September 3, 2020

To,

<table>
<thead>
<tr>
<th>BSE LIMITED</th>
<th>National Stock Exchange of India Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>P.J. Towers, Dalal Street, Mumbai – 400 001</td>
<td>Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400051</td>
</tr>
<tr>
<td>BSE Scrip Code: 532684</td>
<td>NSE Symbol: EKC</td>
</tr>
<tr>
<td></td>
<td>NSE Series: EQ</td>
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</tbody>
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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 September 2020 is attached.

This is for your information and record.

Thanking you,

Sincerely,

For Everest Kanto Cylinder Limited

Puneet Khurana
Managing Director
00004074

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 L29200MH1976PLC020434
Tel.: +91-22 4026 8300 / 01
Fax: +91-22 2287 0720
Website: www.everestkanto.com
Certain statements in this communication may be ‘forward looking statements’ within the meaning of applicable laws and regulations. These forward-looking statements involve a number of 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

<table>
<thead>
<tr>
<th>#1</th>
<th>Market Leadership</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>• India’s largest player in high pressure gas cylinders with market share of ~50%</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>42 Years</th>
<th>Experienced Management</th>
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<tbody>
<tr>
<td></td>
<td>• 42 years of focused domain experience in the field of high pressure seamless cylinder manufacturing</td>
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<table>
<thead>
<tr>
<th>200 SKU’s</th>
<th>Diversified Product Range</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• More than 200 SKU’s including Industrial, CNG and Jumbo cylinders of capacity ranging from 1 litre to 3,000 litres</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>25 Countries</th>
<th>Global Presence</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Exports to over 25 countries globally based on presence and regulatory approvals in South East Asia, Middle East, USA, Europe, South America and CIS countries</td>
</tr>
</tbody>
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<table>
<thead>
<tr>
<th>150</th>
<th>Established Customer Relationships</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• ~150-strong client base from diverse verticals including automobile OEMs/after-market, city gas distribution, industrials, cylinder cascades, medical sector, fire fighting equipment and defence – including Tata Motors, Bajaj Auto, Hyundai, Toyota, BOC India, Praxair, Mahanagar Gas, Adani Gas</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>1mn</th>
<th>Manufacturing Excellence with Large Capacities</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Among the largest manufacturers of high pressure seamless cylinders in the world</td>
</tr>
<tr>
<td></td>
<td>• Global scale plants in India, Dubai and USA with production capacity of ~1 million cylinders annually</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>36%</th>
<th>Best-in-Class Supply Chains</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• EKC Group has efficient outreach and local distribution in several countries with unique market requirements – leading to 36% revenue contribution from products sold outside India</td>
</tr>
</tbody>
</table>
Q1FY21 Financial Performance
“During Q1, we have delivered a positive financial performance in our standalone operations in challenging business conditions. However, our overseas subsidiaries have seen a larger impact of slowdown in core demand based on the impact of Covid-19.

During the quarter, following the government’s advisory on the Covid-19 pandemic, lockdown was imposed at both our domestic manufacturing facilities. Subsequently, we received permissions and initiated production of medical oxygen cylinders supplied to the medical/hospitals sector covered under the category of essential goods. The company has operated at lower volumes in April before scaling up gradually during the rest of the quarter.

While this period has seen a sharp surge in demand for medical oxygen cylinders, there has also been a steady increase in cylinder cascade volumes supplied to infrastructure companies setting up a widespread network of CNG filling pumps across the country. We see both these markets representing long-term demand visibility for our products. As automobile manufacturing volumes become more normalized and ownership of CNG-fuelled vehicles expands in larger parts of the country, we remain well-positioned to drive growth. Even gas usage in industrial/government sectors has been trending upwards historically, and this market should revert to growth over the next few months.

In the second quarter, our production in India has been significantly restored and we are currently at normalized levels driven by robust demand. EKC, being a well-established player in the high-pressure gas cylinders segment over the last four decades with the largest market share, we see structural demand expansion from the adoption of gas-based fuels in industry, medical equipment, F&B, automotive and other sectors based on both economic and environmental considerations.

Our UAE operations have been catering to industrial and auto OEM markets in South America, Egypt and some European countries. In USA, we are largely focused on government/defence supplies. While demand across both these subsidiaries has seen weakness in recent months, we expect some bounce back during the rest of the year.

