

May 30, 2018

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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Dear Sir/Madam,

Sub: Outcome of Board Meeting

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI LODR", the Board of Directors at their meeting held on May 30, 2018 had taken following decisions:

1. Subject to necessary approval, issuance of Non Convertible Debentures (NCDs) upto maximum of Rs. 125 crores, on private placement basis – Regulation 30 of the SEBI LODR.
2. Approval of Audited Financial Results (Standalone and Consolidated) for the quarter and year ended March 31, 2018 along with Auditors Report from M/s. Walker Chandiok & Company LLP, as on March 31, 2018 – Regulation 33(3)(d) of the SEBI LODR.

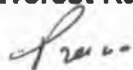
The Board meeting commenced at 6.00 p.m and was concluded at 10.25 p.m.

Kindly take note of the above.

Thanking you,

Yours truly,

For **Everest Kanto Cylinder Limited**



P. K. Khurana
Chairman and Managing Director

Encl : a/a

EVEREST KANTO CYLINDER LIMITED

**Manufacturers
of High Pressure
Seamless
Gas Cylinders**

Registered Office :
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Free Press Journal Marg,
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Mumbai - 400 021.

CIN L29200MH1978PLC020434

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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 2018, 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 3 to the standalone financial results regarding the figures for the quarter ended 31 March 2018, 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 2018, prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 ('the Act') 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 Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, 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 2018 and our review of standalone financial results for the nine months period ended 31 December 2017.
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.



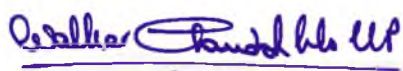
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Walker Chandiook & Co LLP

Everest Kanto Cylinder Limited

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

3. 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; and
 - (ii) give a true and fair view of the standalone net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India, including Ind AS specified under Section 133 of the Act for the year ended 31 March 2018.
4. We draw attention to Note 9 to the financial results, regarding delays in payments against the supply of goods of Rs. 8,470 Lacs, receipt of receivables of Rs. 16 Lacs and interest receivable of Rs. 1,341 Lacs, that are outstanding for a period beyond the timelines stipulated vide FED Master Direction No. 16/2015-16, FED Master Direction No. 17/2016-17 and Notification No. FEMA 120/ RB-2004 respectively, under the Foreign Exchange Management Act, 1999. The Management of the Company has represented that the Company is in the process of regularizing these defaults by filing necessary application 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 report is not modified in respect of this matter.
5. The Company had prepared separate standalone financial results for the year ended 31 March 2017, based on the standalone financial statements for the year ended 31 March 2017, prepared in accordance with Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and standalone financial results for the nine months period ended 31 December 2016, 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 Circular CIR/CFD/CMD/15/2015 dated 30 November 2015, and other accounting principles generally accepted in India, on which we issued auditor's report dated 30 May 2017. These standalone financial results for the year ended 31 March 2017 have been adjusted for the differences in the accounting principles adopted by the Company on transition to Ind AS, which have also been audited by us. 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 2018

**STATEMENT OF STANDALONE FINANCIAL RESULTS
FOR THE QUARTER / YEAR ENDED 31 MARCH 2018**

(₹ in Lakhs, unless otherwise stated)

