

May 30, 2017

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**

Dear Sir/Madam,

Sub: Submission of Audited Financial Results (Standalone and Consolidated) and Auditors Report for the financial year ended March 31, 2017

Pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 please find enclosed herewith the Audited Financial Results (Standalone and Consolidated) for the financial year ended March 31, 2017 and Auditors Report from M/s. Walker Chandiook & Company LLP, as on March 31, 2017.

Kindly take note of the above.

Thanking you,

Yours truly,
For **Everest Kanto Cylinder Limited**

Alok Bodas
Alok Bodas
Company Secretary



Encl : a/a

Registered Office :
204, Raheja Centre,
Free Press Journal Marg,
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CIN L29200MH1978PLC020434

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Walker Chandiook & Co LLP

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Independent Auditor's Report on Standalone Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Everest Kanto Cylinder Limited

1. We have audited the standalone financial results of **Everest Kanto Cylinder Limited** ('the Company') for the year ended 31 March 2017, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to note 8 to the standalone financial results regarding the figures for the quarter ended 31 March 2017, as reported in these standalone financial results, which are the balancing figures between audited standalone figures in respect of the full financial year and the published standalone year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These standalone financial results are based on the standalone financial statements for the year ended 31 March 2017, prepared in accordance with the accounting principles generally accepted in India, including Accounting Standards ('AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and published standalone year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Company's management. Our responsibility is to express an opinion on these standalone financial results based on our audit of the standalone financial statements for the year ended 31 March 2017 and our review of standalone financial results for the nine months period ended 31 December 2016.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our qualified opinion.
3. As stated in note 3(a) to the financial results, the Company's current investments, as at 31 March 2017, include an investment amounting to Rs. 6,925 Lakh (as at 31 March 2016: Rs. 6,925 Lakh) in its wholly owned Subsidiary in China, EKC Industries (Tianjin) Co. Ltd., whose financial results as at 31 March 2017 indicate significant accumulated losses and net worth being fully eroded, however, as at 31 March 2017, a provision of only Rs. 5,500 Lakh (as at 31 March 2016: Rs. 3,500 Lakh) has been recognized in the books for diminution in value of investments, on an adhoc basis. In the absence of sufficient appropriate evidence, we are unable to comment upon the carrying value of this investment and the consequential impact, if any, on the accompanying financial results. Our audit opinion for the year ended 31 March 2016 was also qualified in respect of this matter.



Walker Chandiook & Co LLP

4. As detailed in note 5 to the financial results, the Company's short term loans and advances and other current assets include inter-corporate deposit and accrued interest thereon, aggregating Rs. 1,347 Lakh (as at 31 March 2016 Rs. 1,347 Lakh) and Rs. 377 Lakh (as at 31 March 2016 Rs. 377 Lakh), respectively. In the absence of sufficient appropriate evidence, we are unable to comment on the recoverability of the aforesaid amounts and consequential impact, if any, on the financial results. Our audit opinion for the year ended 31 March 2016 was also qualified in respect of this matter.
5. In our opinion and to the best of our information and according to the explanations given to us, the standalone financial results:
 - (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard except for the possible effects of the matters described in paragraph 3 and 4; and
 - (ii) give a true and fair view of the standalone net profit and other financial information in conformity with the accounting principles generally accepted in India for the year ended 31 March 2017, except for the possible effects of the matters described in paragraph 3 and 4.
6. We draw attention to Note 6 to the financial results, regarding the delays in receipt of receivables and payment against the supply of goods amounting to Rs. 61 Lakhs and Rs. 6,352 Lakhs, respectively, that are outstanding for a period beyond the timelines stipulated vide FED Master Direction No. 16/2015-16 and FED Master Direction No. 17/2016-17 under the Foreign Exchange Management Act, 1999 due from/to group companies. The Management of the Company has represented that the Company is in the process of regularizing these defaults by filing necessary applications with the appropriate authority for condonation of such delays. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable and accordingly, the accompanying financial results do not include any adjustments that may arise due to such delay/default. Our opinion is not modified in respect of this matter.



For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013



per **Khushroo B. Panthaky**
Partner
Membership No. 42423

Place: Mumbai
Date: 30 May 2017

Audited Financial Results (Standalone) For The Year Ended 31st March, 2017

(₹ in Lakhs)

Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the Previous Year	Current Year ended	Previous Year ended
	31/03/2017 (Audited) (Ref. Note no.8)	31/12/2016 (Unaudited)	31/03/2016 (Audited) (Ref. Note no.8)	31/03/2017 (Audited)	31/03/2016 (Audited)
I Revenue from operations (Net of excise duty)	6,616	5,532	5,604	24,406	17,077
II Other income (Refer Note no.4)	347	95	87	694	425
III Total Revenue (I + II)	6,963	5,627	5,691	25,100	17,502
IV Expenses					
(a) Cost of materials consumed	3,250	3,673	2,905	14,607	11,777
(b) Purchases of stock-in-trade	513	30	27	590	102
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	710	(691)	1,976	(1,432)	1,240
(d) Employee benefits expense	424	405	404	1,535	1,367
(e) Finance costs	765	942	964	3,602	4,716
(f) Depreciation and amortization expense	313	349	431	1,475	1,695
(g) Other Expenses					
Power and Fuel	489	510	365	1,876	1,272
Others	1,133	764	1,260	3,580	3,383
Total expenses	7,597	5,982	8,332	25,833	25,552
V Profit / (Loss) from ordinary activities before foreign exchange variation gain/ (loss), exceptional items and tax (III - IV)	(634)	(355)	(2,641)	(733)	(8,050)
VI Foreign Exchange Variation Gain/ (Loss)	476	(117)	55	386	(406)
VII Profit / (Loss) from ordinary activities before exceptional items and tax (V + VI)	(158)	(472)	(2,586)	(347)	(8,456)
VIII Exceptional Items Gain/ (Loss) (net) (Refer Note no.3)	10,152	(1,126)	(194)	7,527	(2,934)
IX Profit / (Loss) before tax (VII + VIII)	9,994	(1,598)	(2,780)	7,180	(11,390)
X Tax expense / (Credit)	-	-	-	-	106
XI Net Profit / (Loss) for the period (IX + X)	9,994	(1,598)	(2,780)	7,180	(11,496)
XII Earnings per share (not annualised) (in ₹):					
(a) Basic	8.91	(1.43)	(2.60)	6.40	(10.73)
(b) Diluted	8.91	(1.43)	(2.60)	6.40	(10.73)



EVEREST KANTO CYLINDER LIMITED

Registered Office: 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point, Mumbai 400021

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

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STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars	As at 31/03/2017	As at 31/03/2016
	(Audited)	(Audited)
A EQUITY AND LIABILITIES		
1 Shareholders' Funds		
(a) Share Capital	2,244	2,244
(b) Reserves and Surplus	12,595	5,415
	14,839	7,659
2 Non-Current Liabilities		
(a) Long-Term Borrowings	14,651	23,654
(b) Long-Term Provisions	102	94
	14,753	23,748
3 Current Liabilities		
(a) Short-Term Borrowings	6,505	7,519
(b) Trade Payables		
(i) Outstanding dues to Micro, Small and Medium Enterprises	199	159
(ii) Outstanding dues to Other than Micro, Small and Medium Enterprises	10,137	11,881
(c) Other Current Liabilities	22,401	12,292
(d) Short-Term Provisions	8	13
	39,250	31,864
TOTAL	68,842	63,271
B ASSETS		
1 Non-Current Assets		
(a) Fixed Assets		
(i) Tangible Assets	19,315	25,338
(ii) Intangible Assets	13	32
(iii) Capital Work-in-Progress	712	2,375
(b) Non-Current Investments	3,680	3,670
(c) Long-Term Loans and Advances	1,483	1,537
(d) Other Non-Current Assets	65	185
	25,268	33,137
2 Current Assets		
(a) Current Investments	1,428	3,428
(b) Inventories	9,511	10,767
(c) Trade Receivables	5,033	4,075
(d) Cash & Bank Balances	532	486
(e) Short-Term Loans and Advances (Refer Note no.5)	5,389	7,280
(f) Other Current Assets (Refer Note no.3(b), 3(d) and 5)	21,681	4,098
	43,574	30,134
TOTAL	68,842	63,271



NOTES :

