

February 21, 2026

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

Dear Sir(s),

Sub: Transcript of Earning Group Conference Call pertaining to the Financial Results for the quarter and nine months ended December 31, 2025.

-----

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose herewith the transcript of the Earning Group Conference Call held on February 17, 2026 for discussion on the Unaudited Financial Results (Standalone and Consolidated) of the Company for the quarter and nine months ended December 31, 2025. The same is also uploaded on the website of the Company.

This is for your information and record.

Thanking you,

Yours faithfully,

For Everest Kanto Cylinder Limited

Vishal Totla  
Company Secretary and Compliance Officer

Encl.

**EVEREST  
KANTO  
CYLINDER  
LIMITED**

**Manufacturers  
of High Pressure  
Seamless  
Gas Cylinders**

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

CIN L29200MH1978PLC020434

Tel. : +91-22-4926 8300 / 01

Fax : +91-22-2287 0720

Website : [www.everestkanto.com](http://www.everestkanto.com)





**EVEREST KANTO CYLINDER LIMITED**  
*Clean Energy Solution Company*

## **Everest Kanto Cylinder Limited**

### **Q3 FY26 Conference Call Transcript**

#### **February 17, 2026**

---

**Moderator:** Ladies and gentlemen, good day, and welcome to Earnings Conference Call of Everest Kanto Cylinder Limited.

I now hand the conference over to Anoop Poojari from CDR India. Thank you, and over to you, Mr. Poojari.

**Anoop Poojari:** Thank you. Good evening, everyone, and thank you for joining us on Everest Kanto Cylinder's Q3 and 9M FY26 Earnings Conference Call. We have with us today, Mr. Puneet Khurana, Managing Director; and Mr. Sanjiv Kapur, Whole Time Director and Chief Financial Officer of the company.

We will initiate the call with opening remarks from the management, following which, we will have the forum open for a question-and-answer session. Before we begin, I would like to state that some statements made in today's call may be forward-looking in nature and a disclaimer to this effect has been included in the results presentation shared with you earlier.

I will now request Mr. Puneet Khurana to make his opening remarks.

**Puneet Khurana:** Good evening, everyone, and thank you for joining our earnings conference call. I will begin by sharing an overview of our performance for the quarter, followed by the Q&A session.

We delivered a strong performance in Q3 FY26, with a notable improvement in profitability driven by improved realisations, favourable product mix, and continued focus on cost discipline. Consolidated revenues stood at Rs. 365.1 crore. EBITDA

grew 48% YoY to Rs. 59.2 crore, with consolidated margins expanding to 16.2%, an improvement of 534 bps. PBT stood at Rs. 53.6 crore, and PAT for the quarter came in at Rs. 35.7 crore, reflecting a growth of 98.9% YoY.

On a standalone basis, revenues for the quarter stood at Rs. 247.0 crore. EBITDA margins expanded to 23.1%, compared to 14.9% in the same period last year, reflecting strong operating performance during the quarter. Standalone profit after tax stood at Rs. 36.0 crore, registering a growth of 57.6% YoY. For the nine-month period ended FY26, standalone EBITDA margins stood at 17.3%, and our endeavour remains to build upon this performance over time. As margins are influenced by the product mix executed in any given quarter, we remain focused on optimising both volume and value to drive sustainable and profitable growth.

Our India operations remained the primary contributor to overall performance, supported by steady demand across CNG and industrial applications. In the US, performance continues to reflect the order-driven nature of the business, with healthy progress on a year-to-date basis supported by a strong order pipeline. To support future growth opportunities, we have approved a capex of USD 5.5 million in our wholly owned subsidiary, CP Industries, to enhance manufacturing capabilities, with a focus on larger diameter and Type 4 cylinders. This investment will strengthen our positioning to address emerging clean energy and industrial applications and support growing demand across North and South America. Our operations in Dubai remained subdued during the quarter; however, we continue to focus on strengthening market engagement and improving operating performance in the region over time.

