

November 20, 2021

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 - 400051 NSE Symbol: EKC NSE Series: EQ
--	---

Dear Sir(s),

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Investor Presentation

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Investors presentation for quarter ended September 30, 2021 is attached.

This is for your information and record.

Thanking you,

For Everest Kanto Cylinder Limited



Reena Shah
Company Secretary & Compliance Officer



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.everstkanto.com





EVEREST KANTO CYLINDER LIMITED
Clean Energy Solution Company

Q2 FY22 Financial Results

November 2021



Safe Harbor

Certain statements in this communication may be 'forward looking statements' within the meaning of applicable laws and regulations. These forward-looking statements involve several risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Important developments that could affect the Company's operations include changes in the industry structure, significant changes in political and economic environment in India and overseas, tax laws, import duties, litigation and labor relations.

Everest Kanto Cylinder Limited (EKC) will not be in any way responsible for any action taken based on such statements and undertakes no obligation to publicly update these forward-looking statements to reflect subsequent events or circumstances.

The 'EKC' Edge

India's largest manufacturer of high-pressure gas cylinders

43 years of focused domain experience

Global scale plants in India, UAE and USA

Manufacturing capacity of ~1 million cylinders annually

Fungible production lines with a range of 200+ SKU's from 1 liter to 3,000 liters

CNG, industrial, jumbo and composite cylinders catering to varied applications

Leadership in India, expanding presence in Europe, USA, South America, Africa and S E Asia

150+ clients across Auto OEM's, City Gas Distribution, Industrials, Healthcare, Government, Defence

Established player with leadership in a vertical with significant long-term growth opportunities

Table of Contents

Q2 FY22 Financial Performance	5
Company Overview	11
Industry Overview	21
Historical Financials/Corporate Summary	29



Q2 FY22 Financial Performance



EVEREST KANTO CYLINDER LIMITED
Clean Energy Solution Company

Key Performance Highlights – Q2 FY22 (YoY comparisons)

Consolidated Revenues
up **71.3%**

EBITDA Margin up
from **19.2%** to **26.5%**

Profit Before Tax up
209.2%

EPS up from **Rs. 2.58**
to **Rs. 6.33**

India business up
57.6% to **Rs. 302.6**
crore

UAE business up
133.0% to **Rs. 70.2**
crore

USA business up
84.3% to **Rs. 48.6**
crore

**Significant increase in
profits across all
geographies**

Debt reduced from
Rs. 203.3 crore
(Mar-21) to **Rs. 131.2**
crore (Sep-21)

New capacity of 400,000
cylinders to be added
with capex of
Rs. 35 crore

Management Commentary

Comments on Q2 FY22 performance by Pushkar Khurana, Chairman, Everest Kanto Cylinder Limited

Globally, the mainstreaming of gas as a prime mover of economic development is taking shape. Several considerations, including economic and environmental factors, are driving the faster adoption of gas-based applications across a range of industries. EKC, as a clean energy solution company that is India's largest and established in several regions across the world, is seeing strong traction from a range of sectors. This is clear from our significantly improving financial performance over the last few reporting periods. We are now expanding capacity in India to move to the next level of growth and participate in various opportunities. From our UAE production facilities, we are targeting a growing number of emerging markets such as Egypt, other African countries, and South America, which is delivering positive results. Our plans in Hungary are moving forward and we see local production in the European Union allowing deeper access to this large market in the coming years. In the U.S., we see the recent announcements around infrastructure investments opening new areas of expansion. Overall, we believe that we are in a position of strength in a sector with a long runway of growth, we look forward to translating this into stakeholder value expansion over time.

Comments on Q2 FY22 performance by Puneet Khurana, Managing Director, Everest Kanto Cylinder Limited

During Q2, we have delivered another strong performance with continuing expansion of output, margins, and profits on a year-on-year basis and over the previous sequential quarter as well. Underlying these trends is a robust demand environment with markets continuing to expand across various regions globally. In our Indian operations, we are adding substantial capacities while also focusing on higher value products. The proposed capacity expansion of 400,000 cylinders annually by adding new manufacturing lines within our current locations with capital commitments of Rs. 35 crore will be financed completely from internal accruals and executed over the next eight months. This is in addition to the greenfield capacity of 200,000 cylinders annually that we are pursuing in parallel and expect to take forward in the future. We also see burgeoning CNG ecosystems across our operations provide us the visibility for rapid increase in utilization of our expanded capacities to create the framework of ongoing growth. We now look forward into the future to scale our business and participate in all the growing number of global opportunities available to EKC.

Quarterly Overview – Q2 FY22 vs Q2 FY21

	Revenues	EBITDA	PBT*	PAT **
Consolidated	<p>↑ Rs. 421.3 Cr 71.3%</p>	<p>↑ Rs. 111.6 Cr 135.9%</p>	<p>↑ Rs. 102.7 Cr 209.2%</p>	<p>↑ Rs. 70.9 Cr 145.0%</p>
Standalone	<p>↑ Rs. 302.6 Cr 57.7%</p>	<p>↑ Rs. 95.3 Cr 130.6%</p>	<p>↑ Rs. 90.9 Cr 178.5%</p>	<p>↑ Rs. 60.4 Cr 88.7%</p>
	<ul style="list-style-type: none"> * Accelerated growth continued in India driven by demand from gas infra companies, auto OEM's, healthcare, industrial sectors * Business momentum accelerating in key international operations backed by developing gas consumption ecosystems in several regions/countries 	<ul style="list-style-type: none"> * Consolidated EBITDA margin expanded from 19.2% to 26.5% * Operating leverage has allowed margin expansion witnessed in every geography – higher volumes have been delivered on existing production base 	<ul style="list-style-type: none"> * Continued cash generation has allowed capex to be funded from internal accruals, while outstanding debt levels also continue to decline * Finance charges have reduced consistently while depreciation remains at constant levels 	<ul style="list-style-type: none"> * Profit margins continue to expand * Basic Earnings Per share (EPS) at Rs. 6.33 in Q2 FY22 and Rs. 12.50 in H1 FY22

