Profit before exceptional items and tax (III - IV)	2,849	3,789	5,003	11,579
VI	Exceptional items gain / (loss) (net) (Refer note 4)	-	(113)	-	(2,107)
VII	Profit before tax (V + VI)	2,849	3,676	5,003	9,472
VIII	Tax (expense) / credit				
	Current tax	(498)	(316)	(1,239)	(2,470)
	Deferred tax	(176)	265	106	587
IX	Profit after tax (VII + VIII)	2,175	3,625	3,870	7,589
X	Other comprehensive income / (loss)				
(i)	Items that will not be reclassified to profit or loss (net of tax)	109	(764)	237	71
(ii)	Items that will be reclassified to profit or loss (net of tax)	(146)	(59)	1,707	2,774
	Total other comprehensive income / (loss) (net of tax)	(37)	(823)	1,944	2,845
XI	Total Comprehensive Income (net of tax) (IX+X)	2,138	2,802	5,814	10,434
XII	Net profit for the period / year attributable to :				
	Equity shareholders of the Company	2,175	3,639	3,870	7,614
	Non controlling interests	(0)	(14)	-	(25)
	Total Comprehensive Income attributable to :				
	Equity shareholders of the Company	2,138	2,814	5,814	10,457
	Non controlling interests	(0)	(12)	-	(23)
XIII	Paid-up equity share capital (Face Value - ₹ 2 per share)	2,244	2,244	2,244	2,244
XIV	Other equity excluding revaluation reserve				97,662
XV	Basic and diluted earnings per share (face value of ₹ 2 each) (not annualised, except for year end) (in ₹)	1.94	3.24	3.45	6.79



EVEREST KANTO CYLINDER LIMITED

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B. SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(₹ in lakhs)

Particulars	Quarter ended			Year ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
	(Unaudited)	Refer note 3	(Unaudited)	(Unaudited)
1. Segment revenue				
a) India	16,569	18,032	27,043	78,965
b) U.A.E (Dubai)	4,940	5,125	5,187	19,940
c) U.S.A and Hungary	5,491	6,672	5,778	28,439
d) Others	1,953	989	765	3,072
Total	28,953	30,818	38,773	130,416
Inter segment revenue	2,115	1,029	720	2,967
Revenue from operations	26,838	29,789	38,053	127,449
2. Segment results				
Segment Result (before foreign exchange variation gain / (loss), finance costs and tax):				
a) India	1,369	607	4,491	8,427
b) U.A.E (Dubai)	894	536	888	1,285
c) U.S.A and Hungary	552	1,813	291	(570)
d) Others	52	754	7	(1)
Total	2,867	3,710	5,677	9,141
Unallocable income / (expenses) (net)	51	498	41	667
Foreign exchange variation gain / (loss)	72	(257)	(525)	670
Finance costs	141	275	190	1,006
Profit before tax	2,849	3,676	5,003	9,472
3. Segment assets				
a) India	70,902	74,934	80,282	74,934
b) U.A.E (Dubai)	27,054	27,818	27,635	27,818
c) U.S.A and Hungary	25,432	26,690	24,864	26,690
d) Others	4,036	3,497	875	3,497
Total	127,424	132,939	133,656	132,939
Unallocated assets	4,348	4,338	2,850	4,338
Total segment assets	131,772	137,277	136,506	137,277
4. Segment liabilities				
a) India	8,577	9,392	11,543	9,392
b) U.A.E (Dubai)	3,403	3,459	4,055	3,459
c) U.S.A and Hungary	12,119	12,859	11,156	12,859
d) Others	854	1,232	60	1,232
Total	24,953	26,942	26,814	26,942
Add: Unallocated liabilities	4,683	10,387	13,579	10,387
Total segment liabilities	29,636	37,329	40,393	37,329



Notes :

- 1 The above statements were reviewed and recommended by the Audit Committee and approved by the Board of Directors at their respective meetings held on 10 August 2023. The consolidated financial results for the quarter ended 30 June 2023 were subjected to limited review by the statutory auditors of the Holding Company. The report thereon is unmodified.
- 2 This statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), as prescribed under Section 133 of the Companies Act, 2013.
- 3 The figures for the quarter ended 31 March 2023 represent the balancing figures between audited figures in respect of the full financial year and those published till the third quarter of the financial year 2022-23, which were subjected to limited review by statutory auditors.
- 4 Exceptional items gain / (loss) (net) represent:
 - a. During the year ended 31 March 2023, penalty of ₹ 1,994 lakhs has been levied on CP Industries Holdings Inc., wholly owned subsidiary of the Holding Company by its customer on account of non-fulfilment of terms agreed in the contract.
 - b. Plant and equipment and capital work-in-progress as at 31 March 2023 included certain plant and equipment which has remained idle for a considerable period of time. Accordingly, management has performed an impairment test on these assets and has recorded an impairment provision of ₹ 289 lakhs during the quarter and year ended 31 March 2023.
 - c. During the year ended 31 March 2020, pursuant to sale of investment in EKC Industries (Tianjin) Co., Ltd, the Holding Company and EKC International FZE (EKC Dubai) had created provision towards consideration retained by the buyer for contingencies and open litigations amounting to RMB 4.61 million (equivalent to ₹ 565 lakhs). During the quarter and year ended 31 March 2023, based on the the outcome of the litigation, Company is liable to pay liquidated damages and compensation of RMB 3.25 million (equivalent to ₹ 389 lakhs) and accordingly excess provision of RMB 1.36 million (equivalent to ₹ 176 lakhs) is written back and presented as exceptional item during the quarter and year ended 31 March 2023.
- 5 The Holding Company has registered the dissolution of its wholly owned subsidiary (WOS), EKC Industries (Thailand) Co., Limited, with the Ministry of Commerce, Thailand on 20 August 2021. Subsequently, the liquidation process was completed on 20 December 2022 following which the WOS stands dissolved.
- 6 The Holding Company, its subsidiaries and step down subsidiaries operate within a single business segment, except for Calcutta Compressions & Liquefaction Engineering Limited, which is in the business of purchase and distribution of natural gas, the operations of which are not material as compared to the overall business of the Group. Hence, the Group has disclosed geographical segment as the primary segment on the basis of geographical location of the operations carried out by the Holding Company, its subsidiaries and step down subsidiaries.
- 7 Figures of previous period / year have been regrouped / rearranged, wherever considered necessary.

For and on behalf of the Board of Directors



Puneet Khurana
Managing Director
DIN:- 00004074



Place : Mumbai
Date : 10 August 2023