

August 25, 2020

To,

BSE LIMITED P.J. Towers, Dalal Street, Mumbai – 400 001 BSE Scrip Code: 532684	National Stock Exchange of India Ltd. 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 4926 8300 / 01

Fax : +91-22-2287 0720

Website : www.everestkanto.com

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held on Tuesday, August 25, 2020 and submission of financial results for the quarter ended June 30, 2020

Pursuant to Regulation 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "the LODR Regulation), we hereby inform you that the Board of Directors of the Company at their Meeting held on Tuesday, August 25, 2020, approved the following:

1. Unaudited Standalone and Consolidated Financial Results for the quarter ended June 30, 2020 along with Limited Review Report from M/s. Walker Chandiook & Company LLP, as on June 30, 2020. A copy is attached herewith.
2. Authority to Mr. Puneet Khurana, Managing Director of the Company to finalize all matters pertaining to convening 41st Annual General Meeting (AGM) of the Company.

The Meeting of the Board of Directors commenced at 2:00 P.M. and concluded at 3:30 P.M.

You are requested to take the above on record.

Thanking you,

For **Everest Kanto Cylinder Limited**



Bhagyashree Kanekar
Company Secretary and Compliance Officer

Encl: a/a



Walker Chandniok & Co LLP

16th floor, Tower II,
Indiabulls Finance Centre,
SB Marg, Prabhadevi (W)
Mumbai – 400 013
India

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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Company 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 ('the Statement') of **Everest Kanto Cylinder Limited** ('the Company') for the quarter ended 30 June 2020, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
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 accounting 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. 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.
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 accounting 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 Standalone Unaudited Quarterly Financial Results of the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

5. We draw attention to Note 5 to the accompanying Statement regarding delays in payment of foreign currency trade payables against the supply of goods, delay in repayment of foreign currency advance received from customer against the supply of goods, receipt in foreign currency trade receivables and interest receivable on foreign currency loans aggregating ₹ 8,960 lakhs, ₹ 1,358 lakhs, ₹ 42 lakhs and ₹ 2,297 lakhs, respectively, that are outstanding as at 30 June 2020 for a period beyond the timelines stipulated in FED Master Direction No. 17/2016-17, Notification No. FEMA 23(R)/2015-RB, FED Master Direction No. 16/2015-16 and Notification No. FEMA 120/RB-2004, respectively, under the Foreign Exchange Management Act, 1999. The management of the Company is in the process of regularising these defaults by filing necessary applications with the appropriate authority for condonation of such delays. The management is of the view that the penalties, if any, which may be levied for these contraventions are currently unascertainable but not expected to be material to the accompanying Statement. Accordingly, the accompanying Statement do not include any consequential adjustments with respect to such delays/defaults. Our conclusion is not modified in respect of this matter.

For **Walker Chandniok & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013

Bharat Shetty
Partner
Membership No:106815

UDIN: 20106815AAAACX1670

Place: Mumbai
Date: 25 August 2020

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;

Tel Numbers: 022 3026 8300/01 Fax: 022 2287 0720; Website : www.everestkanto.com

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2020

(₹ in lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Year ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		(Unaudited)	(Unaudited) Refer note 3	(Unaudited)	(Audited)
I	Revenue from operations (Refer note 6)	12,617	14,593	10,475	48,955
II	Other income (Refer note 7)	53	320	116	527
III	Total Income (I + II)	12,670	14,913	10,591	49,482
IV	Expenses				
	(a) Cost of materials consumed	5,537	7,793	5,330	26,674
	(b) Purchases of stock-in-trade	1,195	987	559	1,758
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(374)	333	476	897
	(d) Employee benefits expense	510	601	583	2,418
	(e) Finance costs	539	673	621	2,628
	(f) Depreciation and amortisation	463	676	440	2,288
	(g) Other expenses				
	- Power and fuel	587	662	584	2,506
	- Others	1,952	2,153	1,483	7,035
	Total Expenses	10,409	13,878	10,076	46,204
V	Profit before foreign exchange variation gain / (loss), exceptional items and tax (III - IV)	2,261	1,035	515	3,278
VI	Foreign exchange variation gain / (loss)	66	(506)	94	(570)
VII	Profit before exceptional items and tax (V + VI)	2,327	529	609	2,708
VIII	Exceptional items gain / (loss) (net) (Refer note 4)	-	(112)	-	(112)
IX	Profit before tax (VII + VIII)	2,327	417	609	2,596
X	Tax (expense) / credit				
	Current tax	(427)	(387)	(8)	(499)
	Deferred tax	(394)	182	(207)	(506)
XI	Profit after tax (IX + X)	1,506	212	394	1,591
XII	Other comprehensive income				
	Items that will not be reclassified to profit and loss (net of tax)	-	14	-	14
	Total other comprehensive income	-	14	-	14
XIII	Total comprehensive income (XI+XII)	1,506	226	394	1,605
XIV	Paid-up equity share capital (Face Value - ₹ 2 each per share)	2,244	2,244	2,244	2,244
XV	Other equity excluding revaluation reserve				24,438
XVI	Basic and diluted earnings per share (of ₹ 2 each) (not annualised) (in ₹)	1.34	0.19	0.35	1.42