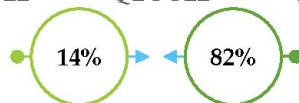
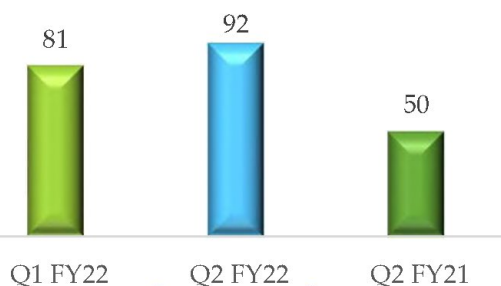
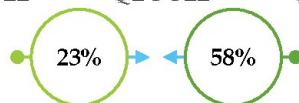
*Profit Before Tax is before exceptional items, provision for doubtful debts, foreign exchange and tax from continuing operations

**Profit After Tax includes exceptional gains

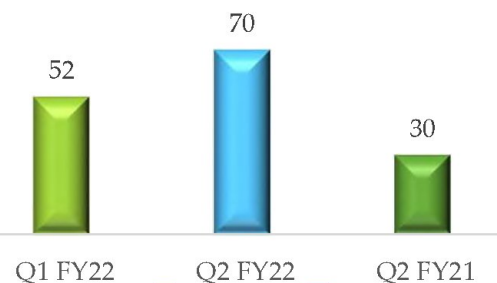
Maintained momentum of strong growth and margin expansion

Geographical Revenue/Margins Breakup – Q2 FY22

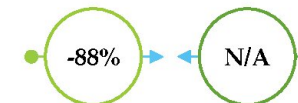
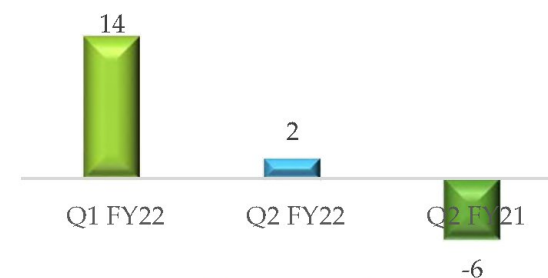
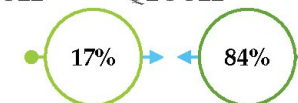
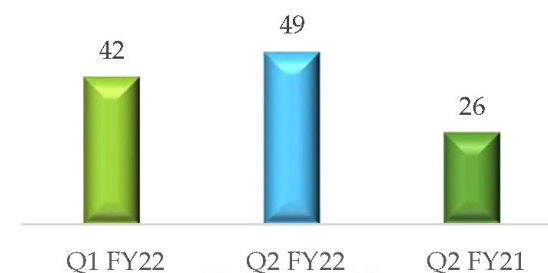
India



UAE



USA & Hungary



Continued business expansion in India, acceleration in international operations

Corporate Developments

Capital Expenditure Plan

- Brownfield expansion at existing plants – Tarapur and Kandla
- Production capacity in India to rise by 400,000 cylinders*
- Execution timeline – eight months
- Capex requirement – Rs. 35 crore