On the capacity expansion front, we have successfully commenced operations at our greenfield Mundra facility, with one production line now operational. The remaining two lines are expected to be established over the coming months. We have also approved additional capex of Rs. 30 crore to strengthen capabilities and enhance operational readiness at the facility.

In addition, our Egypt facility is progressing steadily and is expected to commence operations by May 2026. The facility will focus on addressing domestic demand while supporting regional market requirements and will further strengthen our global manufacturing footprint.

Overall, we remain encouraged by the improving demand environment and the progress on our strategic initiatives. With new capacities coming online, a strong order pipeline, and continued focus on operational efficiency, we believe we are well-

positioned to support future growth while sustaining healthy profitability.

With that, I conclude my opening remarks and request the moderator to open the floor for questions. Thank you.

**Moderator:** Thank you very much. We will now begin with the question-and-answer session. First question is from the line of Chirag Gothi from NV Alpha Fund Management. Please go ahead.

**Chirag Gothi:** Hello, sir. I have one question. What is leading to margin expansion in India? Second about the product mix changes. And what is the mix that you are doing currently?

**Puneet Khurana:** Our focus is on a little higher end products. We have some products in CV market, some products in defense, some products in the semiconductor industry. So that has been the product mix and that is why the margins in this quarter have been quite good.

**Chirag Gothi:** Okay. And how much it is contributing approximately, those kind of products?

**Puneet Khurana:** I do not have the breakup, but these have contributed to bettering the margin.

**Moderator:** Thank you. Next question is from the line of Anubhav Mukherjee from Prescient Capital. Please go ahead.

**Anubhav Mukherjee:** Sir, can you give some more colour on the improving product mix because there is a significant margin improvement, what happened to the product mix? Like did we see a significant uptick in the cylinders for commercial vehicles or what happened, sir?

**Puneet Khurana:** There is a mix. There is definitely an offtake, the commercial vehicle business has been quite subdued over the last 2 years. There is definitely now the growth of CNG infrastructure, definitely, the CV volumes have increased compared to the previous quarters. And we think this trend is going to continue. And there is a new segment also in semiconductor where we have entered and there also, we have seen some good order book coming our way. So this is all contributing to the margin.

**Anubhav Mukherjee:** Okay. And sir, will it be possible to share like the contribution of auto cylinders in this quarter, like the mix between auto and industry?

**Puneet Khurana:** No, we do not have that with us.

**Anubhav Mukherjee:** And sir, this trend that you are witnessing in like pickup in commercial vehicle cylinders, do you find it sustainable?

**Puneet Khurana:** Yes, of course, it is sustainable because it has come after a period where the consumers were also trying to gauge the CNG prices because sudden rise in the CNG prices also had pushed them back. But now with their getting used to the CNG price, even diesel prices are high, petrol prices are high. The consumers are more or less now are accepting and of course, the infrastructure of CNG stations have been increasing every year. So with more and more availability, ease availability of CNG is just putting more vehicles and also the OEMs now have more models that they are offering to the customers.

The choice for customers has increased, infrastructure has increased and customer acceptability on the fuel pricing has also been there. So all these things are coming together. So we feel that this is kind of a good sign and sustainable. It has come after some time where the CV market is coming back.

**Anubhav Mukherjee:** Yes, sir. It is also driven by somewhat revival in commercial sales that we are witnessing. So it is also driven by that?

**Puneet Khurana:** I do not know about the overall space of CV, but I can only talk about CNG that is where we are finding that this business of CNG segment of the CV is growing.

**Anubhav Mukherjee:** Got that. And sir, in the domestic market, are we also into like composite cylinder?

**Puneet Khurana:** Yes, we are.

**Anubhav Mukherjee:** Can you share some more details on that, like what products we are in? Are we in type 4?

**Puneet Khurana:** We are in type 3 composite cylinders. This is a new market and so we are slowly making some headway into this market.