Sr. No.	Particulars	Quarter ended			Year ended	Year ended
		31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
		(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
		(Refer note 3)		(Refer note 3)		
I	Revenue from operations (Refer note 4)	10,806	7,818	7,303	32,823	28,887
II	Other income (Refer note 7 & 8)	599	983	350	1,750	706
III	Total Income (I + II)	11,405	8,801	7,653	34,373	27,593
IV	Expenses					
	(a) Cost of materials consumed	5,668	3,706	3,250	16,469	14,807
	(b) Purchases of stock-in-trade	952	248	513	2,201	590
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	46	753	710	100	(1,432)
	(d) Excise duty (Refer note 4)	-	-	679	344	2,486
	(e) Employee benefits	464	475	417	1,878	1,528
	(f) Finance costs	661	616	776	2,668	3,638
	(g) Depreciation and amortisation	312	322	313	1,269	1,475
	(h) Other expenses					
	Power and Fuel	561	502	489	1,986	1,876
	Others	1,078	1,150	1,138	4,774	3,588
	Total Expenses	9,742	7,772	8,285	31,689	28,356
V	Profit / (Loss) before foreign exchange variation gain / (loss), exceptional items and tax (III - IV)	1,663	1,029	(632)	2,684	(763)
VI	Foreign exchange variation gain / (loss)	(131)	305	476	80	386
VII	Profit / (Loss) before exceptional items and tax (V + VI)	1,532	1,334	(156)	2,744	(377)
VIII	Exceptional items (net) (Refer note 6)	-	-	10,152	(968)	7,527
IX	Profit before tax (VII + VIII)	1,532	1,334	9,996	1,776	7,150
X	Tax expense / (benefit)					
	Current tax	390	75	-	465	-
	Deferred tax	6	-	2	6	2
XI	Profit after tax (IX - X)	1,136	1,259	9,994	1,305	7,148
XII	Other comprehensive income					
	(a) Items that will not be reclassified to profit and loss	57	-	(6)	57	-
	(b) Tax expense / (benefit) on items that will not be reclassified to profit and loss	13	-	(7)	13	(6)
	Total other comprehensive income (net of tax)	44	-	1	44	6
XIII	Total Comprehensive Income (XI+XII)	1,180	1,259	9,995	1,349	7,154
XIV	Paid-up equity share capital (face value of ₹ 2/- each)	2,244	2,244	2,244	2,244	2,244
XV	Other equity (excluding revaluation reserve)				14,386	13,037
XVI	Earnings per share (not annualised) (In ₹):					
	(a) Basic	1.01	1.12	8.91	1.18	6.37
	(b) Diluted	1.01	1.12	8.91	1.18	6.37



EVEREST KANTO CYLINDER LIMITED

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

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STANDALONE STATEMENT OF ASSETS AND LIABILITIES

(₹ in Lakhs)

		As at 31 March 2018 (Audited)	As at 31 March 2017 (Audited)
I	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	20,678	19,315
	(b) Capital work-in-progress	32	712
	(c) Intangible assets	13	13
	(d) Financial assets		
	(i) Investments	4,073	3,991
	(ii) Loans	952	416
	(iii) Other financial assets	252	65
	(e) Deferred tax assets (net)	42	61
	(f) Current tax assets (net)	611	1,006
	(g) Other non-current assets	61	56
		26,714	25,635
2	Current assets		
	(a) Inventories	10,684	9,511
	(b) Financial Assets		
	(i) Investments (Refer note 10)	428	1,428
	(ii) Trade receivables	4,939	5,010
	(iii) Cash and cash equivalents	242	137
	(iv) Bank Balances other than cash and cash equivalents	1,207	395
	(v) Loans	5,678	6,598
	(vi) Other financial assets	77	16,117
	(c) Other current assets	3,326	1,283
		26,581	40,479
	(d) Assets classified as held for sale	3,071	3,078
	Total Assets	56,366	69,192
II	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	2,244	2,244
	(b) Other equity	14,386	13,037
		16,630	15,281
2	LIABILITIES		
(i)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	13,953	14,549
	(b) Provisions	145	102
		14,098	14,651
(ii)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	7,105	6,520
	(ii) Trade payables	11,586	10,336
	(iii) Other financial liabilities	4,021	19,518
	(b) Provisions	58	63
	(c) Other current liabilities	2,868	2,823
		25,638	39,260
	Total Equity and Liabilities	56,366	69,192




Notes :

- The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 30 May 2018
- Results for the quarter and year ended 31 March 2018 are in accordance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs, which are applicable to the Company for the accounting period beginning on or after 1 April 2017. Consequently, results for the corresponding quarter and year ended 31 March 2017 have been restated as per the requirements of the said notification, to comply with Ind AS to make them comparable.
- The figures for the quarters ended 31 March 2018 and 31 March 2017 are the balancing figures between the audited financial statements for the years ended as on that date and the year to date figures upto the end of third quarter of the respective financial year on which auditors had performed a limited review.
- Excise duty on sales was included under Revenue from operations and disclosed separately under Expenses upto all reporting periods ending 30 June 2017. Post implementation of Goods and Services Tax (GST) from quarter ended 30 September 2017, revenue from operations is reported net of GST and hence to that extent is not comparable
- Reconciliation of the Net Profit as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter / year ended 31 March 2017

(₹ in Lakhs)