**Greenfield capacity expansion plan of 200,000 cylinders annually is in addition to the above brownfield expansion*

Dissolution of Thailand Subsidiary

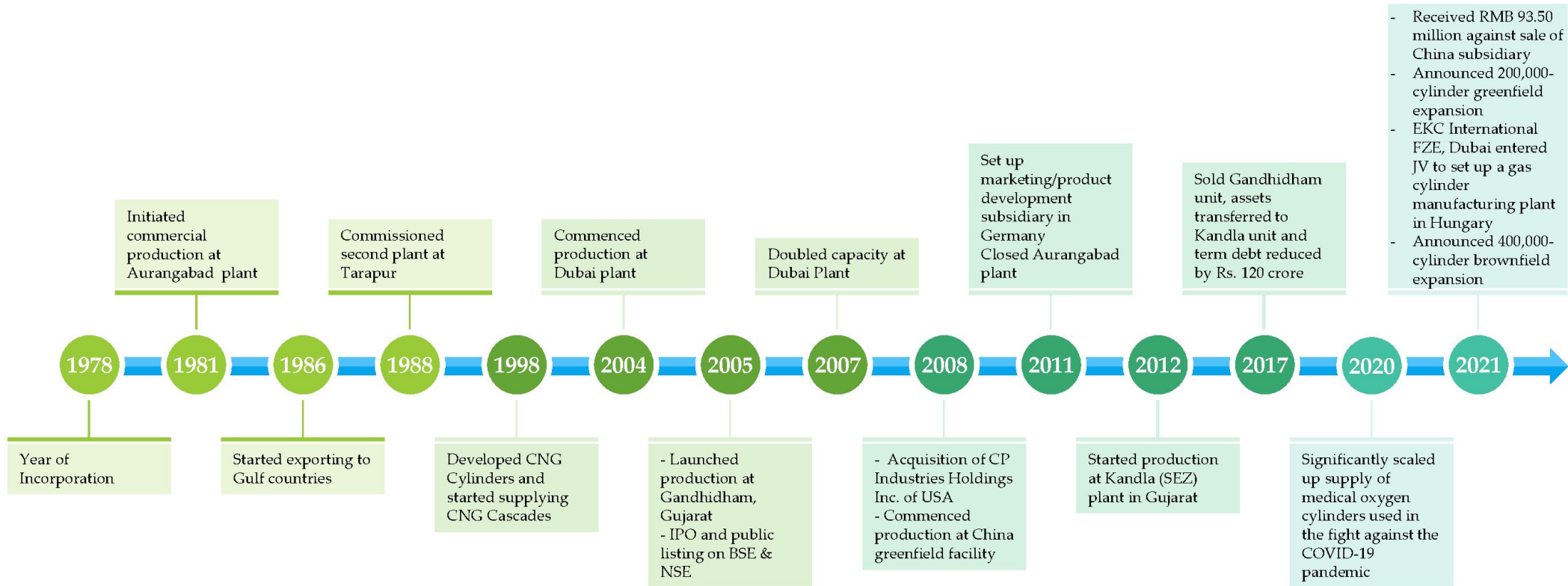
- Business operations of EKC Industries (Thailand) Co Ltd have been closed
- Final liquidation is currently in process
- Consideration of ~USD 2.6 million received on 4 October 2021

Company Overview



EVEREST KANTO CYLINDER LIMITED
Clean Energy Solution Company

Key Milestones



Over four decades of progressive initiatives

Board of Directors

Pushkar Khurana

Executive Chairman

- * Joined EKC business in 1994
- * Commerce graduate from Mumbai University
- * Extensive business and finance experience; with over 20 years in international operations

Puneet Khurana

Managing Director

- * Joined EKC business in 1996
- * MBA (International Business) from EU Business School, Switzerland
- * Led market development in Asian countries; product development for auto OEMs/ CNG distribution companies

Ghanshyam Karkera

Independent Director

- * Finance, Banking and Law professional
- * Specializes in audit, taxation, financial planning, project finance, rehabilitation of sick units and overall corporate management
- * Also, an empanelled mediator

M N Sudhindra Rao

Independent Director

- * Financial management and corporate turnaround expert
- * CEO of Indo Rama Synthetics Limited
- * Four decades of experience in manufacturing, energy and other industrial sectors

Uma Acharya

Independent Director

- * Law professional – specializing in civil, property, securities market and arbitration laws
- * Member of the Bar Council of Maharashtra and Goa
- * Previous experience with the National Stock Exchange of India Limited

Dr. Vijayanti Pandit

Independent Director

- * PhD in Management Studies, with additional qualifications in Political Science, Journalism and Yoga
- * Overall, four decades of experience; currently, advisor to Welingkar Institute of Management Development and Research
- * Previously associated with FICCI and Indian Merchants' Chambers in senior positions

Sanjiv Kapur
Chief Financial Officer

Reena Shah
Company Secretary

Strong Board with significant and multi-faceted experience

Global Footprint



Established production and marketing infrastructure covering leading demand regions

Manufacturing Facilities – India

Tarapur, Maharashtra, India



Manufacturing	Wide range of high-pressure seamless steel cylinders with storage capacity up to 280 litres
Area	31,000 sq. m
Annual Capacity	200,000 units

Kandla SEZ, Gujarat, India



Manufacturing	Small cylinders (1 litre to 21 litres), gas cylinders (up to 280 liters), jumbo tubes/skids, plate rolled cylinders
Area	85,000 sq. m
Annual Capacity	517,000 units

Fungible capacity in India, brownfield expansion at both locations

Manufacturing Facilities – Overseas

Plant I – Dubai



Plant II – Dubai



Pittsburgh, PA, USA



Manufacturing	Focus on global emerging markets from two facilities located in Jabel Ali FTZ
Area	Plant I - 21,000 sq. m Plant II - 25,000 sq. m
Annual Capacity	240,000 units

Manufacturing	Jumbo tubes/skids as per DOT, ASME, international standards, full carbon type 4 composite cylinders
Area	198,000 sq. m
Annual Capacity	4,000 jumbo tubes, 10,000 type 4 composite cylinders

Well-positioned to benefit from rising gas usage across USA, Europe/CIS, South America and Africa

Extensive Range of Products

CNG Steel Cylinders



- * Wide range of CNG cylinders designed and manufactured to comply with the highest quality and safety standards
- * Products built to customer specifications for cars, buses, three-wheelers and delivery vehicles
- * Strong, lightweight cylinders undergo stringent testing to assess fatigue strength, usage life, safety and reliability under extreme weather conditions

Industrial Cylinders



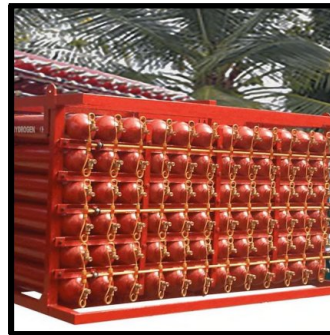
- * Wide range of industrial cylinders designed for industrial gases, medical and food & beverage applications
- * Preferred worldwide for quality, aesthetics and versatility of products
- * Adhering with the most stringent regulations in India and internationally (ISO 9809, IS 7285)