**Anubhav Mukherjee:** Okay. And are we entering into type 4 as well?

**Puneet Khurana:** No. Not right now. We have more focus on type 3 right now. In the future, definitely, as you know, this composite business grows, we are also learning and evolving, and we are making type 4 in the company in the U.S. So definitely something that is there for us in the future to plan. And as the market evolves and things become more mature, definitely, we will also look into development of type 4 for Indian market.

**Moderator:** Thank you. Next question is from the line of Gunit Singh from Counter Cyclical PMS. Please go ahead.

**Gunit Singh:** I would like to understand that are the 16% EBITDA margins sustainable going forward.

**Puneet Khurana:** Yes, I think they should be.

**Gunit Singh:** All right. We have done margins of about 24% in the past as well. According to you, what are the sustainable sales base margins going forward? And I mean do you believe that going forward, 17% would be margin?

**Puneet Khurana:** 15% - 17%, you can consider, with the product mix and everything, I think it should be.

**Gunit Singh:** And what are the capacity utilization across our plants currently?

**Puneet Khurana:** About 75%.

**Gunit Singh:** Can you give plant wise utilization? And also the revenue potential from new plants and coming capex, where commercialization timeline as well as any potential from them as well?

**Puneet Khurana:** It is more or less the same, but it is difficult to give you the numbers over a call. I will keep it a note, and maybe we can work on this and give it to you.

**Gunit Singh:** All right. And do you have any internal targets in terms of top line and bottom line for FY27 that you starting with the new facility coming in the current product mix?

**Puneet Khurana:** I think about 15% - 20% is what we are targeting. We would like to grow at that.

**Gunit Singh:** All right. And maintaining the margins?

**Puneet Khurana:** Yes, of course.

**Moderator:** Next question is from the line of Jatin Damania from Svan Investments LLC. Please go ahead.

**Jatin Damania:** Softness on the domestic performance, but if I want to understand in the UAE business, from the last couple of quarters, the numbers have been subdued, and we are working on the shunting product like averaging the market. When can one actually see benefit of the effort that has been put in the UAE?

**Puneet Khurana:** I think in the coming quarters, we were expecting some businesses to come up in the

Middle East and in Africa region, but things have just been slow. Hopefully, in the coming quarters, we should expect that the business should come up.

**Jatin Damania:** But do we expect to break even in the UAE business in FY27?

**Puneet Khurana:** Yes, of course.

**Jatin Damania:** In terms of the contract, I mean, are we looking at to sign up any decent size contract with the Middle East or South Africa?

**Puneet Khurana:** There was always running customers and things like that. It is just a little bit of a slowdown that has happened in the last 2-3 quarters. Hopefully, this thing will turn around in the new year, and we will be seeing it in the business.

**Jatin Damania:** At what sort of profitability or what sort of revenue contribution one can expect that UAE to be breakeven?

**Puneet Khurana:** Yes, I mean whatever they are doing, at least 10% higher would be breakeven.

**Jatin Damania:** Over 10%, probably we expect that to come into FY27.

**Puneet Khurana:** Yes.

**Jatin Damania:** Coming on to our U.S. business. Now after a long time, we are probably doing an incremental capex of \$5.5 million. What sort of visibility do we have in the U.S. market? Or is this particular capex backed by any contracts that you are signing up with the customer?

**Puneet Khurana:** Yes. U.S. business, what is happening is that most of the larger vehicles have been converted into CNG. We are already working with an OEM who wants us to expand capacity. So this capacity expansion is exactly as per the customer contract. We expect that about additional Rs. 100 crores should be added to the top line once the expansion is complete in FY27-FY28. So this is all backed with customer contracts and with Type 4 expansion in the U.S.

**Jatin Damania:** So then it is right to assume that FY28, there should be Rs. 100 crores incremental revenue coming up from the U.S. business with a margin of upward of 20%, given the type 4 cylinder?