Particulars	Quarter ended 31.03.2017	Year ended 31.03.2017
	(Unaudited) (Refer note 3)	(Audited)
Net Profit under previous Indian GAAP	9,994	7,180
Financial liabilities accounted at amortised cost	(12)	(36)
Provision for expected credit loss	(5)	(8)
Fair valuation of financial guarantee	3	12
Provision for sales return	9	(5)
Reclassification of net actuarial gain on defined benefit plans to other comprehensive income	7	7
Tax impact due to above adjustments	(2)	(2)
Net Profit under Ind AS before other comprehensive income	9,994	7,148
Reclassification of net actuarial gain on defined benefit plans to other comprehensive income	(7)	(7)
Changes in fair value of equity instruments	1	7
Tax impact due to above adjustments	7	6
Total comprehensive income under Ind AS	9,995	7,154

- Reconciliation of Equity as previously reported on account of transition from the previous Indian GAAP to Ind AS as at 31 March 2017

(₹ in Lakhs)

Particulars	As at 31 March 2017
Total equity reported under previous Indian GAAP	14,840
Impact on account of financial liabilities accounted at amortised cost	147
Impact on account of fair valuation of financial guarantee	24
Impact on account of provision for expected credit loss	(22)
Impact on account of provision for sales return	(55)
Impact on account of fair valuation of equity instruments	286
Tax impact due to above adjustments	61
Total GAAP adjustments	441
Total equity under Ind AS	15,281

- Exceptional items include impairment provision for diminution in value of investment in EKC Industries (Tianjin) Co., Ltd, a wholly owned subsidiary based in China, of Rs. 1,000 lakhs (Previous year - Rs. 2,000 lakhs). The aggregate amount of impairment provision as at 31 March 2018 is Rs. 6,500 lakhs (including Rs. 5,500 lakhs upto 31 March 2017).
- 'Exceptional Item' includes gain on reversal of provision made in earlier periods towards write down in value for slow and non-moving inventory items of ₹ 32 lakhs for the year ended 31 March 2018 (write down of ₹ 488 lakhs for the year ended 31 March 2017).
- 'Exceptional Item' includes gain of ₹ Nil (₹ 12,923 lakhs for the year ended 31 March 2017) towards sale of building, electrical installations along with land appurtenant thereto, situated at Gandhidham.
- 'Exceptional Item' includes expenses of ₹ Nil (₹ 696 lakhs for the year ended 31 March 2017) incurred towards shifting the assets located at Gandhidham to Kandla location. The assets were shifted to provide vacant possession to the buyer of Gandhidham land and building.
- 'Exceptional Item' includes expenses of ₹ Nil (₹ 1,539 lakhs for the year ended 31 March 2017) incurred towards loss on certain items of plant and machinery sold / discarded.
- 'Exceptional Item' includes impairment loss of ₹ Nil (₹ 629 lakhs for the year ended 31 March 2017) on certain items of plant and machinery forming part of 'Assets held for disposal'.
- An aggregate amount of ₹ Nil (₹ 44 lakhs for the year ended 31 March 2017) has been provided towards impairment of investment in share of and loan and other receivables from Calcutta Compressions & Liquefaction Engineering Limited, a subsidiary company, based on management's assessment of the recoverable value of the investment and loans.



Notes :

- 7 Interest income of ₹ 158 lakhs which was accruing for the year ended 31 March 2018 (₹ 538 lakhs for the year ended 31 March 2017) in respect of the Loans given to the subsidiary has been deferred by the Company, due to uncertainties with respect to ultimate collection of the outstanding amounts.
- 8 The Company had advanced an inter-corporate deposit to Hubtown Limited during the year ended 31 March 2012. However, in the absence of certainty, the Company had discontinued the recognition of revenue with effect from 1 April 2015. Currently, the Company has entered into a revised agreement with Hubtown Limited and have made recoveries in accordance with the revised agreement. Accordingly, considering the recent positive developments, the Company has recognized interest income of ₹ 815 lakhs (including unrecognised income of ₹ 532 lakhs till 31 March 2017). Further, the provision towards doubtful recovery of inter-corporate deposit of ₹ 100 Lakhs has also been reversed during the year ended 31 March 2018. These amounts are forming part of 'Other Income' for the year ended 31 March 2018.
- 9 The outstanding balances as at 31 March, 2018 include trade payables aggregating ₹ 8,470 lakhs, trade receivables aggregating ₹ 16 lakhs and interest receivable aggregating to ₹ 1,341 lakhs 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, receipts of receivables and receipt of interest, beyond the timeline stipulated by the FED Master Direction No. 16/2015-16, FED Master Direction No. 17/2016-17 and Notification No. FEMA 120/ RB-2004 respectively, under the Foreign Exchange Management Act, 1999. The Company is in the process of regularizing these defaults by filing necessary applications with the appropriate authority for condonation of delays.
- 10 The Company and EKC International FZE (UAE subsidiary) has, in earlier years, provided loan to EKC Industries (Tianjin) Co., Ltd. (China subsidiary). During the current period, the Company has obtained in-principle approval from Commerce Bureau, Tianjin for conversion of loans of the Company and its UAE subsidiary into equity shares of the China subsidiary. Upon receipt of final approval, the shareholding of the Company and UAE subsidiary would be in proportion of 63.96% and 36.04% respectively.

