

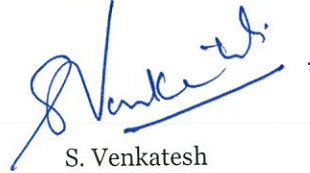
The Board of Directors
Everest Kanto Cylinder Limited
204 Raheja Centre,
Free Press Journal Marg,
214, Nariman Point,
Mumbai 400 021.

1. We have reviewed the consolidated results of Everest Kanto Cylinder Limited, its subsidiaries hereinafter referred to as the "Group" (refer Note 3 on the Statement) for the quarter ended 31st December, 2012 which are included in the accompanying 'Unaudited Financial Results (Consolidated) For The Quarter and Nine months Ended 31st December, 2012' (the "Statement"), except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in Everest Kanto Cylinder Limited which have been traced from disclosures made by the Management but have neither been reviewed nor been audited by us. The Statement has been prepared by the Group's Management pursuant to Clause 41 of the Listing Agreement with the Stock Exchanges in India, which has been initialled by us for identification purposes. This Statement is the responsibility of the Group's Management and has been approved by the Board of Directors of Everest Kanto Cylinder Limited. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement.
3. A review is limited primarily to inquiries of group's personnel and analytical procedures applied to group's financial data and thus provides less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
4. We have only traced the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' in Everest Kanto Cylinder Limited in the Statement from the disclosures made by the Group's Management and are, therefore, not expressing a review opinion thereon.
5. We did not review the financial statements of five subsidiaries considered in the preparation of the Statement and which constitute total revenue of Rs. 5,176 lac and Rs.18,168 lac and net profit of Rs. 558 lac and net loss of Rs. 1,371 lac for the quarter and period ended December 31, 2012, respectively. These financial results/statements and other financial information have been reviewed by other auditors whose reports have been furnished to us, and our opinion on the Statement to the extent they have been derived from such financial results/statements is based solely on the report of such other auditors.
6. We draw attention to Note 9 on deferred tax asset on unabsorbed depreciation/tax losses amounting to Rs. 1,171 lac as at December 31, 2012 carried forward/recognised in the absence of virtual certainty supported by convincing evidence of sufficient future taxable profits. Such carry forward/recognition is not as per the requirements of Accounting Standard 22 - "Accounting for Taxes on Income". Had the company not carried forward / recognised such deferred tax asset, the reported Tax Credit for the quarter ended December 31, 2012 would have resulted into a Tax Expense of Rs.754 lac and the Tax Expense for the period ended on that date would have been higher by Rs. 1,171 lac. Consequently, the Loss after Tax for the quarter and period ended December 31, 2012 would have been higher by Rs.1,171 lac.



7. Based on our review conducted as above, *except for the effects on the Statement of the matter referred to in the preceding paragraph*, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with the applicable Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Dalal & Shah
Firm Registration Number: 102021W
Chartered Accountants



S. Venkatesh
Partner
Membership Number: 037942

Mumbai
February 14, 2013

EVEREST KANTO CYLINDER LIMITED

Unaudited Financial Results (Consolidated) For The Quarter and Nine Months Ended 31st December, 2012