**Puneet Khurana:** See, margin in the U.S. have always been very good.

**Jatin Damania:** And on the Egypt front, now once the capacity comes in month of May or June, will it take time for the customer to approve our product.

**Puneet Khurana:** The customer approval is already there because the same customers were buying previously also. Customer approval is not such a big challenge. And most of the customers are like fleet owners and Egypt is not so much on like an OEM customer where approval processes take a long time. I am probably sure that they have orders already in hand. It is just the customers are waiting for the facility to start.

**Jatin Damania:** Which is expected in the month of May, right?

**Puneet Khurana:** Yes.

**Jatin Damania:** And what sort of revenue one can expect?

**Puneet Khurana:** For the first year, I think about Rs. 50 crores - Rs. 60 crores.

**Jatin Damania:** And margin will be similar to the domestic business, or it will be on the lower end?

**Puneet Khurana:** First in the beginning, maybe the margins will be a little low, but when it ramps up, definitely, the margins will be much better.

**Jatin Damania:** So that means it is probably if one can look then FY27 could be more of a consolidation and FY28, while we can think more benefit coming on from the U.S. with a higher margin, Egypt and UAE to contribute profitability. Am I right?

**Puneet Khurana:** Yes, correct.

**Jatin Damania:** And on the India business, other than Mundra, the remaining two lines when are we expecting? And what sort of capacity that will increase to?

**Puneet Khurana:** Maybe by next quarter.

**Jatin Damania:** Okay. And it will increase our capacity by what percentage?

**Puneet Khurana:** Around 15%.

**Jatin Damania:** Around 15%. Sure sir. That is all from my side. I will come back if you have any more questions. Thank you and all the best.

**Moderator:** Thank you. Next question is from the line of let Reet Jain: from First Water Capital Advisors. Please go ahead.

**Reet Jain:** Sir, I wanted to know what is the order book for USA?

**Puneet Khurana:** Around \$75 million.

**Reet Jain:** Okay. And execution time?

**Puneet Khurana:** Maybe 2 years.

**Reet Jain:** Okay. And I wanted to ask about the product mix since we are supplying into defense and semiconductor industry, and these two industries are growing in India. Sir, do you feel that the product mix would be sustainable going forward? Or there will be up and down in the product mix?

**Puneet Khurana:** See, there will definitely be up and down because defense and all is long term. So definitely, some projects will come, and we will have these maybe something special but there is good visibility from the customers that there will be good requirement in these segments.

**Reet Jain:** Okay. And also regarding the U.S. capex that you have announced, \$5.5 million. So I believe that the volatility of the USA revenue will reduce because the incremental revenue will be sticky every year.

**Puneet Khurana:** Yes. Definitely, this expansion will give the company a more consistent in revenue model.

**Reet Jain:** Okay. And any update on the GST case, which we had in India?

**Puneet Khurana:** No update as such.

**Reet Jain:** But any timeline which you have like when we can hear some update?

**Puneet Khurana:** No, we are also waiting on this.

**Moderator:** Thank you. Next question is from the line of Chhajed, an individual investor. Please go ahead.

**Chhajed:** We have seen that UAE sales has grown up by Rs. 33 crore, UAE plant.

**Puneet Khurana:** You are talking about quarterly sales?

**Chhajed:** Yes. Is it Rs. 33 crore is for only supplied to UAE market or is it exported to other countries?

**Puneet Khurana:** Exported to other countries.

**Chhaged:** I would like to know the Type 3 sales and the percentage value in overall years in India?

**Puneet Khurana:** India is not so significant. It is quite small.

**Chhaged:** Okay.

**Moderator:** As there are no further questions, I will now hand the conference over to the management for closing comments.

**Puneet Khurana:** Thank you once again for your interest and support. Should you need any further clarification, or would like to know more about the company, please feel free to contact our Investor Relations team or CDR India. Thank you.

---

*Disclaimer: The transcript has been edited for clarity and accuracy. The Company takes no responsibility for such errors, although an effort has been made to ensure a high level of accuracy.*