- 1 The above results were reviewed by the Audit Committee at its meeting held on 30 May, 2017 and have been approved by the Board of Directors of the Company at their meeting held on that date.
- 2 Tax Expense includes Current Tax, Deferred Tax (Including Deferred Credits, if any) and tax adjustments relating to earlier years.
- 3 a. As regard the Investment by way of share capital of ₹6,925.07 Lakhs in EKC Industries (Tianjin) Company Limited, a wholly owned subsidiary based in China, the Company is of the considered view, based on the assessment of the relevant factors, such as, the long term nature of the investment, future business prospects in the markets in which EKC Industries (Tianjin) Company Limited operates, expected appreciation in the fair value of the assets of EKC Industries (Tianjin) Company Limited, etc., that no provision for the diminution in the value of the Investment is required. However, on a conservative basis, an aggregate amount of ₹5,500 Lakhs (including ₹3,500 Lakhs upto 31 March 2016) has been provided towards such diminution and has been disclosed as an 'Exceptional Item' in the financial results. The Audit Report of the Statutory Auditors on the financial results for the year ended 31 March 2017 is qualified in respect of this matter. The Audit Report of the Statutory Auditors on the financial results for the year ended 31 March 2016 was also qualified in respect of this matter.
- b. During the year ended 31 March 2017, the Company has entered into an agreement towards sale of building, electrical installations along with land appurtenant thereto (the "Specified Assets"), situated at Gandhidham, for an aggregate consideration of USD 29 Million. Pursuant to this transaction and subsequent realizations post year end, the Company has recognised sale of the Specified Assets (except agricultural land) and have considered the gain of ₹12,923 Lakhs from the transaction as an 'Exceptional Item' in the financial results. However, pending receipt of relevant government approvals towards conversion of agricultural land to industrial land, it has been considered as 'Assets held for sale' and have been grouped under 'Other current assets'. The sales consideration and carrying value of the agricultural land is USD 4 Million and ₹274 Lakhs, respectively.
To give effect to the above agreement and ensure smooth continuance of the business, the Company has shifted its manufacturing facilities from Gandhidham to Kandla Plant and have incurred shifting expenses to the extent of ₹696 lakhs. These shifting expenses have also been considered as an 'Exceptional Item' in financial results of the Company.
- c. During the current year, the Company has sold/discarded certain items of plant of machinery rendered unusable for an aggregate loss of ₹1,539 Lakhs (including impairment loss of ₹62 Lakhs on 'Assets held for sale'). The loss has also been considered as an 'Exceptional Item' in the financial results.
- d. During the current year, the Company has decided to sell certain items of plant and machinery forming part of 'Capital work in progress'. Accordingly, these assets have been considered as 'Assets held for Sale' and have been grouped under 'Other current assets'. The carrying value of these assets has been written down to their net realizable value at ₹1,548 Lakhs and an impairment loss of ₹629 Lakhs has been recognized as an 'Exceptional item' in financial results.
- e. An aggregate amount of ₹44 Lakhs for the year ended 31 March 2017 (₹826 Lakhs for the year ended 31 March 2016) has been provided towards impairment of investment in share of and loan and other receivables from Calcutta Compressions & Liquefaction Engineering Limited (CC&L), a subsidiary company, based on management's assessment of the recoverable value of the investment and loans. This provision has been disclosed as an 'Exceptional Item' in the financial results.
- f. 'Exceptional Item' includes benefit on closure of borrowing obligation of ₹Nil (₹508 Lakhs for the year ended 31 March 2016).
- g. 'Exceptional Item' includes provision towards diminution in value for slow and non-moving inventory items of ₹488 Lakhs for the year ended 31 March 2017 (₹616 Lakhs for the year ended 31 March 2016).
- 4 The recognition of interest income aggregating ₹538 Lakhs for the year ended 31 March 2017 (₹299 Lakhs for the year ended 31 March 2016) in respect of the Inter Corporate Deposit and Loans given to the subsidiaries has been deferred by the Company, due to uncertainties with respect to ultimate collection of the outstanding amounts.
- 5 Short term loans and advances and other current assets include an amount of ₹1,724 Lakhs (₹1,724 Lakhs as at 31 March 2016) towards secured inter-corporate deposit advanced to Hubtown Limited (formerly Akruiti City Limited) and accrued interest thereon. The deposit and accrued interest are outstanding for a considerable period. These deposits are secured against mortgage rights of an under-construction commercial property in favour of the Company. Based on its on-going discussion with Hubtown Limited (formerly Akruiti City Limited), the Company is confident of recovering the inter-corporate deposit with accrued interest thereon and therefore believes that no provision for potential losses, if any, on account of non-recoverability of outstanding amounts is necessary at present. The Audit Report of the Statutory Auditors on the financial results for the year ended 31 March 2017 is qualified in respect of this matter. The Audit Report of the Statutory Auditors on the financial results for the year ended 31 March 2016 was also qualified in respect of this matter.
- 6 The outstanding balances as at 31 March 2017 include trade payables aggregating ₹6,352 Lakhs and trade receivables aggregating ₹61 Lakhs to/from group companies situated outside India. These balances are pending for settlement due to financial difficulties and have resulted in delays in remittance of payments and receipt of receivables, beyond the timeline stipulated by the FED Master Direction No. 16/2015-16 and FED Master Direction No. 17/2016-17 under the Foreign Exchange Management Act, 1999. The Company is in the process of regularizing the defaults by filing necessary applications with the appropriate authority for condonation of delays.
- 7 During the year ended 31 March 2017, the Company has incorporated new wholly owned subsidiary company, Next Gen Cylinder Private Limited. The subsidiary intends to engage in trading business.
- 8 The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
- 9 Previous periods' figures have been regrouped / recast, wherever necessary.



Place : Mumbai
Date: 30th May, 2017

By Order of the Board
For Everest Kanto Cylinder Limited

P. K. Khurana
P. K. Khurana
Chairman & Managing Director
DIN:- 00004050



EVEREST KANTO CYLINDER LIMITED

Registered Office: 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point, Mumbai 400021
CIN: L29200MH1978PLC020434; Email: investors@ekc.in;
Tel Numbers: 022 3026 8300/01 Fax: 022 2287 0720; Website : www.everestkanto.com

Annexure 1

Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results (Standalone)

Statement on Implication of Audit Qualification for the Financial Year ended 31 March 2017
[See Regulation 33/52 of the SEBI (LODR) Amendment Regulations, 2016]

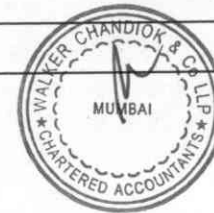
(Amt. in Lakhs)

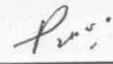
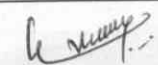
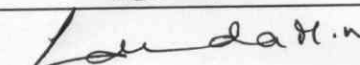
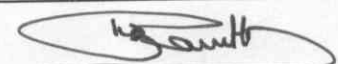
I.	Sr. No.	Particulars	Audited Figures	Adjusted Figures
			(as reported before adjusting for qualifications)	(Audited figures after adjusting for qualifications)
	1	Turnover / Total income	38,409	38,409
	2	Total Expenditure	31,229	Not ascertainable (Refer II (a) below)
	3	Net Profit/(Loss)	7,180	Not ascertainable (Refer II (a) below)
	4	Earnings Per Share (Amt. in `)	6.40	Not ascertainable (Refer II (a) below)
	5	Total Assets	68,842	Not ascertainable (Refer II (a) below)
	6	Total Liabilities	54,003	54,003
	7	Net Worth	14,839	Not ascertainable (Refer II (a) below)
	8	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil