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 25 August 2020.
- 2 The statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.
- 3 The figures for the quarter ended 31 March 2020 represents the balance between audited figures in respect of the full financial year ended 31 March 2020 and the unaudited published year to date figures upto 31 December 2019 which were subjected to limited review.
- 4 Exceptional items gain / (loss) (net) represent:
 - (a) Exceptional item for the quarter and year ended 31 March 2020 includes gain on reversal of provision made in earlier periods towards write down in value for slow and non-moving inventory items of ₹ 259 lakhs.
 - (b) Exceptional item for the quarter and year ended 31 March 2020 includes impairment charge of ₹ 371 lakhs towards loans advanced in the earlier years to Calcutta Compressions and Liquefaction Engineering Limited, a subsidiary company, based on management's assessment of the recoverable value of such loans.
- 5 The outstanding balances as at 30 June 2020 include trade payables aggregating ₹ 8,960 lakhs, liability towards repayment of advance received from customer aggregating ₹ 1,358 lakhs, trade receivables aggregating ₹ 42 lakhs (net of provision ₹ 23 lakhs) and interest receivable aggregating ₹ 2,297 lakhs (net of provision ₹ Nil) to/from companies situated outside India. These balances are pending for settlement due to financial difficulties and have resulted in delays in remittance of payments, repayment of advance, receipts of receivables and receipt of interest, beyond the timeline stipulated by the FED Master Direction No. 17/2016-17, Notification No. FEMA 23(R)/2015-RB, FED Master Direction No. 16/2015-16 and Notification No. FEMA 120/RB-2004, respectively, under the Foreign Exchange Management Act, 1999. The Company is in the process of regularising these defaults by filing necessary applications with the appropriate authority for condonation of delays. Pending conclusion of the aforesaid matters, the amount of penalty, if any, that may be levied, is not ascertainable but expected not to be material to the accompanying standalone financial results, and accordingly, the accompanying standalone financial results do not include any adjustments that may arise due to such delay/default.
- 6 Revenue from operations includes income from processing charges aggregating ₹ 1,379 lakhs for the quarter ended 30 June 2020.
- 7 Recognition of interest income of ₹ 17 lakhs for the quarter ended 30 June 2020 (₹ 10 lakhs for the quarter ended 31 March 2020, ₹ 17 lakhs for the quarter ended 30 June 2019 and ₹ 63 lakhs for the year ended 31 March 2020) in respect of loan given to a subsidiary and rental income ₹ 18 lakhs for the quarter ended 30 June 2020 from such subsidiary has been deferred by the Company, due to uncertainties with respect to ultimate collection of outstanding amounts.
- 8 In March 2020, the World Health Organisation declared Covid-19 a global pandemic. The Company has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these standalone financial results, to determine the impact on the Company's revenue from operations for foreseeable future and the recoverability and carrying value of certain assets such as property, plant and equipment, investments, inventories, trade receivables and deferred tax assets. The impact of Covid-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Company's standalone financial results, which may differ from that considered as at the date of approval of these standalone financial results. The Company has resumed its business activities, in line with guidelines issued by the Government authorities, taken steps to strengthen its liquidity position and initiated cost restructuring exercise. However, the Company does not anticipate any challenges in its ability to continue as going concern or meeting its financial obligations. As the situation is unprecedented, the Company is closely monitoring the situation as it evolves in the future.