Medical Oxygen



- * Safe, contamination-free cylinders storing gases such as oxygen and nitrous oxide
- * Products comply with stringent standards applicable in India and internationally or specific customer requirements

Cylinders For Hydrogen Gases



- * Cylinders, quads and cascades for storage/transportation of Hydrogen at high pressure
- * Manufactured from steel suitable for Hydrogen storage, a gas with flammable and embrittling properties

Demand for CNG and medical oxygen cylinders has driven recent growth

Extensive Range of Products

Fire Extinguisher Body



- * Cylinders for storage of carbon dioxide – used in fire extinguishers, rubber rafts and aerated water
- * Range covers capacities of 1 litre to 180 litre, hand-held and portable wheel-type extinguishers
- * Powder coated for better visual appeal and longevity

Breathing Air Cylinders



- * Compressed breathing air cylinders adhering with IS 7285 – rated at working pressure of 200-300 bars
- * Complete product range from 1L to 9L cylinders

Jumbo Cylinders



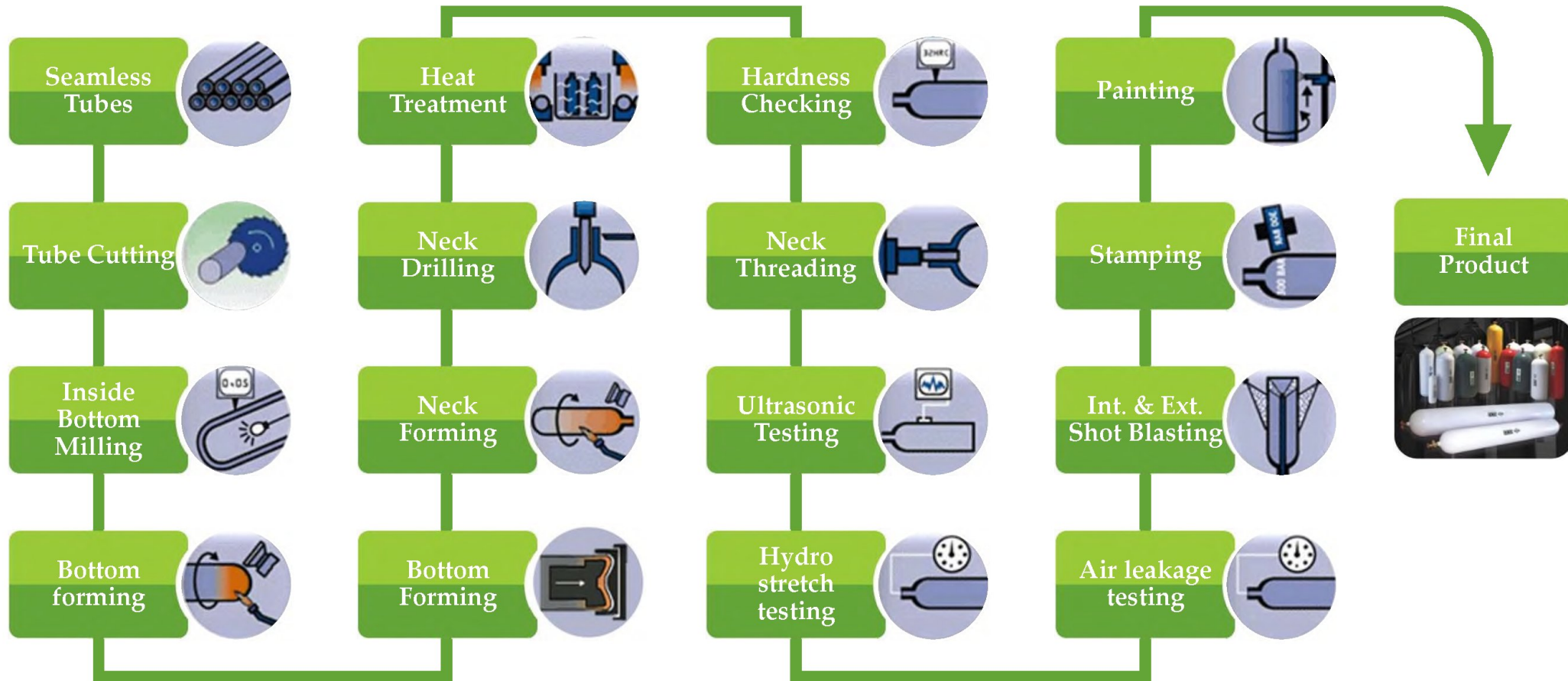
- * Large Capacity Jumbo Large capacity cylinders conforming to Indian/international standards or based on specific customer requirements
- * Jumbo Cylinders/Skids are used for industrial gases such as Nitrogen, Helium, Argon etc. with several defence/aerospace applications

Type 4 Composite Cylinders



- * Type 4 composite cylinders manufactured in EKC's USA plant adhere to stringent international regulations (ISO 11119-3, ISO 11439, NGV2)
- * Light-weight cylinders made from special aluminium alloys, used for specialty/medical/industrial gases, including fire extinguishers and breathing apparatus

Manufacturing Process



High level of value addition across the range of gas storage products

Global Quality Certifications

India



ISO 9001:2015 Certificate from Bureau Veritas for High Pressure seamless steel gas cylinders of 20 to 300 litres water capacity for Industrial and CNG on-board vehicle application, cylinder cascades etc