On 15 April 2018, the Company along with UAE subsidiary has entered into an agreement to sell the China subsidiary to You Yuan office Union (Tianjin) Company limited for an aggregate consideration of RMB 93.50 million (approx. ₹ 9700 lakhs) subject to shareholders and various regulatory approvals in India and China. The Company has already initiated the process of obtaining the requisite shareholders approvals by circulating postal ballot notice in this regard.

Place : Mumbai
Date : 30 May 2018



By Order of the Board
For Everest Kanto Cylinder Limited

A handwritten signature in black ink, appearing to read "P. K. Khurana".

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



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Independent Auditor's Report on Consolidated Financial Results of the Company pursuant to 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') and its subsidiaries (the Holding Company and its subsidiaries together referred to as the 'Group') and a joint venture for the year ended 31 March 2018, 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 3 to the consolidated financial results regarding the figures for the quarter ended 31 March 2018 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 2018 prepared in accordance with the accounting principles generally accepted in India, including Indian Accounting Standards ('Ind AS') specified under Section 133 of the Companies Act, 2013 (the 'Act') 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 Ind AS 34, Interim Financial Reporting, specified under Section 133 of the Act, 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 2018 and our review of consolidated financial results for the nine months period ended 31 December 2017.



Everest Kanto Cylinder Limited

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

assurance about whether the financial results are free of material misstatement. 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 opinion.

3. 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 a joint venture, the consolidated financial results:
 - (i) include the financial results for the year ended 31 March 2018, 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 International 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; and
 - (iii) give a true and fair view of the consolidated net profit (including other comprehensive income) and other financial information in conformity with the accounting principles generally accepted in India including Ind AS specified under Section 133 of the Act for the year ended 31 March 2018.
4. We draw attention to Note 8 to the consolidated financial results, regarding delays in payments against the supply of goods of ₹8,470 lakhs, receipt of receivables of ₹16 lakhs and interest receivables aggregating to ₹1341 lakhs, that are outstanding for a period beyond the timelines stipulated vide FED Master Direction No. 16/2015-16, FED Master Direction No. 17/2016-17 and Notification No. FEMA 120/ RB-2004 respectively, under the Foreign Exchange Management Act, 1999. The Management of the Company has represented that the Company is in the process of regularizing these defaults by filing necessary application 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 consolidated financial results do not include any adjustments that may arise due to such delay/default. Our report is not modified in respect of this matter.
5. We did not audit the financial statements / financial information of eight subsidiaries, whose financial statements / financial information (before eliminating inter Company balances) reflect total assets of ₹ 118,777 lakhs and net assets of ₹ 52,487 lakhs as at 31 March



Everest Kanto Cylinder Limited

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

2018, and total revenues (before eliminating inter Company transactions) of ₹ 28,309 lakhs for the year ended on that date, as considered in the consolidated financial results. These financial statements / financial information 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.

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.

6. We did not audit the financial information of a subsidiary whose financial information (before eliminating inter Company balances) reflect total assets of ₹ 1,259 lakhs and net assets of ₹ (305) lakhs as at 31 March 2018, and total revenues (before eliminating inter Company transactions) of ₹ 1,868 lakhs for the year ended on that date, as considered in the consolidated financial results. The consolidated financial results also include the Group's share of net loss (including other comprehensive income) of ₹ 5 lakhs for the year ended 31 March 2018, as considered in the consolidated financial results, in respect of a joint venture, whose financial information has not been audited by us. These financial information 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 the subsidiary and joint venture, 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 joint venture, are based solely on such unaudited financial information. In our opinion and according to the information and explanations given to us by the management, these financial information 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 information certified by the management.