Annexure-1

PART I

(Rs. in Lakhs)							
	Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the Previous Year	Year to date figures for current period ended	Year to date figures for the previous year ended	Previous Year Ended
		31/12/2012	30/09/2012	31/12/2011	31/12/2012	31/12/2011	31/03/2012
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Income from operations						
	(a) Net sales/income from operations (Net of excise duty)	13,358	14,851	14,317	40,908	52,599	66,948
	(b) Other operating income	230	605	180	979	487	758
	Total income from operations (net)	13,588	15,456	14,497	41,887	53,086	67,706
2	Expenses						
	(a) Cost of materials consumed (net)	7,975	7,458	10,180	23,448	32,326	38,066
	(b) Purchases of stock-in-trade	1,876	143	-	2,234	246	1,635
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1251)	568	(2365)	(2679)	(6527)	(5029)
	(d) Employee benefits expense	2,014	2,307	2,262	6,710	6,513	8,693
	(e) Depreciation and amortisation expense	1,381	1,898	1,748	5,236	4,960	6,681
	(f) Power and Fuel	1,130	1,129	1,161	3,508	4,159	5,313
	(g) Others	2,052	2,094	1,741	6,311	7,242	9,434
	Total expenses	15,177	15,597	14,727	44,768	48,919	64,793
3	Profit / (Loss) from operations before other income, finance costs, foreign exchange variation gain/(loss) and exceptional items (1-2)	(1589)	(141)	(230)	(2881)	4,167	2,913
4	Other income	293	205	128	913	526	767
5	Profit / (Loss) from ordinary activities before finance costs, foreign exchange variation gain/(loss) and exceptional items (3 + 4)	(1296)	64	(102)	(1968)	4,693	3,680
6	Finance costs	1,699	420	619	2,645	1,399	1,778
7	Profit / (Loss) from ordinary activities after finance costs but before foreign exchange variation gain / (loss) and exceptional items (5 - 6)	(2995)	(356)	(721)	(4613)	3,294	1,902
8	Foreign Exchange Variation Gain/ (Loss)	135	1,054	(2306)	(943)	(4036)	(2747)
9	Profit / (Loss) from ordinary activities after foreign exchange variation gain/ (loss), but before exceptional items (7 + 8)	(2860)	698	(3027)	(5556)	(742)	(845)
10	Exceptional Items	-	-	-	-	-	-
11	Profit / (Loss) from ordinary activities before tax (9 + 10)	(2860)	698	(3027)	(5556)	(742)	(845)
12	Tax expense / (Credit)	(417)	592	(803)	75	(1123)	(1314)
13	Net Profit / (Loss) from ordinary activities after tax (11 - 12)	(2443)	106	(2224)	(5631)	381	469
14	Extraordinary items	-	-	-	-	-	-
15	Net Profit / (Loss) for the period (13 + 14)	(2443)	106	(2224)	(5631)	381	469
16	Share of profit / (loss) of associates	-	-	-	-	-	-
17	Minority interest	-	-	-	-	-	-
18	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (15 + 16 + 17)	(2443)	106	(2224)	(5631)	381	469
19	Paid-up equity share capital (Face Value of Rs.2/-)	2,143	2,143	2,143	2,143	2,143	2,143
20	Reserve excluding Revaluation Reserves as per Balance Sheet of previous accounting year						79,665
21	Earnings per share before and after extraordinary items (of Rs.2/- each) (not annualised) (in Rs.):						
	(a) Basic	(2.28)	0.10	(2.08)	(5.25)	0.36	0.44
	(b) Diluted	(2.28)	0.10	(2.08)	(5.25)	0.36	0.44



EVEREST KANTO CYLINDER LIMITED

Unaudited Financial Results (Consolidated) For The Quarter and Nine Months Ended 31st December, 2012