USA



American Society for
Mechanical Engineers

Canadian Standards
Association

US Department of
Transportation

Korean Gas Safety
Corporation

BELAC (Belgium)

Bureau Veritas – Marine &
Offshore Division

Certificate of Conformity
(UAE)

UAE



Transport Canada

Manufacturing License of
Special Equipment
(China)

Product acceptability globally driven by quality certifications in a highly regulated, safety-focused industry

Industry Overview



EVEREST KANTO CYLINDER LIMITED
Clean Energy Solution Company

India's Expanding Gas Ecosystem

Substantial investments in “One Nation One Gas Grid” chart India's energy roadmap

India's natural gas consumption is targeted to rise over the next decade, from 170 mmscmd to 600 mmscmd

Key gas demand drivers – infrastructure development, economic benefits, environmental considerations

Gas prices have increased along with those of other fuel options, there remains a significant discount in cost of usage

Domestic gas production has increased substantially and the outlook remains positive

With higher natural gas penetration, India strengthens its position within global energy de-carbonization targets

Union Budget 2021-22: Key Announcements

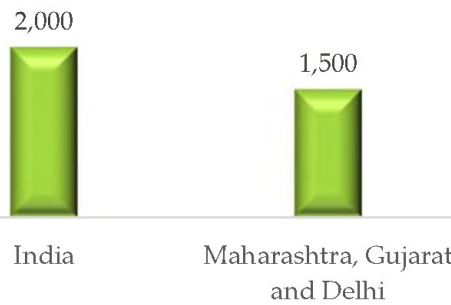
- * Launch of Hydrogen Energy Mission for generating hydrogen for household and commercial uses – Hydrogen is highly energy efficient providing economic, ecological and social benefits
- * Addition of 100 districts to the City Gas Distribution network over the next three years, which will further accelerate the pace of adoption of gas as a fuel across various end-use areas

India targets 15% contribution from natural gas in the primary energy mix by 2030

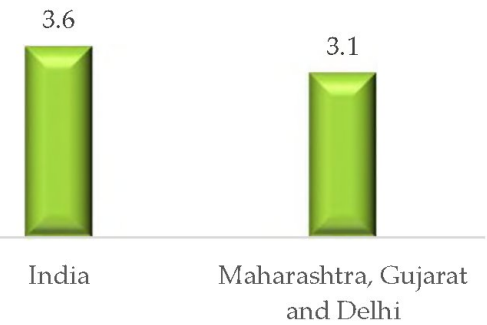
CNG Demand Outlook

Maharashtra, Gujarat and NCR have previously accounted for most of India's CNG network

CNG Stations

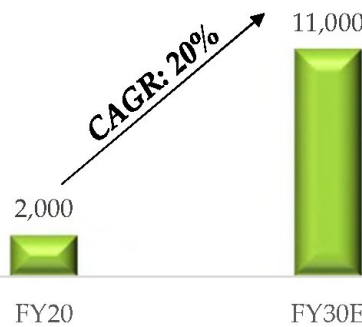


CNG Vehicles (Mn)

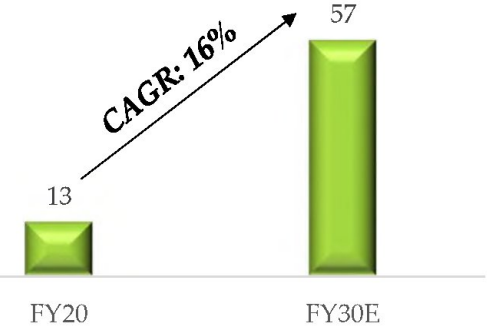


City Gas Distribution networks to expand to 70% population coverage by 2030 based on 9th and 10th rounds of bidding conducted by PNGRB

CNG Stations



CNG Demand (mmscmd)



CNG Demand Outlook

BS-VI transition

Auto OEMs have significantly reduced diesel vehicle production due to rising costs/lower demand

Vehicle Scrappage Policy

Expected to drive new vehicle sales and CNG adoption

Conversion of diesel buses to CNG

STCs continue to convert diesel bus fleets to CNG

CNG price trends

CNG prices in India, linked to key international benchmarks, at significant discount to other liquid fuels

Cost of vehicle ownership

CNG vehicles operate on much lower cost per kilometer

Environmental concerns

India is a participant in the global commitment to setting net zero emission targets

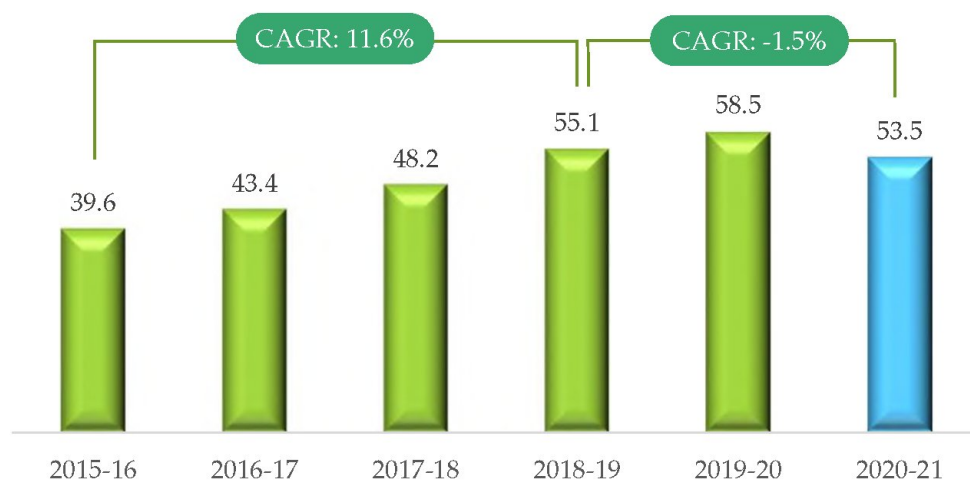


CNG penetration of vehicle registrations (excl. 2W) in India has increased from 4.9% in 2015 to 5.9% in 9M 2021