II. Audit Qualification (each audit qualification separately):		Auditors Qualification 1	Auditors Qualification 2
a.	Details of Audit Qualifications:	<p>The extract of qualification in the audit report is as follows:</p> <p>As stated in note 3(a) to the financial results, the Company's current investments, as at 31 March 2017, include an investment amounting to Rs. 6,925 Lakh (as at 31 March 2016: Rs. 6,925 Lakh) in its wholly owned Subsidiary in China, EKC Industries (Tianjin) Co. Ltd., whose financial results as at 31 March 2017 indicate significant accumulated losses and net worth being fully eroded, however, as at 31 March 2017, a provision of only Rs. 5,500 Lakh (as at 31 March 2016: Rs. 3,500 Lakh) has been recognized in the books for diminution in value of investments, on an adhoc basis. In the absence of sufficient appropriate evidence, we are unable to comment upon the carrying value of this investment and the consequential impact, if any, on the accompanying financial results. Our audit opinion for the year ended 31 March 2016 was also qualified in respect of this matter.</p>	<p>The extract of qualification in the audit report is as follows:</p> <p>As detailed in note 5 to the financial results, the Company's short term loans and advances and other current assets include inter-corporate deposit and accrued interest thereon, aggregating Rs. 1,347 Lakh (as at 31 March 2016 Rs. 1,347 Lakh) and Rs. 377 Lakh (as at 31 March 2016 Rs. 377 Lakh), respectively. In the absence of sufficient appropriate evidence, we are unable to comment on the recoverability of the aforesaid amounts and consequential impact, if any, on the financial results. Our audit opinion for the year ended 31 March 2016 was also qualified in respect of this matter.</p>
b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion	Qualified Opinion
c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	This is third year of qualification	This is second year of qualification
d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable	Not Applicable
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:		



MH *E* *W*



(i)	Management's estimation on the impact of audit qualification:	As regard the Investment by way of share capital of Rs. 6,925.07 Lakhs in EKC Industries (Tianjin) Company Limited, a wholly owned subsidiary based in China, the Company is of the considered view, based on the assessment of the relevant factors, such as, the long term nature of the investment, future business prospects in the markets in which EKC Industries (Tianjin) Company Limited operates, expected appreciation in the fair value of the assets of EKC Industries (Tianjin) Company Limited, etc., that no provision for the diminution in the value of the Investment is required. However, on a conservative basis, an aggregate amount of Rs. 5,500 Lakhs (including Rs. 3,500 Lakhs upto 31 March 2016) has been provided towards such diminution and has been disclosed as an 'Exceptional Item' in the financial results.	Short term loans and advances and other current assets include an amount of Rs. 1,724 Lakhs (Rs. 1,724 Lakhs as at 31 March 2016) towards secured inter-corporate deposit advanced to Hubtown Limited (formerly Akruiti City Limited) and accrued interest thereon. The deposit and accrued interest are outstanding for a considerable period. These deposits are secured against mortgage rights of an under-construction commercial property in favour of the Company. Based on its on-going discussion with Hubtown Limited (formerly Akruiti City Limited), the Company is confident of recovering the inter-corporate deposit with accrued interest thereon and therefore believes that no provision for potential losses, if any, on account of non-recoverability of outstanding amounts is necessary at present.
(ii)	If management is unable to estimate the impact, reasons for the same:	Not Applicable	Not Applicable
(iii)	Auditors' Comments on (i) or (ii) above:	Included in details of auditor's qualification.	Included in details of auditor's qualification.
III. Signatories:			
	Chairman & Managing Director	P. K. Khurana	
	CFO	Kishore Thakkar	
	Audit Committee Chairman	M. N. Sudhindra Rao	
	Statutory Auditor	Khushroo B. Panthaky, Partner, Walker Chandio & Co LLP, Chartered Accountants	

Place: Mumbai
Date: 30th May, 2017



Walker Chandiook & Co LLP

Walker Chandiook & Co LLP
(Formerly Walker, Chandiook & Co)
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Independent Auditor's Report on Consolidated Financial Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Everest Kanto Cylinder Limited

1. We have audited the consolidated financial results of **Everest Kanto Cylinder Limited** ('the Holding Company', 'Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and jointly controlled entity for the year ended 31 March 2017, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Attention is drawn to Note 9 to the consolidated financial results regarding the figures for the quarter ended 31 March 2017 as reported in these consolidated financial results, which are the balancing figures between audited consolidated figures in respect of the full financial year and the published consolidated year to date figures up to the end of the third quarter of the financial year. Also, the figures up to the end of the third quarter had only been reviewed and not subjected to audit. These consolidated financial results are based on the consolidated financial statements for the year ended 31 March 2017, prepared in accordance with the accounting principles generally accepted in India, including Accounting Standards ('AS') prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and published consolidated year to date figures up to the end of the third quarter of the financial year prepared in accordance with the recognition and measurement principles laid down in AS 25, Interim Financial Reporting, prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended), and SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, which are the responsibility of the Holding Company's management. Our responsibility is to express an opinion on these consolidated financial results based on our audit of the consolidated financial statements for the year ended 31 March 2017 and our review of consolidated financial results for the nine months period ended 31 December 2016.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our qualified opinion.
3. As detailed in note 2 to the financial results, the Company's short term loans and advances and other current assets include inter-corporate deposit and accrued interest thereon, aggregating Rs. 1,347 Lakh (as at 31 March 2016 Rs. 1,347 Lakh) and Rs. 377 Lakh (as at 31 March 2016 Rs. 377 Lakh), respectively. In the



absence of sufficient appropriate evidence, we are unable to comment on the recoverability of the aforesaid amounts and consequential impact, if any, on the financial results. Our audit opinion for the year ended 31 March 2016 was also qualified in respect of this matter.

4. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of other auditors on separate financial results and on other financial information of the subsidiaries and jointly controlled entity, the consolidated financial results:
- (i) include the financial results for the year ended 31 March 2017, of the following entities:
 - EKC Industries (Tianjin) Co., Ltd
 - EKC International FZE
 - EKC Industries (Thailand) Co., Ltd.
 - Calcutta Compressions and Liquefaction Engineering Limited
 - EKC Hungary Kft.
 - CP Industries Holdings, Inc.
 - EKC Europe GmbH
 - EKC Positron Gas Ltd
 - Next Gen Cylinder Private Limited
 - Kamal EKC Industries Limited.
 - (ii) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016 in this regard, except for the possible effect of the matter described in paragraph 3; and
 - (iii) give a true and fair view of the consolidated net profit and other financial information in conformity with the accounting principles generally accepted in India for the year ended 31 March 2017 except for the possible effect of the matter described in paragraph 3.
5. We draw attention to Note 6 to the financial results, regarding the delays in receipt of receivables and payment against the supply of goods by Company, amounting to Rs. 61 Lakhs and Rs. 6,352 Lakhs respectively, that are outstanding for a period beyond the timelines stipulated vide FED Master Direction No. 16/2015-16 and FED Master Direction No. 17/2016-17 under the Foreign Exchange Management Act, 1999 due from/to group companies. The Management of the Company has represented that the Company is in the process of regularizing these defaults by filing necessary applications with the appropriate authority for condonation of such delays. Pending conclusion of the aforesaid matter, the amount of penalty, if any, that may be levied, is not ascertainable and accordingly, the accompanying financial results do not include any adjustments that may arise due to such delay/default. Our opinion is not modified in respect of this matter.
6. We did not audit the financial statements of eight subsidiaries, whose financial statements reflect total assets of Rs. 108,019 Lakh and net assets of Rs. 36,235 Lakh as at 31 March 2017 and total revenues of Rs. 40,573 Lakh for the year ended on that date, as considered in the consolidated financial results. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid subsidiaries, are based solely on the reports of such other auditors.

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

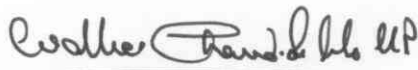


Walker Chandiook & Co LLP

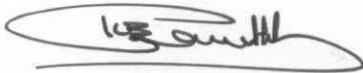
Our opinion on the consolidated financial results is not modified in respect of this matter with respect to our reliance on the work done by and the reports of the other auditors.

7. We did not audit the financial statements of one subsidiary and one jointly controlled entity, whose financial statements reflect total assets of Rs. 1,142 Lakh and net assets of Rs. (214) Lakh as at 31 March 2017, and total revenues of Rs. 2,362 Lakh for the year ended on that date, as considered in the consolidated financial results. These financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and jointly controlled entity, and our report in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with SEBI Circulars CIR/CFD/CMD/15/2015 dated 30 November 2015 and CIR/CFD/FAC/62/2016 dated 5 July 2016, in so far as it relates to the aforesaid subsidiary and jointly controlled entity, are based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group.

Our opinion on the consolidated financial results is not modified in respect of this matter with respect to our reliance on the financial statements certified by the management.



For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No.: 001076N/N500013



per Khushroo B. Panthaky
Partner
Membership No. 42423

Place: Mumbai
Date: 30 May 2017

EVEREST KANTO CYLINDER LIMITED

Registered Office: 204, Raheja Centre, Free Press Journal Marg, 214, Nariman Point, Mumbai 400021
 CIN: L29200MH1978PLC020434; Email: investors@ekc.in;
 Tel Numbers: 022 3026 8300/01 Fax: 022 2287 0720; Website : www.everestkanto.com

Audited Financial Results (Consolidated) For The Year Ended 31st March, 2017

(₹ in Lakhs)

Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the Previous Year	Current Year Ended	Previous Year Ended
	31/03/2017 (Audited) (Ref. Note no.9)	31/12/2016 (Unaudited)	31/03/2016 (Audited) (Ref. Note no.9)	31/03/2017 (Audited)	31/03/2016 (Audited)
I Revenue from operations (Net of excise duty)	13,071	14,141	17,140	56,766	50,576
II Other income (Refer Note no. 3)	192	466	75	709	262
III Total Revenue (I + II)	13,263	14,607	17,215	57,475	50,838
IV Expenses					
(a) Cost of materials consumed	5,635	5,312	5,484	21,871	20,244
(b) Purchases of stock-in-trade	859	2,138	3,383	7,225	7,932
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(7)	(160)	2,180	(745)	374
(d) Employee benefits expense	2,088	2,030	2,160	8,628	8,063
(e) Finance costs	971	1,157	1,173	4,453	5,351
(f) Depreciation and amortization expense	1,017	1,071	1,833	4,336	7,153
(g) Other Expenses					
Power and Fuel	828	826	781	3,230	2,752
Others	2,497	2,167	3,157	10,094	10,037
Total expenses	13,888	14,541	20,151	59,092	61,906
V Profit / (Loss) from ordinary activities before provision for doubtful debts, foreign exchange variation gain/(loss), exceptional items and tax (III - IV)	(625)	66	(2,936)	(1,617)	(11,068)
VI Provision for Doubtful Debts / (Provision Written Back)	15	(74)	260	(295)	(155)
VII Foreign Exchange Variation Gain/ (Loss)	337	(469)	(23)	(365)	(953)
VIII Profit / (Loss) from ordinary activities before exceptional items and tax(V - VI + VII)	(303)	(329)	(3,219)	(1,687)	(11,866)
IX Exceptional Items Gain/ (Loss) (net) (Refer Note no.4)	10,652	(626)	5	9,571	(408)
X Profit / (Loss) before tax (VIII + IX)	10,349	(955)	(3,214)	7,884	(12,274)
XI Tax expense / (Credit)	(8)	12	(16)	15	135
XII Net Profit / (Loss) for the period (X ± XI)	10,357	(967)	(3,198)	7,869	(12,409)
XIII Earnings per share (not annualised) (in ₹):					
(a) Basic	9.23	(0.86)	(2.98)	7.01	(11.58)
(b) Diluted	9.23	(0.86)	(2.98)	7.01	(11.58)



Audited Financial Results (Consolidated) For The Year Ended 31st March, 2017

SEGMENTWISE REVENUE, RESULTS, ASSETS AND LIABILITIES

(₹ in Lakhs)

PARTICULARS	3 months ended	Preceding	Corresponding	Current Year	Previous Year
	31/03/2017 (Audited)	3 months ended 31/12/2016 (Unaudited)	3 months ended in the Previous Year 31/03/2016 (Audited)	Ended 31/03/2017 (Audited)	Ended 31/03/2016 (Audited)
	(Ref. Note no.9)		(Ref. Note no.9)		
1. Segment Revenue					
a) India	6,858	5,715	5,775	25,161	17,585
b) U.A.E (Dubai)	2,394	4,634	6,038	15,681	16,591
c) China	1,177	1,579	1,347	5,046	5,561
d) USA & Hungary	3,800	4,927	5,734	18,218	18,768
e) Others	992	273	774	2,362	1,522
Total	15,221	17,128	19,668	66,468	60,027
Less: Inter Segment Revenue	2,150	2,987	2,528	9,702	9,451
Revenue from operations (Net of excise duty)	13,071	14,141	17,140	56,766	50,576
2. Segment Result (before Tax)					
Segment Result (before (Loss)/Gain on Foreign Exchange variation, Finance Costs & Tax):					
a) India	10,681	(3)	(1,474)	12,419	(3,876)
b) U.A.E (Dubai)	214	(105)	121	394	1,040
c) China	(268)	(302)	(443)	(1,580)	(1,813)
d) USA & Hungary	312	637	(299)	951	(1,526)
e) Others	8	(22)	2	(35)	(58)
Total	10,947	205	(2,093)	12,149	(6,233)
Unallocable Income / (Expenses)	36	466	75	553	263
Add/Less : (Loss)/Gain on Foreign Exchange variation (Net)	337	(469)	(23)	(365)	(953)
Less : Finance Costs	971	1,157	1,173	4,453	5,351
Net Profit / (Loss) before Tax	10,349	(955)	(3,214)	7,884	(12,274)
3. Segment Assets					
a) India	56,646	46,715	48,364	56,646	48,364
b) U.A.E (Dubai)	14,776	17,593	18,239	14,776	18,239
c) China	11,344	11,206	12,989	11,344	12,989
d) USA & Hungary	22,973	23,507	21,526	22,973	21,526
e) Others	1,033	425	765	1,033	765
Total	106,772	99,446	101,883	106,772	101,883
Add: Unallocated	5,101	5,157	2,280	5,101	2,280
Total Segment Assets	111,873	104,603	104,163	111,873	104,163
4. Segment Liabilities					
a) India	5,800	5,189	2,983	5,800	2,983
b) U.A.E (Dubai)	2,406	3,190	2,656	2,406	2,656
c) China	1,178	1,188	1,109	1,178	1,109
d) USA & Hungary	6,123	5,902	4,826	6,123	4,826
e) Others	50	20	60	50	60
Total	15,557	15,489	11,634	15,557	11,634
Add: Unallocated	54,545	56,644	58,192	54,545	58,192
Total Segment Liabilities	70,102	72,133	69,826	70,102	69,826



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CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