SEGMENTWISE REVENUE, RESULTS AND CAPITAL EMPLOYED

PARTICULARS	(Rs. in Lakhs)					
	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the Previous Year	Year to date figures for current period ended	Year to date figures for the previous year ended	Previous Year Ended
	31/12/2012	30/09/2012	31/12/2011	31/12/2012	31/12/2011	31/03/2012
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1. Segment Revenue						
a) India	5,739	7,516	6,106	18,531	24,117	31,829
b) U.A.E (Dubai)	3,447	3,372	2,867	9,844	17,126	19,881
c) China	1,469	2,081	1,794	5,008	5,449	5,802
d) USA & Hungary	3,561	4,477	3,953	12,679	10,996	15,253
e) Thailand	32	23	8	89	8	12
f) Germany	104	-	-	104	-	-
Total	14,352	17,469	14,728	46,255	57,696	72,777
Less: Inter Segment Revenue	764	2,013	231	4,368	4,610	5,071
Net Sales/Income from Operation	13,588	15,456	14,497	41,887	53,086	67,706
2. Segment Result (before Tax and Interest)						
a) India	(478)	(762)	(124)	(1,717)	1,313	584
b) U.A.E (Dubai)	(456)	1,228	445	1,022	4,450	3,966
c) China	(322)	1	(337)	(775)	(804)	(586)
d) USA & Hungary	(209)	(528)	(212)	(778)	(767)	(973)
e) Thailand	(62)	56	9	(12)	4	58
f) Germany	42	(59)	-	(67)	-	(32)
Total	(1,485)	(64)	(219)	(2,327)	4,196	3,017
Unallocable Income / (Expenses)	189	128	117	359	497	663
Add/Less : (Loss)/Gain on Foreign Exchange variation (Net)	135	1,054	(2,306)	(943)	(4,036)	(2,747)
Less : Interest and Finance Charges	1,699	420	619	2,645	1,399	1,778
Net Profit / (Loss) before Tax	(2,860)	698	(3,027)	(5,556)	(742)	(845)
3. Capital Employed						
a) India	61,639	61,028	67,100	61,639	67,100	63,147
b) U.A.E (Dubai)	21,995	29,407	22,842	21,995	22,842	28,444
c) China	15,604	9,483	17,400	15,604	17,400	11,430
d) USA & Hungary	23,429	23,131	26,220	23,429	26,220	23,162
e) Thailand	358	1,682	205	358	205	1,682
f) Germany	100	(124)	-	100	-	(16)
g) Unallocable	(52,791)	(44,686)	(50,790)	(52,791)	(50,790)	(46,041)
	70,334	79,921	82,977	70,334	82,977	81,808



EVEREST KANTO CYLINDER LIMITED

Unaudited Financial Results (Consolidated) For The Quarter and Nine Months Ended 31st December, 2012

PART II

Particulars	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the Previous Year	Year to date figures for current period ended	Year to date figures for the previous year ended	Previous Year Ended
	31/12/2012	30/09/2012	31/12/2011	31/12/2012	31/12/2011	31/03/2012
PARTICULARS OF SHAREHOLDING						
Public shareholding						
- Number of Shares	42,650,243	43,187,078	44,461,109	42,650,243	44,461,109	44,247,766
- Percentage of shareholding	39.80	40.30	41.49	39.80	41.49	41.29
Promoters and Promoter Group Shareholding						
a) Pledged / Encumbered						
- Number of Shares	35,636,600	3,500,000	4,220,000	35,636,600	4,220,000	4,000,000
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	55.24	5.47	6.73	55.24	6.73	6.36
- Percentage of shares (as a % of the total share capital of the company)	33.26	3.27	3.94	33.26	3.94	3.73
b) Non - encumbered						
- Number of Shares	28,870,839	60,470,604	58,476,573	28,870,839	58,476,573	58,909,916
- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	44.76	94.53	93.27	44.76	93.27	93.64
- Percentage of shares (as a % of the total share capital of the company)	26.94	56.43	54.57	26.94	54.57	54.98

Particulars	3 Months ended 31/12/2012		
INVESTOR COMPLAINTS			
Pending at the beginning of the quarter		Nil	
Received during the quarter		4	
Disposed of during the quarter		4	
Remaining unresolved at the end of the quarter		Nil	

NOTES

- 1 As per clause 41 of the listing agreements, the Company has opted to publish consolidated results only. Standalone results of the Company would be available on the Company's website - www.everestkanto.com and on the websites of BSE (www.bseindia.com) and NSE (www.nseindia.com).