Walker Chandiook & Co LLP

Everest Kanto Cylinder Limited

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

7. The Holding Company had prepared separate consolidated financial results for the year ended 31 March 2017, based on the consolidated financial statements for the year ended 31 March 2017 prepared in accordance with Accounting Standards ('AS') prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and consolidated financial results for the nine months period ended 31 December 2016 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 Circular CIR/CFD/CMD/15/2015 dated 30 November 2015, and other accounting principles generally accepted in India, on which we issued auditor's report dated 30 May 2017. These consolidated financial results for the year ended 31 March 2017 have been adjusted for the differences in the accounting principles adopted by the Holding Company on transition to Ind AS, which have also been audited by us. 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 2018

**STATEMENT OF CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER / YEAR ENDED 31 MARCH 2018**

Sr. No.	Particulars	₹ in Lakhs, unless otherwise stated				
		Quarter ended			Year ended	
		31.03.2018 (Unaudited) (Refer note 3)	31.12.2017 (Unaudited)	31.03.2017 (Unaudited) (Refer note 3)	31.03.2018 (Audited)	31.03.2017 (Audited)
	Continuing Operations					
I	Revenue from operations (Refer note 10)	15,513	13,135	13,616	54,246	58,872
II	Other income (Refer note 5)	418	1,054	135	1,561	630
III	Total Income (I + II)	15,931	14,189	13,751	55,807	59,502
IV	Expenses					
	(a) Cost of materials consumed	7,790	5,205	5,373	22,393	21,586
	(b) Purchases of stock-in-trade	1,002	499	1,005	2,723	7,205
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,952)	370	(14)	(130)	(776)
	(d) Excise duty (Refer note 10)	-	-	679	344	2,486
	(e) Employee benefits	1,763	1,883	2,019	7,407	8,251
	(f) Finance costs	885	995	1,244	3,473	4,436
	(g) Depreciation and amortisation	700	700	818	3,182	3,448
	(h) Other expenses					
	Power and Fuel	886	757	800	3,090	3,062
	Others	2,684	2,389	2,545	10,642	10,142
	Total Expenses	13,758	12,798	14,469	63,124	69,860
V	Profit / (Loss) before provision for doubtful debts, foreign exchange variation gain / (loss), exceptional items, share of profit / (loss) of joint venture and tax (III - IV)	2,173	1,391	(718)	2,683	(358)
VI	Provision written back / (Provision for doubtful debts)	184	(135)	26	412	345
VII	Foreign exchange variation gain / (loss)	(128)	332	297	64	259
VIII	Profit / (Loss) before exceptional items, share of profit / (loss) of joint venture and tax (V + VI + VII)	2,229	1,588	(395)	3,159	246
IX	Share of profit / (loss) of joint venture	-	(1)	(18)	(5)	(18)
X	Profit / (Loss) before exceptional items and tax (VIII + IX)	2,229	1,587	(413)	3,154	228
XI	Exceptional items (net) (Refer note 6)	-	-	10,652	32	9,571
XII	Profit before tax from continuing operations (X + XI)	2,229	1,587	10,239	3,186	9,799
XIII	Tax expense / (benefit)					
	Current tax	390	66	(8)	456	15
	Deferred tax	6	-	2	6	2
XIV	Profit after tax from continuing operations (XII + XIII)	1,833	1,521	10,245	2,724	9,782
	Discontinued Operations (Refer note 12)					
XV	Profit / (Loss) from discontinued operations before tax	200	(340)	108	(344)	(1,957)
XVI	Tax expense of discontinued operations	-	-	-	-	-
XVII	Profit / (Loss) from discontinued operations after tax (XV+XVI) (Refer note 11)	200	(340)	108	(344)	(1,957)
XVIII	Profit / (Loss) after tax from total operations (XIV+XVII)	2,033	1,181	10,353	2,380	7,825
XIX	Other comprehensive income					
(i)	(a) Items that will not be reclassified to profit and loss	57	-	(6)	57	-
	(b) Tax expense / (benefit) on items that will not be reclassified to profit and loss	13	-	(7)	13	(8)
(ii)	(a) Items that will be reclassified to profit and loss	311	(597)	(1,056)	(207)	(435)
	(b) Tax expense / (benefit) on items that will be reclassified to profit and loss	-	-	-	-	-
	Total other comprehensive income (net of tax) (Refer note 11)	355	(597)	(1,055)	(163)	(429)
	Total Comprehensive Income (XVIII+XIX)	2,388	584	9,298	2,217	7,396
XX	Net Profit for the period attributable to:					
	Equity shareholders of the Company	2,019	1,160	10,348	2,337	7,833
	Non controlling interests	14	21	5	43	(8)
	Total Comprehensive Income for the period attributable to:	2,374	563	9,293	2,174	7,404
	Equity shareholders of the Company	14	21	5	43	(8)
XXI	Paid-up equity share capital (face value of ₹ 2/- each)	2,244	2,244	2,244	2,244	2,244
XXII	Other equity (excluding revaluation reserve)				42,126	39,952
XXIII	Earnings per share (not annualised) (In ₹):					
	Basic & diluted earnings per share					
	(i) Continuing operations	1.62	1.34	9.13	2.39	8.72
	(ii) Discontinuing operations	0.18	(0.30)	0.10	(0.31)	(1.74)
	(iii) Total operations	1.80	1.04	9.23	2.08	6.98