Overall, we see positive momentum and expect our standalone revenues to exceed last year’s levels as the country reverts to normalized economic activity, while overseas subsidiaries should deliver performance in line with last year.”
### Key Performance Highlights – Q1 FY21

<table>
<thead>
<tr>
<th></th>
<th>Consolidated</th>
<th>Standalone</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenues</strong></td>
<td>Rs. 171.8 Cr (10.3)%</td>
<td>Rs. 126.2 Cr 20.4%</td>
</tr>
<tr>
<td><strong>EBITDA</strong></td>
<td>Rs. 32.0 Cr 11.2%</td>
<td>Rs. 32.1 Cr 120%</td>
</tr>
<tr>
<td><strong>PBT</strong>*</td>
<td>Rs. 15.9 Cr 36%</td>
<td>Rs. 22.6 Cr 339%</td>
</tr>
<tr>
<td><strong>PAT</strong></td>
<td>Rs. 6.5 Cr** (38.3)%</td>
<td>Rs. 15.1 Cr 282%</td>
</tr>
</tbody>
</table>

- **Profit Before Tax is before exceptional items, provision for doubtful debts, foreign exchange and tax from continuing operations**
- **Decline in PAT is due to Tax Provision**

**Notes:**
- Growth momentum continued in the standalone business (Indian operations) based on demand for medical oxygen cylinders and cascades.
- 20% revenue expansion in India despite lockdowns impacting production during April.
- Weakness in performance of subsidiaries impacted consolidated topline.
- Significant margin expansion in standalone business from 13.9% to 25.4% based on execution of some specific orders during Q1 FY21.
- Revenue growth delivered on a stable operating base with tight control on costs.
- Subsidiary margins impacted due to lower volume of business.
- PBT expansion delivered in line with EBITDA growth.
- Depreciation remained at stable levels and interest costs continue to decline.
### Geographical Revenue Breakup – Q1 FY21

<table>
<thead>
<tr>
<th>Country</th>
<th>Q1FY20</th>
<th>Q1FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td>India</td>
<td>108</td>
<td>126</td>
</tr>
<tr>
<td>UAE</td>
<td>38</td>
<td>22</td>
</tr>
<tr>
<td>USA &amp; Hungary</td>
<td>45</td>
<td>24</td>
</tr>
<tr>
<td>Others</td>
<td>3</td>
<td>4</td>
</tr>
</tbody>
</table>
Company Overview
Key Milestones

Year of Incorporation
- 1978
- 1981
- 1986
- 1988
- 1998
- 2004
- 2005
- 2007
- 2008
- 2009
- 2010
- 2011
- 2012
- 2017
- 2018
- 2020

Initiated commercial production at Aurangabad plant

Commissioned second plant at Tarapur

Started exporting to Gulf countries

Developed CNG Cylinders and started supplying CNG Cascades

Commenced production at Dubai plant

- Acquisition of CP Industries Holdings Inc. of USA
- Commenced production at China greenfield facility

- Launched production at Gandhidham, Gujarat
- IPO and public listing on BSE & NSE

Doubled capacity at Dubai Plant

Set up marketing/product development subsidiary in Germany
Closed Aurangabad plant

Sold Gandhidham unit, assets transferred to Kandla unit and term debt reduced by Rs. 120 crore

Commenced production at Dubai plant

- Started production at Kandla (SEZ) plant in Gujarat based on steel plate deep drawing process, a new technology
- Upgraded to billet piercing process based manufacturing at Gandhidham facility

Acquired majority stake in Calcutta Compressions & Liquefaction Engineering Private Ltd., a gas distribution company in India

Entered agreement for sale of shares of China subsidiary for 93.5 million RMB, proceeds to be received shortly and utilized for debt reduction

Significantly scaled up supply of medical oxygen cylinders used in the fight against the COVID-19 pandemic
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 and Executive Director 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. Vaijayanti Pandit
Additional 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

Bhagyashree Kanekar
Company Secretary

Strong Board with significant and multi-faceted experience
Corporate Structure

Everest Kanto Cylinder Limited (EKC)

- **EKC International FZE**
  - (Dubai, UAE)
  - wholly-owned by EKC

- **EKC Hungary Kft**
  - (Hungary)
  - wholly-owned by EKC FZE

- **EKC Europe GmbH**
  - (Germany)
  - wholly-owned by EKC FZE

- **EKC Industries (Tianjin) Co. Ltd.**
  - (China)
  - Ownership – EKC: 64%
  - EKC Intl FZE: 36%

- **EKC Industries, Dubai Branch**
  - wholly-owned by EKC

- **EKC Industries (Thailand) Company Ltd.**
  - wholly-owned by EKC

- **Next Gen Cylinder Pvt. Ltd.**
  - (India)
  - wholly-owned by EKC

- **Calcutta Compressions & Liquefaction Engineering Ltd.**
  - (India)
  - wholly-owned by EKC