Particulars		As at 31/03/2017	As at 31/03/2016
		(Audited)	(Audited)
A	EQUITY AND LIABILITIES		
1	Shareholders' Funds		
	(a) Share Capital	2,244	2,244
	(b) Reserves and Surplus	39,527	32,093
		41,771	34,337
2	Minority Interest	1	1
3	Non-Current Liabilities		
	(a) Long-Term Borrowings	19,769	24,898
	(b) Long-Term Provisions	1,737	2,105
		21,506	27,003
4	Current Liabilities		
	(a) Short-Term Borrowings	21,961	27,385
	(b) Trade Payables		
	(i) Outstanding dues to Micro, Small and Medium Enterprises	199	159
	(ii) Outstanding dues to Other than Micro, Small and Medium Enterprises	7,633	5,583
	(c) Other Current Liabilities	18,634	9,550
	(d) Short-Term Provisions	168	145
		48,595	42,822
	TOTAL	111,873	104,163
B	ASSETS		
1	Non-Current Assets		
	(a) Fixed Assets		
	(i) Tangible Assets	41,906	51,046
	(ii) Intangible Assets	130	166
	(iii) Capital Work-in-Progress	1,387	2,839
	(b) Non-Current Investments	45	45
	(c) Long-Term Loans and Advances	1,617	1,694
	(d) Other Non-Current Assets	65	185
		45,150	55,975
2	Current Assets		
	(a) Current Investments	3	3
	(b) Inventories	25,901	28,758
	(c) Trade Receivables	11,618	10,641
	(d) Cash & Bank Balances	3,495	2,721
	(e) Short-Term Loans and Advances (Refer Note no.2)	5,968	3,714
	(f) Other Current Assets (Refer Note no. 2, 4(a) and 4(c))	19,738	2,351
		66,723	48,188
	TOTAL	111,873	104,163



NOTES

- 1 The above results were reviewed by the Audit Committee at its meeting held on 30 May, 2017 and have been approved by the Board of Directors of the Company at their meeting held on that date.
- 2 Short term loans and advances and other current assets include an amount of ₹1,724 Lakhs (₹1,724 Lakhs as at 31 March 2016) towards secured inter-corporate deposit advanced to Hubtown Limited (formerly Akruiti City Limited) and accrued interest thereon. The deposit and accrued interest are outstanding for a considerable period. These deposits are secured against mortgage rights of an under-construction commercial property in favour of the Company. Based on its on-going discussion with Hubtown Limited (formerly Akruiti City Limited), the Company is confident of recovering the inter-corporate deposit with accrued interest thereon and therefore believes that no provision for potential losses, if any, on account of non-recoverability of outstanding amounts is necessary at present. The Audit Report of the Statutory Auditors on the financial results for the year ended 31 March 2017 is qualified in respect of this matter. The Audit Report of the Statutory Auditors on the financial results for the year ended 31 March 2016 was also qualified in respect of this matter.
- 3 The recognition of interest income of ₹305 Lakhs for the year ended 31 March 2017 (₹229 Lakhs for the year ended 31 March 2016) in respect of the Inter Corporate Deposit has been deferred by the Company, due to uncertainties with respect to ultimate collection of the outstanding amounts.
- 4 a. During the year ended 31 March 2017, the Company has entered into an agreement towards sale of building, electrical installations along with land appurtenant thereto (the "Specified Assets"), situated at Gandhidham, for an aggregate consideration of USD 29 Million. Pursuant to this transaction and subsequent realizations post year end, the Company has recognised sale of the Specified Assets (except agricultural land) and have considered the gain of ₹12,923 Lakhs from the transaction as an 'Exceptional Item' in the financial results. However, pending receipt of relevant government approvals towards conversion of agricultural land to industrial land, it has been considered as 'Assets held for sale' and have been grouped under 'Other current assets'. The sales consideration and carrying value of the agricultural land is USD 4 Million and ₹274 Lakhs, respectively.
To give effect to the above agreement and ensure smooth continuance of the business, the Company has shifted its manufacturing facilities from Gandhidham to Kandla Plant and have incurred shifting expenses to the extent of ₹696 lakhs. These shifting expenses have also been considered as an 'Exceptional Item' in financial results of the Company.
- b. During the current year, the Company has sold/discarded certain items of plant of machinery rendered unusable for an aggregate loss of ₹1,539 Lakhs (including impairment loss of ₹62 Lakhs on 'Assets held for sale'). The loss has also been considered as an 'Exceptional Item' in the financial results.
- c. During the current year, the Company has decided to sell certain items of plant and machinery forming part of 'Capital work in progress'. Accordingly, these assets have been considered as 'Assets held for Sale' and have been grouped under 'Other current assets'. The carrying value of these assets has been written down to their net realizable value at ₹1,548 Lakhs and an impairment loss of ₹629 Lakhs has been recognized as an 'Exceptional item' in financial results.
- d. 'Exceptional Item' includes benefit on closure of borrowing obligation of ₹Nil (₹508 Lakhs for the year ended 31 March 2016).
- e. 'Exceptional Item' includes provision towards diminution in value for slow and non-moving inventory items of ₹488 Lakhs for the year ended 31 March 2017 (₹616 Lakhs for the year ended 31 March 2016).
- f. 'Exceptional Item' includes expenses of ₹Nil (₹300 Lakhs for the year ended 31 March 2016) incurred for claim settlement towards delay in delivery of machinery under sales contract.
- 5 The consolidated financial results include the standalone financial results of Everest Kanto Cylinder Limited (the "Company"), its four wholly owned subsidiaries, EKC Industries (Tianjin) Co. Ltd., EKC International FZE, EKC Industries (Thailand) Co.Ltd., Next Gen Cylinder Private Limited, its three wholly owned step down subsidiaries, EKC Hungary Kft, CP Industries Holdings, Inc. and EKC Europe GmbH and also Calcutta Compressions & Liquefaction Engineering Limited and EKC Positron Gas Limited, subsidiaries in which it has majority stake and of joint venture, Kamal EKC Industries Ltd. The financial results of all the entities have been duly audited by the respective auditors of these entities, except for EKC Europe GmbH and Kamal EKC Industries Ltd. whose operations are not significant.
- 6 The outstanding balances of the Company as at 31 March 2017 include trade payables aggregating ₹6,352 Lakhs and trade receivables aggregating ₹61 Lakhs to/from group companies situated outside India. These balances are pending for settlement due to financial difficulties and have resulted in delays in remittance of payments and receipt of receivables, beyond the timeline stipulated by the FED Master Direction No. 16/2015-16 and FED Master Direction No. 17/2016-17 under the Foreign Exchange Management Act, 1999. The Company is in the process of regularizing the defaults by filing necessary applications with the appropriate authority for condonation of delays.
- 7 Tax Expense includes Current Tax, Deferred Tax (Including Deferred Credits, if any) and tax adjustments relating to earlier years.
- 8 The Company, its subsidiaries, step down subsidiaries and joint venture operate within a single business segment. Hence, the Company 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 The figures of the last quarter are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the relevant financial year.
- 10 Previous periods' figures have been regrouped / recast, wherever necessary.