EVEREST KANTO CYLINDER LIMITED

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CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

		(₹ in Lakhs)	
		As at 31 March 2018 (Audited)	As at 31 March 2017 (Audited)
I	ASSETS		
1	Non-current assets		
	(a) Property, plant and equipment	33,939	42,212
	(b) Capital work-in-progress	845	1,387
	(c) Intangible assets	109	130
	(d) Investment accounted for using equity method	8	13
	(e) Financial assets		
	(i) Investments	406	332
	(ii) Loans	1,021	513
	(iii) Other financial assets	252	65
	(f) Deferred tax assets (net)	42	61
	(g) Current tax assets (net)	626	1,023
	(h) Other non-current assets	62	57
		37,310	45,793
2	Current assets		
	(a) Inventories	26,730	25,901
	(b) Financial Assets		
	(i) Investments	3	3
	(ii) Trade receivables	8,945	11,596
	(iii) Cash and cash equivalents	901	858
	(iv) Bank Balances other than cash and cash equivalents	2,138	2,625
	(v) Loans	1,252	2,057
	(vi) Other financial assets	86	16,126
	(c) Other current assets	3,541	4,381
		43,596	63,547
	(d) Assets classified as held for sale	13,254	3,165
	Total Assets	94,160	112,505
II	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	2,244	2,244
	(b) Other equity	42,126	39,952
	Equity attributable to owners	44,370	42,196
	Non-controlling interests	36	(7)
		44,406	42,189
2	LIABILITIES		
(i)	Non-current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	18,455	19,666
	(b) Provisions	1,754	1,738
	(c) Government grants	321	301
		20,530	21,705
(ii)	Current liabilities		
	(a) Financial liabilities		
	(i) Borrowings	17,085	22,002
	(ii) Trade payables	3,650	7,832
	(iii) Other financial liabilities	4,577	14,797
	(b) Provisions	234	223
	(c) Government grants	8	6
	(d) Other current liabilities	2,954	3,751
		28,508	48,611
	(e) Liabilities directly associated with assets classified as held for sale	716	-
	Total Equity and Liabilities	94,160	112,505



**STATEMENT OF CONSOLIDATED FINANCIAL RESULTS
FOR THE QUARTER / YEAR ENDED 31 MARCH 2018
SEGMENT WISE REVENUE, RESULTS, ASSETS AND LIABILITIES**