- **CP Industries Holdings Inc**
  - (USA)
  - wholly-owned by EKC Hungary

Ownership –
- EKC: 64%
- EKC Intl FZE: 36%
Manufacturing Facilities – India

Tarapur, Maharashtra, India

- Manufactures a wide range of high pressure seamless steel cylinders with storage capacity of up to 280 litres and working pressure up to 400 bars
- Area: 31,000 sq. m
- Annual capacity: 120,000 CNG cylinders and 80,000 industrial cylinders

Kandla SEZ, Gujarat, India

- Manufactures small cylinders (1 litre to 21 litres), gas cylinders (up to 3000 litres), jumbo skids and plate-rolled cylinders
- Area: 85,000 sq. m
- Annual capacity: 96,000 CNG cylinders, 420,000 industrial cylinders and 1,000 jumbo cylinders
Manufacturing Facilities – Overseas

Plant I – Dubai
• Located at the renowned Jabel Ali Free Zone (North) in Dubai
• Area: 21,000 sq. m
• Annual capacity: 120,000 cylinders

Plant II – Dubai
• Located at the renowned Jabel Ali Free Zone (South) in Dubai
• Area: 25,000 sq. m
• Annual capacity: 120,000 cylinders

Pittsburgh, PA, USA
• Manufacturers full carbon type 4 composite cylinders
• Area: 198,000 sq. m
• Annual capacity: 4,000 Jumbo & 10,000 Type 4 composite cylinder
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

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

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)

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

Extensive Range of Products

Cylinders For Hydrogen Gases
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

Compressed breathing air cylinders adhering with IS 7285 – rated at working pressure of 200-300 bars

Complete product range from 1L to 9L 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

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

Fire Extinguisher Body

Jumbo Cylinders

Breathing Air Cylinders

Type 4 Composite Cylinders

Complete product range from 1L to 9L cylinders

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

• 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

• Compressed breathing air cylinders adhering with IS 7285 – rated at working pressure of 200-300 bars

Extensive Range of 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

Transport Canada

Korean Gas Safety Corporation

BELAC (Belgium)

Bureau Veritas – Marine & Offshore Division

Certificate of Conformity (UAE)

UAE

Manufacturing License of Special Equipment (China)
Industry Overview
CNG Demand Outlook

Currently India’s CNG ecosystem is confined to just three states:

- City gas distribution set to expand significantly based on 9th and 10th round of bidding conducted by Petroleum and Natural Gas Regulatory Board (PNGRB).

**CNG Stations**

- India: 2,000
- Maharashtra, Gujarat and Delhi: 1,500

**CNG Vehicles (Mn)**

- India: 3.6
- Maharashtra, Gujarat and Delhi: 3.1

**CNG Demand (mmscmd)**

- FY20: 2,000
- FY30E: 11,000
- CAGR: 20%

- FY20: 13
- FY30E: 57
- CAGR: 16%
## CNG Demand Outlook

<table>
<thead>
<tr>
<th>BS-VI transition</th>
<th>Auto manufacturers planning to stop production of diesel vehicles based on rising costs</th>
</tr>
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<tbody>
<tr>
<td>Vehicle Scrappage Policy</td>
<td>Policy to be finalized soon, expected to drive new vehicle sales and CNG adoption</td>
</tr>
<tr>
<td>CNG conversion of diesel buses</td>
<td>Government urging state transportation corporations to convert diesel bus fleets to CNG</td>
</tr>
<tr>
<td>CNG price trends</td>
<td>CNG prices in India, linked to key international benchmarks, currently at decadal lows</td>
</tr>
<tr>
<td>Cost of vehicle ownership</td>
<td>Reducing cost and lower fuel efficiency are advantages that drive CNG vehicle adoption</td>
</tr>
<tr>
<td>Environmental concerns</td>
<td>India has 21 of the world's 30 cities with the worst air pollution</td>
</tr>
</tbody>
</table>

(Source: IQAir AirVisual's 2019 World Air Quality Report)
Industrial Demand Outlook

Demand is driven by expansion in industrial production – Gross Fixed Capital Formation (GFCF) expected to rebound after the recent weakness

### Gross Fixed Capital Formation

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<tbody>
<tr>
<td>Value</td>
<td>33.2</td>
<td>35.2</td>
<td>37.5</td>
<td>39.6</td>
<td>43.4</td>
<td>49.0</td>
<td>55.7</td>
</tr>
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CAGR: 6%

### GVA from Industrial Sector (Current Prices)

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</tr>
</thead>
<tbody>
<tr>
<td>Value</td>
<td>20.7</td>
<td>22.7</td>
<td>24.7</td>
<td>27.8</td>
<td>30.1</td>
<td>33.2</td>
<td>37.1</td>
</tr>
</tbody>
</table>

CAGR: 10%

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

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.
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.