Place : Mumbai
Date: 30th May, 2017

AB



By Order of the Board
For Everest Kanto Cylinder Limited

P. K. Khurana
P. K. Khurana
Chairman & Managing Director
DIN:- 00004050



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Annexure 1

Statement of Impact of Audit Qualifications (for audit report with modified opinion) submitted along with Annual Audited Financial Results (Consolidated)

Statement on Implication of Audit Qualification for the Financial Year ended 31 March 2017

[See Regulation 33/52 of the SEBI (LODR) Amendment Regulations, 2016]

(Amt. in Lakhs)

I.	Sr. No.	Particulars	Audited Figures	Adjusted Figures
			(as reported before adjusting for qualifications)	(Audited figures after adjusting for qualifications)
	1	Turnover / Total income	70,694	70,694
	2	Total Expenditure	62,825	Not ascertainable (Refer II (a) below)
	3	Net Profit/(Loss)	7,869	Not ascertainable (Refer II (a) below)
	4	Earnings Per Share (Amt. in ₹)	7.01	Not ascertainable (Refer II (a) below)
	5	Total Assets	1,11,873	Not ascertainable (Refer II (a) below)
	6	Total Liabilities (including Minority Interest)	70,102	70,102
	7	Net Worth	41,771	Not ascertainable (Refer II (a) below)
	8	Any other financial item(s) (as felt appropriate by the management)	Nil	Nil

II.	Audit Qualification (each audit qualification separately):	Auditors Qualification
a.	Details of Audit Qualifications:	The extract of qualification in the audit report is as follows: As detailed in note 2 to the financial results, the Company's short term loans and advances and other current assets include inter-corporate deposit and accrued interest thereon, aggregating Rs. 1,347 Lakh (as at 31 March 2016 Rs. 1,347 Lakh) and Rs. 377 Lakh (as at 31 March 2016 Rs. 377 Lakh), respectively. In the absence of sufficient appropriate evidence, we are unable to comment on the recoverability of the aforesaid amounts and consequential impact, if any, on the financial results. Our audit opinion for the year ended 31 March 2016 was also qualified in respect of this matter.
b.	Type of Audit Qualification : Qualified Opinion / Disclaimer of Opinion / Adverse Opinion	Qualified Opinion
c.	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing	This is second year of qualification
d.	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:	Not Applicable
e.	For Audit Qualification(s) where the impact is not quantified by the auditor:	
(i)	Management's estimation on the impact of audit qualification:	Short term loans and advances and other current assets include an amount of Rs. 1,724 Lakhs (Rs. 1,724 Lakhs as at 31 March 2016) towards secured inter-corporate deposit advanced to Hubtown Limited (formerly Akruti City Limited) and accrued interest thereon. The deposit and accrued interest are outstanding for a considerable period. These deposits are secured against mortgage rights of an under-construction commercial property in favour of the Company. Based on its on-going discussion with Hubtown Limited (formerly Akruti City Limited), the Company is confident of recovering the inter-corporate deposit with accrued interest thereon and therefore believes that no provision for potential losses, if any, on account of non-recoverability of outstanding amounts is necessary at present.



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	(ii)	If management is unable to estimate the impact, reasons for the same:	Not Applicable
	(iii)	Auditors' Comments on (i) or (ii) above:	Included in auditor's qualification.
III. Signatories:			
		Chairman & Managing Director	P. K. Khurana
		CFO	Kishore Thakkar
		Audit Committee Chairman	M. N. Sudhindra Rao
		Statutory Auditor	Khushroo B. Panthaky, Partner, Walker Chandio & Co LLP, Chartered Accountants

Rev.
Kishore
M. N. Sudhindra Rao
Khushroo B. Panthaky

Place: Mumbai
Date: 30th May, 2017