Industrial Demand Outlook

Industrial Demand is driven by capex activity, expected to accelerate resume growth after the recent weakness

Gross Fixed Capital Formation



GVA from Industrial Sector (Current Prices)



Source: RBI Handbook of Statistics: (Rs. Trillion)

National objectives and ESG targets are driving gas adoption

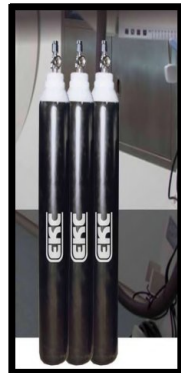
Industrial Demand Outlook

Fire Equipment and Fire Suppression Systems



- * The global fire safety equipment market is estimated at \$ 58 billion in 2018 – and expected to expand at CAGR of 8.8% from 2019 to 2025
- * Demand for advanced fire safety systems is expected to be driven by industries such as manufacturing, utilities, petrochemicals, mining, oil & gas exploration, energy & power, automotive and construction
- * Countries across the world are adopting stringent regulations mandating installation of fire safety systems at industrial, residential and commercial locations

Supply to Medical Establishments



- * Medical gas supply systems in hospitals and other healthcare facilities create an ecosystem of specialized gases and gas mixtures – including oxygen, medical air, nitrous oxide, nitrogen, carbon dioxide, medical vacuum and anesthetic gases
- * Gases are used across general wards, operating theatres, intensive care units, recovery rooms and other major treatment rooms
- * With the expansion of medical facilities in urban as well as rural areas, both public sector and private sector demand for medical gases, cylinders and other allied equipment is increasing steadily

Industrial Demand Outlook

Aerospace and Defense



- * The Global Aerospace and Defence Industry has been growing on the back of rising commercial aircraft production and strong defence spending
- * Aerospace demand is focused on next-generation, fuel-efficient aircraft with order backlog continuing to rise – the industry uses gases extensively for a wide range of applications that cover welding, cutting, heating, laser gas, thermal spray coating, heat treatment processes
- * In the defence sector, continued global tensions and geopolitical risks have driven higher spending – growing demand based on replacement of fossil fuels with alternative fuels for operating aircraft, combat ships and vehicles, and supporting equipment

Specialty Gases



- * Growing number of gas applications in non-traditional areas such as space research, food preservation/distribution, agricultural processing etc
- * Key usage verticals include automobiles, F&B, oil and gas, construction, ports/shipping, space and thermal power etc

International Operations

USA

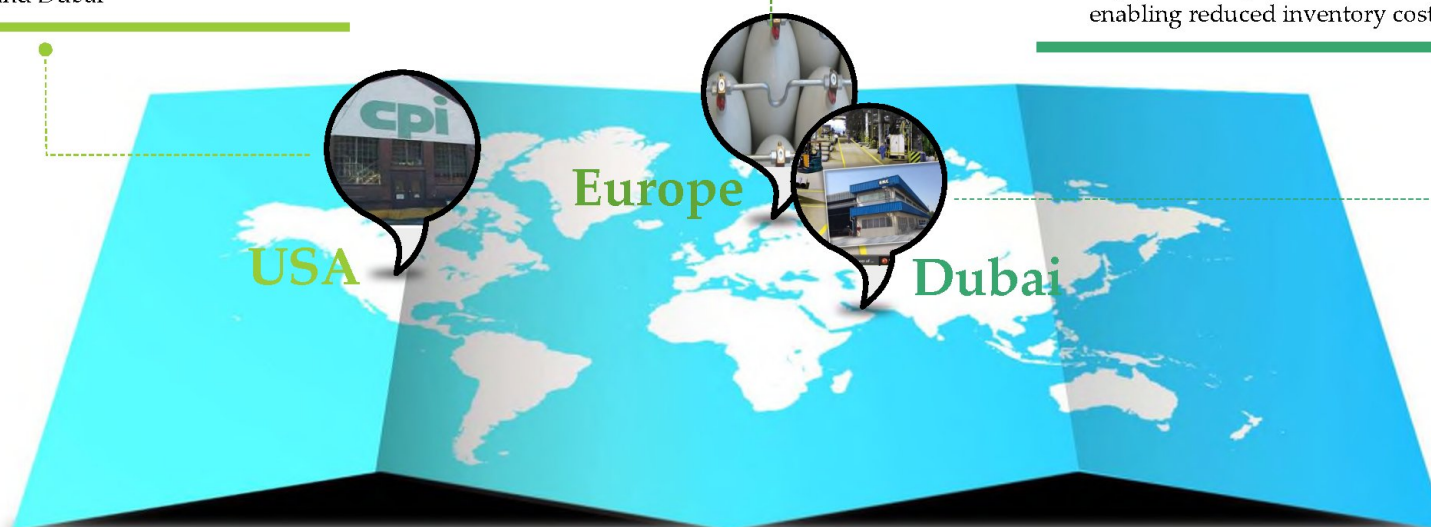
- * World leader in innovation, producing large, seamless pressure vessels
- * Product portfolio includes ground storage and mobile transportation for industrial gases and alternative fuels, on-board cylinders for passenger and commercial vehicles, flasks for the U.S. Government Shipboard Systems, specialty vessels for foreign military, vessels for oil and gas exploration and cylinders for other specialty applications
- * Also marketing DOT-approved industrial cylinders sourced from India and Dubai