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.
Key Attributes
<table>
<thead>
<tr>
<th>Strengths</th>
<th>Details</th>
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<tbody>
<tr>
<td>Sustained Leadership in the Indian Market</td>
<td>Experienced management team with deep knowledge and understanding of business intricacies.</td>
</tr>
<tr>
<td>Established Production Infrastructure</td>
<td>Exports to over 25 countries globally including South East Asia, Middle East, USA, Europe, South America and CIS countries.</td>
</tr>
<tr>
<td>Experienced Management</td>
<td>High Quality Products</td>
</tr>
<tr>
<td>Global Presence</td>
<td>Global scale capacities aggregating to more than 2 million cylinders annually from 1 litre to 3,000 litres capacity.</td>
</tr>
<tr>
<td>Large Capacity and Wide Product Range</td>
<td>Wide and versatile range – Industrial Gas Cylinders, CNG Cylinders, CNG Cylinder Cascades, Jumbo Cylinders, Jumbo Skids, Composite Cylinders</td>
</tr>
<tr>
<td>Wide Range of Established Relationships</td>
<td>Unique ability and flexibility to meet customer specifications while meeting international standards.</td>
</tr>
<tr>
<td></td>
<td>Deep trust established across suppliers, gas distributors, OEM’s and regulatory authorities.</td>
</tr>
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Growth Drivers

Robust Demand
Favorable outlook on demand growth driven by expanding infrastructure, environmental concerns and economic benefits

Government Policy Support
Auctions initiated by PNGRB to expand CNG network pan-India, several other supportive initiatives create strong growth visibility

High Barriers to Entry
Regulations prescribed by the Petroleum and Explosive Safety Organization require strict adherence to product quality standards, limiting competitive intensity in high pressure gas cylinders

Favorable Operating Environment
Continued regulatory push, driving commercial vehicle segment demand and favorable economics of using CNG vis-a-vis alternate fuels

Environmental Concerns
CNG has a higher-octane rating over gasoline, CNG engines run more quietly and produce minimum exhaust emissions

Diversified Customer Mix
Customer base consists of domestic and international automobile OEMs, retro fitment players, industrial solution providers – creating multi-sector exposure and varied demand drivers
International Operations

Dubai

- 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

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

- Continuous growth delivered by developing the European market for visibility of products manufactured in India, UAE and USA
- Played crucial role in composite cylinder product development for the US plant by providing in-house expertise
- Key markets accessed are Italy, Germany, France and Hungary
Historical Financials/
Corporate Summary
**Key Performance Highlights – FY20**

- **Revenues**: 8.3% growth, Rs. 760.5 Cr
- **EBITDA**: 4.6%, Rs. 96.0 Cr
- **PBT***: (24.6%), Rs. 23.5 Cr
- **PAT****: (90.8%), Rs. 6.7 Cr

---

*PBT before exceptional items and tax from continuing operations
** PAT during FY19 included deferred tax credit of Rs. 57.1 crore recognized on brought forward losses, unabsorbed depreciation, MAT credit and other temporary differences*
Revenue expansion achieved in the backdrop of slow industrial activity and weakness in auto sector demand

Profit margin has remained in the range despite increase in raw material prices and slower contribution from overseas operations even as cost controls were maintained

PBT decline attributed to accelerated depreciation on some fixed assets

*PBT before exceptional items, provision for doubtful debts and tax from continuing operations*
Revenue Growth

**Revenue* (Rs. Cr)**

<table>
<thead>
<tr>
<th>FY15</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>180.0</td>
<td>169.2</td>
<td>273.1</td>
<td>333.4</td>
<td>462.0</td>
<td>501.6</td>
</tr>
<tr>
<td>94.1</td>
<td>131.4</td>
<td>113.1</td>
<td>60.2</td>
<td>149.1</td>
<td>136</td>
</tr>
<tr>
<td>167.7</td>
<td>187.7</td>
<td>180.5</td>
<td>132.0</td>
<td>117.9</td>
<td>127.3</td>
</tr>
</tbody>
</table>

- **India**
  - Strong, secular growth in India driven by expanding demand for CNG in the states of Maharashtra, Gujarat and Delhi as well as increasing industrial usage
  - **UAE** operations have re-focused on developing new markets in Europe/CIS, Middle East, Africa and Latin America
  - USA business has faced transitional demand weakness in some of its traditional demand areas in naval and aerospace segments, expected to lead to vendor consolidation based on quality parameters