For and on behalf of the Board of Directors

PUSHKAR
PREMKUMA
R KHURANA

Digitally signed by
PUSHKAR PREMKUMAR
KHURANA
Date: 2020.08.25
15:32:28 +05'30'

Pushkar Khurana
Chairman
DIN:- 00040489

Place : Mumbai
Date : 25 August 2020

Walker Chandiook & Co LLP

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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the Company 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 consolidated unaudited financial results ('the Statement') 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 2020, 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), including relevant circulars issued by the SEBI from time to time.
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 accounting 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. 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 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), 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 other auditors referred to in paragraph 6 below, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the accounting 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 the
Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015 (as amended)**

5. We draw attention to Note 7 to the accompanying Statement regarding Holding Company's delays in payment of foreign currency trade payables against the supply of goods, delay in repayment of foreign currency advance received from customer against the supply of goods, receipt in foreign currency trade receivables and interest receivable on foreign currency loans aggregating ₹ 8,960 lakhs, ₹ 1,358 lakhs, ₹ 42 lakhs and ₹ 2,297 lakhs, respectively, that are outstanding as at 30 June 2020 for a period beyond the timelines stipulated in FED Master Direction No. 17/2016-17, Notification No. FEMA 23(R)/2015-RB, FED Master Direction No. 16/2015-16 and Notification No. FEMA 120/RB-2004, respectively, under the Foreign Exchange Management Act, 1999. The management of the Holding Company is in the process of regularising these defaults by filing necessary applications with the appropriate authority for condonation of such delays. The management is of the view that the penalties, if any, which may be levied for these contraventions are currently unascertainable but not expected to be material to the accompanying Statement. Accordingly, the accompanying Statement do not include any consequential adjustments with respect to such delays/defaults. Our conclusion is not modified in respect of this matter.
6. We did not review the interim financial results of eight subsidiaries included in the Statement, whose interim financial results (before eliminating inter company transactions) reflects total revenues of ₹ 5,936 lakhs, total net loss after tax of ₹ 699 lakhs and total comprehensive loss of ₹ 519 lakhs, for the quarter ended 30 June 2020, 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, five 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 amounts and disclosures included in respect of these subsidiaries is based on the review reports 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.

7. The Statement includes the interim financial information of a subsidiary, which has not been reviewed by its auditor, whose interim financial information (before eliminating inter company transactions) reflect total revenues of ₹ 415 lakhs, net loss after tax of ₹ 28 lakhs and total comprehensive loss of ₹ 28 lakhs for the quarter ended 30 June 2020, as considered in the Statement. Our conclusion on the Statement, in so far as it relates to the aforesaid subsidiary is based solely on such unreviewed interim financial information. According to the information and explanations given to us by the management, this interim financial information is not material to the Group.

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

For **Walker Chandio & Co LLP**
Chartered Accountants
Firm Registration No:001076N/N500013

Bharat Shetty
Partner
Membership No:106815

UDIN:20106815AAAACY9825

Place: Mumbai
Date: 25 August 2020

Chartered Accountants

Walker Chandniok & Co LLP

Everest Kanto Cylinder Limited
Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results of the
Company 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 Industries (Tianjin) Co., Ltd
- EKC International FZE
- EKC Industries (Thailand) Co., Ltd
- Next Gen Cylinder Private Limited
- EKC Hungary Kft.
- CP Industries Holdings, Inc.
- EKC Europe GmbH
- Calcutta Compressions and Liquefaction Engineering Limited
- EKC Positron Gas Ltd

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A. STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30 JUNE 2020