Europe

- * Signed JV with Rev Gas Industries Ltd, Hungary to set up a state-of-the-art manufacturing plant in Hungary for seamless high pressure CNG/industrial gas cylinders and cascades for bulk storage for the European Markets
- * Key markets: Italy, Germany, France, Hungary

UAE

- * Deals in CNG cylinders, industrial cylinders, cascades, multiple element gas containers, specialized fire suppression systems and fire detection/alarm systems
- * Targets markets include the Middle East, South America, Eastern and Western Europe
- * Received approvals enabling supply of cylinders worldwide, including exports to India
- * Increasing demand from MNC's expanding presence in the Indian fire-fighting market
- * Supplementary production base for Indian operations, enabling reduced inventory cost at group level





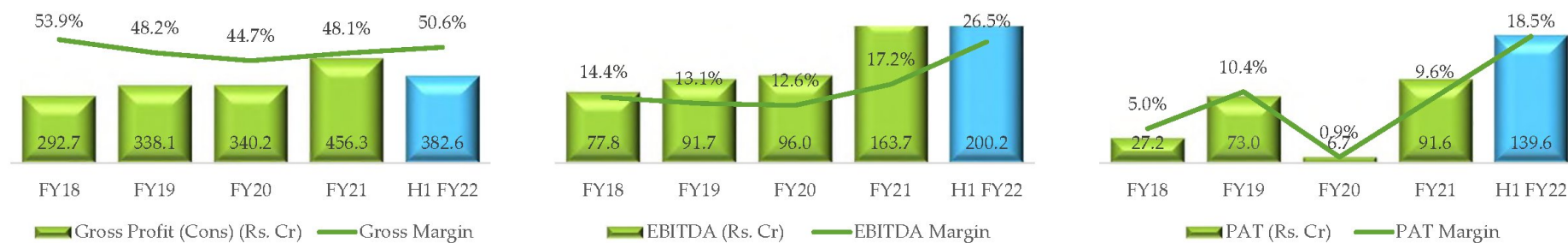
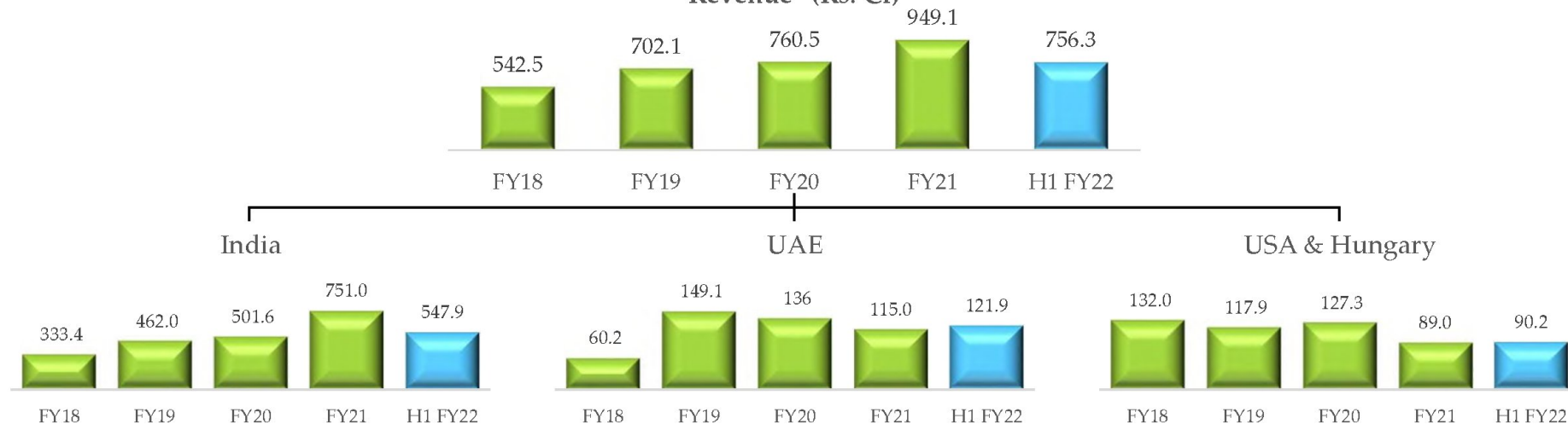
Historical Financials/ Corporate Summary



EVEREST KANTO CYLINDER LIMITED
Clean Energy Solution Company

Financial Summary

Revenue* (Rs. Cr)



* Net of inter-segment revenues and excise duties

Abridged Balance Sheet (Consolidated)