*Net of inter-segment revenues and excise duties*
• Gross contribution has been expanding in Indian operations based on stronger growth in higher margin products
• Contribution margins in overseas operations have remained largely stable as businesses have been positioning for further scale-up

• Operating expenditure has remained stable as growth initiatives have been driven on the back of a stable asset base
• Operating margins in India have steadily expanded with scale; however, current year has been impacted by weak demand in core usage markets
• COGS and direct costs expected to grow in line with revenues, tight control on indirect costs to be maintained - therefore, margins may increase over a period

• Profit After Tax has seen an improving trend, but FY20 has been subdued due to the impact of depreciation and tax provisions – however, strong cash flow generation is indicative of value being created in the business
### Consolidated Balance Sheet

#### Assets (Rs. Cr)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Assets</td>
<td>437.3</td>
<td>348.9</td>
<td>347.6</td>
<td>364.9</td>
</tr>
<tr>
<td>Other Non-Current Assets</td>
<td>9.8</td>
<td>17.5</td>
<td>8.5</td>
<td>22.5</td>
</tr>
<tr>
<td>Deferred Tax Assets (net)</td>
<td>0.6</td>
<td>0.4</td>
<td>57.1</td>
<td>52.9</td>
</tr>
<tr>
<td>Current Tax Assets (net)</td>
<td>10.2</td>
<td>6.3</td>
<td>0.2</td>
<td>4.7</td>
</tr>
<tr>
<td>Net Current Assets</td>
<td>369.4</td>
<td>321.8</td>
<td>296.5</td>
<td>287.8</td>
</tr>
<tr>
<td>Assets held for Sale (net)</td>
<td>31.7</td>
<td>122.1</td>
<td>95.4</td>
<td>80.6</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>858.9</strong></td>
<td><strong>817.0</strong></td>
<td><strong>805.4</strong></td>
<td><strong>813.4</strong></td>
</tr>
</tbody>
</table>

#### Liabilities (Rs. Cr)

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shareholder Equity</td>
<td>421.9</td>
<td>444.1</td>
<td>517.8</td>
<td>537.7</td>
</tr>
<tr>
<td>Long Term Debt</td>
<td>199.7</td>
<td>184.5</td>
<td>88.6</td>
<td>52.6</td>
</tr>
<tr>
<td>Non-Current Provisions</td>
<td>17.4</td>
<td>17.5</td>
<td>17.8</td>
<td>40.6</td>
</tr>
<tr>
<td>Short-term Debt</td>
<td>220.0</td>
<td>170.8</td>
<td>181.2</td>
<td>182.5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>858.9</strong></td>
<td><strong>817.0</strong></td>
<td><strong>805.4</strong></td>
<td><strong>813.4</strong></td>
</tr>
</tbody>
</table>

- Manufacturing assets have remained stable - growth has been driven by increasing capacity utilization
- Debt reduction enabled by consistent internal accruals
- Proceeds from asset monetization initiatives has further contributed to debt rationalization, creating the platform for pursuing growth opportunities

* Long Term Debt: includes Current Maturities of Long Term Debt
Ratios

**Net Debt/Equity**
- FY17: 1.5
- FY18: 0.8
- FY19: 0.6
- FY20: 0.4

**Net Debt/EBITDA**
- FY17: 7.5
- FY18: 4.5
- FY19: 3.3
- FY20: 2.1

**Interest Coverage**
- FY17: 0.8
- FY18: 1.3
- FY19: 1.7
- FY20: 1.5

**Assets Turnover**
- FY17: 1.7
- FY18: 1.6
- FY19: 1.2
- FY20: 1.1

**Working Capital Days**
- FY17: 193
- FY18: 284
- FY19: 178
- FY20: 138
Corporate Summary

**Strong Macro Framework**
- Auto manufacturers expanding CNG production based on superior buyer economics
- PNGRB auctions mandate time-bound nationwide expansion of CNG ecosystem
- Medical oxygen demand expected to drive secular growth as India invests in healthcare
- Industrial demand to be driven by expansion of manufacturing in the country

**Established player with leadership status**
- Four decades of presence, #1 manufacturer with a large number of established relationships
- Multi-location production facilities in India, UAE and USA catering to wide ranging demand
- Well-positioned to leverage existing platform to drive growth and expand market share

**Improving Financial Position**
- Indian operations have grown at 30% over FY16-20 with expanding margins
- International business is well-established in local markets and exploring new opportunities
- Debt leverage has reduced steadily based on increasing operating cash flows
- Additional capacities can be operationalized by committing marginal capital expenditure
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 30 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 over 900,000 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](http://www.everestkanto.com)

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Thank You