Sr. No.	Particulars	(₹ in lakhs, unless otherwise stated)			
		Quarter ended			Year ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		(Unaudited)	(Unaudited) Refer note 3	(Unaudited)	(Audited)
	Continuing operations				
I	Revenue from operations (Refer note 6)	17,184	19,866	19,152	76,052
II	Other income	46	290	104	668
III	Total Income (I + II)	17,230	20,156	19,256	76,720
IV	Expenses				
	(a) Cost of materials consumed	7,872	11,214	7,792	37,564
	(b) Purchases of stock-in-trade	1,273	1,075	852	2,152
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(922)	(933)	1,714	2,315
	(d) Employee benefits expense	1,966	2,072	2,073	8,323
	(e) Finance costs	756	877	850	3,586
	(f) Depreciation and amortisation	902	1,190	966	4,334
	(g) Other expenses				
	- Power and fuel	860	1,054	938	3,974
	- Others	2,936	2,994	2,907	12,123
	Total Expenses	15,643	19,543	18,092	74,371
V	Profit / (Loss) before provision for doubtful debts, foreign exchange variation gain / (loss), share of profit / (loss) of joint venture, exceptional items and tax (III - IV)	1,587	613	1,164	2,349
VI	Provision for doubtful debts	(68)	(144)	-	(65)
VII	Foreign exchange variation gain / (loss)	(27)	(464)	103	(703)
VIII	Profit / (Loss) before exceptional items, share of profit / (loss) of joint venture and tax (V + VI + VII)	1,492	5	1,267	1,581
IX	Share of profit / (loss) of joint venture	-	-	-	-
X	Profit / (Loss) before exceptional items and tax (VIII + IX)	1,492	5	1,267	1,581
XI	Exceptional items gain / (loss) (net) (Refer note 4)	-	119	-	119
XII	Profit / (Loss) before tax from continuing operations (X + XI)	1,492	124	1,267	1,700
XIII	Tax (expense) / credit				
	Current tax	(427)	(384)	(19)	(536)
	Deferred tax	(413)	184	(192)	(491)
XIV	Profit after tax from continuing operations (XII + XIII)	652	(76)	1,056	673
	Discontinued Operations (Refer note 10)				
XV	Profit / (Loss) from discontinued operations before tax	(39)	17	(331)	(459)
XVI	Tax expense of discontinued operations	-	-	-	-
XVII	Profit / (Loss) from discontinued operations after tax (XV+XVI) (Refer note 10)	(39)	17	(331)	(459)
XVIII	Profit / (Loss) after tax from total operations (XIV+XVII)	613	(59)	725	214
XIX	Other comprehensive income / (loss)				
	(i) Items that will not be reclassified to profit and loss (net of tax)	180	(555)	(71)	(697)
	(ii) Items that will be reclassified to profit and loss (net of tax)	314	1,074	365	2,639
	Total other comprehensive income / (loss) (net of tax) (Refer note 9)	494	519	294	1,942
XX	Total Comprehensive Income (XVIII+XIX)	1,107	460	1,019	2,156
XXI	Net Profit for the period attributable to :				
	Equity shareholders of the Company	623	(9)	735	298
	Non controlling interests	(10)	(50)	(10)	(84)
	Total Comprehensive Income attributable to :				
	Equity shareholders of the Company	1,117	510	1,029	2,240
	Non controlling interests	(10)	(50)	(10)	(84)
XXII	Paid-up equity share capital (Face Value - ₹ 2 each per share)	2,244	2,244	2,244	2,244
XXIII	Other equity excluding revaluation reserve				51,602
XXIV	Basic and diluted earnings per share (of ₹ 2 each) (not annualised) (in ₹)				
	(i) Continuing operations	0.59	(0.02)	0.95	0.67
	(ii) Discontinuing operations	(0.03)	0.02	(0.30)	(0.41)
	(iii) Total operations	0.56	0.00	0.65	0.26