Abstract of Unaudited/Audited Financial Results of Everest Kanto Cylinder Limited (Standalone) :-

PARTICULARS	3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the Previous Year	Year to date figures for current period ended	Year to date figures for the previous year ended	Previous Year Ended
	31/12/2012	30/09/2012	31/12/2011	31/12/2012	31/12/2011	31/03/2012
(Rs. in Lakhs)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
Net sales / Income from operations	5,439	6,762	5,879	17,174	23,224	30,505
Profit / (Loss) from Ordinary Activities before Foreign Exchange Variations, Exceptional Items and Tax	(2573)	7	(370)	(3163)	690	1073
Profit / (Loss) from Ordinary Activities before Tax	(2511)	1136	(2768)	(4103)	(3320)	(1988)
Net Profit / (Loss) after Tax	(2156)	934	(2115)	(3266)	(2605)	(1222)

- 2 The above results were reviewed by the Audit Committee at its meeting held on 14th February, 2013 and taken on record by the Board of Directors of the Company at their meeting held on that date.
- 3 The consolidated financial results include the reviewed standalone financial results of Everest Kanto Cylinder Limited (The Company) and its three wholly owned subsidiaries, EKC Industries (Tianjin) Co. Ltd., China, EKC International FZE, UAE and EKC Industries (Thailand) Co.Ltd.as well as those of its three wholly owned step down subsidiaries, EKC Hungary Kft, Hungary, CP Industries Holdings, Inc., U.S.A., and EKC-Europe GmbH and of Calcutta Compressions & Liquefaction Engineering Limited (CC&L), a Subsidiary in which it has Majority Stake. The financial results of all the entities have been duly reviewed by the respective auditors.
- 4 The Company, during the year 2007-2008, raised a sum of US\$35 Million by way of issue of Foreign Currency Convertible Bonds (FCCBs), which were due on 10th October, 2012. These FCCBs were optionally convertible into equity shares subject to certain conditions. During the quarter, the FCCBs have been redeemed on the due date at a premium of 42.8010% as per the terms of the issue, as the bondholders did not opt for conversion. The premium on redemption of the FCCBs has been charged to the Securities Premium Account. For the purpose of earnings per share, the conversion option was considered to be anti dilutive. The redemption has been funded out of long term Rupee Term Loan from a bank. The Finance Cost for the quarter and nine months period include Rs. 360.28 lakhs as upfront fees and incidental charges (one time) for the new borrowing.
- 5 Depreciation charge for the quarter for the Company, is net of Rs.334 Lakhs credited on account of a re-assessment of the number of shifts the plants actually worked with effect from April 1, 2012.
- 6 Finance Costs include Applicable Net Loss on Foreign Currency Fluctuations and Translations accounted for as such in accordance with the applicable Accounting Standard as under:

Particulars	(Rs. in Lakhs)	01/10/2012 to 31/12/2012	01/07/2012 to 30/09/2012	01/10/2011 to 31/12/2011	01/04/2012 to 31/12/2012	01/04/2011 to 31/12/2011	01/04/2011 to 31/03/2012
Applicable Net Loss on Foreign Currency Fluctuations and Translations		32	62	369	259	799	858

- 7 Tax Expense includes Current Tax, Deferred Tax (Including Deferred Credits, if any) and tax adjustments relating to earlier years.
- 8 The Company and its subsidiaries, at present, operate within a single business segment, except for CC&L, India which is in the business of purchase and distribution of natural gas, the operations of which are not material as compared to the overall business of the group. Segment information is however, being presented on the basis of geographical location (primary segment) of the entities.
- 9 As regards the Auditors' qualification in their Consolidated Limited Review Report on the continued carry forward/recognition of the Deferred Tax Asset on the carried forward losses/unabsorbed depreciation of Rs 1,171 lakhs as on December 31, 2012 in the Consolidated Financial Statements in respect of CPI Holdings, Inc., our US subsidiary, the management is of the opinion that based on management's future projections, confirmed customer orders, continued improvement in the operations of CPI Holdings, Inc., improved economic and business scenario in the US, especially those related to natural gas, the continuation of the carry forward/recognition of the Deferred Tax Asset is justified.
- 10 Previous periods figures have been regrouped / recast, wherever necessary.

Place : Mumbai
Date: 14th February, 2013



By Order of the Board
For Everest Kanto Cylinder Limited
P.K. Khurana
P.K. Khurana
Chairman & Managing Director