Particulars	Quarter ended			Year ended	
	31.03.2018	31.12.2017	31.03.2017	31.03.2018	31.03.2017
	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)	(Audited)
	(Refer note 3)		(Refer note 3)		
1. Segment Revenue					
<u>Continuing operations</u>					
a) India	11,046	8,149	7,545	33,774	27,642
b) U.A.E (Dubai)	2,454	2,267	2,394	9,366	15,681
c) USA & Hungary	2,367	3,426	3,800	13,366	18,218
d) Others	774	169	992	1,868	2,362
Total	16,641	14,011	14,731	58,374	63,903
Inter Segment Revenue	1,128	876	1,115	4,128	5,031
Revenue from continuing operations	15,513	13,135	13,616	54,246	58,872
<u>Discontinued operations (Refer note 12)</u>					
China	-	10	142	120	374
Revenue from discontinued operations	-	10	142	120	374
2. Segment Result					
<u>Continuing operations</u>					
Segment Result (before foreign exchange variation gain / (loss), finance costs and tax):					
a) India	2,413	873	10,616	4,378	12,112
b) U.A.E (Dubai)	123	288	214	813	394
c) USA & Hungary	588	307	312	453	951
d) Others	30	(23)	8	(16)	(34)
Total	3,154	1,445	11,150	5,628	13,423
Unallocable income / (expenses)	88	805	36	967	553
Foreign exchange variation gain / (loss)	(128)	332	297	64	259
Finance costs	885	995	1,244	3,473	4,436
Profit before tax from continuing operations	2,229	1,587	10,239	3,166	9,799
<u>Discontinued operations (Refer note 12)</u>					
China	200	(340)	108	(344)	(1,957)
Profit / (Loss) from discontinued operations before tax	200	(340)	108	(344)	(1,957)
3. Segment Assets					
<u>Continuing operations</u>					
a) India	42,821	41,413	56,247	42,821	56,247
b) U.A.E (Dubai)	14,963	14,796	14,776	14,963	14,776
c) USA & Hungary	19,834	19,612	22,973	19,834	22,973
d) Others	1,165	744	1,032	1,165	1,032
Total	78,783	76,565	95,028	78,783	95,028
Unallocated assets	5,194	6,655	5,825	5,194	5,825
Total segment assets - continuing operations (I)	83,977	83,220	100,853	83,977	100,853
<u>Discontinued operations (Refer note 12)</u>					
China	10,183	9,843	11,652	10,183	11,652
Total segment assets - discontinued operations (II)	10,183	9,843	11,652	10,183	11,652
Total segment assets (I+II)	94,160	93,063	112,505	94,160	112,505
4. Segment Liabilities					
a) India	5,655	5,796	5,855	5,655	5,855
b) U.A.E (Dubai)	1,934	1,535	2,406	1,934	2,406
c) USA & Hungary	3,671	4,389	6,123	3,671	6,123
d) Others	47	18	49	47	49
Total	11,307	11,738	14,433	11,307	14,433
Add: Unallocated	37,731	38,253	54,398	37,731	54,398
Total segment liabilities - continuing operations (III)	49,038	49,991	68,831	49,038	68,831
<u>Discontinued operations (Refer note 12)</u>					
China	715	1,052	1,485	715	1,485
Total segment liabilities - discontinued operations (IV)	715	1,052	1,485	715	1,485
Total segment liabilities (III+IV)	49,753	51,043	70,316	49,753	70,316



Notes :

- 1 The above results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at their respective meetings held on 30 May 2018
- 2 Results for the quarter and year ended 31 March 2018 are in accordance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs, which are applicable to the Company for the accounting period beginning on or after 1 April 2017. Consequently, results for the corresponding quarter and year ended 31 March 2017 have been restated as per the requirements of the said notification, to comply with Ind AS to make them comparable.
- 3 The figures for the quarters ended 31 March 2018 and 31 March 2017 are the balancing figures between the audited financial statements for the years ended as on that date and the year to date figures upto the end of third quarter of the respective financial years on which auditors had performed a limited review.
- 4 (a) Reconciliation of the Net Profit as previously reported on account of transition from the previous Indian GAAP to Ind AS for the quarter / year ended 31 March 2017

Particulars	(₹ in Lakhs)	
	Quarter ended 31.03.2017	Year ended 31.03.2017
	(Unaudited)	(Audited)
	(Refer note 3)	
Net Profit under previous Indian GAAP	10,357	7,869
Government grant income	2	8
Amortisation of government grant	(2)	(8)
Financial liabilities accounted at amortised cost	(11)	(36)
Provision for expected credit loss	(6)	(9)
Provision for sales return	8	(4)
Reclassification of net actuarial gain on defined benefit plans to other comprehensive income	7	7
Tax impact due to above adjustments	(2)	(2)
Net Profit under Ind AS before other comprehensive Income	10,353	7,825
Exchange differences arising from translating the financial statements of foreign operation	(1,056)	(435)
Changes in fair value of equity instruments	2	7
Reclassification of net actuarial gain on defined benefit plans to other comprehensive income	(7)	(7)
Tax impact due to above adjustments	6	6
Total comprehensive income under Ind AS	9,298	7,396

- 4(b) Reconciliation of Equity as previously reported on account of transition from the previous Indian GAAP to Ind AS as at 31 March 2017