EVEREST KANTO CYLINDER LIMITED
B. SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	30.06.2020	31.03.2020	30.06.2019	31.03.2020
	(Unaudited)	(Unaudited) Refer note 3	(Unaudited)	(Audited)
1. Segment revenue				
<u>Continuing operations</u>				
a) India	12,647	14,752	10,761	50,158
b) U.A.E (Dubai)	2,226	2,872	3,845	13,599
c) U.S.A and Hungary	2,377	2,268	4,523	12,725
d) Others	415	851	331	2,362
Total	17,665	20,743	19,460	78,844
Inter segment revenue	481	877	308	2,792
Revenue from continuing operations	17,184	19,866	19,152	76,052
<u>Discontinued operations (Refer note 10)</u>				
China	-	-	-	-
Revenue from discontinued operations	-	-	-	-
2. Segment results				
<u>Continuing operations</u>				
Segment Results (before foreign exchange variation gain / (loss), finance costs and tax):				
a) India	2,778	1,643	1,076	5,715
b) U.A.E (Dubai)	48	293	301	1,120
c) U.S.A and Hungary	(565)	(526)	564	(1,139)
d) Others	(28)	(11)	(40)	(46)
Total	2,233	1,399	1,901	5,650
Unallocable income / (expenses) (net)	23	33	79	206
Foreign exchange variation gain / (loss)	(27)	(464)	103	(703)
Finance costs	737	844	816	3,453
Profit before tax from continuing operations	1,492	124	1,267	1,700
<u>Discontinued operations (Refer note 10)</u>				
China	(39)	17	(331)	(459)
Profit / (Loss) from discontinued operations before tax	(39)	17	(331)	(459)
3. Segment assets				
<u>Continuing operations</u>				
a) India	49,269	46,780	46,576	52,535
b) U.A.E (Dubai)	16,452	17,676	16,509	17,676
c) U.S.A and Hungary	23,061	22,760	23,364	22,764
d) Others	1,037	1,207	870	1,207
Total	89,819	88,423	87,319	94,182
Unallocated assets	7,683	8,494	9,849	2,735
Total segment assets - continuing operations (I)	97,502	96,917	97,168	96,917
<u>Discontinued operations (Refer note 10)</u>				
China	6,961	6,950	8,120	6,950
Total segment assets - discontinued operations (II)	6,961	6,950	8,120	6,950
Total segment assets (I+II)	104,463	103,867	105,288	103,867
4. Segment liabilities				
a) India	9,851	9,517	8,364	9,517
b) U.A.E (Dubai)	2,860	1,996	2,420	1,996
c) U.S.A and Hungary	7,073	7,185	5,966	7,185
d) Others	183	54	325	54
Total	19,967	18,752	17,075	18,752
Add: Unallocated	29,290	31,013	35,219	31,013
Total segment liabilities - continuing operations (III)	49,257	49,765	52,294	49,765
<u>Discontinued operations (Refer note 10)</u>				
China	328	331	360	331
Total segment liabilities - discontinued operations (IV)	328	331	360	331
Total segment liabilities (III+IV)	49,585	50,096	52,654	50,096

Notes (A to B):