Assets (Rs. Cr)*	2018	2019	2020	2021	H1 FY22
Fixed Assets	48.9	347.6	364.9	358.9	357.6
Other Non-Current Assets	17.5	8.5	22.5	51.2	50.4
Deferred Tax Assets (net)	0.4	57.1	52.9	22.4	-
Current Tax Assets (net)	6.3	0.2	4.7	1.0	1.4
Net Current Assets	343.4	363.3	346.8	428.5	521.7
Assets held for Sale (net)	122.1	95.4	80.6	2.7	3.1
Total	838.6	872.2	872.3	864.7	934.2

Liabilities (Rs. Cr)*	2018	2019	2020	2021	H1 FY22
Shareholder Funds	444.2	517.8	537.7	628.3	769.1
Long - Term Debt	206.1	155.3	111.5	90.0	56.9
Other Non Current Financial Liabilities and Provisions	17.5	17.8	40.6	33.7	32.8
Short-Term Debt	170.8	181.2	182.5	112.7	75.4
Total	838.6	872.2	872.3	864.7	934.2

*As at 31st March

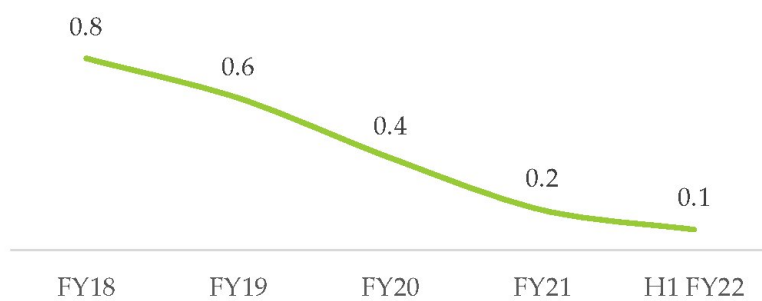
Notes : Net Current Assets = Current Assets – (Current Liabilities + Current Provisions + Current Tax Liabilities)

Long Term Debt includes Current Maturities of Long-Term Debt

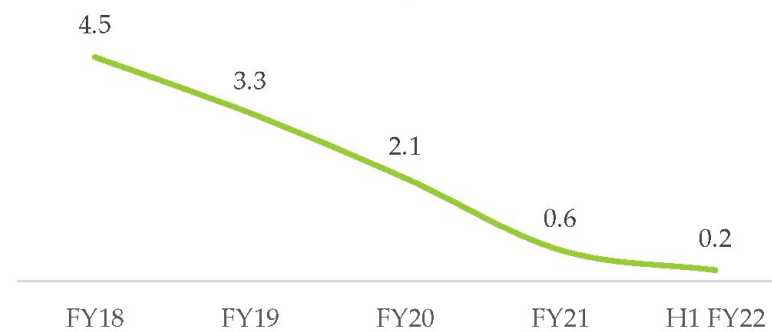
The above Balance Sheet is an extract of financial statements and has been regrouped for presentation

Ratio

Net Debt/Equity



Net Debt/EBITDA



Interest Coverage



Assets Turnover



Investment Summary



Expanding Opportunity

5X expansion of CNG pumps infrastructure underway

100% population coverage by 2030

Auto OEM's expanding CNG vehicle production volumes

Availability now extends across many more models

Sustained demand across multiple industrial sectors

Medical Oxygen, Hydrogen applications, Defence/Aerospace, Industrial demand



Established Operations

#1 manufacturer of high-pressure gas cylinders in India

Established customer relationships built over four decades

Global locations targeting international demand

Gas ecosystems in USA, Europe/CIS, South America and Africa



Positive Outlook

Scaling up production by increasing utilization of facilities

Focus on larger volume, higher margin products

Significant capacity expansion in India and Europe

Capex with high ROI, financed by internal accruals

Strong Financial Position and Cash Flows

Robust framework enables participation in multi-year growth opportunities

Market leader in a sector with multiple, long-term growth drivers

About Us



Everest Kanto Cylinder Limited (EKC) (BSE: 532684, NSE: EKC), established in 1978, is a clean energy solutions company and a leading global manufacturer of seamless steel gas cylinders with over 20 million industrial gas and CNG cylinders currently in service.

EKC operates two manufacturing facilities in India located at Tarapur (Maharashtra) and Kandla SEZ (Gujarat) and two international facilities at Jebel Ali Free Zone in Dubai and Pittsburgh (PA), USA, with aggregate capacity of about 1 million cylinders annually. EKC's product range of industrial, CNG and jumbo cylinders is used for high pressure storage of gases such as oxygen, hydrogen, nitrogen, argon, helium, air etc and finds applications in a wide variety of industries such as manufacturing, fire equipment/suppression systems, medical establishments, aerospace/ defense and automobiles apart from some specialized usage areas.

Given its strong position in the Indian domestic market and wide acceptance across several key international markets built over the last four decades, EKC is poised to benefit from the increasing usage of gases in industrial production and automobile sectors based on both economic and environmental considerations.

For more information about us, please visit www.everestkanto.com

Contact Us:

Mr. Sanjiv Kapur (CFO)
Everest Kanto Cylinder Limited
Tel: +91 22 4926 8300
Email: sanjiv.kapur@ekc.in

Shiv Muttoo/ Aesha Shah
CDR India
Tel: +91 98335 57572 / + 91 98672 50569
Email: shiv@cdr-india.com
aesha@cdr-india.com



EVEREST KANTO CYLINDER LIMITED
Clean Energy Solution Company

Thank You