Particulars	(₹ in Lakhs)	
	As at 31 March 2017	
Total equity reported under previous Indian GAAP	41,771	
Impact on account of financial liabilities accounted at amortised cost	147	
Impact on account of provision for expected credit loss	(23)	
Impact on account of provision for sales return	(55)	
Impact on account of fair valuation of equity instruments	287	
Obligation to non controlling interest	8	
Tax impact due to above adjustments	61	
Total GAAP Adjustments	425	
Total equity under Ind AS	42,196	

- 5 The Company had advanced an inter-corporate deposit to Hubtown Limited during the year ended 31 March 2012. However, in the absence of certainty, the Company had discontinued the recognition of revenue with effect from 1 April 2015. Currently, the Company has entered into a revised agreement with Hubtown Limited and have made recoveries in accordance with the revised agreement. Accordingly, considering the recent positive developments, the Company has recognized interest income of ₹ 815 lakhs (including unrecognised income of ₹ 532 lakhs till 31 March 2017). Further, the provision towards doubtful recovery of inter-corporate deposit of ₹ 100 Lakhs has also been reversed during the year ended 31 March 2018. These amounts are forming part of 'Other Income' for the year ended 31 March 2018.
- 6 (a) 'Exceptional Item' includes gain on reversal of provision made in earlier periods towards write down in value for slow and non-moving inventory items of ₹ 32 Lakhs for the year ended 31 March 2018 (Write down of ₹ 488 Lakhs for the year ended 31 March 2017).
- (b) 'Exceptional Item' includes expenses of ₹ Nil (₹ 696 lakhs for the year ended 31 March 2017) incurred towards shifting the assets located at Gandhidham to Kandla location. The assets were shifted to provide vacant possession to the buyer of Gandhidham land and building.
- (c) 'Exceptional Item' includes gain of ₹ Nil (₹ 12,923 lakhs for the year ended 31 March 2017) towards sale of building, electrical installations along with land appurtenant thereto, situated at Gandhidham.
- (d) 'Exceptional Item' includes expenses of ₹ Nil (₹ 1,539 lakhs for the year ended 31 March 2017) incurred towards loss on certain items of plant and machinery sold / discarded.
- (e) 'Exceptional Item' includes impairment loss of ₹ Nil (₹ 629 lakhs for the year ended 31 March 2017) on certain items of plant and machinery forming part of 'Assets held for disposal'.
- 7 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 International 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 International Ltd. whose operations are not significant.



Notes :

- 8 The outstanding balances as at 31 March, 2018 include trade payables aggregating Rs 8,470 Lakhs, trade receivables aggregating Rs 16 Lakhs and interest receivable aggregating to ₹ 1,341 lakhs 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, receipts of receivables and receipt of interest, beyond the timeline stipulated by the FED Master Direction No. 16/2015-16, FED Master Direction No. 17/2016-17 and Notification No. FEMA 120/ RB-2004 respectively, under the Foreign Exchange Management Act, 1999. The group is in the process of regularizing these defaults by filing necessary applications with the appropriate authority for condonation of delays.
- 9 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.
- 10 Excise duty on sales was included under Revenue from operations and disclosed separately under Expenses upto all reporting periods ending 30 June 2017. Post implementation of Goods and Services Tax (GST) from quarter ended 30 September 2017, revenue from operations is reported net of GST and hence to that extent is not comparable.
- 11 Profit / (Loss) from discontinued operations is attributable to equity shareholders of the Company. Further, Other comprehensive income do not include amounts pertaining to discontinued operations.
- 12 During the current period, the Group had initiated the process to locate a buyer for its subsidiary, EKC Industries (Tianjin) Co., Ltd (China Subsidiary). Accordingly, the results of Group's China operations have been reported as discontinued operations. The associated assets and liabilities are consequently presented as held for sale in the financial results for the year ended 31 March 2018. Being a discontinued operation, the China operations have not been considered as separate reportable segment.

The Group had subsequently on 15 April 2018 entered into an agreement to sell the China subsidiary to You Yuan Office Union (Tianjin) Company Limited for a consideration of RMB 93.50 million (approx. ₹ 9,700 lacs) subject to shareholders and various regulatory approvals in India and China. The Company has already initiated the process of obtaining the requisite shareholders approvals by circulating postal ballot notice in this regard.

Place : Mumbai
Date : 30 May 2018

By Order of the Board
For Everest Kanto Cylinder Limited

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