- 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 25 August 2020.
- 2 These statements have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (as amended) (Ind AS) prescribed under Section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.
- 3 The figures for the quarter ended 31 March 2020 represents the balance between audited figures in respect of the full financial year ended 31 March 2020 and the unaudited published year to date figures upto 31 December 2019 which were subjected to limited review.
- 4 Exceptional items gain / (loss) (net) represent:
 - (a) Exceptional item for the quarter and year ended 31 March 2020 includes gain on reversal of provision made in earlier periods towards write down in value for slow and non-moving inventory items of ₹ 259 lakhs.
 - (b) Subsequent to year ended 31 March 2020, the Management of Calcutta Compressions and Liquefaction Engineering Limited, a subsidiary company, had decided to sell its property, plant and equipment. Accordingly, based on its assessment of recoverable value of such assets, an impairment provision of ₹ 140 lakhs had been considered during the quarter and year ended 31 March 2020.
- 5 The consolidated financial results include the standalone financial results of Everest Kanto Cylinder Limited (the 'Company'), its seven wholly owned subsidiaries and step-down subsidiaries, EKC Industries (Tianjin) Co. Ltd., EKC International FZE, EKC Industries (Thailand) Co.Ltd., EKC Hungary Kft, CP Industries Holdings, Inc., EKC Europe GmbH and Next Gen Cylinder Private Limited and also Calcutta Compressions & Liquefaction Engineering Limited and EKC Positron Gas Limited, subsidiaries in which it has majority stake and of a joint venture, Kamal EKC International Limited (upto 22 August 2019). The financial results of these entities have been duly reviewed by the respective auditors of these entities, except for EKC Europe GmbH whose operations are not significant.
- 6 Revenue from operations includes income from processing charges aggregating ₹ 1,379 lakhs for the quarter ended 30 June 2020.
- 7 The outstanding balances (before eliminating inter-company balances) of the Holding Company as at 30 June 2020 include trade payables aggregating ₹ 8,960 lakhs, liability towards repayment of advance received from customer aggregating ₹ 1,358 lakhs, trade receivables aggregating ₹ 42 lakhs (net of provision ₹ 23 lakhs) and interest receivable aggregating ₹ 2,297 lakhs (net of provision ₹ Nil) to/from companies situated outside India. These balances are pending for settlement due to financial difficulties and have resulted in delays in remittance of payments, repayment of advance, receipts of receivables and receipt of interest, beyond the timeline stipulated by the FED Master Direction No. 17/2016-17, Notification No. FEMA 23(R)/2015-RB, FED Master Direction No. 16/2015-16 and Notification No. FEMA 120/RB-2004, respectively, under the Foreign Exchange Management Act, 1999. The Holding Company is in the process of regularising these defaults by filing necessary applications with the appropriate authority for condonation of delays. Pending conclusion of the aforesaid matters, the amount of penalty, if any, that may be levied, is not ascertainable but expected not to be material to the accompanying consolidated financial results, and accordingly, the accompanying consolidated financial results do not include any adjustments that may arise due to such delay/default.
- 8 The Company, its subsidiaries, step down subsidiaries operate within a single business segment. Hence, the Group has disclosed geographical segment as the primary segment on the basis of geographical location of the operations carried out by the Company, its subsidiaries, step down subsidiaries and joint venture.
- 9 Profit / (Loss) from discontinued operations is completely attributable to equity shareholders of the Company. Further, Other comprehensive income do not include amounts pertaining to discontinued operations.
- 10 The Group had entered into an agreement to sell the EKC Industries (Tianjin) Co. Ltd. (China subsidiary) to a company in China, for an aggregate consideration of RMB 93.50 million (approx. ₹ 9,946 lakhs). The Holding Company has obtained requisite approval from its shareholders. Accordingly, the results, assets and liabilities of China operations have been reported as discontinued operations. Being a discontinued operation, the China operations have not been considered as separate reportable segment.
- 11 During the year ended 31 March 2019, the Holding Company has decided to wind up the business operations of EKC Industries (Thailand) Co., Ltd. The winding up would be completed post completion of requisite regulatory formalities in India and Thailand.
- 12 Subsequent to quarter ended 30 June 2020, the Holding Company has entered into an agreement towards sale of its entire stake in EKC Positron Gas Limited and also towards purchase of balance equity shares in Calcutta Compressions and Liquefaction Engineering Limited. Pursuant to the aforesaid transactions, EKC Positron Gas Limited will cease to be a subsidiary company and Calcutta Compressions and Liquefaction Engineering Limited will become a wholly owned subsidiary company.
- 13 In March 2020, the World Health Organisation declared Covid-19 a global pandemic. The Group has assessed the impact of this pandemic on its business operations and has considered all relevant internal and external information available up to the date of approval of these consolidated financial results, to determine the impact on the Group's revenue from operations for foreseeable future and the recoverability and carrying value of certain assets such as property, plant and equipment, inventories, trade receivables and deferred tax assets. The impact of Covid-19 pandemic on the overall economic environment being uncertain may affect the underlying assumptions and estimates used to prepare Group's consolidated financial results, which may differ from that considered as at the date of approval of these consolidated financial results. The Group has resumed its business activities, in line with guidelines issued by the Government authorities, taken steps to strengthen its liquidity position and initiated cost restructuring exercise. However, the Group does not anticipate any challenges in its ability to continue as going concern or meeting its financial obligations. As the situation is unprecedented, the Group is closely monitoring the situation as it evolves in the future.

For and on behalf of the Board of Directors

PUSHKAR
PREMKUMAR
KHURANA

Digitally signed by PUSHKAR
PREMKUMAR KHURANA
Date: 2020.08.25 15:31:07
+05'30'

Place : Mumbai
Date : 25 August 2020

Pushkar Khurana
Chairman
DIN:- 00040489